

of the paternalistic lease approval system that requires the Secretary of the Interior to approve all tribal leases. This delays action and creates investment uncertainty.

In an attempt to resolve this out-of-date process, the Indian Affairs Committee and the Senate Energy Committee have taken key elements of both Senator CAMPBELL's legislation S. 522 and Senator BINGAMAN proposal, S. 424.

The title adopts Senator BINGAMAN's proposal to create the Office of Indian Energy Policy and Programs within the Department of Energy. This office will provide grants and loan guarantees to tribes to facilitate the development of their energy resources and infrastructure.

Section 303, of this title will change the existing lease agreements between the Secretary of the Interior and tribes to allow tribes to enter into a lease or agreement without the approval of the Secretary so long as those leases or business agreements conform to regulations promulgated by the Secretary.

The section establishes a process by which a tribe may submit a plan governing leases and rights-of-way to the Secretary for approval. It also requires the tribe to demonstrate to the Secretary that the plan includes provisions regarding lease and contract terms, environmental regulation, and public notification and comment.

I think that is very important to note that this entire proposal is voluntary. Let me repeat that. This proposal is completely voluntary. Tribes will not be forced to adopt this proposal if they feel it would not benefit the tribe as a whole.

We have numerous letters from tribes who support the proposal and I am confident they will benefit. However, any tribe that opposes this proposal probably will not participate and can continue to operate under the status quo.

This amendment also protects the environment. I think the statement of President Joe Shirley of the Navajo Nation before the Senate Indian Affairs Committee accurately captures the environmental responsibilities all tribes must comply with. President Shirley stated,

Tribes may already promulgate regulations that are more, but not less, stringent than Federal regulations governing the same subject matters (environment). The following is a list of some of the federal statutes that already control regulations for land use, both State and tribal: National Environmental Policy Act, Clean Air Act, Clean Water Act, Endangered Species Act, Federal Land Management and Policy Act, National Historic Preservation Act, Native American Graves Protection and Repatriation Act, Surface Mining Control and Reclamation Act and the Indian Mineral Leasing Act.

Clearly, the tribes must fully comply with our environmental statutes.

Following markup of S. 14, the Indian Affairs and Energy Committees have

worked to address concerns regarding the trust responsibilities between tribes and the Secretary of the Interior. These agreed-upon changes make up the amendment Senator CAMPBELL has offered.

This amendment deserves the strong support of the Senate.

I ask unanimous consent for 1 additional minute for Senator CAMPBELL to speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Colorado.

Mr. CAMPBELL. Mr. President, I thank the Senator from New Mexico, who is a stalwart supporter of this movement.

There is no question, if we do not take this back up between now and July, if there is a second degree offered at that time, we will be giving the opponents of this bill—instead of giving Indians an opportunity to get up off their knees and get some jobs—an opportunity to gin up some opposition. I think that is what the delay is for. I appreciate the support of the Senator from New Mexico.

AVIATION INVESTMENT AND REVITALIZATION VISION ACT

The PRESIDING OFFICER. Under the previous order, the time of 12:15 having arrived, the Senate will proceed to consideration of S. 824, which the clerk will report by title.

The bill clerk read as follows:

A bill (S. 824) to reauthorize the Federal Aviation Administration, and for other purposes.

The Senate proceeded to consider the bill (S. 824) to reauthorize the Federal Aviation Administration, and for other purposes, which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

[Strike the part shown in black brackets and insert the part shown in italic.]

S. 824

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF TITLE 49.

[(a) SHORT TITLE.—This Act may be cited as the "Aviation Investment and Revitalization Vision Act".

[(b) AMENDMENT OF TITLE 49.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

SECTION 2. TABLE OF CONTENTS.

[The table of contents for this Act is as follows:

[Sec. 1. Short title; amendment of title 49.

[Sec. 2. Table of contents.

TITLE I—REAUTHORIZATIONS; FAA MANAGEMENT

[Sec. 101. Airport improvement program.

[Sec. 102. Airway facilities improvement program.

[Sec. 103. FAA operations.

[Sec. 104. Research, engineering, and development.

[Sec. 105. Other programs.

[Sec. 106. Reorganization of the Air Traffic Services Subcommittee.

[Sec. 107. Clarification of responsibilities of chief operating officer.

TITLE II—AIRPORT DEVELOPMENT

[Sec. 201. National capacity projects.

[Sec. 202. Categorical exclusions.

[Sec. 203. Alternatives analysis.

[Sec. 204. Increase in apportionment for, and flexibility of, noise compatibility planning programs.

[Sec. 205. Secretary of Transportation to identify airport congestion-relief projects and forecast airport operations annually.

[Sec. 206. Design-build contracting.

[Sec. 207. Special rule for airport in Illinois.

[Sec. 208. Elimination of duplicative requirements.

[Sec. 209. Streamlining the passenger facility fee program.

[Sec. 210. Quarterly status reports.

[Sec. 211. Noise disclosure requirements.

[Sec. 212. Prohibition on requiring airports to provide rent-free space for FAA or TSA.

[Sec. 213. Special rules for fiscal year 2004.

TITLE III—AIRLINE SERVICE DEVELOPMENT

[Sec. 301. Delay reduction meetings.

[Sec. 302. Reauthorization of essential air service program.

[Sec. 303. Small community air service development pilot program.

[Sec. 304. DOT study of competition and access problems at large and medium hub airports.

[Sec. 305. Competition disclosure requirement for large and medium hub airports.

Title IV—Aviation Security

[Sec. 401. Study of effectiveness of transportation security system.

[Sec. 402. Aviation security capital fund.

[Sec. 403. Technical amendments related to security-related airport development.

Title V—Miscellaneous

[Sec. 501. Extension of war risk insurance authority.

[Sec. 502. Cost-sharing of air traffic modernization projects.

[Sec. 503. Counterfeit or fraudulently represented parts violations.

[Sec. 504. Clarifications to procurement authority.

TITLE I—REAUTHORIZATIONS; FAA MANAGEMENT

SEC. 101. AIRPORT IMPROVEMENT PROGRAM.

[(a) AUTHORIZATION OF APPROPRIATIONS.—Section 48103 is amended—

[(1) by inserting "(a) IN GENERAL.—" before "The";

[(2) by striking "and" in paragraph (4);

[(3) by striking "2003." in paragraph (5) and inserting "2003";

[(4) by inserting after paragraph (5) the following:

["(6) \$3,400,000,000 for fiscal year 2004;
 ["(7) \$3,500,000,000 for fiscal year 2005; and
 ["(8) \$3,600,000,000 for fiscal year 2006."; and
 [(5) by adding at the end the following:
 ["(b) ADMINISTRATIVE EXPENSES.—From the amounts authorized by paragraphs (6) through (8) of subsection (a), there shall be available for administrative expenses relating to the airport improvement program, passenger facility fee approval and oversight, national airport system planning, airport standards development and enforcement, airport certification, airport-related environmental activities (including legal service), to remain available until expended—

["(1) for fiscal year 2004, \$69,737,000;
 ["(2) for fiscal year 2005, \$71,816,000; and
 ["(3) for fiscal year 2006, \$74,048,000.".

[(b) OBLIGATIONAL AUTHORITY.—Section 47104(c) is amended by striking "2003," and inserting "2006,".

[SEC. 102. AIRWAY FACILITIES IMPROVEMENT PROGRAM.

[Section 48101(a) is amended by adding at the end the following:

["(6) \$2,916,000,000 for fiscal year 2004.
 ["(7) \$2,971,000,000 for fiscal year 2005.
 ["(8) \$3,030,000,000 for fiscal year 2006.".

[SEC. 103. FAA OPERATIONS.

[Section 106(k)(1) is amended—
 [(1) by striking "and" in subparagraph (C);
 [(2) by striking "2003." in subparagraph (D) and inserting "2003."; and

[(3) by adding at the end the following:

["(E) \$7,591,000,000 for fiscal year 2004;
 ["(F) \$7,732,000,000 for fiscal year 2005; and
 ["(G) \$7,889,000,000 for fiscal year 2006.".

[SEC. 104. RESEARCH, ENGINEERING AND DEVELOPMENT.

[Section 48102 is amended—
 [(1) by striking paragraphs (1) through (8) of subsection (a) and inserting:

["(1) For fiscal year 2004, \$289,000,000.
 ["(2) For fiscal year 2005, \$204,000,000.
 ["(3) For fiscal year 2006, \$317,000,000."; and
 [(2) by redesignating subsection (h) as subsection (g).

[SEC. 105. OTHER PROGRAMS.

[Section 106 of the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century is amended—

[(1) by striking "2003" in subsection (a)(1)(A) and subsection (c)(2) and inserting "2006"; and

[(2) by striking "2003," in subsection (a)(2) and inserting "2006,".

[SEC. 106. REORGANIZATION OF THE AIR TRAFFIC SERVICES SUBCOMMITTEE.

[(a) IN GENERAL.—Section 106 is amended—
 [(1) by redesignating subsections (q) and (r) as subsections (r) and (s), respectively; and
 [(2) by inserting after subsection (p) the following:

["(q) AIR TRAFFIC MANAGEMENT COMMITTEE.—

["(1) ESTABLISHMENT.—The Secretary of Transportation shall establish an advisory committee which shall be known as the Air Traffic Services Committee (in this subsection referred to as the 'Committee').

["(2) MEMBERSHIP.—

["(A) COMPOSITION AND APPOINTMENT.—The Committee shall be composed of—

["(i) the Administrator of the Federal Aviation Administration, who shall serve as chair; and

["(ii) 4 members, to be appointed by the Secretary, after consultation with the Committee on Transportation and Infrastructure of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate.

["(B) NO FEDERAL OFFICER OR EMPLOYEE.—No member appointed under subparagraph (A)(ii) may serve as an officer or employee of the United States Government while serving as a member of the Committee.

["(C) ELIGIBILITY.—Members appointed under subparagraph (A)(ii) shall—

["(i) have a fiduciary responsibility to represent the public interest;

["(ii) be citizens of the United States; and

["(iii) be appointed without regard to political affiliation and solely on the basis of their professional experience and expertise in one or more of the following areas:

["(I) Management of large service organizations.

["(II) Customer service.

["(III) Management of large procurements.

["(IV) Information and communications technology.

["(V) Organizational development.

["(VI) Labor relations.

At least one of such members should have a background in managing large organizations successfully. In the aggregate, such members should collectively bring to bear expertise in all of the areas described in subclauses (I) through (VI).

["(D) PROHIBITIONS ON MEMBERS OF COMMITTEE.—No member appointed under subparagraph (A)(ii) may—

["(i) have a pecuniary interest in, or own stock in or bonds of, an aviation or aeronautical enterprise, except an interest in a diversified mutual fund or an interest that is exempt from the application of section 208 of title 18;

["(ii) engage in another business related to aviation or aeronautics; or

["(iii) be a member of any organization that engages, as a substantial part of its activities, in activities to influence aviation-related legislation.

["(E) CLAIMS AGAINST MEMBERS.—

["(i) IN GENERAL.—A member appointed under subparagraph (A)(ii) shall have no personal liability under Federal law with respect to any claim arising out of or resulting from an act or omission by such member within the scope of service as a member of the Air Traffic Services Committee.

["(ii) EFFECT ON OTHER LAW.—This subparagraph shall not be construed—

["(I) to affect any other immunity or protection that may be available to a member of the Committee under applicable law with respect to such transactions;

["(II) to affect any other right or remedy against the United States under applicable law; or

["(III) to limit or alter in any way the immunities that are available under applicable law for Federal officers and employees.

["(F) ETHICAL CONSIDERATIONS.—

["(i) FINANCIAL DISCLOSURE.—During the entire period that an individual appointed under subparagraph (A)(ii) is a member of the Committee, such individual shall be treated as serving as an officer or employee referred to in section 101(f) of the Ethics in Government Act of 1978 for purposes of title I of such Act; except that section 101(d) of such Act shall apply without regard to the number of days of service in the position.

["(ii) RESTRICTIONS ON POST-EMPLOYMENT.—For purposes of section 207(c) of title 18, an individual appointed under subparagraph (A)(ii) shall be treated as an employee referred to in section 207(c)(2)(A)(i) of such title during the entire period the individual is a member of the Committee; except that subsections (c)(2)(B) and (f) of section 207 of such title shall not apply.

["(G) TERMS FOR AIR TRAFFIC SERVICES COMMITTEE MEMBERS.—A member appointed under subparagraph (A)(ii) shall be appointed for a term of 5 years.

["(H) REAPPOINTMENT.—An individual may not be appointed under subparagraph (A)(ii) to more than two 5-year terms.

["(I) VACANCY.—Any vacancy on the Committee shall be filled in the same manner as

the original appointment. Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed for the remainder of that term.

["(J) CONTINUATION IN OFFICE.—A member whose term expires shall continue to serve until the date on which the member's successor takes office.

["(K) REMOVAL.—Any member appointed under subparagraph (A)(ii) may be removed for cause by the Secretary.

["(3) GENERAL RESPONSIBILITIES.—

["(A) OVERSIGHT.—The Committee shall oversee the administration, management, conduct, direction, and supervision of the air traffic control system.

["(B) CONFIDENTIALITY.—The Committee shall ensure that appropriate confidentiality is maintained in the exercise of its duties.

["(4) SPECIFIC RESPONSIBILITIES.—The Committee shall have the following specific responsibilities:

["(A) STRATEGIC PLANS.—To review, approve, and monitor the strategic plan for the air traffic control system, including the establishment of—

["(i) a mission and objectives;
 ["(ii) standards of performance related to such mission and objectives, including safety, efficiency, and productivity; and

["(iii) annual and long-range strategic plans.

["(B) MODERNIZATION AND IMPROVEMENT.—To review and approve—

["(i) methods to accelerate air traffic control modernization and improvements in aviation safety related to air traffic control; and

["(ii) procurements of air traffic control equipment in excess of \$100,000,000.

["(C) OPERATIONAL PLANS.—To review the operational functions of the air traffic control system, including—

["(i) plans for modernization of the air traffic control system;

["(ii) plans for increasing productivity or implementing cost-saving measures; and

["(iii) plans for training and education.

["(D) MANAGEMENT.—To—

["(i) review and approve the Administrator's appointment of a Chief Operating Officer under section 106(s);

["(ii) review the Administrator's selection, evaluation, and compensation of senior executives of the Administration who have program management responsibility over significant functions of the air traffic control system;

["(iii) review and approve the Administrator's plans for any major reorganization of the Administration that would impact on the management of the air traffic control system;

["(iv) review and approve the Administrator's cost accounting and financial management structure and technologies to help ensure efficient and cost-effective air traffic control operation; and

["(v) review the performance and compensation of managers responsible for major acquisition projects, including the ability of the managers to meet schedule and budget targets.

["(E) BUDGET.—To—

["(i) review and approve the budget request of the Administration related to the air traffic control system prepared by the Administrator;

["(ii) submit such budget request to the Secretary; and

["(iii) ensure that the budget request supports the annual and long-range strategic plans.

["(5) CONGRESSIONAL REVIEW OF PRE-OMB BUDGET REQUEST.—The Secretary shall submit the budget request referred to in paragraph (4)(E)(ii) for any fiscal year to the

President who shall transmit such request, without revision, to the Committees on Transportation and Infrastructure and Appropriations of the House of Representatives and the Committees on Commerce, Science, and Transportation and Appropriations of the Senate, together with the President's annual budget request for the Federal Aviation Administration for such fiscal year.

“(6) COMMITTEE PERSONNEL MATTERS.—

“(A) COMPENSATION OF MEMBERS.—Each member of the Committee, other than the chair and vice chair, shall be compensated at a rate of \$25,000 per year.

“(B) STAFF.—The chairperson of the Committee may appoint and terminate any personnel that may be necessary to enable the Committee to perform its duties.

“(C) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The chairperson of the Committee may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

“(7) ADMINISTRATIVE MATTERS.—

“(A) POWERS OF CHAIR.—Except as otherwise provided by a majority vote of the Committee, the powers of the chairperson shall include—

“(i) establishing subcommittees;

“(ii) setting meeting places and times;

“(iii) establishing meeting agendas; and

“(iv) developing rules for the conduct of business.

“(B) MEETINGS.—The Committee shall meet at least quarterly and at such other times as the chairperson determines appropriate.

“(C) QUORUM.—Three members of the Committee shall constitute a quorum. A majority of members present and voting shall be required for the Committee to take action.

“(D) APPLICATION OF SUBSECTION (p) PROVISIONS.—The following provisions of subsection (p) apply to the Committee to the same extent as they apply to the Management Advisory Council:

“(i) Paragraph (4)(C) (relating to access to documents and staff).

“(ii) Paragraph (5) (relating to non-application of Federal Advisory Committee Act).

“(iii) Paragraph (6)(G) (relating to travel and per diem).

“(iv) Paragraph (6)(H) (relating to detail of personnel).

“(8) REPORTS.—

“(A) ANNUAL.—The Committee shall each year report with respect to the conduct of its responsibilities under this title to the Administrator, the Management Advisory Council, the Committee on Transportation and Infrastructure of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate.

“(B) COMPTROLLER GENERAL'S REPORT.—Not later than April 30, 2003, the Comptroller General of the United States shall transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report on the success of the Committee in improving the performance of the air traffic control system.”

“(b) CONFORMING AMENDMENTS.—

“(1) Subsection (p) of section 106 is amended—

“(A) by striking “18” in paragraph (2) and inserting “13”;

“(B) by inserting “and” after the semicolon in subparagraph (C) of paragraph (2);

“(C) by striking “Transportation; and” in subparagraph (D) of paragraph (2) and inserting “Transportation.”;

“(D) by striking subparagraph (E) of paragraph (2);

“(E) by striking paragraph (3) and inserting the following:

“(3) NO FEDERAL OFFICER OR EMPLOYEE.—No member appointed under paragraph (2)(C) may serve as an officer or employee of the United States Government while serving as a member of the Council.”;

“(F) by striking subparagraphs (C), (D), (H), and (I) of paragraph (6) and redesignating subparagraphs (E), (F), (G), (J), (K), and (L) as subparagraphs (C), (D), (E), (F), (G), and (H), respectively; and

“(G) by striking paragraphs (7) and (8).

“(2) Section 106(s) (as redesignated by subsection (a) of this section) is amended—

“(A) by striking “Air Traffic Services Subcommittee of the Aviation Management Advisory Council.” and inserting “Air Traffic Services Committee.” in paragraphs (1)(A) and (2)(A); and

“(B) by striking “Air Traffic Services Subcommittee of the Aviation Management Advisory Council,” and inserting “Air Traffic Services Committee,” in paragraph (3).

“(3) Section 106 is amended by adding at the end the following:

“(t) AIR TRAFFIC CONTROL SYSTEM DEFINED.—In this section, the term ‘air traffic control system’ has the meaning such term has under section 40102(a).”

“(c) TRANSITION FROM AIR TRAFFIC SERVICE SUBCOMMITTEE TO AIR TRAFFIC SERVICE COMMITTEE.—

“(1) TERMINATION OF MANAGEMENT ADVISORY COUNCIL MEMBERSHIP.—Effective on the day after the date of enactment of this Act, any member of the Management Advisory Council appointed under section 106(p)(2)(E) of title 49, United States Code, (as such section was in effect on the day before such date of enactment) who is a member of the Council on such date of enactment shall cease to be a member of the Council.

“(2) COMMENCEMENT OF MEMBERSHIP ON AIR TRAFFIC SERVICES COMMITTEE.—Effective on the day after the date of enactment of this Act, any member of the Management Advisory Council whose membership is terminated by paragraph (1) shall become a member of the Air Traffic Services Committee as provided by section 106(q)(2)(G) of title 49, United States Code, to serve for the remainder of the term to which that member was appointed to the Council.

SEC. 107. CLARIFICATION OF RESPONSIBILITIES OF CHIEF OPERATING OFFICER.

“(Section 106(s) (as redesignated by section 106(a)(1) of this Act) is amended—

“(1) by striking “Transportation and Congress” in paragraph (4) and inserting “Transportation, the Committee on Transportation and Infrastructure of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate.”;

“(2) by striking “develop a strategic plan of the Administration for the air traffic control system, including the establishment of—”

in paragraph (5)(A) and inserting “implement the strategic plan of the Administration for the air traffic control system in order to further—”;

“(3) by striking “To review the operational functions of the Administration,” in paragraph (5)(B) and inserting “To oversee the day-to-day operational functions of the Administration for air traffic control.”;

“(4) by striking “system prepared by the Administrator;” in paragraph (5)(C)(i) and inserting “system.”;

“(5) by striking “Administrator and the Secretary of Transportation;” in paragraph (5)(C)(ii) and inserting “Administrator.”;

“(6) by striking paragraph (5)(C)(iii) and inserting the following:

“(iii) ensure that the budget request supports the agency's annual and long-range

strategic plans for air traffic control services.”

TITLE II—AIRPORT DEVELOPMENT

SEC. 201. NATIONAL CAPACITY PROJECTS.

“(a) IN GENERAL.—Part B of subtitle VII is amended by adding at the end the following:

CHAPTER 477. NATIONAL CAPACITY PROJECTS

“47701. Capacity enhancement

“47702. Designation of national capacity projects

“47703. Expedited coordinated environmental review process; project coordinators and environment impact teams.

“47704. Compatible land use initiative for national capacity projects

“47705. Air traffic procedures at national capacity projects

“47706. Pilot program for environmental review at national capacity projects

“47707. Definitions

§ 47701. Capacity enhancement

“(a) IN GENERAL.—Within 30 days after the date of enactment of the Aviation Investment and Revitalization Vision Act, the Secretary of Transportation shall identify those airports among the 31 airports covered by the Federal Aviation Administration's Airport Capacity Benchmark Report 2001 with delays that significantly affect the national air transportation system.

“(b) TASK FORCE; CAPACITY ENHANCEMENT STUDY.—

“(1) IN GENERAL.—The Secretary shall direct any airport identified by the Secretary under subsection (a) that is not engaged in a runway expansion process and has not initiated a capacity enhancement study (or similar capacity assessment) since 1996—

“(A) to establish a delay reduction task force to study means of increasing capacity at the airport, including air traffic, airline scheduling, and airfield expansion alternatives; or

“(B) to conduct a capacity enhancement study.

“(2) SCOPE.—The scope of the study shall be determined by the airport and the Federal Aviation Administration, and where appropriate shall consider regional capacity solutions.

“(3) RECOMMENDATIONS SUBMITTED TO SECRETARY.—

“(A) TASK FORCE.—A task force established under this subsection shall submit a report containing its findings and conclusions, together with any recommendations for capacity enhancement at the airport, to the Secretary within 9 months after the task force is established.

“(B) CES.—A capacity enhancement study conducted under this subsection shall be submitted, together with its findings and conclusions, to the Secretary as soon as the study is completed.

“(c) RUNWAY EXPANSION AND RECONFIGURATION.—If the report or study submitted under subsection (b)(3) includes a recommendation for the construction or reconfiguration of runways at the airport, then the Secretary and the airport shall complete the planning and environmental review process within 5 years after report or study is submitted to the Secretary. The Secretary may extend the 5-year deadline under this subsection for up to 1 year if the Secretary determines that such an extension is necessary and in the public interest. The Secretary shall notify the Senate Committee on Commerce, Science, and Transportation, and to the House of Representatives Committee on Transportation and Infrastructure of any such extension.

“(d) AIRPORTS THAT DECLINE TO UNDERTAKE EXPANSION PROJECTS.—

“(1) IN GENERAL.—If an airport at which the construction or reconfiguration of runways is recommended does not take action to initiate a planning and environmental assessment process for the construction or reconfiguration of those runways within 30 days after the date on which the report or study is submitted to the Secretary, then—

“(A) the airport shall be ineligible for planning and other expansion funds under subchapter I of chapter 471, notwithstanding any provision of that subchapter to the contrary;

“(B) no passenger facility fee may be approved at that airport during the 5-year period beginning 30 days after the date on which the report or study is submitted to the Secretary, for—

“(i) projects that, but for subparagraph (A), could have been funded under chapter 471; or

“(ii) any project other than on-airport airfield-side capacity or safety-related projects.

“(2) SAFETY-RELATED AND ENVIRONMENTAL PROJECTS EXCEPTED.—Paragraph (1) does not apply to the use of funds for safety-related, security, or environment projects.

“(e) AIRPORTS THAT TAKE ACTION.—The Secretary shall take all actions possible to expedite funding and provide options for funding to any airport undertaking runway construction or reconfiguration projects in response to recommendations by its task force.

“§ 47702. Designation of national capacity projects

“(a) IN GENERAL.—In response to a petition from an airport sponsor, or in the case of an airport on the list of airports covered by the Federal Aviation Administration's Airport Capacity Benchmarks study, the Secretary of Transportation may designate an airport development project as a national capacity project if the Secretary determines that the project to be designated will significantly enhance the capacity of the national air transportation system.

“(b) DESIGNATION TO REMAIN IN EFFECT FOR 5 YEARS.—The designation of a project as a national capacity project under paragraph (1) shall remain in effect for 5 years. The Secretary may extend the 5-year period for up to 2 additional years upon request if the Secretary finds that substantial progress is being made toward completion of the project.

“§ 47703. Expedited coordinated environmental review process; project coordinators and environment impact teams.

“(a) IN GENERAL.—The Secretary of Transportation shall implement an expedited coordinated environmental review process for national capacity projects that—

“(1) provides for better coordination among the Federal, regional, State, and local agencies concerned with the preparation of environmental impact statements or environmental assessments under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

“(2) provides for an expedited and coordinated process in the conduct of environmental reviews that ensures that, where appropriate, the reviews are done concurrently and not consecutively; and

“(3) provides for a date certain for completing all environmental reviews.

“(b) HIGH PRIORITY FOR AIRPORT ENVIRONMENTAL REVIEWS.—Each department and agency of the United States Government with jurisdiction over environmental reviews shall accord any such review involving a national capacity project the highest possible priority and conduct the review expeditiously. If the Secretary finds that any such department or agency is not complying with

the requirements of this subsection, the Secretary shall notify the Senate Committee on Commerce, Science, and Transportation, and to the House of Representatives Committee on Transportation and Infrastructure immediately.

“(c) PROJECT COORDINATORS; EIS TEAMS.—“(1) DESIGNATION.—For each project designated by the Secretary as a national capacity project under subsection (a) for which an environmental impact statement or environmental assessment must be filed, the Secretary shall—

“(A) designate a project coordinator within the Department of Transportation; and

“(B) establish an environmental impact team within the Department.

“(2) FUNCTION.—The project coordinator and the environmental impact team shall—

“(A) coordinate the activities of all Federal, State, and local agencies involved in the project;

“(B) to the extent possible, working with Federal, State and local officials, reduce and eliminate duplicative and overlapping Federal, State, and local permit requirements;

“(C) to the extent possible, eliminate duplicate Federal, State, and local environmental review procedures; and

“(D) provide direction for compliance with all applicable Federal, State, and local environmental requirements for the project.

“§ 47704. Compatible land use initiative for national capacity projects

“(a) IN GENERAL.—The Secretary of Transportation may make grants under chapter 471 to States and units of local government for land use compatibility plans directly related to national capacity projects for the purposes of making the use of land areas around the airport compatible with aircraft operations if the land use plan or project meets the requirements of this section.

“(b) CONDITIONS.—A land use plan or project meets the requirements of this section if it—

“(1) is sponsored by the public agency that has the authority to plan and adopt land use control measures, including zoning, in the planning area in and around the airport and that agency provides written assurances to the Secretary that it will work with the affected airport to identify and adopt such measures; eddie

“(2) does not duplicate, and is not inconsistent with, an airport noise compatibility program prepared by an airport owner or operator under chapter 475 or with other planning carried out by the airport.

“(3) is subject to an agreement between the public agency sponsor and the airport owner or operator that the development of the land use compatibility plan will be done cooperatively;

“(4) is consistent with the airport operation and planning, including the use of any noise exposure contours on which the land use compatibility planning or project is based; and

“(5) has been approved jointly by the airport owner or operator and the public agency sponsor.

“(c) ASSURANCES FROM SPONSORS.—The Secretary may require the airport sponsor, public agency, or other entity to which a grant may be awarded under this section to provide such additional assurances, progress reports, and other information as the Secretary determines to be necessary to carry out this section.

“§ 47705. Air traffic procedures at national capacity projects

“(a) IN GENERAL.—The Secretary of Transportation may consider prescribing flight procedures to avoid or minimize potentially significant adverse noise impacts of

the project during the environmental planning process for a national capacity project that involves the construction of new runways or the reconfiguration of existing runways. If the Secretary determines that noise mitigation flight procedures are consistent with safe and efficient use of the navigable airspace, then, at the request of the airport sponsor, the Administrator may, in a manner consistent with applicable Federal law, commit to prescribing such procedures in any record of decision approving the project.

“(b) MODIFICATION.—Notwithstanding any commitment by the Secretary under subsection (a), the Secretary may initiate changes to such procedures if necessary to maintain safety and efficiency in light of new information or changed circumstances.

“§ 47706. Pilot program for environmental review at national capacity projects

“(a) IN GENERAL.—The Secretary of Transportation shall initiate a 5-year pilot program funded by airport sponsors—

“(1) to hire additional fulltime-equivalent environmental specialists and attorneys, or

“(2) to obtain the services of such specialists and attorneys from outside the United States Government, to assist in the provision of an appropriate nationwide level of staffing for planning and environmental review of runway development projects for national capacity projects at the Federal Aviation Administration.

“(b) ELIGIBLE PARTICIPANTS.—Participation in the pilot program shall be available, on a voluntary basis, to airports with an annual passenger enplanement of not less than 3 million passengers. The Secretary shall specify the minimum contribution necessary to qualify for participation in the pilot program, which shall be not less than the amount necessary to compensate the Department of Transportation for the expense of a fulltime equivalent environmental specialist and attorney qualified at the GS-14 equivalent level.

“(c) RETENTION OF REVENUES.—The salaries and expenses account of the Federal Aviation Administration shall retain as an offsetting collection such sums as may be necessary from such proceeds for the costs of developing and implementing the program required by subsection (a). Such offsetting collections shall be available for obligation subject to the terms and conditions of the receiving appropriations account, and shall be deposited in such accounts on a quarterly basis. Such offsetting collections are authorized to remain available until expended for such purpose.

“§ 47707. Definitions

“In this chapter:

“(1) NATIONAL CAPACITY PROJECT.—The term ‘national capacity project’ means a project designated by the Secretary under section 44702.

“(2) OTHER TERMS.—The definitions in section 47102 apply to any terms used in this chapter that are defined in that section.”.

“(b) ADDITIONAL STAFF AUTHORIZED.—The Secretary of Transportation is authorized to hire additional environmental specialists and attorneys needed to process environmental impact statements in connection with airport construction projects and to serve as project coordinators and environmental impact team members under section 47703 of title 49, United States Code.

“(c) CLERICAL AMENDMENT.—The analysis for subtitle VII is amended by inserting after the item relating to section 475 the following:

“477. National capacity projects 47701”.

“SEC. 202. CATEGORICAL EXCLUSIONS.

“Not later than 30 days after the date of enactment of this Act, the Secretary of

Transportation shall report to the Senate Committee on Commerce, Science, and Transportation on the categorical exclusions currently recognized and provide a list of proposed additional categorical exclusions from the requirement that an environmental assessment or an environmental impact statement be prepared under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) for projects at airports. In determining the list of additional proposed categorical exclusions, the Secretary shall include such other projects as the Secretary determines should be categorically excluded in order to ensure that Department of Transportation environmental staff resources are not diverted to lower priority tasks and are available to expedite the environmental reviews of airport capacity enhancement projects at congested airports.

[SEC. 203. ALTERNATIVES ANALYSIS.]

[(a) NOTICE REQUIREMENT.—Not later than 30 days after the date on which the Secretary of Transportation identifies an airport capacity enhancement project at a congested airport under section 47171(c) of title 49, United States Code, the Secretary shall publish a notice in the Federal Register requesting comments on whether reasonable alternatives exist to the project.

[(b) CERTAIN REASONABLE ALTERNATIVES DEFINED.—For purposes of this section, an alternative shall be considered reasonable if—

[(1) the alternative does not create an unreasonable burden on interstate commerce, the national aviation system, or the navigable airspace;

[(2) the alternative is not inconsistent with maintaining the safe and efficient use of the navigable airspace;

[(3) the alternative does not conflict with a law or regulation of the United States;

[(4) the alternative would result in at least the same reduction in congestion at the airport or in the national aviation system as the proposed project; and

[(5) in any case in which the alternative is a proposed construction project at an airport other than a congested airport, firm commitments to provide such alternate airport capacity exists, and the Secretary determines that such alternate airport capacity will be available no later than 4 years after the date of the Secretary's determination under this section.

[(c) COMMENT PERIOD.—The Secretary shall provide a period of 60 days for comments on a project identified by the Secretary under this section after the date of publication of notice with respect to the project.

[(d) DETERMINATION OF EXISTENCE OF REASONABLE ALTERNATIVES.—Not later than 90 days after the last day of a comment period established under subsection (c) for a project, the Secretary shall determine whether reasonable alternatives exist to the project. The determination shall be binding on all persons, including Federal and State agencies, acting under or applying Federal laws when considering the availability of alternatives to the project.

[(e) LIMITATION ON APPLICABILITY.—This section does not apply to—

[(1) any alternatives analysis required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); or

[(2) a project at an airport if the airport sponsor requests, in writing, to the Secretary that this section not apply to the project.

[SEC. 204. INCREASE IN APPORTIONMENT FOR, AND FLEXIBILITY OF, NOISE COMPATIBILITY PLANNING PROGRAMS.]

[Section 47117(e)(1)(A) is amended—

[(1) by striking the first sentence and inserting: "At least 35 percent for grants for

airport noise compatibility planning under section 47505(a)(2) for a national capacity project, for carrying out noise compatibility programs under section 47504(c) of this title, and for noise mitigation projects approved in an environmental record of decision for an airport development project designated as a national capacity project under section 47702."; and

[(2) by striking "or not such 34 percent requirement" in the second sentence and inserting "the funding level required by the preceding sentence".

[SEC. 205. SECRETARY OF TRANSPORTATION TO IDENTIFY AIRPORT CONGESTION-RELIEF PROJECTS AND FORECAST AIRPORT OPERATIONS ANNUALLY.]

[(a) IDENTIFICATION OF PROJECTS.—

[(1) IN GENERAL.—Within 90 days after the date of enactment of this Act, the Secretary of Transportation shall provide—

[(A) a list of planned air traffic and airport-capacity projects at congested Airport Capacity Benchmark airports the completion of which will substantially relieve congestion at those airports; and

[(B) a list of options for expanding capacity at the 8 airports on the list at which the most severe delays are occurring, to the Senate Committee on Commerce, Science, and Transportation, and to the House of Representatives Committee on Transportation and Infrastructure. The Secretary shall provide updated lists to those Committees 2 years after the date of enactment of this Act.

[(2) DELISTING OF PROJECTS.—The Secretary shall remove a project from the list provided to the Committees under paragraph (1) upon the request, in writing, of an airport operator if the operator states in the request that construction of the project will not be completed within 10 years from the date of the request.

[SEC. 206. DESIGN-BUILD CONTRACTING.]

[(a) IN GENERAL.—Subchapter I of chapter 471 is amended by adding at the end the following:

["§ 47138. Design-build contracting

[(a) IN GENERAL.—The Administrator may approve an application of an airport sponsor under this section to authorize the airport sponsor to award a design-build contract using a selection process permitted under applicable State or local law if—

[(1) the Administrator approves the application using criteria established by the Administrator;

[(2) the design-build contract is in a form that is approved by the Administrator;

[(3) the Administrator is satisfied that the contract will be executed pursuant to competitive procedures and contains a schematic design adequate for the Administrator to approve the grant;

[(4) use of a design-build contract will be cost effective and expedite the project;

[(5) the Administrator is satisfied that there will be no conflict of interest; and

[(6) the Administrator is satisfied that the selection process will be as open, fair, and objective as the competitive bid system and that at least three or more bids will be submitted for each project under the selection process.

[(b) REIMBURSEMENT OF COSTS.—The Administrator may reimburse an airport sponsor for design and construction costs incurred before a grant is made pursuant to this section if the project is approved by the Administrator in advance and is carried out in accordance with all administrative and statutory requirements that would have been applicable under this chapter 471, if the project were carried out after a grant agreement had been executed.

[(c) DESIGN-BUILD CONTRACT DEFINED.—In this section, the term "design-build contract"

means an agreement that provides for both design and construction of a project by a contractor.".

[(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 471 is amended by inserting after the item relating to section 47137 the following:

["47138. Design-build contracting.".

[SEC. 207. SPECIAL RULE FOR AIRPORT IN ILLINOIS.]

[(a) IN GENERAL.—Nothing in this title shall be construed to preclude the application of any provision of this Act to the State of Illinois or any other sponsor of a new airport proposed to be constructed in the State of Illinois.

[(b) AUTHORITY OF THE GOVERNOR.—Nothing in this title shall be construed to preempt the authority of the Governor of the State of Illinois as of August 1, 2001, to approve or disapprove airport development projects.

[SEC. 208. ELIMINATION OF DUPLICATIVE REQUIREMENTS.]

[(a) IN GENERAL.—Section 47106(c)(1) is amended—

[(1) by inserting "and" after "project;" in subparagraph (A)(ii);

[(2) by striking subparagraph (B); and

[(3) by redesignating subparagraph (C) as subparagraph (B).

[(b) CONFORMING AMENDMENTS.—Section 47106(c) of such title is amended—

[(1) by striking paragraph (4);

[(2) by redesignating paragraph (5) as paragraph (4); and

[(3) by striking "(1)(C)" in paragraph (4), as redesignated, and inserting "(1)(B)".

[SEC. 209. STREAMLINING THE PASSENGER FACILITY FEE PROGRAM.]

[Section 40117 is amended—

[(1) by striking from "finds—" in paragraph (4) of subsection (b) through the end of that paragraph and inserting "finds that the project cannot be paid for from funds reasonably expected to be available for the programs referred to in section 48103.";

[(2) by adding at the end of subsection (c)(2) the following:

["(E) The agency will include in its application or notice submitted under subsection (1) copies of all certifications of agreement or disagreement received under subparagraph (D).

["(F) For the purpose of this section, an eligible agency providing notice and consultation to an air carrier and foreign air carrier is deemed to have satisfied this requirement if it limits such notices and consultations to air carriers and foreign air carriers that have a significant business interest on the airport. In developing regulations to implement this provision, the Secretary shall consider a significant business interest to be defined as an air carrier or foreign air carrier that has no less than 1.0 percent of boardings at the airport in the prior calendar year, except that no air carrier or foreign air carrier may be considered excluded under this section if it has at least 25,000 boardings at the airport in the prior calendar year, or if it operates scheduled service, without regard to such percentage requirements.";

[(3) by redesignating paragraph (3) of subsection (c) as paragraph (4) and inserting after paragraph (2) the following:

["(3) Before submitting an application, the eligible agency must provide reasonable notice and an opportunity for public comment. The Secretary shall prescribe regulations that define reasonable notice and provide for at least—

["(A) a requirement that the eligible agency provide public notice of intent to collect a passenger facility fee so as to inform those interested persons and agencies who may be affected, including—

[(i) publication in local newspapers of general circulation;

[(ii) publication in other local media; and

[(iii) posting the notice on the agency's website;

[(B) a requirement for submission of public comments no sooner than 30 days after publishing of the notice and not later than 45 days after publication; and

[(C) a requirement that the agency include in its application or notice submitted under paragraph (1) copies of all comments received under subparagraph (B).”;

[(4) by striking “shall” in the first sentence of paragraph (4), as redesignated, of subsection (c) and inserting “may”; and

[(5) by adding at the end the following:

[(1) PILOT PROGRAM FOR PASSENGER FACILITY FEE AUTHORIZATIONS AT SMALL AIRPORTS.—

[(1) There is established a pilot program for the Secretary to test alternative procedures for authorizing small airports to impose passenger facility fees. An eligible agency may impose a passenger facility fee at a non-hub airport (as defined in section 47102 of this title) that it controls for use on eligible airport-related projects at that airport, in accordance with the provisions of this subsection. These procedures shall be in lieu of the procedures otherwise specified in this section.

[(2) The eligible agency must provide reasonable notice and an opportunity for consultation to air carriers and foreign air carriers in accordance with subsection (c)(2), and must provide reasonable notice and opportunity for public comment in accordance with subsection (c)(3).

[(3) The eligible agency must submit to the Secretary a notice of intention to impose a passenger facility fee, which notice shall include—

[(A) information that the Secretary may require by regulation on each project for which authority to impose a passenger facility charge is sought;

[(B) the amount of revenue from passenger facility charges that is proposed to be collected for each project; and

[(C) the level of the passenger facility charge that is proposed.

[(4) The Secretary shall acknowledge receipt of the notice and indicate any objection to the imposition of a passenger facility fee for any project identified in the notice within 30 days after receipt of the eligible agency's notice.

[(5) Unless the Secretary objects within 30 days after receipt of the eligible agency's notice, the eligible agency is authorized to impose a passenger facility fee in accordance with the terms of its notice.

[(6) Not later than 180 days after the date of enactment of this subsection, the Secretary shall propose such regulations as may be necessary to carry out this subsection.

[(7) The authority granted under this subsection shall expire three years after the issuance of the regulation required by paragraph (6).

[(8) An acknowledgement issued under paragraph (4) shall not be considered an order of the Secretary issued under section 46110 of this title.”.

SEC. 210. QUARTERLY STATUS REPORTS.

Beginning with the second calendar quarter ending after the date of enactment of this Act, the Secretary of Transportation shall provide quarterly status reports to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the status of construction of each major runway project undertaken at the largest 40 commercial airports in terms of annual enplanements.

SEC. 211. NOISE DISCLOSURE REQUIREMENTS.

[(a) DEFINITIONS.—Section 47501 is amended by adding at the end—

[(3) ‘Federal agency’ means any department, agency, corporation, or other establishment or instrumentality of the executive branch of the Federal Government, and includes the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

[(4) ‘Federal entity for lending regulation’ means the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Office of Thrift Supervision, the National Credit Union Administration, and the Farm Credit Administration, and with respect to a particular regulated lending institution means the entity primarily responsible for the supervision of the institution.

[(5) ‘Federal agency lender’ means a Federal agency that makes direct loans secured by improved real estate or a mobile home, to the extent such agency acts in such capacity.

[(6) ‘residential real estate’ means real estate upon which a residential dwelling is located.

[(7) ‘noise exposure map’ means a noise exposure map that complies with section 47503 of this title and part 150 of title 14, Code of Federal Regulations.

[(8) ‘regulated lending institution’ means any bank, savings and loan association, credit union, farm credit bank, Federal land bank association, production credit association, or similar institution subject to the supervision of a Federal entity for lending regulation.”.

[(b) NOISE EXPOSURE MAPS.—Section 47503(b) is amended to read as follows:

[(b) REVISED MAPS.—If, in an area surrounding an airport, a change in the operation of the airport would establish a substantial new noncompatible use, or would significantly reduce noise over existing noncompatible uses, beyond the forecast year, the airport operator shall submit a revised noise exposure map to the Secretary showing the new noncompatible use or noise reduction.”.

[(c) NOTIFICATION OF NOISE EXPOSURE.—Chapter 457 is amended by adding at the end the following:

47511. Notification of noise exposure

[(a) NOISE EXPOSURE MAP.—An airport operator shall make available to lending institutions, upon request, the most recent noise exposure map submitted under section 47503 of this title.

[(b) LIST OF AIRPORTS.—The Secretary shall maintain a list of airports for which the airport operators have submitted a noise exposure map under section 47503 of this title.

[(c) REGULATED LENDING INSTITUTIONS.—Each Federal entity for lending regulation (after consultation and coordination with the Federal Financial Institutions Examination Council) shall direct by regulation that a regulated lending institution may not make, increase, extend or renew any loan secured by residential real estate or a mobile home that is located or to be located in the vicinity of an airport on the Secretary's list described in subsection (b), unless the loan applicant's purchase agreement for the residential real estate or mobile home provides notice to the purchaser (or satisfactory assurances are provided that the seller has provided written notice to the purchaser prior to the purchaser's signing of the purchase agreement) that the property is within the area of the noise contours on a noise exposure map submitted under section 47503 of this chapter. The notice to the purchaser

shall be acknowledged by the purchaser's signing of the purchase agreement or other notification document and the regulated lending institution shall retain a record of the receipt of the notice by the purchaser.

[(d) FEDERAL AGENCY LENDERS.—Each Federal agency lender shall by regulation require notification in the manner provided in subsection (c) with respect to any loan that is made by the Federal agency lender and secured by residential real estate or a mobile home located or to be located in the vicinity of an airport on the Secretary's list described in subsection (b).

[(e) CONTENTS OF NOTICE.—The notice required under this section shall disclose—

[(1) that the property is located within the noise contours depicted on the most recent noise exposure map submitted by the airport operator according to section 47503 of this chapter, and is subject to aircraft noise exposure; and

[(2) the name and telephone number of the airport where the purchaser may obtain more information on the aircraft noise exposure.”.

SEC. 212. PROHIBITION ON REQUIRING AIRPORTS TO PROVIDE RENT-FREE SPACE FOR FAA OR TSA.

[(a) IN GENERAL.—Chapter 401 is amended by adding at the end the following:

40129. Prohibition on rent-free space requirements for FAA or TSA

[(a) IN GENERAL.—Neither the Secretary of Transportation nor the Secretary of Homeland Security may require airport sponsors to provide building construction, maintenance, utilities and expenses, or space in airport sponsor-owned buildings to the Federal Aviation Administration or the Transportation Security Administration without cost for services relating to air traffic control, air navigation, aviation security, or weather reporting.

[(b) NEGOTIATED AGREEMENTS.—Subsection (a) does not prohibit—

[(1) the negotiation of agreements between either Secretary and an airport sponsor to provide building construction, maintenance, utilities and expenses, or space in airport sponsor-owned buildings to the Federal Aviation Administration or the Transportation Security Administration without cost or at below-market rates; or

[(2) either Secretary from requiring airport sponsors to provide land without cost to the Federal Aviation Administration for air traffic control facilities or space without cost to the Transportation Security Administration for necessary security checkpoints.”.

[(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 401 is amended by adding at the end the following:

40129. Prohibition on rent-free space requirements for FAA or TSA.”.

SEC. 213. SPECIAL RULES FOR FISCAL YEAR 2004.

[(a) APPORTIONMENT TO CERTAIN AIRPORTS WITH DECLINING BOARDINGS.—

[(1) IN GENERAL.—For fiscal year 2004, the Secretary of Transportation may apportion funds under section 47114 of title 49, United States Code, to the sponsor of an airport described in paragraph (2) in an amount equal to the amount apportioned to that airport under that section for fiscal year 2002, notwithstanding any provision of section 47114 to the contrary.

[(2) AIRPORTS TO WHICH PARAGRAPH (1) APPLIES.—Paragraph (1) applies to any airport determined by the Secretary to have had—

[(A) less than one-half of 1 percent of the total United States passenger boardings (as defined in section 47102(10) of title 49, United States Code) for the calendar year used for

determining apportionments under section 47114 for fiscal year 2004;

[(B) less than 10,000 passenger boardings in calendar year 2002; and

[(C) 10,000 or more passenger boardings in calendar year 2000.

[(b) TEMPORARY INCREASE IN GOVERNMENT SHARE OF AIP PROJECT COSTS AT CERTAIN AIRPORTS.—Notwithstanding section 47109(a)(3) of title 49, United States Code, the Government's share of allowable project costs for a grant made in fiscal year 2004 under chapter 471 of that title to an airport described in that section shall be 95 percent.

[TITLE III—AIRLINE SERVICE DEVELOPMENT

[SEC. 301. DELAY REDUCTION MEETINGS.

[(a) IN GENERAL.—Subchapter I of chapter 417 is amended by adding at the end the following new section:

["§ 41723. Delay reduction actions

[(a) DELAY REDUCTION MEETINGS.—

[(1) SCHEDULING REDUCTION MEETINGS.—The Secretary of Transportation may request that air carriers meet with the Administrator of the Federal Aviation Administration to discuss flight reductions at severely congested airports to reduce overscheduling and flight delays during hours of peak operation if—

[(A) the Administrator of the Federal Aviation Administration determines that it is necessary to convene such a meeting; and

[(B) the Secretary determines that the meeting is necessary to meet a serious transportation need or achieve an important public benefit.

[(2) MEETING CONDITIONS.—Any meeting under paragraph (1)—

[(A) shall be chaired by the Administrator;

[(B) shall be open to all scheduled air carriers; and

[(C) shall be limited to discussions involving the airports and time periods described in the Administrator's determination.

[(3) FLIGHT REDUCTION TARGETS.—Before any such meeting is held, the Administrator shall establish flight reduction targets for the meeting and notify the attending air carriers of those targets not less than 48 hours before the meeting.

[(4) DELAY REDUCTION OFFERS.—An air carrier attending the meeting shall make any delay reduction offer to the Administrator rather than to another carrier.

[(5) TRANSCRIPT.—The Administrator shall ensure that a transcript of the meeting is kept and made available to the public not later than 3 business days after the conclusion of the meeting.

[(b) STORMY WEATHER AGREEMENTS LIMITED EXEMPTION.—

[(1) IN GENERAL.—The Secretary may establish a program to authorize by order discussions and agreements between 2 or more air carriers for the purpose of reducing flight delays during periods of inclement weather.

[(2) REQUIREMENTS.—An authorization issued under paragraph (1)—

[(A) may only be issued by the Secretary after a determination by the Federal Aviation Administration that inclement weather is likely to adversely and directly affect capacity at an airport for a period of at least 3 hours;

[(B) shall apply only to discussions and agreements concerning flights directly affected by the inclement weather; and

[(C) shall remain in effect for a period of 24 hours.

[(3) PROCEDURE.—The Secretary shall establish procedures within 30 days after such date of enactment for—

[(A) filing requests for an authorization under paragraph (1);

[(B) participation under paragraph (5) by representatives of the Department of Transportation in any meetings or discussions held pursuant to such an order; and

[(C) the determination by the Federal Aviation Administration about the impact of inclement weather.

[(4) COPY OF PARTICIPATION REQUEST FILED WITH SECRETARY.—Before an air carrier may request an order under paragraph (1), it shall file a request with the Secretary, in such form and manner as the Secretary may prescribe, to participate in the program established under paragraph (1).

[(5) DOT PARTICIPATION.—The Secretary shall ensure that the Department is represented at any meetings authorized under this subsection.

[(c) EXEMPTION AUTHORIZED.—When the Secretary finds that it is required by the public interest, the Secretary, as part of an order issued under subsection (b)(1), shall exempt a person affected by the order from the antitrust laws to the extent necessary to allow the person to proceed with the activities approved in the order.

[(d) ANTITRUST LAWS DEFINED.—In this section, the term 'antitrust laws' has the meaning given that term in the first section of the Clayton Act (15 U.S.C. 12).

[(e) SUNSET.—The authority of the Secretary to issue an order under subsection (b)(1) of this section expires at the end of the 2-year period that begins 45 days after the date of enactment of the Aviation Investment and Revitalization Vision Act. The Secretary may extend the 2-year period for an additional 2 years if the Secretary determines that such an extension is necessary and in the public interest. The Secretary shall notify the Senate Committee on Commerce, Science, and Transportation, and to the House of Representatives Committee on Transportation and Infrastructure of any such extension."

[(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 417 is amended by inserting after the item relating to section 41722 the following new item:

["41723. Delay reduction actions."

[SEC. 302. REAUTHORIZATION OF ESSENTIAL AIR SERVICE PROGRAM.

["There are authorized to be appropriated to the Secretary of Transportation to carry out the essential air service program under subchapter II of chapter 417 of title 49, United States Code, \$113,000,000 for each of the fiscal years 2004, 2005, and 2006.

[SEC. 303. SMALL COMMUNITY AIR SERVICE DEVELOPMENT PILOT PROGRAM.

[(a) 3-YEAR EXTENSION.—Section 41743(e)(2) of title 49, United States Code, is amended—

[(1) by striking "There is" and inserting "There are";

[(2) by striking "2001 and" and inserting "2001,"; and

[(3) by striking "2003" and inserting "2003, and \$27,500,000 for the 3 fiscal year period beginning with fiscal year 2004."

[(b) ADDITIONAL COMMUNITIES.—Section 41743(c)(4) of such title is amended by striking "program." and inserting "program each year. No community, consortia of communities, or combination thereof may participate in the program twice."

[SEC. 304. DOT STUDY OF COMPETITION AND ACCESS PROBLEMS AT LARGE AND MEDIUM HUB AIRPORTS.

[(a) IN GENERAL.—The Secretary of Transportation shall study competition and airline access problems at hub airports (as defined in section 41731(a)(3)) of title 49, United States Code, and medium hub airports (as defined in section 41714(h)(9) of that title). In the study, the Secretary shall examine, among other matters—

[(1) gate usage and availability; and

[(2) the effects of the pricing of gates and other facilities on competition and access.

[(b) REPORT.—The Secretary shall transmit a report of the Secretary's findings and conclusions together with any recommendations, including legislative recommendations, the Secretary may have for improving competition and airline access at such airports to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure within 6 months after the date of enactment of this Act.

[SEC. 305. COMPETITION DISCLOSURE REQUIREMENT FOR LARGE AND MEDIUM HUB AIRPORTS.

["Section 47107 is amended by adding at the end the following:

["(q) COMPETITION DISCLOSURE REQUIREMENT.—

[(1) IN GENERAL.—The Secretary of Transportation may approve an application under this subchapter for an airport development project grant for a hub airport or a medium hub airport only if the Secretary receives assurances that the airport sponsor will provide the information required by paragraph (2) at such time and in such form as the Secretary may require.

[(2) COMPETITIVE ACCESS.—If an airport denies an application by an air carrier to receive access to gates or other facilities at that airport in order to provide service to the airport or to expand service at the airport, then, within 30 days after denying the request, the airport sponsor shall—

[(A) notify the Secretary of the denial; and

[(B) transmit a report to the Secretary that—

[(i) describes the request;

[(ii) explains the reasons for the denial; and

[(iii) provides a time frame within which, if any, the airport will be able to accommodate the request.

[(3) DEFINITIONS.—In this subsection:

[(A) HUB AIRPORT.—The term 'hub airport' has the meaning given that term by section 41731(a)(3).

[(B) MEDIUM HUB AIRPORT.—The term 'medium hub airport' has the meaning given that term by section 41714(h)(9)."

[TITLE IV—AVIATION SECURITY

[SEC. 401. STUDY OF EFFECTIVENESS OF TRANSPORTATION SECURITY SYSTEM.

[(a) IN GENERAL.—The Secretary of Homeland Security shall study the effectiveness of the aviation security system, including the air marshal program, hardening of cockpit doors, and security screening of passengers, checked baggage, and cargo.

[(b) REPORT.—The Secretary shall transmit a report of the Secretary's findings and conclusions together with any recommendations, including legislative recommendations, the Secretary may have for improving the effectiveness of aviation security to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure within 6 months after the date of enactment of this Act. In the report the Secretary shall also describe any redeployment of Transportation Security Administration resources based on those findings and conclusions. The Secretary may submit the report to the Committees in classified and redacted form.

[SEC. 402. AVIATION SECURITY CAPITAL FUND.

[(a) IN GENERAL.—There is established within the Department of Transportation a fund to be known as the Aviation Security Capital Fund. There are appropriated to the Fund to \$500,000,000 for each of the fiscal years 2004 through 2007, such amounts to be

derived from fees received under section 44940 of title 49, United States Code. Amounts in the fund shall be allocated in such a manner that—

[(1) 40 percent shall be made available for hub airports;

[(2) 20 percent shall be made available for medium hub airports;

[(3) 15 percent shall be made available for small hub airports and non-hub airports; and

[(4) 25 percent may be distributed at the Secretary's discretion.

[(b) PURPOSE.—Amounts in the Fund shall be available to the Secretary of Transportation, after consultation with the Under Secretary of Homeland Security for Border and Transportation Security to provide financial assistance to airport sponsors to defray capital investment in transportation security at airport facilities in accordance with the provisions of this section. The program shall be administered in concert with the airport improvement program under chapter 417 of title 49, United States Code.

[(c) APPORTIONMENT.—Amounts made available under subsection (a)(1), (a)(2), or (a)(3) shall be apportioned among the airports in each category in accordance with a formula based on the ratio that passenger enplanements at each airport in the category bears to the total passenger enplanements at all airports in the that category.

[(d) MATCHING REQUIREMENTS.—

[(1) IN GENERAL.—Not less than the following percentage of the costs of any project funded under this section shall be derived from non-Federal sources:

[(A) For hub airports and medium hub airports, 25 percent.

[(B) For airports other than hub airports and medium hub airports, 10 percent.

[(2) USE OF BOND PROCEEDS.—In determining the amount of non-Federal sources of funds, the proceeds of State and local bond issues shall not be considered to be derived, directly or indirectly, from Federal sources without regard to the Federal income tax treatment of interest and principal of such bonds.

[(e) LETTERS OF INTENT.—The Secretary of Transportation, or his delegate, may execute letters of intent to commit funding to airport sponsors from the Fund.

[(f) CONFORMING AMENDMENT.—Section 44940(a)(1) of title 49, United States Code, is amended by adding at the end the following:

[(H) The costs of security-related capital improvements at airports.”

[(g) DEFINITIONS.—Any term used in this section that is defined or used in chapter 417 of title 49 United States Code has the meaning given that term in that chapter.

[SEC. 403. TECHNICAL AMENDMENTS RELATED TO SECURITY-RELATED AIRPORT DEVELOPMENT.

[(a) DEFINITION OF AIRPORT DEVELOPMENT.—Section 47102(3)(B) is amended—

[(1) by inserting “and” after the semicolon in clause (viii);

[(2) by striking “circular; and” in clause (ix) and inserting “circular.”; and

[(3) by striking clause (x).

[(b) IMPROVEMENT OF FACILITIES AND EQUIPMENT.—Section 301(a) of the Federal Aviation Reauthorization Act of 1996 (49 U.S.C. 44901 note) is amended by striking “travel.” and inserting “travel if the improvements or equipment will be owned and operated by the airport.”

[TITLE V—MISCELLANEOUS

[SEC. 501. EXTENSION OF WAR RISK INSURANCE AUTHORITY.

[(a) EXTENSION OF POLICIES.—Section 44302(f)(1) is amended by striking “2003,” each place it appears and inserting “2006.”

[(b) EXTENSION OF LIABILITY LIMITATION.—Section 44303(b) is amended by striking “2003,” and inserting “2006.”

[(c) EXTENSION OF AUTHORITY.—Section 44310 is amended by striking “2003.” and inserting “2006.”

[SEC. 502. COST-SHARING OF AIR TRAFFIC MODERNIZATION PROJECTS.

[(a) IN GENERAL.—Chapter 445 is amended by adding at the end the following:

“[§ 44517. Program to permit cost-sharing of air traffic modernization projects

“(a) IN GENERAL.—Subject to the requirements of this section, the Secretary may carry out a program under which the Secretary may make grants to project sponsors for not more than 10 eligible projects per fiscal year for the purpose of improving aviation safety and enhancing mobility of the Nation's air transportation system by encouraging non-Federal investment in critical air traffic control facilities and equipment.

“(b) FEDERAL SHARE.—The Federal share of the cost of an eligible project carried out under the program shall not exceed 33 percent. The non-Federal share of the cost of an eligible project shall be provided from non-Federal sources, including revenues collected pursuant to section 40117 of this title.

“(c) LIMITATION ON GRANT AMOUNTS.—No eligible project may receive more than \$5,000,000 in Federal funds under the program.

“(d) FUNDING.—The Secretary shall use amounts appropriated under section 48101(a) of this title to carry out this program.

“(e) DEFINITIONS.—In this section:

“(1) ELIGIBLE PROJECT.—The term ‘eligible project’ means a project relating to the Nation's air traffic control system that is certified or approved by the Administrator and that promotes safety, efficiency, or mobility. Such projects may include—

“(A) airport-specific air traffic facilities and equipment, including local area augmentation systems, instrument landing systems, weather and wind shear detection equipment, lighting improvements, and control towers;

“(B) automation tools to effect improvements in airport capacity, including passive final approach spacing tools and traffic management advisory equipment; and

“(C) facilities and equipment that enhance airspace control procedures, including consolidation of terminal radar control facilities and equipment, or assist in en route surveillance, including oceanic and offshore flight tracking.

“(2) PROJECT SPONSOR.—The term ‘project sponsor’ means any major user of the National Airspace System, as determined by the Secretary, including a public-use airport or a joint venture between a public-use airport and one or more air carriers.

“(f) TRANSFERS OF EQUIPMENT.—Notwithstanding any other provision of law, and upon agreement by the Administrator of the Federal Aviation Administration, project sponsors may transfer, without consideration, to the Federal Aviation Administration, facilities, equipment, or automation tools, the purchase of which was assisted by a grant made under this section, if such facilities, equipment or tools meet Federal Aviation Administration operation and maintenance criteria.

“(g) GUIDELINES.—The Administrator shall issue advisory guidelines on the implementation of the program, which shall not be subject to administrative rulemaking requirements under subchapter II of chapter 5 of title 5.”

[(b) CONFORMING AMENDMENT.—The chapter analyses for chapter 445 is amended by adding at the end the following:

“[§44517. Program to permit cost-sharing of air traffic modernization projects.”

[SEC. 503. COUNTERFEIT OR FRAUDULENTLY REPRESENTED PARTS VIOLATIONS.

[Section 44726(a)(1) is amended —

[(1) by striking “or” after the semicolon in subparagraph (A);

[(2) by redesignating subparagraph (B) as subparagraph (D);

[(3) by inserting after subparagraph (A) the following:

[(B) who knowingly, and with intent to defraud, carried out or facilitated an activity punishable under a law described in subparagraph (A);

[(C) whose certificate is revoked under subsection (b) of this section; or”]; and

[(4) by striking “convicted of such a violation.” in subparagraph (D), as redesignated, and inserting “described in subparagraph (A), (B) or (C).”

[SEC. 504. CLARIFICATIONS TO PROCUREMENT AUTHORITY.

[(a) UPDATE AND CLARIFICATION OF AUTHORITY.—

[(1) Section 40110(c) is amended to read as follows:

“(c) DUTIES AND POWERS.—When carrying out subsection (a) of this section, the Administrator of the Federal Aviation Administration may—

“(1) notwithstanding section 1341(a)(1) of title 31, lease an interest in property for not more than 20 years;

“(2) consider the reasonable probable future use of the underlying land in making an award for a condemnation of an interest in airspace; and

“(3) dispose of property under subsection (a)(2) of this section, except for airport and airway property and technical equipment used for the special purposes of the Administration, only under sections 121, 123, and 126 and chapter 5 of title 40.”

[(2) Section 40110(d)(1) is amended by striking “implement, not later than January 1, 1996,” and inserting “implement”.

[(b) CLARIFICATION.—Section 106(f)(2)(A)(ii) is amended by striking “property” and inserting “property, services.”]

SECTION 1. SHORT TITLE; AMENDMENT OF TITLE 49.

(a) SHORT TITLE.—This Act may be cited as the “Aviation Investment and Revitalization Vision Act”.

(b) AMENDMENT OF TITLE 49.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title; amendment of title 49.

Sec. 2. Table of contents.

TITLE I—REAUTHORIZATIONS; FAA MANAGEMENT

Sec. 101. Airport improvement program.

Sec. 102. Airway facilities improvement program.

Sec. 103. FAA operations.

Sec. 104. Research, engineering, and development.

Sec. 105. Other programs.

Sec. 106. Reorganization of the Air Traffic Services Subcommittee.

Sec. 107. Clarification of responsibilities of chief operating officer.

TITLE II—AIRPORT DEVELOPMENT

Sec. 201. National capacity projects.

Sec. 202. Categorical exclusions.

Sec. 203. Alternatives analysis.

Sec. 204. Increase in apportionment for, and flexibility of, noise compatibility planning programs.

Sec. 205. Secretary of Transportation to identify airport congestion-relief projects and forecast airport operations annually.

Sec. 206. Design-build contracting.

- Sec. 207. Special rule for airport in Illinois.
 Sec. 208. Elimination of duplicative requirements.
 Sec. 209. Streamlining the passenger facility fee program.
 Sec. 210. Quarterly status reports.
 Sec. 211. Noise disclosure requirements.
 Sec. 212. Prohibition on requiring airports to provide rent-free space for FAA or TSA.
 Sec. 213. Special rules for fiscal year 2004.
 Sec. 214. Agreements for operation of airport facilities.
 Sec. 215. Public agencies.
 Sec. 216. Flexible funding for nonprimary airport apportionments.

TITLE III—AIRLINE SERVICE DEVELOPMENT

Subtitle A—Program Enhancements

- Sec. 301. Delay reduction meetings.
 Sec. 302. Small community air service development pilot program.
 Sec. 303. DOT study of competition and access problems at large and medium hub airports.
 Sec. 304. Competition disclosure requirement for large and medium hub airports.

Subtitle B—Small Community and Rural Air Service Revitalization

- Sec. 351. Reauthorization of essential air service program.
 Sec. 352. Incentive program.
 Sec. 353. Pilot programs.
 Sec. 354. EAS program authority changes.

TITLE IV—AVIATION SECURITY

- Sec. 401. Study of effectiveness of transportation security system.
 Sec. 402. Aviation security capital fund.
 Sec. 403. Technical amendments related to security-related airport development.
 Sec. 404. Armed forces charters.

TITLE V—MISCELLANEOUS

- Sec. 501. Extension of war risk insurance authority.
 Sec. 502. Cost-sharing of air traffic modernization projects.
 Sec. 503. Counterfeit or fraudulently re-processed parts violations.
 Sec. 504. Clarifications to procurement authority.
 Sec. 505. Judicial review.
 Sec. 506. Civil penalties.
 Sec. 507. Miscellaneous amendments.
 Sec. 508. Low-emission airport vehicles and infrastructure.
 Sec. 509. Low-emission airport vehicles and ground support equipment.
 Sec. 510. Pacific emergency diversion airport.
 Sec. 511. Gulf of Mexico aviation service improvements.
 Sec. 512. Air traffic control collegiate training initiative.
 Sec. 513. Increase in certain slots.
 Sec. 514. Air transportation oversight system plan.
 Sec. 515. National small community air service development ombudsman.
 Sec. 516. National commission on small community air service.
 Sec. 517. Training certification for cabin crew.
 Sec. 518. Aircraft manufacturer insurance.
 Sec. 519. Ground-based precision navigational aids.
 Sec. 520. Standby power efficiency program.

TITLE VI—SECOND CENTURY OF FLIGHT

- Sec. 601. Findings.

Subtitle A—The Office of Aerospace and Aviation Liaison

- Sec. 621. Office of Aerospace and Aviation Liaison.
 Sec. 622. National Air Traffic Management System Development Office.
 Sec. 623. Report on certain market developments and government policies.

Subtitle B—Technical Programs

- Sec. 641. Aerospace and Aviation Safety workforce initiative.
 Sec. 642. Scholarships for service.

Subtitle C—FAA Research, Engineering, and Development

- Sec. 661. Research program to improve airfield pavements.
 Sec. 662. Ensuring appropriate standards for airfield pavements.
 Sec. 663. Assessment of wake turbulence research and development program.
 Sec. 664. Cabin air quality research program.
 Sec. 665. International role of the FAA.
 Sec. 666. FAA report on other nations' safety and technological advancements.
 Sec. 667. Development of analytical tools and certification methods.
 Sec. 668. Pilot program to provide incentives for development of new technologies.
 Sec. 669. FAA center for excellence for applied research and training in the use of advanced materials in transport aircraft.
 Sec. 670. FAA certification of design organizations.
 Sec. 671. Report on long term environmental improvements.

TITLE I—REAUTHORIZATIONS; FAA MANAGEMENT

SEC. 101. AIRPORT IMPROVEMENT PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 48103 is amended—

- (1) by inserting “(a) IN GENERAL.—” before “The”;
 (2) by striking “and” in paragraph (4);
 (3) by striking “2003.” in paragraph (5) and inserting “2003;”;
 (4) by inserting after paragraph (5) the following:

- “(6) \$3,400,000,000 for fiscal year 2004;
 “(7) \$3,500,000,000 for fiscal year 2005; and
 “(8) \$3,600,000,000 for fiscal year 2006.”; and
 (5) by adding at the end the following:

“(b) ADMINISTRATIVE EXPENSES.—From the amounts authorized by paragraphs (6) through (8) of subsection (a), there shall be available for administrative expenses relating to the airport improvement program, passenger facility fee approval and oversight, national airport system planning, airport standards development and enforcement, airport certification, airport-related environmental activities (including legal service), to remain available until expended—

- “(1) for fiscal year 2004, \$69,737,000;
 “(2) for fiscal year 2005, \$71,816,000; and
 “(3) for fiscal year 2006, \$74,048,000.”.

(b) OBLIGATIONAL AUTHORITY.—Section 47104(c) is amended by striking “2003,” and inserting “2006.”.

SEC. 102. AIRWAY FACILITIES IMPROVEMENT PROGRAM.

(a) IN GENERAL.—Section 48101(a) is amended by adding at the end the following:

- “(6) \$2,916,000,000 for fiscal year 2004.
 “(7) \$2,971,000,000 for fiscal year 2005.
 “(8) \$3,030,000,000 for fiscal year 2006.”.

(b) BIENNIAL REPORTS.—Beginning 180 days after the date of enactment of Act, the Administrator of the Federal Aviation Administration shall transmit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure every 6 months that describes—

- (1) the 10 largest programs funded under section 48101(a) of title 49, United States Code;
 (2) any changes in the budget for such programs;
 (3) the program schedule; and
 (4) technical risks associated with the programs.

SEC. 103. FAA OPERATIONS.

(a) IN GENERAL.—Section 106(k)(1) is amended—

- (1) by striking “and” in subparagraph (C);

(2) by striking “2003.” in subparagraph (D) and inserting “2003;”;

(3) by adding at the end the following:
 “(E) \$7,591,000,000 for fiscal year 2004;
 “(F) \$7,732,000,000 for fiscal year 2005; and
 “(G) \$7,889,000,000 for fiscal year 2006.”.

(b) ANNUAL REPORT.—Beginning with the submission of the Budget of the United States to the Congress for fiscal year 2004, the Administrator of the Federal Aviation Administration shall transmit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure that describes the overall air traffic controller staffing plan, including strategies to address anticipated retirement and replacement of air traffic controllers.

SEC. 104. RESEARCH, ENGINEERING, AND DEVELOPMENT.

(a) AMOUNTS AUTHORIZED.—Section 48102(a) is amended—

- (1) by striking “and” at the end of paragraph (7);
 (2) by striking the period at the end of paragraph (8) and inserting a semicolon; and
 (3) by adding at the end the following:
 “(9) for fiscal year 2004, \$289,000,000, including—

“(A) \$200,000,000 to improve aviation safety, including icing, crashworthiness, and aging aircraft;

“(B) \$18,000,000 to improve the efficiency of the air traffic control system;

“(C) \$27,000,000 to reduce the environmental impact of aviation;

“(D) \$16,000,000 to improve the efficiency of mission support; and

“(E) \$28,000,000 to improve the durability and maintainability of advanced material structures in transport airframe structures;

“(10) for fiscal year 2005, \$304,000,000, including—

“(A) \$211,000,000 to improve aviation safety;

“(B) \$19,000,000 to improve the efficiency of the air traffic control system;

“(C) \$28,000,000 to reduce the environmental impact of aviation;

“(D) \$17,000,000 to improve the efficiency of mission support; and

“(E) \$29,000,000 to improve the durability and maintainability of advanced material structures in transport airframe structures; and

“(11) for fiscal year 2006, \$317,000,000, including—

“(A) \$220,000,000 to improve aviation safety;

“(B) \$20,000,000 to improve the efficiency of the air traffic control system;

“(C) \$29,000,000 to reduce the environmental impact of aviation;

“(D) \$18,000,000 to improve the efficiency of mission support; and

“(E) \$30,000,000 to improve the durability and maintainability of advanced material structures in transport airframe structures.”.

SEC. 105. OTHER PROGRAMS.

Section 106 of the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century is amended—

(1) by striking “2003” in subsection (a)(1)(A) and subsection (c)(2) and inserting “2006”; and

(2) by striking “2003,” in subsection (a)(2) and inserting “2006.”.

SEC. 106. REORGANIZATION OF THE AIR TRAFFIC SERVICES SUBCOMMITTEE.

(a) IN GENERAL.—Section 106 is amended—

(1) by redesignating subsections (q) and (r) as subsections (r) and (s), respectively; and
 (2) by inserting after subsection (p) the following:

“(q) AIR TRAFFIC MANAGEMENT COMMITTEE.—

“(1) ESTABLISHMENT.—The Secretary of Transportation shall establish an advisory committee which shall be known as the Air Traffic Services Committee (in this subsection referred to as the ‘Committee’).

“(2) MEMBERSHIP.—

“(A) COMPOSITION AND APPOINTMENT.—The Committee shall be composed of—

“(i) the Administrator of the Federal Aviation Administration, who shall serve as chair; and

“(ii) 4 members, to be appointed by the Secretary, after consultation with the Committee on Transportation and Infrastructure of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate.

“(B) NO FEDERAL OFFICER OR EMPLOYEE.—No member appointed under subparagraph (A)(ii) may serve as an officer or employee of the United States Government while serving as a member of the Committee.

“(C) ELIGIBILITY.—Members appointed under subparagraph (A)(ii) shall—

“(i) have a fiduciary responsibility to represent the public interest;

“(ii) be citizens of the United States; and

“(iii) be appointed without regard to political affiliation and solely on the basis of their professional experience and expertise in one or more of the following areas:

“(I) Management of large service organizations.

“(II) Customer service.

“(III) Management of large procurements.

“(IV) Information and communications technology.

“(V) Organizational development.

“(VI) Labor relations.

At least one of such members should have a background in managing large organizations successfully. In the aggregate, such members should collectively bring to bear expertise in all of the areas described in subclauses (I) through (VI).

“(D) PROHIBITIONS ON MEMBERS OF COMMITTEE.—No member appointed under subparagraph (A)(ii) may—

“(i) have a pecuniary interest in, or own stock in or bonds of, an aviation or aeronautical enterprise, except an interest in a diversified mutual fund or an interest that is exempt from the application of section 208 of title 18;

“(ii) engage in another business related to aviation or aeronautics; or

“(iii) be a member of any organization that engages, as a substantial part of its activities, in activities to influence aviation-related legislation.

“(E) CLAIMS AGAINST MEMBERS.—

“(i) IN GENERAL.—A member appointed under subparagraph (A)(ii) shall have no personal liability under Federal law with respect to any claim arising out of or resulting from an act or omission by such member within the scope of service as a member of the Air Traffic Services Committee.

“(ii) EFFECT ON OTHER LAW.—This subparagraph shall not be construed—

“(I) to affect any other immunity or protection that may be available to a member of the Committee under applicable law with respect to such transactions;

“(II) to affect any other right or remedy against the United States under applicable law; or

“(III) to limit or alter in any way the immunities that are available under applicable law for Federal officers and employees.

“(F) ETHICAL CONSIDERATIONS.—

“(i) FINANCIAL DISCLOSURE.—During the entire period that an individual appointed under subparagraph (A)(ii) is a member of the Committee, such individual shall be treated as serving as an officer or employee referred to in section 101(f) of the Ethics in Government Act of 1978 for purposes of title I of such Act; except that section 101(d) of such Act shall apply without regard to the number of days of service in the position.

“(ii) RESTRICTIONS ON POST-EMPLOYMENT.—For purposes of section 207(c) of title 18, an individual appointed under subparagraph (A)(ii) shall be treated as an employee referred to in section 207(c)(2)(A)(i) of such title during the entire period the individual is a member of the

Committee; except that subsections (c)(2)(B) and (f) of section 207 of such title shall not apply.

“(G) TERMS FOR AIR TRAFFIC SERVICES COMMITTEE MEMBERS.—A member appointed under subparagraph (A)(ii) shall be appointed for a term of 5 years.

“(H) REAPPOINTMENT.—An individual may not be appointed under subparagraph (A)(ii) to more than two 5-year terms.

“(I) VACANCY.—Any vacancy on the Committee shall be filled in the same manner as the original appointment. Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed for the remainder of that term.

“(J) CONTINUATION IN OFFICE.—A member whose term expires shall continue to serve until the date on which the member's successor takes office.

“(K) REMOVAL.—Any member appointed under subparagraph (A)(ii) may be removed for cause by the Secretary.

“(3) GENERAL RESPONSIBILITIES.—

“(A) OVERSIGHT.—The Committee shall oversee the administration, management, conduct, direction, and supervision of the air traffic control system.

“(B) CONFIDENTIALITY.—The Committee shall ensure that appropriate confidentiality is maintained in the exercise of its duties.

“(4) SPECIFIC RESPONSIBILITIES.—The Committee shall have the following specific responsibilities:

“(A) STRATEGIC PLANS.—To review, approve, and monitor the strategic plan for the air traffic control system, including the establishment of—

“(i) a mission and objectives;

“(ii) standards of performance relative to such mission and objectives, including safety, efficiency, and productivity; and

“(iii) annual and long-range strategic plans.

“(B) MODERNIZATION AND IMPROVEMENT.—To review and approve—

“(i) methods to accelerate air traffic control modernization and improvements in aviation safety related to air traffic control; and

“(ii) procurements of air traffic control equipment in excess of \$100,000,000.

“(C) OPERATIONAL PLANS.—To review the operational functions of the air traffic control system, including—

“(i) plans for modernization of the air traffic control system;

“(ii) plans for increasing productivity or implementing cost-saving measures; and

“(iii) plans for training and education.

“(D) MANAGEMENT.—To—

“(i) review and approve the Administrator's appointment of a Chief Operating Officer under section 106(s);

“(ii) review the Administrator's selection, evaluation, and compensation of senior executives of the Administration who have program management responsibility over significant functions of the air traffic control system;

“(iii) review and approve the Administrator's plans for any major reorganization of the Administration that would impact on the management of the air traffic control system;

“(iv) review and approve the Administrator's cost accounting and financial management structure and technologies to help ensure efficient and cost-effective air traffic control operation; and

“(v) review the performance and compensation of managers responsible for major acquisition projects, including the ability of the managers to meet schedule and budget targets.

“(E) BUDGET.—To—

“(i) review and approve the budget request of the Administration related to the air traffic control system prepared by the Administrator;

“(ii) submit such budget request to the Secretary; and

“(iii) ensure that the budget request supports the annual and long-range strategic plans.

“(5) CONGRESSIONAL REVIEW OF PRE-OMB BUDGET REQUEST.—The Secretary shall submit

the budget request referred to in paragraph (4)(E)(ii) for any fiscal year to the President who shall transmit such request, without revision, to the Committees on Transportation and Infrastructure and Appropriations of the House of Representatives and the Committees on Commerce, Science, and Transportation and Appropriations of the Senate, together with the President's annual budget request for the Federal Aviation Administration for such fiscal year.

“(6) COMMITTEE PERSONNEL MATTERS.—

“(A) COMPENSATION OF MEMBERS.—Each member of the Committee, other than the chair and vice chair, shall be compensated at a rate of \$25,000 per year.

“(B) STAFF.—The chairperson of the Committee may appoint and terminate any personnel that may be necessary to enable the Committee to perform its duties.

“(C) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The chairperson of the Committee may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

“(7) ADMINISTRATIVE MATTERS.—

“(A) POWERS OF CHAIR.—Except as otherwise provided by a majority vote of the Committee, the powers of the chairperson shall include—

“(i) establishing subcommittees;

“(ii) setting meeting places and times;

“(iii) establishing meeting agendas; and

“(iv) developing rules for the conduct of business.

“(B) MEETINGS.—The Committee shall meet at least quarterly and at such other times as the chairperson determines appropriate.

“(C) QUORUM.—Three members of the Committee shall constitute a quorum. A majority of members present and voting shall be required for the Committee to take action.

“(D) APPLICATION OF SUBSECTION (p) PROVISIONS.—The following provisions of subsection (p) apply to the Committee to the same extent as they apply to the Management Advisory Council:

“(i) Paragraph (4)(C) (relating to access to documents and staff).

“(ii) Paragraph (5) (relating to nonapplication of Federal Advisory Committee Act).

“(iii) Paragraph (6)(G) (relating to travel and per diem).

“(iv) Paragraph (6)(H) (relating to detail of personnel).

“(8) ANNUAL REPORT.—The Committee shall each year report with respect to the conduct of its responsibilities under this title to the Administrator, the Management Advisory Council, the Committee on Transportation and Infrastructure of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate.”

(b) CONFORMING AMENDMENTS.—

(1) Subsection (p) of section 106 is amended—

(A) by striking “18” in paragraph (2) and inserting “13”;

(B) by inserting “and” after the semicolon in subparagraph (C) of paragraph (2);

(C) by striking “Transportation; and” in subparagraph (D) of paragraph (2) and inserting “Transportation.”;

(D) by striking subparagraph (E) of paragraph (2);

(E) by striking paragraph (3) and inserting the following:

“(3) NO FEDERAL OFFICER OR EMPLOYEE.—No member appointed under paragraph (2)(C) may serve as an officer or employee of the United States Government while serving as a member of the Council.”;

(F) by striking subparagraphs (C), (D), (H), and (I) of paragraph (6) and redesignating subparagraphs (E), (F), (G), (J), (K), and (L) as subparagraphs (C), (D), (E), (F), (G), and (H), respectively; and

(G) by striking paragraphs (7) and (8).

(2) Section 106(s) (as redesignated by subsection (a) of this section) is amended—

(A) by striking “Air Traffic Services Subcommittee of the Aviation Management Advisory

Council.” and inserting “Air Traffic Services Committee.” in paragraphs (1)(A) and (2)(A); and

(B) by striking “Air Traffic Services Subcommittee of the Aviation Management Advisory Council,” and inserting “Air Traffic Services Committee,” in paragraph (3).

(3) Section 106 is amended by adding at the end the following:

“(t) AIR TRAFFIC CONTROL SYSTEM DEFINED.—In this section, the term ‘air traffic control system’ has the meaning such term has under section 40102(a).”

(c) TRANSITION FROM AIR TRAFFIC SERVICE SUBCOMMITTEE TO AIR TRAFFIC SERVICE COMMITTEE.—

(1) TERMINATION OF MANAGEMENT ADVISORY COUNCIL MEMBERSHIP.—Effective on the day after the date of enactment of this Act, any member of the Management Advisory Council appointed under section 106(p)(2)(E) of title 49, United States Code, (as such section was in effect on the day before such date of enactment) who is a member of the Council on such date of enactment shall cease to be a member of the Council.

(2) COMMENCEMENT OF MEMBERSHIP ON AIR TRAFFIC SERVICES COMMITTEE.—Effective on the day after the date of enactment of this Act, any member of the Management Advisory Council whose membership is terminated by paragraph (1) shall become a member of the Air Traffic Services Committee as provided by section 106(q)(2)(G) of title 49, United States Code, to serve for the remainder of the term to which that member was appointed to the Council.

SEC. 107. CLARIFICATION OF RESPONSIBILITIES OF CHIEF OPERATING OFFICER.

Section 106(s) (as redesignated by section 106(a)(1) of this Act) is amended—

(1) by striking “Transportation and Congress” in paragraph (4) and inserting “Transportation, the Committee on Transportation and Infrastructure of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate.”;

(2) by striking “develop a strategic plan of the Administration for the air traffic control system, including the establishment of—” in paragraph (5)(A) and inserting “implement the strategic plan of the Administration for the air traffic control system in order to further—”;

(3) by striking “To review the operational functions of the Administration,” in paragraph (5)(B) and inserting “To oversee the day-to-day operational functions of the Administration for air traffic control.”;

(4) by striking “system prepared by the Administrator,” in paragraph (5)(C)(i) and inserting “system.”;

(5) by striking “Administrator and the Secretary of Transportation,” in paragraph (5)(C)(ii) and inserting “Administrator.”;

(6) by striking paragraph (5)(C)(iii) and inserting the following:

“(iii) ensure that the budget request supports the agency’s annual and long-range strategic plans for air traffic control services.”.

TITLE II—AIRPORT DEVELOPMENT

SEC. 201. NATIONAL CAPACITY PROJECTS.

(a) IN GENERAL.—Part B of subtitle VII is amended by adding at the end the following:

“CHAPTER 477. NATIONAL CAPACITY PROJECTS

“47701. Capacity enhancement.

“47702. Designation of national capacity projects.

“47703. Expedited coordinated environmental review process; project coordinators and environment impact teams.

“47704. Compatible land use initiative for national capacity projects.

“47705. Air traffic procedures at national capacity projects.

“47706. Pilot program for environmental review at national capacity projects.

“47707. Definitions.

“§47701. Capacity enhancement

“(a) IN GENERAL.—Within 30 days after the date of enactment of the Aviation Investment and Revitalization Vision Act, the Secretary of Transportation shall identify those airports among the 31 airports covered by the Federal Aviation Administration’s Airport Capacity Benchmark Report 2001 with delays that significantly affect the national air transportation system.

“(b) TASK FORCE; CAPACITY ENHANCEMENT STUDY.—

“(1) IN GENERAL.—The Secretary shall direct any airport identified by the Secretary under subsection (a) that is not engaged in a runway expansion process and has not initiated a capacity enhancement study (or similar capacity assessment) since 1996—

“(A) to establish a delay reduction task force to study means of increasing capacity at the airport, including air traffic, airline scheduling, and airfield expansion alternatives; or

“(B) to conduct a capacity enhancement study.

“(2) SCOPE.—The scope of the study shall be determined by the airport and the Federal Aviation Administration, and where appropriate shall consider regional capacity solutions.

“(3) RECOMMENDATIONS SUBMITTED TO SECRETARY.—

“(A) TASK FORCE.—A task force established under this subsection shall submit a report containing its findings and conclusions, together with any recommendations for capacity enhancement at the airport, to the Secretary within 9 months after the task force is established.

“(B) CES.—A capacity enhancement study conducted under this subsection shall be submitted, together with its findings and conclusions, to the Secretary as soon as the study is completed.

“(C) RUNWAY EXPANSION AND RECONFIGURATION.—If the report or study submitted under subsection (b)(3) includes a recommendation for the construction or reconfiguration of runways at the airport, then the Secretary and the airport shall complete the planning and environmental review process within 5 years after report or study is submitted to the Secretary. The Secretary may extend the 5-year deadline under this subsection for up to 1 year if the Secretary determines that such an extension is necessary and in the public interest. The Secretary shall notify the Senate Committee on Commerce, Science, and Transportation, and to the House of Representatives Committee on Transportation and Infrastructure of any such extension.

“(d) AIRPORTS THAT DECLINE TO UNDERTAKE EXPANSION PROJECTS.—

“(1) IN GENERAL.—If an airport at which the construction or reconfiguration of runways is recommended does not take action to initiate a planning and environmental assessment process for the construction or reconfiguration of those runways within 30 days after the date on which the report or study is submitted to the Secretary, then—

“(A) the airport shall be ineligible for planning and other expansion funds under subchapter I of chapter 471, notwithstanding any provision of that subchapter to the contrary; and

“(B) no passenger facility fee may be approved at that airport during the 5-year period beginning 30 days after the date on which the report or study is submitted to the Secretary, for—

“(i) projects that, but for subparagraph (A), could have been funded under chapter 471; or

“(ii) any project other than on-airport airfield-side capacity or safety-related projects.

“(2) SAFETY-RELATED AND ENVIRONMENTAL PROJECTS EXCEPTED.—Paragraph (1) does not apply to the use of funds for safety-related, security, or environment projects.

“(e) AIRPORTS THAT TAKE ACTION.—The Secretary shall take all actions possible to expedite

funding and provide options for funding to any airport undertaking runway construction or reconfiguration projects in response to recommendations by its task force.

“§47702. Designation of national capacity projects

“(a) IN GENERAL.—In response to a petition from an airport sponsor, or in the case of an airport on the list of airports covered by the Federal Aviation Administration’s Airport Capacity Benchmarks study, the Secretary of Transportation may designate an airport development project as a national capacity project if the Secretary determines that the project to be designated will significantly enhance the capacity of the national air transportation system.

“(b) DESIGNATION TO REMAIN IN EFFECT FOR 5 YEARS.—The designation of a project as a national capacity project under paragraph (1) shall remain in effect for 5 years. The Secretary may extend the 5-year period for up to 2 additional years upon request if the Secretary finds that substantial progress is being made toward completion of the project.

“§47703. Expedited coordinated environmental review process; project coordinators and environment impact teams

“(a) IN GENERAL.—The Secretary of Transportation shall implement an expedited coordinated environmental review process for national capacity projects that—

“(1) provides for better coordination among the Federal, regional, State, and local agencies concerned with the preparation of environmental impact statements or environmental assessments under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

“(2) provides for an expedited and coordinated process in the conduct of environmental reviews that ensures that, where appropriate, the reviews are done concurrently and not consecutively; and

“(3) provides for a date certain for completing all environmental reviews.

“(b) HIGH PRIORITY FOR AIRPORT ENVIRONMENTAL REVIEWS.—Each department and agency of the United States Government with jurisdiction over environmental reviews shall accord any such review involving a national capacity project the highest possible priority and conduct the review expeditiously. If the Secretary finds that any such department or agency is not complying with the requirements of this subsection, the Secretary shall notify the Senate Committee on Commerce, Science, and Transportation, and to the House of Representatives Committee on Transportation and Infrastructure immediately.

“(c) PROJECT COORDINATORS; EIS TEAMS.—

“(1) DESIGNATION.—For each project designated by the Secretary as a national capacity project under subsection (a) for which an environmental impact statement or environmental assessment must be filed, the Secretary shall—

“(A) designate a project coordinator within the Department of Transportation; and

“(B) establish an environmental impact team within the Department.

“(2) FUNCTION.—The project coordinator and the environmental impact team shall—

“(A) coordinate the activities of all Federal, State, and local agencies involved in the project;

“(B) to the extent possible, working with Federal, State and local officials, reduce and eliminate duplicative and overlapping Federal, State, and local permit requirements;

“(C) to the extent possible, eliminate duplicate Federal, State, and local environmental review procedures; and

“(D) provide direction for compliance with all applicable Federal, State, and local environmental requirements for the project.

“§47704. Compatible land use initiative for national capacity projects

“(a) IN GENERAL.—The Secretary of Transportation may make grants under chapter 471 to States and units of local government for land

use compatibility plans directly related to national capacity projects for the purposes of making the use of land areas around the airport compatible with aircraft operations if the land use plan or project meets the requirements of this section.

“(b) CONDITIONS.—A land use plan or project meets the requirements of this section if it—

“(1) is sponsored by the public agency that has the authority to plan and adopt land use control measures, including zoning, in the planning area in and around the airport and that agency provides written assurances to the Secretary that it will work with the affected airport to identify and adopt such measures;

“(2) does not duplicate, and is not inconsistent with, an airport noise compatibility program prepared by an airport owner or operator under chapter 475 or with other planning carried out by the airport;

“(3) is subject to an agreement between the public agency sponsor and the airport owner or operator that the development of the land use compatibility plan will be done cooperatively;

“(4) is consistent with the airport operation and planning, including the use of any noise exposure contours on which the land use compatibility planning or project is based; and

“(5) has been approved jointly by the airport owner or operator and the public agency sponsor.

“(c) ASSURANCES FROM SPONSORS.—The Secretary may require the airport sponsor, public agency, or other entity to which a grant may be awarded under this section to provide such additional assurances, progress reports, and other information as the Secretary determines to be necessary to carry out this section.

“§47705. Air traffic procedures at national capacity projects

“(a) IN GENERAL.—The Secretary of Transportation may consider prescribing flight procedures to avoid or minimize potentially significant adverse noise impacts of the project during the environmental planning process for a national capacity project that involves the construction of new runways or the reconfiguration of existing runways. If the Secretary determines that noise mitigation flight procedures are consistent with safe and efficient use of the navigable airspace, then, at the request of the airport sponsor, the Administrator may, in a manner consistent with applicable Federal law, commit to prescribing such procedures in any record of decision approving the project.

“(b) MODIFICATION.—Notwithstanding any commitment by the Secretary under subsection (a), the Secretary may initiate changes to such procedures if necessary to maintain safety and efficiency in light of new information or changed circumstances.

“§47706. Pilot program for environmental review at national capacity projects

“(a) IN GENERAL.—The Secretary of Transportation shall initiate a 5-year pilot program funded by airport sponsors—

“(1) to hire additional fulltime-equivalent environmental specialists and attorneys, or

“(2) to obtain the services of such specialists and attorneys from outside the United States Government, to assist in the provision of an appropriate nationwide level of staffing for planning and environmental review of runway development projects for national capacity projects at the Federal Aviation Administration.

“(b) ELIGIBLE PARTICIPANTS.—Participation in the pilot program shall be available, on a voluntary basis, to airports with an annual passenger enplanement of not less than 3 million passengers. The Secretary shall specify the minimum contribution necessary to qualify for participation in the pilot program, which shall be not less than the amount necessary to compensate the Department of Transportation for the expense of a fulltime equivalent environmental specialist and attorney qualified at the GS-14 equivalent level.

“(c) RETENTION OF REVENUES.—The salaries and expenses account of the Federal Aviation Administration shall retain as an offsetting collection such sums as may be necessary from such proceeds for the costs of developing and implementing the program required by subsection (a). Such offsetting collections shall be available for obligation subject to the terms and conditions of the receiving appropriations account, and shall be deposited in such accounts on a quarterly basis. Such offsetting collections are authorized to remain available until expended for such purpose.

“§47707. Definitions

“In this chapter:

“(1) NATIONAL CAPACITY PROJECT.—The term ‘national capacity project’ means a project designated by the Secretary under section 44702.

“(2) OTHER TERMS.—The definitions in section 47102 apply to any terms used in this chapter that are defined in that section.”.

(b) ADDITIONAL STAFF AUTHORIZED.—The Secretary of Transportation is authorized to hire additional environmental specialists and attorneys needed to process environmental impact statements in connection with airport construction projects and to serve as project coordinators and environmental impact team members under section 47703 of title 49, United States Code.

(c) CLERICAL AMENDMENT.—The analysis for subtitle VII is amended by inserting after the item relating to section 475 the following:

“477. National capacity projects .. 47701”.

SEC. 202. CATEGORICAL EXCLUSIONS.

Not later than 30 days after the date of enactment of this Act, the Secretary of Transportation shall report to the Senate Committee on Commerce, Science, and Transportation on the categorical exclusions currently recognized and provide a list of proposed additional categorical exclusions from the requirement that an environmental assessment or an environmental impact statement be prepared under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) for projects at airports. In determining the list of additional proposed categorical exclusions, the Secretary shall include such other projects as the Secretary determines should be categorically excluded in order to ensure that Department of Transportation environmental staff resources are not diverted to lower priority tasks and are available to expedite the environmental reviews of airport capacity enhancement projects at congested airports.

SEC. 203. ALTERNATIVES ANALYSIS.

(a) NOTICE REQUIREMENT.—Not later than 30 days after the date on which the Secretary of Transportation identifies an airport capacity enhancement project at a congested airport under section 47171(c) of title 49, United States Code, the Secretary shall publish a notice in the Federal Register requesting comments on whether reasonable alternatives exist to the project.

(b) CERTAIN REASONABLE ALTERNATIVES DEFINED.—For purposes of this section, an alternative shall be considered reasonable if—

(1) the alternative does not create an unreasonable burden on interstate commerce, the national aviation system, or the navigable airspace;

(2) the alternative is not inconsistent with maintaining the safe and efficient use of the navigable airspace;

(3) the alternative does not conflict with a law or regulation of the United States;

(4) the alternative would result in at least the same reduction in congestion at the airport or in the national aviation system as the proposed project; and

(5) in any case in which the alternative is a proposed construction project at an airport other than a congested airport, firm commitments to provide such alternate airport capacity exists, and the Secretary determines that such alternate airport capacity will be available no later than 4 years after the date of the Secretary's determination under this section.

(c) COMMENT PERIOD.—The Secretary shall provide a period of 60 days for comments on a project identified by the Secretary under this section after the date of publication of notice with respect to the project.

(d) DETERMINATION OF EXISTENCE OF REASONABLE ALTERNATIVES.—Not later than 90 days after the last day of a comment period established under subsection (c) for a project, the Secretary shall determine whether reasonable alternatives exist to the project. The determination shall be binding on all persons, including Federal and State agencies, acting under or applying Federal laws when considering the availability of alternatives to the project.

(e) LIMITATION ON APPLICABILITY.—This section does not apply to—

(1) any alternatives analysis required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); or

(2) a project at an airport if the airport sponsor requests, in writing, to the Secretary that this section not apply to the project.

SEC. 204. INCREASE IN APPORTIONMENT FOR, AND FLEXIBILITY OF, NOISE COMPATIBILITY PLANNING PROGRAMS.

Section 47117(e)(1)(A) is amended—

(1) by striking the first sentence and inserting: “At least 35 percent for grants for airport noise compatibility planning under section 47505(a)(2) for a national capacity project, for carrying out noise compatibility programs under section 47504(c) of this title, and for noise mitigation projects approved in an environmental record of decision for an airport development project designated as a national capacity project under section 47702.”; and

(2) by striking “or not such 34 percent requirement” in the second sentence and inserting “the funding level required by the preceding sentence”.

SEC. 205. SECRETARY OF TRANSPORTATION IDENTIFY AIRPORT CONGESTION-RELIEF PROJECTS AND FORECAST AIRPORT OPERATIONS ANNUALLY.

(a) IDENTIFICATION OF PROJECTS.—

(1) IN GENERAL.—Within 90 days after the date of enactment of this Act, the Secretary of Transportation shall provide—

(A) a list of planned air traffic and airport-capacity projects at congested Airport Capacity Benchmark airports the completion of which will substantially relieve congestion at those airports; and

(B) a list of options for expanding capacity at the 8 airports on the list at which the most severe delays are occurring, to the Senate Committee on Commerce, Science, and Transportation, and to the House of Representatives Committee on Transportation and Infrastructure. The Secretary shall provide updated lists to those Committees 2 years after the date of enactment of this Act.

(2) DELISTING OF PROJECTS.—The Secretary shall remove a project from the list provided to the Committees under paragraph (1) upon the request, in writing, of an airport operator if the operator states in the request that construction of the project will not be completed within 10 years from the date of the request.

SEC. 206. DESIGN-BUILD CONTRACTING.

(a) IN GENERAL.—Subchapter I of chapter 471 is amended by adding at the end the following:

“§47138. Design-build contracting

“(a) IN GENERAL.—The Administrator may approve an application of an airport sponsor under this section to authorize the airport sponsor to award a design-build contract using a selection process permitted under applicable State or local law if—

“(1) the Administrator approves the application using criteria established by the Administrator;

“(2) the design-build contract is in a form that is approved by the Administrator;

“(3) the Administrator is satisfied that the contract will be executed pursuant to competitive procedures and contains a schematic design

adequate for the Administrator to approve the grant;

“(4) use of a design-build contract will be cost effective and expedite the project;

“(5) the Administrator is satisfied that there will be no conflict of interest; and

“(6) the Administrator is satisfied that the selection process will be as open, fair, and objective as the competitive bid system and that at least three or more bids will be submitted for each project under the selection process.

“(b) REIMBURSEMENT OF COSTS.—The Administrator may reimburse an airport sponsor for design and construction costs incurred before a grant is made pursuant to this section if the project is approved by the Administrator in advance and is carried out in accordance with all administrative and statutory requirements that would have been applicable under this chapter 471, if the project were carried out after a grant agreement had been executed.

“(c) DESIGN-BUILD CONTRACT DEFINED.—In this section, the term ‘design-build contract’ means an agreement that provides for both design and construction of a project by a contractor.”

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 471 is amended by inserting after the item relating to section 47137 the following:

“47138. Design-build contracting.”

SEC. 207. SPECIAL RULE FOR AIRPORT IN ILLINOIS.

(a) IN GENERAL.—Nothing in this title shall be construed to preclude the application of any provision of this Act to the State of Illinois or any other sponsor of a new airport proposed to be constructed in the State of Illinois.

(b) AUTHORITY OF THE GOVERNOR.—Nothing in this title shall be construed to preempt the authority of the Governor of the State of Illinois as of August 1, 2001, to approve or disapprove airport development projects.

SEC. 208. ELIMINATION OF DUPLICATIVE REQUIREMENTS.

(a) IN GENERAL.—Section 47106(c)(1) is amended—

(1) by inserting “and” after “project;” in subparagraph (A)(ii);

(2) by striking subparagraph (B); and

(3) by redesignating subparagraph (C) as subparagraph (B).

(b) CONFORMING AMENDMENTS.—Section 47106(c) of such title is amended—

(1) by striking paragraph (4);

(2) by redesignating paragraph (5) as paragraph (4); and

(3) by striking “(I)(C)” in paragraph (4), as redesignated, and inserting “(I)(B)”.

SEC. 209. STREAMLINING THE PASSENGER FACILITY FEE PROGRAM.

Section 40117 is amended—

(1) by striking from “finds—” in paragraph (4) of subsection (b) through the end of that paragraph and inserting “finds that the project cannot be paid for from funds reasonably expected to be available for the programs referred to in section 48103.”;

(2) by adding at the end of subsection (c)(2) the following:

“(E) The agency will include in its application or notice submitted under subsection (1) copies of all certifications of agreement or disagreement received under subparagraph (D).

“(F) For the purpose of this section, an eligible agency providing notice and consultation to an air carrier and foreign air carrier is deemed to have satisfied this requirement if it limits such notices and consultations to air carriers and foreign air carriers that have a significant business interest on the airport. In developing regulations to implement this provision, the Secretary shall consider a significant business interest to be defined as an air carrier or foreign air carrier that has no less than 1.0 percent of boardings at the airport in the prior calendar year, except that no air carrier or foreign air

carrier may be considered excluded under this section if it has at least 25,000 boardings at the airport in the prior calendar year, or if it operates scheduled service, without regard to such percentage requirements.”;

(3) by redesignating paragraph (3) of subsection (c) as paragraph (4) and inserting after paragraph (2) the following:

“(3) Before submitting an application, the eligible agency must provide reasonable notice and an opportunity for public comment. The Secretary shall prescribe regulations that define reasonable notice and provide for at least—

“(A) a requirement that the eligible agency provide public notice of intent to collect a passenger facility fee so as to inform those interested persons and agencies who may be affected, including—

“(i) publication in local newspapers of general circulation;

“(ii) publication in other local media; and

“(iii) posting the notice on the agency’s website;

“(B) a requirement for submission of public comments no sooner than 30 days after publishing of the notice and not later than 45 days after publication; and

“(C) a requirement that the agency include in its application or notice submitted under paragraph (1) copies of all comments received under subparagraph (B).”;

(4) by striking “shall” in the first sentence of paragraph (4), as redesignated, of subsection (c) and inserting “may”; and

(5) by adding at the end the following:

“(1) PILOT PROGRAM FOR PASSENGER FACILITY FEE AUTHORIZATIONS AT SMALL AIRPORTS.—

“(1) There is established a pilot program for the Secretary to test alternative procedures for authorizing small airports to impose passenger facility fees. An eligible agency may impose a passenger facility fee at a non-hub airport (as defined in section 47102 of this title) that it controls for use on eligible airport-related projects at that airport, in accordance with the provisions of this subsection. These procedures shall be in lieu of the procedures otherwise specified in this section.

“(2) The eligible agency must provide reasonable notice and an opportunity for consultation to air carriers and foreign air carriers in accordance with subsection (c)(2), and must provide reasonable notice and opportunity for public comment in accordance with subsection (c)(3).

“(3) The eligible agency must submit to the Secretary a notice of intention to impose a passenger facility fee, which notice shall include—

“(A) information that the Secretary may require by regulation on each project for which authority to impose a passenger facility charge is sought;

“(B) the amount of revenue from passenger facility charges that is proposed to be collected for each project; and

“(C) the level of the passenger facility charge that is proposed.

“(4) The Secretary shall acknowledge receipt of the notice and indicate any objection to the imposition of a passenger facility fee for any project identified in the notice within 30 days after receipt of the eligible agency’s notice.

“(5) Unless the Secretary objects within 30 days after receipt of the eligible agency’s notice, the eligible agency is authorized to impose a passenger facility fee in accordance with the terms of its notice.

“(6) Not later than 180 days after the date of enactment of this subsection, the Secretary shall propose such regulations as may be necessary to carry out this subsection.

“(7) The authority granted under this subsection shall expire three years after the issuance of the regulation required by paragraph (6).

“(8) An acknowledgement issued under paragraph (4) shall not be considered an order of the Secretary issued under section 46110 of this title.”.

SEC. 210. QUARTERLY STATUS REPORTS.

Beginning with the second calendar quarter ending after the date of enactment of this Act, the Secretary of Transportation shall provide quarterly status reports to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the status of construction of each major runway project undertaken at the largest 40 commercial airports in terms of annual enplanements.

SEC. 211. NOISE DISCLOSURE REQUIREMENTS.

(a) DEFINITIONS.—Section 47501 is amended by adding at the end—

“(3) ‘Federal agency’ means any department, agency, corporation, or other establishment or instrumentality of the executive branch of the Federal Government, and includes the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

“(4) ‘Federal entity for lending regulation’ means the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Office of Thrift Supervision, the National Credit Union Administration, and the Farm Credit Administration, and with respect to a particular regulated lending institution means the entity primarily responsible for the supervision of the institution.

“(5) ‘Federal agency lender’ means a Federal agency that makes direct loans secured by improved real estate or a mobile home, to the extent such agency acts in such capacity.

“(6) ‘residential real estate’ means real estate upon which a residential dwelling is located.

“(7) ‘noise exposure map’ means a noise exposure map that complies with section 47503 of this title and part 150 of title 14, Code of Federal Regulations.

“(8) ‘regulated lending institution’ means any bank, savings and loan association, credit union, farm credit bank, Federal land bank association, production credit association, or similar institution subject to the supervision of a Federal entity for lending regulation.”.

(b) NOISE EXPOSURE MAPS.—Section 47503(b) is amended to read as follows:

“(b) REVISED MAPS.—If, in an area surrounding an airport, a change in the operation of the airport would establish a substantial new noncompatible use, or would significantly reduce noise over existing noncompatible uses, beyond the forecast year, the airport operator shall submit a revised noise exposure map to the Secretary showing the new noncompatible use or noise reduction.”.

(c) NOTIFICATION OF NOISE EXPOSURE.—Chapter 457 is amended by adding at the end the following:

“§47511. Notification of noise exposure

“(a) NOISE EXPOSURE MAP.—An airport operator shall make available to lending institutions, upon request, the most recent noise exposure map submitted under section 47503 of this title.

“(b) LIST OF AIRPORTS.—The Secretary shall maintain a list of airports for which the airport operators have submitted a noise exposure map under section 47503 of this title.

“(c) REGULATED LENDING INSTITUTIONS.—Each Federal entity for lending regulation (after consultation and coordination with the Federal Financial Institutions Examination Council) shall direct by regulation that a regulated lending institution may not make, increase, extend or renew any loan secured by residential real estate or a mobile home that is located or to be located in the vicinity of an airport on the Secretary’s list described in subsection (b), unless the loan applicant’s purchase agreement for the residential real estate or mobile home provides notice to the purchaser (or satisfactory assurances are provided that the seller has provided written notice to the purchaser prior to the purchaser’s signing of the purchase agreement) that the property is within

the area of the noise contours on a noise exposure map submitted under section 47503 of this chapter. The notice to the purchaser shall be acknowledged by the purchaser's signing of the purchase agreement or other notification document and the regulated lending institution shall retain a record of the receipt of the notice by the purchaser.

"(d) FEDERAL AGENCY LENDERS.—Each Federal agency lender shall by regulation require notification in the manner provided in subsection (c) with respect to any loan that is made by the Federal agency lender and secured by residential real estate or a mobile home located or to be located in the vicinity of an airport on the Secretary's list described in subsection (b).

"(e) CONTENTS OF NOTICE.—The notice required under this section shall disclose—

"(1) that the property is located within the noise contours depicted on the most recent noise exposure map submitted by the airport operator according to section 47503 of this chapter, and is subject to aircraft noise exposure; and

"(2) the name and telephone number of the airport where the purchaser may obtain more information on the aircraft noise exposure."

SEC. 212. PROHIBITION ON REQUIRING AIRPORTS TO PROVIDE RENT-FREE SPACE FOR FAA OR TSA.

(a) IN GENERAL.—Chapter 401 is amended by adding at the end the following:

"§40129. Prohibition on rent-free space requirements for FAA or TSA

"(a) IN GENERAL.—Neither the Secretary of Transportation nor the Secretary of Homeland Security may require airport sponsors to provide building construction, maintenance, utilities and expenses, or space in airport sponsor-owned buildings to the Federal Aviation Administration or the Transportation Security Administration without cost for services relating to air traffic control, air navigation, aviation security, or weather reporting.

"(b) NEGOTIATED AGREEMENTS.—Subsection (a) does not prohibit—

"(1) the negotiation of agreements between either Secretary and an airport sponsor to provide building construction, maintenance, utilities and expenses, or space in airport sponsor-owned buildings to the Federal Aviation Administration or the Transportation Security Administration without cost or at below-market rates; or

"(2) either Secretary from requiring airport sponsors to provide land without cost to the Federal Aviation Administration for air traffic control facilities or space without cost to the Transportation Security Administration for necessary security checkpoints."

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 401 is amended by adding at the end the following:

"40129. Prohibition on rent-free space requirements for FAA or TSA."

SEC. 213. SPECIAL RULES FOR FISCAL YEAR 2004.

(a) APPORTIONMENT TO CERTAIN AIRPORTS WITH DECLINING BOARDINGS.—

(1) IN GENERAL.—For fiscal year 2004, the Secretary of Transportation may apportion funds under section 47114 of title 49, United States Code, to the sponsor of an airport described in paragraph (2) in an amount equal to the amount apportioned to that airport under that section for fiscal year 2002, notwithstanding any provision of section 47114 to the contrary.

(2) AIRPORTS TO WHICH PARAGRAPH (1) APPLIES.—Paragraph (1) applies to any airport determined by the Secretary to have had—

(A) less than 0.05 percent of the total United States passenger boardings (as defined in section 47102(10) of title 49, United States Code) for the calendar year used for determining apportionments under section 47114 for fiscal year 2004;

(B) less than 10,000 passenger boardings in calendar year 2002; and

(C) 10,000 or more passenger boardings in calendar year 2000.

(b) TEMPORARY INCREASE IN GOVERNMENT SHARE OF CERTAIN AIP PROJECT COSTS.—Notwithstanding section 47109(a) of title 49, United States Code, the Government's share of allowable project costs for a grant made in fiscal year 2004 under chapter 471 of that title for a project described in paragraph (2) or (3) of that section shall be 95 percent.

SEC. 214. AGREEMENTS FOR OPERATION OF AIRPORT FACILITIES.

Section 47124 is amended—

(1) by inserting "a qualified entity or" after "with" in subsection (a);

(2) by inserting "entity or" after "allow the" in subsection (a);

(3) by inserting "entity or" before "State" the last place it appears in subsection (a);

(4) by striking "contract," in subsection (b)(2) and inserting "contract with a qualified entity, or";

(5) by striking "the State" each place it appears in subsection (b)(2) and inserting "the entity or State";

(6) by striking "PILOT" in the caption of subsection (b)(3);

(7) by striking "pilot" in subsection (b)(3)(A);

(8) by striking "pilot" in subsection (b)(3)(D);

(9) by striking "\$6,000,000 per fiscal year" in subsection (b)(3)(E) and inserting "\$6,500,000 for fiscal 2004, \$7,000,000 for fiscal year 2005, and \$7,500,000 for fiscal year 2006"; and

(10) by striking "\$1,100,000," in subsection (b)(4)(C) and inserting "\$1,500,000."

SEC. 215. PUBLIC AGENCIES.

Section 47102(15) is amended—

(1) by striking "or" after the semicolon in subparagraph (B);

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B) the following:

"(C) the Department of the Interior with respect to an airport owned by the Department that is required to be maintained for commercial aviation safety at a remote location; or"

SEC. 216. FLEXIBLE FUNDING FOR NONPRIMARY AIRPORT APPORTIONMENTS.

(a) IN GENERAL.—Section 47117(c)(2) is amended to read as follows:

"(2) WAIVER.—A sponsor of an airport may make an agreement with the Secretary of Transportation waiving the sponsor's claim to any part of the amount apportioned for the airport under sections 47114(c) and 47114(d)(2)(A) of this title if the Secretary agrees to make the waived amount available for a grant for another public-use airport in the same State or geographical area as the airport, as determined by the Secretary."

(b) CONFORMING AMENDMENTS.—

(1) Section 47108(a) is amended by inserting "or section 47114(d)(2)(A)" after "under section 47114(c)".

(2) Section 47110 is amended—

(A) by inserting "or section 47114(d)(2)(A)" in subsection (b)(2)(C) after "of section 47114(c)";

(B) by inserting "or section 47114(d)(2)(A)" in subsection (g) after "of section 47114(c)";

(C) by striking "of project." in subsection (g) and inserting "of the project."; and

(D) by adding at the end the following:

"(h) NONPRIMARY AIRPORTS.—The Secretary may decide that the costs of revenue producing aeronautical support facilities, including fuel farms and hangars, are allowable for an airport development project at a nonprimary airport and for which the Government's share is paid only with funds apportioned to a sponsor under section 47114(d)(2)(A), if the Secretary determines that the sponsor has made adequate provision for financing airside needs of the airport."

(3) Section 47119(b) is amended by—

(A) striking "or" after the semicolon in paragraph (3);

(B) striking "1970." in paragraph (4) and inserting "1970; or"; and

(C) adding at the end the following:

"(5) to a sponsor of a nonprimary airport referred to in subparagraph (A) or (B) paragraph (2), any part of amounts apportioned to the sponsor for the fiscal year under section 47114(d)(3)(A) of this title for project costs allowable under section 47110(d) of this title."

(c) APPORTIONMENT FOR ALL-CARGO AIRPORTS.—Section 47114(c)(2)(A) is amended by striking "3" and inserting "3.5".

(d) CONSIDERATIONS FOR CARGO OPERATIONS.—Section 47115(d) is amended—

(1) by striking "and" at the end of paragraph (5);

(2) by striking the period at the end of paragraph (6) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(7) the ability of the project to foster United States competitiveness in securing global air cargo activity at a United States airport."

TITLE III—AIRLINE SERVICE DEVELOPMENT

Subtitle A—Program Enhancements

SEC. 301. DELAY REDUCTION MEETINGS.

(a) IN GENERAL.—Subchapter I of chapter 417 is amended by adding at the end the following new section:

"§41723. Delay reduction actions

"(a) DELAY REDUCTION MEETINGS.—

"(1) SCHEDULING REDUCTION MEETINGS.—The Secretary of Transportation may request that air carriers meet with the Administrator of the Federal Aviation Administration to discuss flight reductions at severely congested airports to reduce overscheduling and flight delays during hours of peak operation if—

"(A) the Administrator of the Federal Aviation Administration determines that it is necessary to convene such a meeting; and

"(B) the Secretary determines that the meeting is necessary to meet a serious transportation need or achieve an important public benefit.

"(2) MEETING CONDITIONS.—Any meeting under paragraph (1)—

"(A) shall be chaired by the Administrator;

"(B) shall be open to all scheduled air carriers; and

"(C) shall be limited to discussions involving the airports and time periods described in the Administrator's determination.

"(3) FLIGHT REDUCTION TARGETS.—Before any such meeting is held, the Administrator shall establish flight reduction targets for the meeting and notify the attending air carriers of those targets not less than 48 hours before the meeting.

"(4) DELAY REDUCTION OFFERS.—An air carrier attending the meeting shall make any delay reduction offer to the Administrator rather than to another carrier.

"(5) TRANSCRIPT.—The Administrator shall ensure that a transcript of the meeting is kept and made available to the public not later than 3 business days after the conclusion of the meeting.

"(b) STORMY WEATHER AGREEMENTS LIMITED EXEMPTION.—

"(1) IN GENERAL.—The Secretary may establish a program to authorize by order discussions and agreements between 2 or more air carriers for the purpose of reducing flight delays during periods of inclement weather.

"(2) REQUIREMENTS.—An authorization issued under paragraph (1)—

"(A) may only be issued by the Secretary after a determination by the Federal Aviation Administration that inclement weather is likely to adversely and directly affect capacity at an airport for a period of at least 3 hours;

"(B) shall apply only to discussions and agreements concerning flights directly affected by the inclement weather; and

"(C) shall remain in effect for a period of 24 hours.

"(3) PROCEDURE.—The Secretary shall establish procedures within 30 days after such date of enactment for—

“(A) filing requests for an authorization under paragraph (1);

“(B) participation under paragraph (5) by representatives of the Department of Transportation in any meetings or discussions held pursuant to such an order; and

“(C) the determination by the Federal Aviation Administration about the impact of inclement weather.

“(4) COPY OF PARTICIPATION REQUEST FILED WITH SECRETARY.—Before an air carrier may request an order under paragraph (1), it shall file a request with the Secretary, in such form and manner as the Secretary may prescribe, to participate in the program established under paragraph (1).

“(5) DOT PARTICIPATION.—The Secretary shall ensure that the Department is represented at any meetings authorized under this subsection.

“(c) EXEMPTION AUTHORIZED.—When the Secretary finds that it is required by the public interest, the Secretary, as part of an order issued under subsection (b)(1), shall exempt a person affected by the order from the antitrust laws to the extent necessary to allow the person to proceed with the activities approved in the order.

“(d) ANTITRUST LAWS DEFINED.—In this section, the term ‘antitrust laws’ has the meaning given that term in the first section of the Clayton Act (15 U.S.C. 12).

“(e) SUNSET.—The authority of the Secretary to issue an order under subsection (b)(1) of this section expires at the end of the 2-year period that begins 45 days after the date of enactment of the Aviation Investment and Revitalization Vision Act. The Secretary may extend the 2-year period for an additional 2 years if the Secretary determines that such an extension is necessary and in the public interest. The Secretary shall notify the Senate Committee on Commerce, Science, and Transportation, and to the House of Representatives Committee on Transportation and Infrastructure of any such extension.”

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 417 is amended by inserting after the item relating to section 41722 the following new item:

“41723. Delay reduction actions.”

SEC. 302. SMALL COMMUNITY AIR SERVICE DEVELOPMENT PILOT PROGRAM.

(a) 3-YEAR EXTENSION.—Section 41743(e)(2) is amended—

(1) by striking “There is” and inserting “There are”;

(2) by striking “2001 and” and inserting “2001,”; and

(3) by striking “2003” and inserting “2003, and \$27,500,000 for each of fiscal years 2004, 2005, and 2006”.

(b) ADDITIONAL COMMUNITIES.—Section 41743(c)(4) of such title is amended by striking “program.” and inserting “program each year. No community, consortia of communities, or combination thereof may participate in the program twice.”

SEC. 303. DOT STUDY OF COMPETITION AND ACCESS PROBLEMS AT LARGE AND MEDIUM HUB AIRPORTS.

(a) IN GENERAL.—The Secretary of Transportation shall study competition and airline access problems at hub airports (as defined in section 41731(a)(3)) of title 49, United States Code, and medium hub airports (as defined in section 41714(h)(9) of that title). In the study, the Secretary shall examine, among other matters—

(1) gate usage and availability; and

(2) the effects of the pricing of gates and other facilities on competition and access.

(b) REPORT.—The Secretary shall transmit a report of the Secretary’s findings and conclusions together with any recommendations, including legislative recommendations, the Secretary may have for improving competition and airline access at such airports to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Com-

mittee on Transportation and Infrastructure within 6 months after the date of enactment of this Act.

SEC. 304. COMPETITION DISCLOSURE REQUIREMENT FOR LARGE AND MEDIUM HUB AIRPORTS.

Section 47107 is amended by adding at the end the following:

“(q) COMPETITION DISCLOSURE REQUIREMENT.—

“(1) IN GENERAL.—The Secretary of Transportation may approve an application under this subchapter for an airport development project grant for a hub airport or a medium hub airport only if the Secretary receives assurances that the airport sponsor will provide the information required by paragraph (2) at such time and in such form as the Secretary may require.

“(2) COMPETITIVE ACCESS.—If an airport denies an application by an air carrier to receive access to gates or other facilities at that airport in order to provide service to the airport or to expand service at the airport, then, within 30 days after denying the request, the airport sponsor shall—

“(A) notify the Secretary of the denial; and

“(B) transmit a report to the Secretary that—

“(i) describes the request;

“(ii) explains the reasons for the denial; and

“(iii) provides a time frame within which, if any, the airport will be able to accommodate the request.

“(3) DEFINITIONS.—In this subsection:

“(A) HUB AIRPORT.—The term ‘hub airport’ has the meaning given that term by section 41731(a)(3).

“(B) MEDIUM HUB AIRPORT.—The term ‘medium hub airport’ has the meaning given that term by section 41714(h)(9).”

Subtitle B—Small Community and Rural Air Service Revitalization

SEC. 351. REAUTHORIZATION OF ESSENTIAL AIR SERVICE PROGRAM.

Section 41742(a) of title 49, United States Code, is amended to read as follows:

“(a) IN GENERAL.—There are authorized to be appropriated to the Secretary of Transportation to carry out the essential air service under this subchapter, \$113,000,000 for each of fiscal years 2004 through 2007, \$50,000,000 of which for each such year shall be derived from amounts received by the Federal Aviation Administration credited to the account established under section 45303 of this title or otherwise provided to the Administration.”

SEC. 352. INCENTIVE PROGRAM.

(a) IN GENERAL.—Chapter 417 of title 49, United States Code, is amended by adding at the end the following:

“SUBCHAPTER IV—MARKETING INCENTIVE PROGRAM

“Sec. 41781. Purpose.

“Sec. 41782. Marketing program.

“Sec. 41783. State marketing assistance.

“Sec. 41784. Definitions.

“Sec. 41785. Authorization of appropriations.

“§41781. Purposes

“The purposes of this subchapter are—

“(1) to enable essential air service communities to increase boardings and the level of passenger usage of airport facilities at an eligible place by providing technical, financial, and other marketing assistance to such communities and to States;

“(2) to reduce subsidy costs under subchapter II of this chapter as a consequence of such increased usage; and

“(3) to provide such communities with opportunities to obtain, retain, and improve transportation services.

“§41782. Marketing program

“(a) IN GENERAL.—The Secretary of Transportation shall establish a marketing incentive program for eligible essential air service commu-

nities receiving assistance under subchapter II under which the airport sponsor in such a community may receive a grant of not more than \$50,000 to develop and implement a marketing plan to increase passenger boardings and the level of passenger usage of its airport facilities.

“(b) MATCHING REQUIREMENT; SUCCESS BONUSES—

“(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), not less than 25 percent of the publicly financed costs associated with the marketing plan shall come from non-Federal sources. For purposes of this paragraph—

“(A) the non-Federal portion of the publicly financed costs may be derived from contributions in kind; and

“(B) State or local matching contributions may not be derived, directly or indirectly, from Federal funds, but the use by a state or local government of proceeds from the sale of bonds to provide the matching contribution is not considered to be a contribution derived directly or indirectly from Federal funds, without regard to the Federal income tax treatment of interest paid on those bonds or the Federal income tax treatment of those bonds.

“(2) BONUS FOR 25-PERCENT INCREASE IN USAGE.—Except as provided in paragraph (3), if, after any 12-month period during which a marketing plan has been in effect, the Secretary determines that the marketing plan has increased average monthly boardings, or the level of passenger usage, at the airport facilities at the eligible place, by 25 percent or more, then only 10 percent of the publicly financed costs associated with the marketing plan shall be required to come from non-Federal sources for the following 12-month period.

“(3) BONUS FOR 50-PERCENT INCREASE IN USAGE.—If, after any 12-month period during which a marketing plan has been in effect, the Secretary determines that the marketing plan has increased average monthly boardings, or the level of passenger usage, at the airport facilities at the eligible place, by 50 percent or more, then no portion of the publicly financed costs associated with the marketing plan shall be required to come from non-Federal sources for the following 12-month period.

“§41783. State marketing assistance

“The Secretary of Transportation may provide up to \$50,000 in technical assistance to any State within which an eligible essential air service community is located for the purpose of assisting the State and such communities to develop methods to increase boardings in such communities. At least 10 percent of the costs of the activity with which the assistance is associated shall come from non-Federal sources, including contributions in kind.

“§41784. Definitions

“In this subchapter:

“(1) ELIGIBLE PLACE.—The term ‘eligible place’ has the meaning given that term in section 41731(a)(1).

“(2) ELIGIBLE ESSENTIAL AIR SERVICE COMMUNITY.—The term ‘eligible essential air service community’ means an eligible place that—

“(A) submits an application to the Secretary in such form, at such time, and containing such information as the Secretary may require, including a detailed marketing plan, or specifications for the development of such a plan, to increase average boardings, or the level of passenger usage, at its airport facilities; and

“(B) provides assurances, satisfactory to the Secretary, that it is able to meet the non-Federal funding requirements of section 41782(b)(1).

“(3) PASSENGER BOARDINGS.—The term ‘passenger boardings’ has the meaning given that term by section 47102(10).

“(4) SPONSOR.—The term ‘sponsor’ has the meaning given that term in section 47102(19).

“§41785. Authorization of appropriations

“There are authorized to be appropriated to the Secretary of Transportation \$12,000,000 for

each of fiscal years 2004 through 2007, not more than \$200,000 per year of which may be used for administrative costs.”.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 417 of such title is amended by inserting after the item relating to section 41767 the following:

“SUBCHAPTER IV—MARKETING INCENTIVE PROGRAM

“41781. Purpose.

“41782. Marketing program.

“41783. State marketing assistance.

“41784. Definitions.

“41785. Authorization of appropriations.”.

SEC. 353. PILOT PROGRAMS.

(a) IN GENERAL.—Subchapter II of chapter 417 of title 49, United States Code, is amended by adding at the end the following:

“§41745. Other pilot programs

“(a) IN GENERAL.—If the entire amount authorized to be appropriated to the Secretary of Transportation by section 41785 is appropriated for fiscal years 2004 through 2007, the Secretary of Transportation shall establish pilot programs that meet the requirements of this section for improving service to communities receiving essential air service assistance under this subchapter or consortia of such communities.

“(b) PROGRAMS AUTHORIZED.—

“(1) COMMUNITY FLEXIBILITY.—The Secretary shall establish a pilot program for not more than 10 communities or consortia of communities under which the airport sponsor of an airport serving the community or consortium may elect to forego any essential air service assistance under preceding sections of this subchapter for a 10-year period in exchange for a grant from the Secretary equal in value to twice the annual essential air service assistance received for the most recently ended calendar year. Under the program, and notwithstanding any provision of law to the contrary, the Secretary shall make a grant to each participating sponsor for use by the recipient for any project that—

“(A) is eligible for assistance under chapter 471;

“(B) is located on the airport property; or

“(C) would improve airport facilities in a way that would make such facilities more usable for general aviation.

“(2) EQUIPMENT CHANGES.—

“(A) IN GENERAL.—The Secretary shall establish a pilot program for not more than 10 communities or consortia of communities under which, upon receiving a petition from the sponsor of the airport serving the community or consortium, the Secretary shall authorize and request the essential air service provider for that community or consortium to use smaller equipment to provide the service and to consider increasing the frequency of service using such smaller equipment. Before granting any such petition, the Secretary shall determine that passenger safety would not be compromised by the use of such smaller equipment.

“(B) ALTERNATIVE SERVICES.—For any 3 airport sponsors participating in the program established under subparagraph (A), the Secretary may establish a pilot program under which—

“(i) the Secretary provides 100 percent Federal funding for reasonable levels of alternative transportation services from the eligible place to the nearest hub airport or small hub airport;

“(ii) the Secretary will authorize the sponsor to use its essential air service subsidy funds provided under preceding sections of this subchapter for any airport-related project that would improve airport facilities; and

“(iii) the sponsor may make an irrevocable election to terminate its participation in the pilot program established under this paragraph after 1 year.

“(3) COST-SHARING.—The Secretary shall establish a pilot program under which the sponsors of airports serving a community or consortium of communities share the cost of providing air transportation service greater than the basic

essential air service provided under this subchapter.

“(4) EAS LOCAL PARTICIPATION PROGRAM.—

“(A) IN GENERAL.—The Secretary of Transportation shall establish a pilot program under which designated essential air service communities located in proximity to hub airports are required to assume 10 percent of their essential air service subsidy costs for a 3-year period.

“(B) DESIGNATION OF COMMUNITIES.—

“(i) IN GENERAL.—The Secretary may not designate any community under this paragraph unless it is located within 100 miles by road of a hub airport and is not located in a noncontiguous State. In making the designation, the Secretary may take into consideration the total traveltime between a community and the nearest hub airport, taking into account terrain, traffic, weather, road conditions, and other relevant factors.

“(ii) ONE COMMUNITY PER STATE.—The Secretary may not designate—

“(I) more than 1 community per State under this paragraph; or

“(II) a community in a State in which another community that is eligible to participate in the essential air service program has elected not to participate in the essential air service program.

“(C) APPEAL OF DESIGNATION.—A community may appeal its designation under this section. The Secretary may withdraw the designation of a community under this paragraph based on—

“(i) the airport sponsor's ability to pay; or

“(ii) the relative lack of financial resources in a community, based on a comparison of the median income of the community with other communities in the State.

“(D) NON-FEDERAL SHARE.—

“(i) NON-FEDERAL AMOUNTS.—For purposes of this section, the non-Federal portion of the essential air service subsidy may be derived from contributions in kind, or through reduction in the amount of the essential air service subsidy through reduction of air carrier costs, increased ridership, pre-purchase of tickets, or other means. The Secretary shall provide assistance to designated communities in identifying potential means of reducing the amount of the subsidy without adversely affecting air transportation service to the community.

“(ii) APPLICATION WITH OTHER MATCHING REQUIREMENTS.—This section shall apply to the Federal share of essential air service provided this subchapter, after the application of any other non-Federal share matching requirements imposed by law.

“(E) ELIGIBILITY FOR OTHER PROGRAMS NOT AFFECTED.—Nothing in this paragraph affects the eligibility of a community or consortium of communities, an airport sponsor, or any other person to participate in any program authorized by this subchapter. A community designated under this paragraph may participate in any program (including pilot programs) authorized by this subchapter for which it is otherwise eligible—

“(i) without regard to any limitation on the number of communities that may participate in that program; and

“(ii) without reducing the number of other communities that may participate in that program.

“(F) SECRETARY TO REPORT TO CONGRESS ON IMPACT.—The Secretary shall transmit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on—

“(i) the economic condition of communities designated under this paragraph before their designation;

“(ii) the impact of designation under this paragraph on such communities at the end of each of the 3 years following their designation; and

“(iii) the impact of designation on air traffic patterns affecting air transportation to and from communities designated under this paragraph.

“(c) CODE-SHARING.—Under the pilot program established under subsection (a), the Secretary is authorized to require air carriers providing service to participating communities and major air carriers (as defined in section 41716(a)(2)) serving large hub airports (as defined in section 41731(a)(3)) to participate in multiple code-share arrangements consistent with normal industry practice whenever and wherever the Secretary determines that such multiple code-sharing arrangements would improve air transportation services. The Secretary may not require air carriers to participate in such arrangements under this subsection for more than 10 such communities.

“(d) TRACK SERVICE.—The Secretary shall require essential air service providers to track changes in service, including on-time arrivals and departures.

“(e) ADMINISTRATIVE PROVISIONS.—In order to participate in a pilot program established under this section, the airport sponsor for 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.”.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 417 of such title is amended by inserting after the item relating to section 41744 the following:

“41745. Other pilot programs.”.

SEC. 354. EAS PROGRAM AUTHORITY CHANGES.

(a) RATE RENEGOTIATION.—If the Secretary of Transportation determines that essential air service providers are experiencing significantly increased costs of providing service under subchapter II of chapter 417 of title 49, United States Code, the Secretary of Transportation may increase the rates of compensation payable under that subchapter within 30 days after the date of enactment of this Act without regard to any agreements or requirements relating to the renegotiation of contracts. For purposes of this subsection, the term “significantly increased costs” means an average monthly cost increase of 10 percent or more.

(b) RETURNED FUNDS.—Notwithstanding any provision of law to the contrary, any funds made available under subchapter II of chapter 417 of title 49, United States Code, that are returned to the Secretary by an airport sponsor because of decreased subsidy needs for essential air service under that subchapter shall remain available to the Secretary and may be used by the Secretary under that subchapter to increase the frequency of flights at that airport.

(c) SMALL COMMUNITY AIR SERVICE DEVELOPMENT PILOT PROGRAM.—Section 41743(h) of such title is amended by striking “an airport” and inserting “each airport”.

TITLE IV—AVIATION SECURITY

SEC. 401. STUDY OF EFFECTIVENESS OF TRANSPORTATION SECURITY SYSTEM.

(a) IN GENERAL.—The Secretary of Homeland Security shall study the effectiveness of the aviation security system, including the air marshal program, hardening of cockpit doors, and security screening of passengers, checked baggage, and cargo.

(b) REPORT.—The Secretary shall transmit a report of the Secretary's findings and conclusions together with any recommendations, including legislative recommendations, the Secretary may have for improving the effectiveness of aviation security to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure within 6 months after the date of enactment of this Act. In the report the Secretary shall also describe any redeployment of Transportation Security Administration resources based on those findings and conclusions. The Secretary may submit the report to the Committees in classified and redacted form.

SEC. 402. AVIATION SECURITY CAPITAL FUND.

(a) IN GENERAL.—There is established within the Department of Transportation a fund to be

known as the Aviation Security Capital Fund. The first \$500,000,000 derived from fees received under section 44940(a)(1) of title 49, United States Code, in each of fiscal years 2004, 2005, and 2006 shall be available to the Fund. The Under Secretary of Homeland Security for Border and Transportation Security shall impose the fee authorized by section 44940(a)(1) of such title so as to collect at least \$500,000,000 in each of fiscal years 2004, 2005, and 2006 for deposit into the fund. Amounts in the fund shall be allocated in such a manner that—

(1) 40 percent shall be made available for hub airports;

(2) 20 percent shall be made available for medium hub airports;

(3) 15 percent shall be made available for small hub airports and non-hub airports; and

(4) 25 percent shall be distributed by the Secretary on the basis of aviation security risks.

(b) PURPOSE.—Amounts in the Fund shall be available to the Secretary of Transportation, after consultation with the Under Secretary of Homeland Security for Border and Transportation Security to provide financial assistance to airport sponsors to defray capital investment in transportation security at airport facilities in accordance with the provisions of this section. The program shall be administered in concert with the airport improvement program under chapter 417 of title 49, United States Code.

(c) APPORTIONMENT.—Amounts made available under subsection (a)(1), (a)(2), or (a)(3) shall be apportioned among the airports in each category in accordance with a formula based on the ratio that passenger enplanements at each airport in the category bears to the total passenger enplanements at all airports in the that category.

(d) MATCHING REQUIREMENTS.—

(1) IN GENERAL.—Not less than the following percentage of the costs of any project funded under this section shall be derived from non-Federal sources:

(A) For hub airports and medium hub airports, 25 percent.

(B) For airports other than hub airports and medium hub airports, 10 percent.

(2) USE OF BOND PROCEEDS.—In determining the amount of non-Federal sources of funds, the proceeds of State and local bond issues shall not be considered to be derived, directly or indirectly, from Federal sources without regard to the Federal income tax treatment of interest and principal of such bonds.

(e) LETTERS OF INTENT.—The Secretary of Transportation, or his delegate, may execute letters of intent to commit funding to airport sponsors from the Fund.

(f) CONFORMING AMENDMENTS.—

(1) USE OF PASSENGER FEE FUNDS.—Section 44940(a)(1) is amended by adding at the end the following:

“(H) The costs of security-related capital improvements at airports.”.

(2) LIMITATION ON COLLECTION.—Section 44940(d)(4) is amended by striking “Act.” and inserting “Act or in section 402(a) of the Aviation Investment and Revitalization Vision Act.”.

(g) DEFINITIONS.—Any term used in this section that is defined or used in chapter 417 of title 49 United States Code has the meaning given that term in that chapter.

SEC. 403. TECHNICAL AMENDMENTS RELATED TO SECURITY-RELATED AIRPORT DEVELOPMENT.

(a) DEFINITION OF AIRPORT DEVELOPMENT.—Section 47102(3)(B) is amended—

(1) by inserting “and” after the semicolon in clause (viii);

(2) by striking “circular; and” in clause (ix) and inserting “circular.”; and

(3) by striking clause (x).

(b) IMPROVEMENT OF FACILITIES AND EQUIPMENT.—Section 301(a) of the Federal Aviation Reauthorization Act of 1996 (49 U.S.C. 44901 note) is amended by striking “travel.” and inserting “travel if the improvements or equipment will be owned and operated by the airport.”.

SEC. 404. ARMED FORCES CHARTERS.

Section 132 of the Aviation and Transportation Security Act (49 U.S.C. 44903 note) is amended by adding at the end the following:

“(c) EXEMPTION FOR ARMED FORCES CHARTERS.—

“(1) IN GENERAL.—Subsections (a) and (b) of this section, and chapter 449 of title 49, United States Code, do not apply to passengers and property carried by aircraft when employed to provide charter transportation to members of the armed forces.

“(2) IN GENERAL.—The Secretary of Defense, in consultation with the Secretary of Homeland Security and the Secretary of Transportation, shall establish security procedures relating to the operation of aircraft when employed to provide charter transportation to members of the armed forces to or from an airport described in section 44903(c) of title 49, United States Code.

“(3) ARMED FORCES DEFINED.—In this subsection, the term ‘armed forces’ has the meaning given that term by section 101(a)(4) of title 10, United States Code.”.

TITLE V—MISCELLANEOUS

SEC. 501. EXTENSION OF WAR RISK INSURANCE AUTHORITY.

(a) EXTENSION OF POLICIES.—Section 44302(f)(1) is amended by striking “2004,” each place it appears and inserting “2006.”.

(b) EXTENSION OF LIABILITY LIMITATION.—Section 44303(b) is amended by striking “2004,” and inserting “2006.”.

(c) EXTENSION OF AUTHORITY.—Section 44310 is amended by striking “2004.” and inserting “2006.”.

SEC. 502. COST-SHARING OF AIR TRAFFIC MODERNIZATION PROJECTS.

(a) IN GENERAL.—Chapter 445 is amended by adding at the end the following:

“**§44517. Program to permit cost-sharing of air traffic modernization projects**

“(a) IN GENERAL.—Subject to the requirements of this section, the Secretary may carry out a program under which the Secretary may make grants to project sponsors for not more than 10 eligible projects per fiscal year for the purpose of improving aviation safety and enhancing mobility of the Nation’s air transportation system by encouraging non-Federal investment in critical air traffic control facilities and equipment.

“(b) FEDERAL SHARE.—The Federal share of the cost of an eligible project carried out under the program shall not exceed 33 percent. The non-Federal share of the cost of an eligible project shall be provided from non-Federal sources, including revenues collected pursuant to section 40117 of this title.

“(c) LIMITATION ON GRANT AMOUNTS.—No eligible project may receive more than \$5,000,000 in Federal funds under the program.

“(d) FUNDING.—The Secretary shall use amounts appropriated under section 48101(a) of this title to carry out this program.

“(e) DEFINITIONS.—In this section:

“(1) ELIGIBLE PROJECT.—The term ‘eligible project’ means a project relating to the Nation’s air traffic control system that is certified or approved by the Administrator and that promotes safety, efficiency, or mobility. Such projects may include—

“(A) airport-specific air traffic facilities and equipment, including local area augmentation systems, instrument landing systems, weather and wind shear detection equipment, lighting improvements, and control towers;

“(B) automation tools to effect improvements in airport capacity, including passive final approach spacing tools and traffic management advisory equipment; and

“(C) facilities and equipment that enhance airspace control procedures, including consolidation of terminal radar control facilities and equipment, or assist in en route surveillance, including oceanic and offshore flight tracking.

“(2) PROJECT SPONSOR.—The term ‘project sponsor’ means any major user of the National

Airspace System, as determined by the Secretary, including a public-use airport or a joint venture between a public-use airport and one or more air carriers.

“(f) TRANSFERS OF EQUIPMENT.—Notwithstanding any other provision of law, and upon agreement by the Administrator of the Federal Aviation Administration, project sponsors may transfer, without consideration, to the Federal Aviation Administration, facilities, equipment, or automation tools, the purchase of which was assisted by a grant made under this section, if such facilities, equipment or tools meet Federal Aviation Administration operation and maintenance criteria.

“(g) GUIDELINES.—The Administrator shall issue advisory guidelines on the implementation of the program, which shall not be subject to administrative rulemaking requirements under subchapter II of chapter 5 of title 5.”.

(b) CONFORMING AMENDMENT.—The chapter analyses for chapter 445 is amended by adding at the end the following:

“44517. Program to permit cost-sharing of air traffic modernization projects.”.

SEC. 503. COUNTERFEIT OR FRAUDULENTLY REPRESENTED PARTS VIOLATIONS.

Section 44726(a)(1) is amended—

(1) by striking “or” after the semicolon in subparagraph (A);

(2) by redesignating subparagraph (B) as subparagraph (D);

(3) by inserting after subparagraph (A) the following:

“(B) who knowingly, and with intent to defraud, carried out or facilitated an activity punishable under a law described in subparagraph (A);

“(C) whose certificate is revoked under subsection (b) of this section; or”; and

(4) by striking “convicted of such a violation.” in subparagraph (D), as redesignated, and inserting “described in subparagraph (A), (B) or (C).”.

SEC. 504. CLARIFICATIONS TO PROCUREMENT AUTHORITY.

(a) UPDATE AND CLARIFICATION OF AUTHORITY.—

(1) Section 40110(c) is amended to read as follows:

“(c) DUTIES AND POWERS.—When carrying out subsection (a) of this section, the Administrator of the Federal Aviation Administration may—

“(1) notwithstanding section 1341(a)(1) of title 31, lease an interest in property for not more than 20 years;

“(2) consider the reasonable probable future use of the underlying land in making an award for a condemnation of an interest in airspace; and

“(3) dispose of property under subsection (a)(2) of this section, except for airport and airway property and technical equipment used for the special purposes of the Administration, only under sections 121, 123, and 126 and chapter 5 of title 40.”.

(2) Section 40110(d)(1) is amended by striking “implement, not later than January 1, 1996,” and inserting “implement”.

(b) CLARIFICATION.—Section 106(f)(2)(A)(ii) is amended by striking “property” and inserting “property, services.”.

SEC. 505. JUDICIAL REVIEW.

Section 46110(c) is amended by adding at the end the following: “Except as otherwise provided in this subtitle, judicial review of an order issued, in whole or in part, pursuant to this part, part B of this subtitle, or subsection (l) or (s) of section 114 of this title, shall be in accordance with the provisions of this section.”.

SEC. 506. CIVIL PENALTIES.

(a) INCREASE IN MAXIMUM CIVIL PENALTY.—Section 46301(a) is amended—

(1) by striking “\$1,000” in paragraph (1) and inserting “\$25,000”;

(2) by striking “or” the last time it appears in paragraph (1)(A);

(3) by striking “section)” in paragraph (1)(A), and inserting “section), or section 47133”;

(4) by striking paragraphs (2), (3), (6), and (7) and redesignating paragraphs (4), (5), and (8) as paragraphs (2), (3), and (4), respectively; and

(5) by striking “paragraphs (1) and (2)” in paragraph (4), as redesignated, and inserting “paragraph (1)”.

(b) INCREASE IN LIMIT ON ADMINISTRATIVE AUTHORITY AND CIVIL PENALTY.—Section 46301(d) is amended—

(1) by striking “\$50,000;” in paragraph (4)(A) by inserting “\$50,000, if the violation occurred before the date of enactment of the Aviation Authorization Act of 2003, or \$1,000,000, if the violation occurred on or after that date;”; and

(2) by striking “\$50,000.” in paragraph (8) and inserting “\$50,000, if the violation occurred before the date of enactment of the Aviation Authorization Act of 2003, or \$1,000,000, if the violation occurred on or after that date.”.

SEC. 507. MISCELLANEOUS AMENDMENTS.

(a) AMOUNTS SUBJECT TO APPORTIONMENT UNDER CHAPTER 471.—

(1) IN GENERAL.—Section 47102 is amended—

(A) by striking paragraph (6) and inserting the following:

“(6) ‘amount newly made available’ means the amount newly made available under section 48103 of this title as an authorization for grant obligations for a fiscal year, as that amount may be limited in that year by a provision in an appropriations Act, but as determined without regard to grant obligation recoveries made in that year or amounts covered by section 47107(f).”; and

(B) by redesignating paragraphs (7) through (20) as paragraphs (8) through (21), and inserting after paragraph (6) the following:

“(7) ‘amount subject to apportionment’ means the amount newly made available, less the amount made available for the fiscal year for administrative expenses under section 48105.”.

(2) FORMING AMENDMENTS.—

(A) Section 41742(b) is amended by striking “Notwithstanding section 47114(g) of this title, any” and inserting “Any”.

(B) Section 47104(b) is amended to read as follows:

“(b) INCURRING OBLIGATIONS.—The Secretary may incur obligations to make grants from the amount subject to apportionment as soon as the apportionments required by sections 47114(c) and (d)(2) of this title have been issued.”.

(C) Section 47107(f)(3) is amended by striking “made available to the Secretary under section 48103 of this title and” and inserting “subject to apportionment, and is”.

(D) Section 47114 is amended—

(i) by striking subsection (a);

(ii) by striking “apportionment for that fiscal year” in subsection (b) and inserting “apportionment”;

(iii) by striking “total amount made available under section 48103” in subsections (c)(2)(C), (d)(3), and (e)(4) and inserting “amount subject to apportionment”;

(iv) by striking “each fiscal year” in subsection (c)(2)(A); and

(v) by striking “for each fiscal year” in subsection (d)(2).

(E) Section 47116(b) is amended by striking “amounts are made available under section 48103 of this title” and inserting “an amount is subject to apportionment”.

(F) Section 47117 is amended—

(i) by striking “amounts are made available under section 48103 of this title.” in subsection (a) and inserting “an amount is subject to apportionment.”;

(ii) by striking “a sufficient amount is made available under section 48103.” in subsection (f)(2)(A) and inserting “there is a sufficient amount subject to apportionment.”;

(iii) in subsection (f)(2)(B), by inserting “in” before “the succeeding”;

(iv) by striking “NEWLY AVAILABLE” in the caption of subsection (f)(3) and inserting “RESTORED”;

(v) by striking “newly available under section 48103 of this title,” in subsection (f)(3)(A) and inserting “subject to apportionment.”;

(vi) by striking “made available under section 48103 for such obligations for such fiscal year.” in subsection (f)(4) and inserting “subject to apportionment.”; and

(vii) by striking “enacted after September 3, 1982,” in subsection (g).

(b) RECOVERED FUNDS.—Section 47117 is amended by adding at the end the following:

“(g) CREDITING OF RECOVERED FUNDS.—For the purpose of determining compliance with a limitation on the amount of grant obligations that may be incurred in a fiscal year imposed by an appropriations Act, an amount that is recovered by canceling or reducing a grant obligation—

“(1) shall be treated as a negative obligation that is to be netted against the gross obligation limitation, and

“(2) may permit the gross limitation to be exceeded by an equal amount.”.

(c) AIRPORT SAFETY DATA COLLECTION.—Section 47130 is amended to read as follows:

“§47130. Airport safety data collection

“Notwithstanding any other provision of law, the Administrator of the Federal Aviation Administration may award a contract, using sole source or limited source authority, or enter into a cooperative agreement with, or provide a grant from amounts made available under section 48103 to, a private company or entity for the collection of airport safety data. If a grant is provided, the United States Government’s share of the cost of the data collection shall be 100 percent.”.

(d) STATUTE OF LIMITATIONS.—Section 47107(l)(5)(A) is amended by inserting “or any other governmental entity” after “sponsor”.

(e) AUDIT CERTIFICATION.—Section 47107(m) is amended—

(1) by striking “promulgate regulations that” in paragraph (1) and inserting “include a provision in the compliance supplement provisions to”;

(2) by striking “and opinion of the review” in paragraph (1); and

(3) by striking paragraph (3).

(f) NOISE EXPOSURE MAPS.—Section 47503(a) is amended by striking “1985,” and inserting “a forecast year that is at least 5 years in the future.”.

(g) CLARIFICATION OF APPLICABILITY OF PFCs TO MILITARY CHARTERS.—Section 40117(e)(2) is amended—

(1) by striking “and” after the semicolon in subparagraph (D);

(2) by striking “passengers.” in subparagraph (E) and inserting “passengers; and”; and

(3) by adding at the end the following:

“(F) enplaning at an airport if the passenger did not pay for the air transportation which resulted in such enplanement due to charter arrangements and payment by the United States Department of Defense.”.

SEC. 508. LOW-EMISSION AIRPORT VEHICLES AND INFRASTRUCTURE.

(a) PURPOSE.—The purpose of this section is to permit the use of funds made available under subchapter 471 to encourage commercial service airports in air quality nonattainment and maintenance areas to undertake projects for gate electrification, acquisition or conversion of airport vehicles and airport-owned ground support equipment to acquire low-emission technology, low-emission technology fuel systems, and other related air quality projects on a voluntary basis to improve air quality and more aggressively address the constraints that emissions can impose on future aviation growth. Use of those funds is conditioned on airports receiving credits for emissions reductions that can be used to mitigate the air quality effects of future airport de-

velopment. Making these projects eligible for funding in addition to those projects that are already eligible under section 47102(3)(F) is intended to support those projects that, at the time of execution, may not be required by the Clean Air Act (42 U.S.C. 7501 et seq.), but may be needed in the future.

(b) ACTIVITIES ADDED TO DEFINITION OF “AIRPORT DEVELOPMENT”.—Section 47102(3) is amended by adding at the end the following:

“(K) work necessary to construct or modify airport facilities to provide low-emission fuel systems, gate electrification, and other related air quality improvements at a commercial service airport, if the airport is located in an air quality nonattainment or maintenance area (as defined in sections 171(2) and 175(A) of the Clean Air Act (42 U.S.C. 7501(2), 7505a) and if such project will result in an airport receiving appropriate emission credits, as described in section 47139 of this title. The Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall issue guidance describing eligible low-emission modifications and improvements and stating how airport sponsors will demonstrate benefits.

“(L) a project for the acquisition or conversion of vehicles and ground support equipment, owned by a commercial service airport, to low-emission technology, if the airport is located in an air quality nonattainment or maintenance area (as defined in sections 171(2) and 175(A) of the Clean Air Act (42 U.S.C. 7501(2), 7505a) and if such project will result in an airport receiving appropriate emission credits as described in section 47139 of this title. The Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall issue guidance describing eligible low-emission vehicle technology and stating how airport sponsors will demonstrate benefits. For airport-owned vehicles and equipment, the acquisition of which are not otherwise eligible for assistance under this subchapter, the incremental cost of equipping such vehicles or equipment with low-emission technology shall be treated as eligible for assistance.”.

(c) LOW-EMISSION TECHNOLOGY DEFINED.—Section 47102 is amended by redesignating paragraphs (10) through (20), as paragraphs (11) through (21) respectively, and inserting after paragraph (9) the following:

“(11) ‘low-emission technology’ means technology for new vehicles and equipment whose emission performance is the best achievable under emission standards established by the Environmental Protection Agency and that relies exclusively on alternative fuels that are substantially non-petroleum based, as defined by the Department of Energy, but not excluding hybrid systems.”.

(d) EMISSIONS CREDITS.—

(1) IN GENERAL.—Subchapter I of chapter 471, as amended by section 206 of this Act, is further amended by adding at the end the following:

“§47139. Emission credits for air quality projects

“(a) IN GENERAL.—The Secretary and the Administrator of the Environmental Protection Agency shall jointly agree on how to assure that airport sponsors receive appropriate emission credits for projects described in sections 40117(a)(3)(G), 47102(3)(K), or 47102(3)(L) of this title. The agreement must, at a minimum, include provisions to ensure that—

“(1) the credits will be consistent with the Clean Air Act (42 U.S.C. 7402 et seq.);

“(2) credits generated by the emissions reductions in criteria pollutants are kept by the airport sponsor and may be used for purposes of any current or future general conformity determination or as offsets under the New Source Review program;

“(3) there is national consistency in the way credits are calculated and are provided to airports;

“(4) credits are provided to airport sponsors in a timely manner; and

“(5) there is a method by which the Secretary can be assured that, for any specific project for which funding is being requested, the appropriate credits will be granted.

“(b) ASSURANCE OF RECEIPT OF CREDITS.—

“(1) IN GENERAL.—As a condition for making a grant for a project described in section 47102(3)(K), 47102(3)(L), or 47140 of this title, or as a condition for granting approval to collect or use a passenger facility fee for a project described in sections 40117(a)(3)(G), 47102(3)(K), 47102(3)(L), or 47140 of this title, the Secretary must receive assurance from the State in which the project is located, or from the Administrator of the Environmental Protection Agency where there is a Federal Implementation Plan, that the airport sponsor will receive appropriate emission credits in accordance with the conditions of this subsection.

“(2) CREDITS FOR CERTAIN EXISTING PROJECTS.—The Secretary and the Administrator of the Environmental Protection Agency shall jointly agree on how to provide emission credits to projects previously approved under section 47136 of this title during fiscal years 2001 through 2003, under terms consistent with this section.”

(2) CONFORMING AMENDMENT.—The chapter analysis for chapter 471 is amended by inserting after the item relating to section 47138 the following:

“47139. Emission credits for air quality projects.”

(e) AIRPORT GROUND SUPPORT EQUIPMENT EMISSIONS RETROFIT PILOT PROGRAM.—

(1) IN GENERAL.—Subchapter I of chapter 471 is further amended by adding at the end the following:

“§47140. Airport ground support equipment emissions retrofit pilot program

“(a) IN GENERAL.—The Secretary of Transportation shall carry out a pilot program at not more than 10 commercial service airports under which the sponsors of such airports may use an amount subject to apportionment to retrofit existing eligible airport ground support equipment which burns conventional fuels to achieve lower emissions utilizing emission control technologies certified or verified by the Environmental Protection Agency.

“(b) LOCATION IN AIR QUALITY NONATTAINMENT OR MAINTENANCE AREAS.—A commercial service airport shall be eligible for participation in the pilot program only if the airport is located in an air quality nonattainment or maintenance area (as defined in sections 171(2) and 175(A) of the Clean Air Act (42 U.S.C. 7501(2), 7505a)).

“(c) SELECTION CRITERIA.—In selecting applicants for participation in the pilot program, the Secretary shall give priority consideration to applicants that will achieve the greatest air quality benefits measured by the amount of emissions reduced per dollar of funds expended under the pilot program.

“(d) MAXIMUM AMOUNT.—Not more than \$500,000 may be expended under the pilot program at any single commercial service airport.

“(e) GUIDELINES.—The Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall establish guidelines regarding the types of retrofit projects eligible under this pilot program by considering remaining equipment useful life, amounts of emission reduction in relation to the cost of projects, and other factors necessary to carry out this section. The Secretary may give priority to ground support equipment owned by the airport and used for airport purposes.

“(f) ELIGIBLE EQUIPMENT DEFINED.—For purposes of this section, the term ‘eligible equipment’ means ground service or maintenance equipment that—

“(1) is located at the airport;

“(2) used to support aeronautical and related activities on the airport; and

“(3) will remain in operation at the airport.”

(2) CONFORMING AMENDMENT.—The chapter analysis for chapter 471 is further amended by inserting after the item relating to section 47139 the following:

“47140. Airport ground support equipment emissions retrofit pilot program.”

SEC. 509. LOW-EMISSION AIRPORT VEHICLES AND GROUND SUPPORT EQUIPMENT.

Section 40117(a)(3) is amended by inserting at the end the following:

“(G) A project for the acquisition or conversion of ground support equipment or airport-owned vehicles used at a commercial service airport with, or to, low-emission technology or cleaner burning conventional fuels, or the retrofitting of such equipment or vehicles that are powered by a diesel or gasoline engine with emission control technologies certified or verified by the Environmental Protection Agency to reduce emissions, if the airport is located in an air quality nonattainment or maintenance area (as defined in sections 171(2) and 175(A) of the Clean Air Act (42 U.S.C. 7501(2), 7505a), and if such project will result in an airport receiving appropriate emission credits as described in section 47139 of this title. The Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall issue guidance for eligible projects and for how benefits must be demonstrated. The eligible cost is limited to the incremental amount that exceeds the cost of acquiring other vehicles or equipment that are not low-emission and would be used for the same purpose, or to the cost of low-emission retrofitting. For purposes of this paragraph, the term ‘ground support equipment’ means service and maintenance equipment used at an airport to support aeronautical operations and related activities.”

SEC. 510. PACIFIC EMERGENCY DIVERSION AIRPORT.

(a) IN GENERAL.—The Secretary of Transportation shall enter into a memorandum of understanding with the Secretaries of Defense, the Interior, and Homeland Security to facilitate the sale of aircraft fuel on Midway Island, so that the revenue from the fuel sales can be used to operate Midway Island Airport in accordance with Federal Aviation Administration airport standards. The memorandum shall also address the long term potential for promoting tourism as a means of generating revenue to operate the airport.

(b) NAVIGATIONAL AIDS.—The Administrator of the Federal Aviation Administration may support and be responsible for maintaining all aviation-related navigational aids at Midway Island Airport.

SEC. 511. GULF OF MEXICO AVIATION SERVICE IMPROVEMENTS.

(a) IN GENERAL.—The Secretary of Transportation may develop and carry out a program designed to expand and improve the safety, efficiency, and security of—

(1) air traffic control services provided to aviation in the Gulf of Mexico area; and

(2) aviation-related navigational, low altitude communications and surveillance, and weather services in that area.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation such sums as may be necessary to carry out this section for the 4 fiscal year period beginning with fiscal year 2004.

SEC. 512. AIR TRAFFIC CONTROL COLLEGIATE TRAINING INITIATIVE.

The Secretary of Transportation may use, from funds available to the Secretary and not otherwise obligated or expended, such sums as may be necessary to carry out and expand the Air Traffic Control Collegiate Training Initiative.

SEC. 513. INCREASE IN CERTAIN SLOTS.

(a) IN GENERAL.—Section 41714(d)(1)(C) is amended by striking “2” and inserting “3”.

(b) BEYOND-PERIMETER EXEMPTIONS.—Section 41718(a) of title 49, United States Code, is amended by striking “12” and inserting “24”.

SEC. 514. AIR TRANSPORTATION OVERSIGHT SYSTEM PLAN.

(a) IN GENERAL.—Within 90 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall transmit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure an action plan, with an implementation schedule—

(1) to provide adequate oversight of repair stations (known as Part 145 repair stations) and ensure that Administration-approved repair stations outside the United States are subject to the same level of oversight and quality control as those located in the United States; and

(2) for addressing problems with the Air Transportation Oversight System that have been identified in reports by the Comptroller General and the Inspector General of the Department of Transportation.

(b) PLAN REQUIREMENTS.—The plan transmitted by the Administrator under subsection (a)(2) shall set forth the action the Administration will take under the plan—

(1) to develop specific, clear, and meaningful inspection checklists for the use of Administration aviation safety inspectors and analysts;

(2) to provide adequate training to Administration aviation safety inspectors in system safety concepts, risk analysis, and auditing;

(3) to ensure that aviation safety inspectors with the necessary qualifications and experience are physically located where they can satisfy the most important needs;

(4) to establish strong national leadership for the Air Transportation Oversight System and to ensure that the System is implemented consistently across Administration field offices; and

(5) to extend the Air Transportation Oversight System beyond the 10 largest air carriers, so it governs oversight of smaller air carriers as well.

SEC. 515. NATIONAL SMALL COMMUNITY AIR SERVICE DEVELOPMENT OMBUDSMAN.

(a) IN GENERAL.—Subchapter II of chapter 417, as amended by section 353 of this Act, is amended by adding at the end the following:

“§41746. National Small Community Air Service Development Ombudsman

“(a) ESTABLISHMENT.—There is established in the Department of Transportation the position of National Small Community Air Service Ombudsman (in this section referred to as the ‘Ombudsman’). The Secretary of Transportation shall appoint the Ombudsman. The Ombudsman shall report to the Secretary.

“(b) PURPOSE.—The Ombudsman, in consultation with officials from small communities in the United States, State aviation agencies, and State and local economic development agencies, shall develop strategies for retaining and enhancing the air service provided to small communities in the United States.

“(c) OUTREACH.—The Ombudsman shall solicit and receive comments from small communities regarding strategies for retaining and enhancing air service, and shall act as a liaison between the communities and Federal agencies for the purpose of developing such strategies.”

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 417 is amended by inserting after the item relating to section 47145 the following:

“47146. National small community air service development ombudsman.”

SEC. 516. NATIONAL COMMISSION ON SMALL COMMUNITY AIR SERVICE.

(a) ESTABLISHMENT.—There is established a commission to be known as the “National Commission on Small Community Air Service” (in this section referred to as the “Commission”).

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Commission shall be composed of 9 members of whom—

(A) 3 members shall be appointed by the Secretary;

(B) 2 members shall be appointed by the Majority Leader of the Senate;

(C) 1 member shall be appointed by the Minority Leader of the Senate;

(D) 2 members shall be appointed by the Speaker of the House of Representatives; and

(E) 1 member shall be appointed by the Minority Leader of the House of Representatives.

(2) **QUALIFICATIONS.**—Of the members appointed by the Secretary under paragraph (1)(A)—

(A) 1 member shall be a representative of a regional airline;

(B) 1 member shall be a representative of an FAA-designated small-hub airport; and

(C) 1 member shall be a representative of a State aviation agency.

(3) **TERMS.**—Members shall be appointed for the life of the Commission.

(4) **VACANCIES.**—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(5) **TRAVEL EXPENSES.**—Members shall serve without pay but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with subchapter I of chapter 57 of title 5, United States Code.

(c) **CHAIRPERSON.**—The member appointed by the Secretary under subsection (b)(2)(B) shall serve as the Chairperson of the Commission (in this section referred to as the "Chairperson").

(d) **DUTIES.**—

(1) **STUDY.**—The Commission shall undertake a study of—

(A) the challenges faced by small communities in the United States with respect to retaining and enhancing their scheduled commercial air service; and

(B) whether the existing Federal programs charged with helping small communities are adequate for them to retain and enhance their existing air service.

(2) **ESSENTIAL AIR SERVICE COMMUNITIES.**—In conducting the study, the Commission shall pay particular attention to the state of scheduled commercial air service in communities currently served by the Essential Air Service program.

(e) **RECOMMENDATIONS.**—Based on the results of the study under subsection (d), the Commission shall make such recommendations as it considers necessary to—

(1) improve the state of scheduled commercial air service at small communities in the United States, especially communities described in subsection (d)(2); and

(2) improve the ability of small communities to retain and enhance their existing air service.

(f) **REPORT.**—Not later than 6 months after the date on which initial appointments of members to the Commission are completed, the Commission shall transmit to the President and Congress a report on the activities of the Commission, including recommendations made by the Commission under subsection (e).

(g) **COMMISSION PANELS.**—The Chairperson shall establish such panels consisting of members of the Commission as the Chairperson determines appropriate to carry out the functions of the Commission.

(h) **COMMISSION PERSONNEL MATTERS.**—

(1) **STAFF.**—The Commission may appoint and fix the pay of such personnel as it considers appropriate.

(2) **STAFF OF FEDERAL AGENCIES.**—Upon request of the Chairperson, the head of any department or agency of the United States may detail, on a reimbursable basis, any of the personnel of that department or agency to the Commission to assist it in carrying out its duties under this section.

(3) **OTHER STAFF AND SUPPORT.**—Upon the request of the Commission, or a panel of the Commission, the Secretary shall provide the Commission or panel with professional and administrative staff and other support, on a reimbursable basis, to assist the Commission or panel in carrying out its responsibilities.

(i) **OBTAINING OFFICIAL DATA.**—The Commission may secure directly from any department or agency of the United States information (other than information required by any statute of the United States to be kept confidential by such department or agency) necessary for the Commission to carry out its duties under this section. Upon request of the Chairperson, the head of that department or agency shall furnish such nonconfidential information to the Commission.

(j) **TERMINATION.**—The Commission shall terminate on the 30th day following the date of transmittal of the report under subsection (f).

(k) **APPLICABILITY OF THE FEDERAL ADVISORY COMMITTEE ACT.**—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission.

SEC. 517. TRAINING CERTIFICATION FOR CABIN CREW.

Section 44935 is amended by adding at the end the following:

“(g) **TRAINING STANDARDS FOR CABIN CREW.**—

“(1) **IN GENERAL.**—The Administrator shall establish standards for cabin crew training, consistent with the Homeland Security Act of 2002, and the issuance of certification. The Administrator shall require cabin crew members to complete a cabin crew training course approved by the Federal Aviation Administration and the Transportation Security Administration.

“(2) **CERTIFICATION.**—

“(A) **IN GENERAL.**—The Administrator shall provide for the issuance of an appropriate certificate to each individual who successfully completes such a course.

“(B) **CONTENTS.**—The cabin crew certificate shall—

“(i) be numbered and recorded by the Administrator of the Federal Aviation Administration;

“(ii) contain the name, address, and description of the individual to whom the certificate is issued; and

“(iii) contain the name of the current air carrier employer of the certificate holder;

“(iv) contain terms the Administrator determines are necessary to ensure safety in air commerce, including terms that the certificate shall remain valid unless the Administrator suspends or revokes the certificate; and

“(v) designate the type and model of aircraft on which the certificate holder cabin crew member has successfully completed all Federal Aviation Administration and Transportation Security Administration required training in order to be assigned duties on board such type and model of aircraft.

“(3) **CABIN CREW DEFINED.**—In this subsection, the term ‘cabin crew’ means individuals working in an aircraft cabin on board a transport category aircraft with 20 or more seats.”

SEC. 518. AIRCRAFT MANUFACTURER INSURANCE.

(a) **IN GENERAL.**—Section 44302(f) is amended by adding at the end the following:

“(3) **AIRCRAFT MANUFACTURERS.**—The Secretary may offer to provide war and terrorism insurance to aircraft manufacturers for loss or damage arising from the operation of an American or foreign-flag aircraft, in excess of \$50,000,000 in the aggregate or in excess of such other amounts of available primary insurance, on such terms and conditions as the Secretary may prescribe.”

(b) **CONFORMING AMENDMENTS.**—

(1) **DEFINITION OF AIRCRAFT MANUFACTURER.**—Section 44301 is amended by adding at the end the following:

“(3) ‘aircraft manufacturer’ means any company or other business entity the majority ownership and control of which is by United States citizens that manufactures aircraft or aircraft engines.”

(2) **COVERAGE.**—Section 44304(a) is amended by adding at the end the following:

“(6) war and terrorism losses or damages of an aircraft manufacturer arising from the operation of an American or foreign-flag aircraft.”

SEC. 519. GROUND-BASED PRECISION NAVIGATIONAL AIDS.

(a) **IN GENERAL.**—The Secretary of Transportation may establish a program for the installa-

tion, operation, and maintenance of ground-based precision navigational aids for terrain-challenged airports. The program shall include provision for—

(1) preventative and corrective maintenance for the life of each system of such aids; and

(2) requisite staffing and resources for the Federal Aviation Administration’s efficient maintenance of the program.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Secretary of Transportation to carry out the program established under subsection (a) such sums as may be necessary.

SEC. 520. STANDBY POWER EFFICIENCY PROGRAM.

(a) **ESTABLISHMENT.**—The Secretary of Transportation, in cooperation with the Secretary of Energy and, where applicable, the Secretary of Defense, may establish a program to improve the efficiency, cost-effectiveness, and environmental performance of standby power systems at Federal Aviation Administration sites, including the implementation of fuel cell technology.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Secretary of Transportation such sums as may be necessary for each of fiscal years 2004 through 2008 to carry out the provisions of this section.

TITLE VI—SECOND CENTURY OF FLIGHT

SEC. 601. FINDINGS.

The Congress finds the following:

(1) Since 1990, the United States has lost more than 600,000 aerospace jobs.

(2) Over the last year, approximately 100,000 airline workers and aerospace workers have lost their jobs as a result of the terrorist attacks in the United States on September 11, 2001, and the slowdown in the world economy.

(3) The United States has revolutionized the way people travel, developing new technologies and aircraft to move people more efficiently and more safely.

(4) Past Federal investment in aeronautics research and development have benefited the economy and national security of the United States and the quality of life of its citizens.

(5) The total impact of civil aviation on the United States economy exceeds \$900 billion annually—9 percent of the gross national product—and 11 million jobs in the national workforce. Civil aviation products and services generate a significant surplus for United States trade accounts, and amount to significant numbers of America’s highly skilled, technologically qualified work force.

(6) Aerospace technologies, products and services underpin the advanced capabilities of our men and women in uniform and those charged with homeland security.

(7) Future growth in civil aviation increasingly will be constrained by concerns related to aviation system safety and security, aviation system capabilities, aircraft noise, emissions, and fuel consumption.

(8) The United States is in danger of losing its aerospace leadership to international competitors aided by persistent government intervention. Many governments take their funding beyond basic technology development, choosing to fund product development and often bring the product to market, even if the products are not fully commercially viable. Moreover, international competitors have recognized the importance of noise, emission, fuel consumption, and constraints of the aviation system and have established aggressive agendas for addressing each of these concerns.

(9) Efforts by the European Union, through a variety of means, will challenge the United States’ leadership position in aerospace. A recent report outlined the European Union’s goal of becoming the world’s leader in aviation and aeronautics by the end of 2020, utilizing better coordination among research programs, planning, and funding to accomplish this goal.

(10) Revitalization and coordination of the United States' efforts to maintain its leadership in aviation and aeronautics are critical and must begin now.

(11) A recent report by the Commission on the Future of the United States Aerospace Industry outlined the scope of the problems confronting the aerospace and aviation industries in the United States and found that—

(A) Aerospace will be at the core of America's leadership and strength throughout the 21st century;

(B) Aerospace will play an integral role in our economy, our security, and our mobility; and

(C) global leadership in aerospace is a national imperative.

(12) Despite the downturn in the global economy, Federal Aviation Administration projections indicate that upwards of 1 billion people will fly annually by 2013. Efforts must begin now to prepare for future growth in the number of airline passengers.

(13) The United States must increase its investment in research and development to revitalize the aviation and aerospace industries, to create jobs, and to provide educational assistance and training to prepare workers in those industries for the future.

(14) Current and projected levels of Federal investment in aeronautics research and development are not sufficient to address concerns related to the growth of aviation.

Subtitle A—The Office of Aerospace and Aviation Liaison

SEC. 621. OFFICE OF AEROSPACE AND AVIATION LIAISON.

(a) **ESTABLISHMENT.**—There is established within the Department of Transportation an Office of Aerospace and Aviation Liaison.

(b) **FUNCTION.**—The Office shall—

(1) coordinate aviation and aeronautics research programs to achieve the goal of more effective and directed programs that will result in applicable research;

(2) coordinate goals and priorities and coordinate research activities within the Federal Government with United States aviation and aeronautical firms;

(3) coordinate the development and utilization of new technologies to ensure that when available, they may be used to their fullest potential in aircraft and in the air traffic control system;

(4) facilitate the transfer of technology from research programs such as the National Aeronautics and Space Administration program established under section 681 and the Department of Defense Advanced Research Projects Agency program to Federal agencies with operational responsibilities and to the private sector;

(5) review activities relating to noise, emissions, fuel consumption, and safety conducted by Federal agencies, including the Federal Aviation Administration, the National Aeronautics and Space Administration, the Department of Commerce, and the Department of Defense;

(6) review aircraft operating procedures intended to reduce noise and emissions, identify and coordinate research efforts on aircraft noise and emissions reduction, and ensure that aircraft noise and emissions reduction regulatory measures are coordinated; and

(7) work with the National Air Traffic Management System Development Office to coordinate research needs and applications for the next generation air traffic management system.

(c) **PUBLIC-PRIVATE PARTICIPATION.**—In carrying out its functions under this section, the Office shall consult with, and ensure participation by, the private sector (including representatives of general aviation, commercial aviation, and the space industry), members of the public, and other interested parties.

(d) **REPORTING REQUIREMENTS.**—

(1) **INITIAL STATUS REPORT.**—Not later than 90 days after the date of enactment of this Act, the Secretary of Transportation shall submit a re-

port to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the status of the establishment of the Office of Aerospace and Aviation Liaison, including the name of the program manager, the list of staff from each participating department or agency, names of the national team participants, and the schedule for future actions.

(2) **PLAN.**—The Office shall submit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Science a plan for implementing paragraphs (1) and (2) of subsection (b) and a proposed budget for implementing the plan.

(3) **ANNUAL REPORT.**—The Office shall submit to the Senate Committee on Commerce, Science, and Transportation, the House of Representatives Committee on Transportation and Infrastructure, and the House of Representatives Committee on Science an annual report that—

(A) contains a unified budget that combines the budgets of each program coordinated by the Office; and

(B) describes the coordination activities of the Office during the preceding year.

(e) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Secretary of Transportation \$2,000,000 for fiscal years 2004 and 2005 to carry out this section, such sums to remain available until expended.

SEC. 622. NATIONAL AIR TRAFFIC MANAGEMENT SYSTEM DEVELOPMENT OFFICE.

(a) **ESTABLISHMENT.**—There is established within the Federal Aviation Administration a National Air Traffic Management System Development Office, the head of which shall report directly to the Administrator.

(b) **DEVELOPMENT OF NEXT GENERATION AIR TRAFFIC MANAGEMENT SYSTEM.**—

(1) **IN GENERAL.**—The Office shall develop a next generation air traffic management system plan for the United States that will—

(A) transform the national airspace system to meet air transportation mobility, efficiency, and capacity needs beyond those currently included in the Federal Aviation Administration's operational evolution plan;

(B) result in a national airspace system that can safely and efficiently accommodate the needs of all users;

(C) build upon current air traffic management and infrastructure initiatives;

(D) improve the security, safety, quality, and affordability of aviation services;

(E) utilize a system-of-systems, multi-agency approach to leverage investments in civil aviation, homeland security, and national security;

(F) develop a highly integrated, secure architecture to enable common situational awareness for all appropriate system users; and

(G) ensure seamless global operations for system users, to the maximum extent possible.

(2) **MULTI-AGENCY AND STAKEHOLDER INVOLVEMENT.**—In developing the system, the Office shall—

(A) include staff from the Federal Aviation Administration, the National Aeronautics and Space Administration, the Department of Homeland Security, the Department of Defense, the Department of Commerce, and other Federal agencies and departments determined by the Secretary of Transportation to have an important interest in, or responsibility for, other aspects of the system; and

(B) consult with, and ensure participation by, the private sector (including representatives of general aviation, commercial aviation, and the space industry), members of the public, and other interested parties.

(3) **DEVELOPMENT CRITERIA AND REQUIREMENTS.**—In developing the next generation air traffic management system plan under paragraph (1), the Office shall—

(A) develop system performance requirements;

(B) select an operational concept to meet system performance requirements for all system users;

(C) ensure integration of civil and military system requirements, balancing safety, security, and efficiency, in order to leverage Federal funding;

(D) utilize modeling, simulation, and analytical tools to quantify and validate system performance and benefits;

(E) develop a transition plan, including necessary regulatory aspects, that ensures operational achievability for system operators;

(F) develop transition requirements for ongoing modernization programs, if necessary;

(G) develop a schedule for aircraft equipment implementation and appropriate benefits and incentives to make that schedule achievable; and

(H) assess, as part of its function within the Office of Aeronautical and Aviation Liaison, the technical readiness of appropriate research technological advances for integration of such research and advances into the plan.

(c) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Administrator of the Federal Aviation Administration \$300,000,000 for the period beginning with fiscal year 2004 and ending with fiscal year 2010 to carry out this section.

SEC. 623. REPORT ON CERTAIN MARKET DEVELOPMENTS AND GOVERNMENT POLICIES.

Within 6 months after the date of enactment of this Act, the Department of Transportation's Office of Aerospace and Aviation Liaison, in cooperation with appropriate Federal agencies, shall submit to the Senate Committee on Commerce, Science, and Transportation, the House of Representatives Committee on Science, and the House of Representatives Committee on Transportation and Infrastructure a report about market developments and government policies influencing the competitiveness of the United States jet transport aircraft industry that—

(1) describes the structural characteristics of the United States and the European Union jet transport industries, and the markets for these industries;

(2) examines the global market factors affecting the jet transport industries in the United States and the European Union, such as passenger and freight airline purchasing patterns, the rise of low-cost carriers and point-to-point service, the evolution of new market niches, and direct and indirect operating cost trends;

(3) reviews government regulations in the United States and the European Union that have altered the competitive landscape for jet transport aircraft, such as airline deregulation, certification and safety regulations, noise and emissions regulations, government research and development programs, advances in air traffic control and other infrastructure issues, corporate and air travel tax issues, and industry consolidation strategies;

(4) analyzes how changes in the global market and government regulations have affected the competitive position of the United States aerospace and aviation industry vis-à-vis the European Union aerospace and aviation industry; and

(5) describes any other significant developments that affect the market for jet transport aircraft.

Subtitle B—Technical Programs

SEC. 641. AEROSPACE AND AVIATION SAFETY WORKFORCE INITIATIVE.

(a) **IN GENERAL.**—The Administrator of the National Aeronautics and Space Administration and the Administrator of the Federal Aviation Administration shall establish a joint program of competitive, merit-based grants for eligible applicants to increase the number of students studying toward and completing technical training programs, certificate programs, and associate's, bachelor's, master's, or doctorate degrees in fields related to aerospace and aviation safety.

(b) **INCREASED PARTICIPATION GOAL.**—In selecting projects under this paragraph, the Director shall consider means of increasing the number of students studying toward and completing technical training and apprenticeship programs, certificate programs, and associate's or bachelor's degrees in fields related to aerospace and aviation safety who are individuals identified in section 33 or 34 of the Science and Engineering Equal Opportunities Act (42 U.S.C. 1885a or 1885b).

(c) **SUPPORTABLE PROJECTS.**—The types of projects the Administrators may consider under this paragraph include those that promote high quality—

- (1) interdisciplinary teaching;
- (2) undergraduate-conducted research;
- (3) mentor relationships for students;
- (4) graduate programs;
- (5) bridge programs that enable students at community colleges to matriculate directly into baccalaureate aerospace and aviation safety related programs;
- (6) internships, including mentoring programs, carried out in partnership with the aerospace and aviation industry;
- (7) technical training and apprenticeship that prepares students for careers in aerospace manufacturing or operations; and
- (8) innovative uses of digital technologies, particularly at institutions of higher education that serve high numbers or percentages of economically disadvantaged students.

(d) **GRANTEE REQUIREMENTS.**—In developing grant requirements under this section, the Administrators shall consider means, developed in concert with applicants, of increasing the number of students studying toward and completing technical training and apprenticeship programs, certificate programs, and associate's or bachelor's degrees in fields related to aerospace and aviation safety.

(e) **DEFINITIONS.**—In this section:

- (1) **ELIGIBLE APPLICANT DEFINED.**—The term "eligible applicant" means—
- (A) an institution of higher education;
 - (B) a consortium of institutions of higher education; or
 - (C) a partnership between—
 - (i) an institution of higher education or a consortium of such institutions; and
 - (ii) a nonprofit organization, a State or local government, or a private company, with demonstrated experience and effectiveness in aerospace education.

(2) **INSTITUTION OF HIGHER EDUCATION.**—The term "institution of higher education" has the meaning given that term by subsection (a) of section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001(a)), and includes an institution described in subsection (b) of that section.

(f) **AUTHORIZATION OF APPROPRIATIONS.**—

(1) **NASA.**—There are authorized to be appropriated to the Administrator of the National Aeronautics and Space Administration such sums as may be necessary for fiscal year 2004 to carry out this section.

(2) **FAA.**—There are authorized to be appropriated to the Administrator of the Federal Aviation Administration such sums as may be necessary for fiscal year 2004 to carry out this section.

(g) **REPORT, BUDGET, AND PLAN.**—Within 180 days after the date of enactment of this Act, the Administrators jointly shall submit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure a report setting forth—

- (1) recommendations as to whether the program authorized by this section should be extended for multiple years;
- (2) a budget for such a multi-year program; and
- (3) a plan for conducting such a program.

SEC. 642. SCHOLARSHIPS FOR SERVICE.

(a) **IN GENERAL.**—The Administrator of the National Aeronautics and Space Administration

and the Administrator of the Federal Aviation Administration shall develop a joint student loan program for fulltime students enrolled in an undergraduate or post-graduate program leading to an advanced degree in an aerospace-related or aviation safety-related field of endeavor.

(b) **INTERNSHIPS.**—The Administrators may provide temporary internships to such students.

(c) **AUTHORIZATION OF APPROPRIATIONS.**—

(1) **NASA.**—There are authorized to be appropriated to the Administrator of the National Aeronautics and Space Administration such sums as may be necessary for fiscal year 2004 to carry out this section.

(2) **FAA.**—There are authorized to be appropriated to the Administrator of the Federal Aviation Administration such sums as may be necessary for fiscal year 2004 to carry out this section.

(g) **REPORT, BUDGET, AND PLAN.**—Within 180 days after the date of enactment of this Act, the Administrators jointly shall submit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure a report setting forth—

- (1) recommendations as to whether the program authorized by this section should be extended for multiple years;
- (2) a budget for such a multi-year program; and
- (3) a plan for conducting such a program.

Subtitle C—FAA Research, Engineering, and Development

SEC. 661. RESEARCH PROGRAM TO IMPROVE AIRFIELD PAVEMENTS.

The Administrator of the Federal Aviation Administration shall continue the program to consider awards to nonprofit concrete and asphalt pavement research foundations to improve the design, construction, rehabilitation, and repair of rigid concrete airfield pavements to aid in the development of safer, more cost-effective, and more durable airfield pavements. The Administrator may use grants or cooperative agreements in carrying out this section. Nothing in this section requires the Administrator to prioritize an airfield pavement research program above safety, security, Flight 21, environment, or energy research programs.

SEC. 662. ENSURING APPROPRIATE STANDARDS FOR AIRFIELD PAVEMENTS.

(a) **IN GENERAL.**—The Administrator of the Federal Aviation Administration shall review and determine whether the Federal Aviation Administration's standards used to determine the appropriate thickness for asphalt and concrete airfield pavements are in accordance with the Federal Aviation Administration's standard 20-year-life requirement using the most up-to-date available information on the life of airfield pavements. If the Administrator determines that such standards are not in accordance with that requirement, the Administrator shall make appropriate adjustments to the Federal Aviation Administration's standards for airfield pavements.

(b) **REPORT.**—Within 1 year after the date of enactment of this Act, the Administrator shall report the results of the review conducted under subsection (a) and the adjustments, if any, made on the basis of that review to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure.

SEC. 663. ASSESSMENT OF WAKE TURBULENCE RESEARCH AND DEVELOPMENT PROGRAM.

(a) **ASSESSMENT.**—The Administrator of the Federal Aviation Administration shall enter into an arrangement with the National Research Council for an assessment of the Federal Aviation Administration's proposed wake turbulence research and development program. The assessment shall include—

- (1) an evaluation of the research and development goals and objectives of the program;

(2) a listing of any additional research and development objectives that should be included in the program;

(3) any modifications that will be necessary for the program to achieve the program's goals and objectives on schedule and within the proposed level of resources; and

(4) an evaluation of the roles, if any, that should be played by other Federal agencies, such as the National Aeronautics and Space Administration and the National Oceanic and Atmospheric Administration, in wake turbulence research and development, and how those efforts could be coordinated.

(b) **REPORT.**—A report containing the results of the assessment shall be provided to the Committee on Science of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate not later than 1 year after the date of enactment of this Act.

(c) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Administrator of the Federal Aviation Administration \$500,000 for fiscal year 2004 to carry out this section.

SEC. 664. CABIN AIR QUALITY RESEARCH PROGRAM.

In accordance with the recommendation of the National Academy of Sciences in its report entitled "The Airliner Cabin Environment and the Health of Passengers and Crew", the Federal Aviation Administration shall establish a research program to address questions about improving cabin air quality of aircraft, including methods to limit airborne diseases.

SEC. 665. INTERNATIONAL ROLE OF THE FAA.

Section 40101(d) is amended by adding at the end the following:

"(8) Exercising leadership with the Administrator's foreign counterparts, in the International Civil Aviation Organization and its subsidiary organizations, and other international organizations and fora, and with the private sector to promote and achieve global improvements in the safety, efficiency, and environmental effect of air travel."

SEC. 666. FAA REPORT ON OTHER NATIONS' SAFETY AND TECHNOLOGICAL ADVANCEMENTS.

The Administrator of the Federal Aviation Administration shall review aviation and aeronautical safety, and research funding and technological actions in other countries. The Administrator shall submit a report to the Committee on Science of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate, together with any recommendations as to how such activities might be utilized in the United States.

SEC. 667. DEVELOPMENT OF ANALYTICAL TOOLS AND CERTIFICATION METHODS.

The Federal Aviation Administration shall conduct research to promote the development of analytical tools to improve existing certification methods and to reduce the overall costs for the certification of new products.

SEC. 668. PILOT PROGRAM TO PROVIDE INCENTIVES FOR DEVELOPMENT OF NEW TECHNOLOGIES.

(a) **IN GENERAL.**—The Administrator of the Federal Aviation Administration may conduct a limited pilot program to provide operating incentives to users of the airspace for the deployment of new technologies, including technologies to facilitate expedited flight routing and sequencing of take-offs and landings.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Administrator \$500,000 for fiscal year 2004.

SEC. 669. FAA CENTER FOR EXCELLENCE FOR APPLIED RESEARCH AND TRAINING IN THE USE OF ADVANCED MATERIALS IN TRANSPORT AIRCRAFT.

(a) **IN GENERAL.**—The Administrator of the Federal Aviation Administration shall develop a Center for Excellence focused on applied research and training on the durability and maintainability of advanced materials in transport

airframe structures, including the use of polymeric composites in large transport aircraft. The Center shall—

(1) promote and facilitate collaboration among academia, the Federal Aviation Administration's Transportation Division, and the commercial aircraft industry, including manufacturers, commercial air carriers, and suppliers; and

(2) establish goals set to advance technology, improve engineering practices, and facilitate continuing education in relevant areas of study.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator \$500,000 for fiscal year 2004 to carry out this section.

SEC. 670. FAA CERTIFICATION OF DESIGN ORGANIZATIONS.

(a) GENERAL AUTHORITY TO ISSUE CERTIFICATES.—Section 44702(a) is amended by inserting "design organization certificates," after "airman certificates,".

(b) DESIGN ORGANIZATION CERTIFICATES.—

(1) IN GENERAL.—Section 44704 is amended—

(A) by striking the section heading and inserting the following:

"§44704. Design organization certificates, type certificates, production certificates, and airworthiness certificates";

(B) by redesignating subsections (a) through (d) as subsections (b) through (e);

(C) by inserting before subsection (b) the following:

"(a) DESIGN ORGANIZATION CERTIFICATES.—

"(1) PLAN.—Within 3 years after the date of enactment of the Aviation Investment and Revitalization Vision Act, the Administrator of the Federal Aviation Administration shall submit a plan to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure for the development and oversight of a system for certification of design organizations under paragraph (2) that ensures that the system meets the highest standards of safety.

"(2) IMPLEMENTATION OF PLAN.—Within 5 years after the date of enactment of the Aviation Investment and Revitalization Vision Act, the Administrator of the Federal Aviation Administration may commence the issuance of design organization certificates under paragraph (3) to authorize design organizations to certify compliance with the requirements and minimum standards prescribed under section 44701(a) for the type certification of aircraft, aircraft engines, propellers, or appliances.

"(3) ISSUANCE OF CERTIFICATES.—On receiving an application for a design organization certificate, the Administrator shall examine and rate the design organization in accordance with the regulations prescribed by the Administrator to determine that the design organization has adequate engineering, design, and testing capabilities, standards, and safeguards to ensure that the product being certificated is properly designed and manufactured, performs properly, and meets the regulations and minimum standards prescribed under that section. The Administrator shall include in a design organization certificate terms required in the interest of safety.

"(4) NO EFFECT ON POWER OF REVOCATION.—Nothing in this subsection affects the authority of the Secretary of Transportation to revoke a certificate.";

(D) by striking subsection (b), as redesignated, and inserting the following:

"(b) TYPE CERTIFICATES.—

"(1) IN GENERAL.—The Administrator may issue a type certificate for an aircraft, aircraft engine, or propeller, or for an appliance specified under paragraph (2)(A) of this subsection—

"(A) when the Administrator finds that the aircraft, aircraft engine, or propeller, or appliance is properly designed and manufactured, performs properly, and meets the regulations and minimum standards prescribed under section 44701(a) of this title; or

"(B) based on a certification of compliance made by a design organization certificated under subsection (a).

"(2) INVESTIGATION AND HEARING.—On receiving an application for a type certificate, the Administrator shall investigate the application and may conduct a hearing. The Administrator shall make, or require the applicant to make, tests the Administrator considers necessary in the interest of safety."

(c) REINSPECTION AND REEXAMINATION.—Section 44709(a) is amended by inserting "design organization, production certificate holder," after "appliance,".

(d) PROHIBITIONS.—Section 44711(a)(7) is amended by striking "agency" and inserting "agency, design organization certificate,".

(e) CONFORMING AMENDMENTS.—

(1) CHAPTER ANALYSIS.—The chapter analysis for chapter 447 is amended by striking the item relating to section 44704 and inserting the following:

"44704. Design organization certificates, type certificates, production certificates, and airworthiness certificates."

(2) CROSS REFERENCE.—Section 44715(a)(3) is amended by striking "44704(a)" and inserting "44704(b)".

SEC. 671. REPORT ON LONG TERM ENVIRONMENTAL IMPROVEMENTS.

(a) IN GENERAL.—The Administrator of the Federal Aviation Administration, in consultation with the Administrator of the National Aeronautics and Space Administration and the head of the Department of Transportation's Office of Aerospace and Aviation Liaison, shall conduct a study of ways to reduce aircraft noise and emissions and to increase aircraft fuel efficiency. The study shall—

(1) explore new operational procedures for aircraft to achieve those goals;

(2) identify both near term and long term options to achieve those goals;

(3) identify infrastructure changes that would contribute to attainment of those goals;

(4) identify emerging technologies that might contribute to attainment of those goals;

(5) develop a research plan for application of such emerging technologies, including new combustor and engine design concepts and methodologies for designing high bypass ratio turbofan engines so as to minimize the effects on climate change per unit of production of thrust and flight speed; and

(6) develop an implementation plan for exploiting such emerging technologies to attain those goals.

(b) REPORT.—The Administrator shall transmit a report on the study to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure within 1 year after the date of enactment of this Act.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator of the Federal Aviation Administration \$500,000 for fiscal year 2004 to carry out this section.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, I believe Senator McCain will arrive momentarily to manage this legislation.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. McCain. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCain. May I ask what the pending Senate business is?

The PRESIDING OFFICER. S. 824.

Mr. McCain. Mr. President, I thank my colleagues, Senator Hollings, Senator Lott, and Senator Rockefeller, for their hard work on this very important legislation. Senator Lott and Senator Rockefeller held extensive hearings in the Aviation Subcommittee. They have come up with a product that has addressed many of the concerns and very important issues associated with aviation. I believe what they have done is a very agreeable product.

I note that our friends on the other side of the Capitol have completed their work on this bill, so if we could complete this legislation and go quickly to conference, I think we could have this done pretty quickly.

I am pleased the Senate is now considering S. 824, the Aviation Investment and Revitalization Vision Act, AIR-V. This legislation was introduced by Senators Lott Hollings, Rockefeller, and myself on April 8, 2003, and approved by the Senate Commerce Committee on May 1, 2003.

I don't think that anyone could have predicted 100 years ago, when the Wright Brothers first flew their Wright Flyer over Kitty Hawk, NC, that air travel would become such a significant part of our Nation's economy. Aviation has evolved from the first controlled flight that traveled about 120 feet, to a system that has reached more than 550 million enplanements annually. Air travel has revolutionized the world. We are becoming a global culture for which air travel has contributed significantly. The United States has played a critical role in the explosion in air travel, with nearly two-thirds of world aviation travelers taking off or landing on U.S. soil.

Mr. President, 4 years ago, the Congress approved the Aviation Investment Reform Act for the 21st Century, known as AIR-21. That reauthorization measure provided for far reaching changes to our Federal aviation policies, coupled with significant investment in aviation. We increased airport spending by significant amounts and greatly improved our aviation system. At the same time, a great deal has happened in aviation during the past few years. The airlines have gone through several cycles of good and bad times.

The tragic events of September 11, 2001, forced a major restructuring of aviation transportation security. As a result of September 11 and other economic factors, Congress has twice voted to provide the airline industry aid totaling \$8 billion in cash and the potential for \$11 billion in other benefits. We have taken unprecedented actions to help ensure the continued viability of the airlines. I recognize that intervening events have been the cause of many of the industry's problems, which is why I was a strong supporter of these initiatives. However, I do believe that the industry must be to

solve its own problems and not come back to Congress when confronted with new challenges.

It is time for Congress to now focus its efforts on the Federal Aviation Administration. We must continue to ensure the safety and efficiency of our aviation system. We must address the continued modernization of our air traffic control system. We must continue our oversight of the FAA so that it continues to move towards more efficient operation. We must continue the expansion of our infrastructure. And, we must continue to strive to promote the security of our traveling public.

I believe the legislation before us, S. 824, the Aviation Investment and Revitalization Vision Act, AIR-Vision, meets these objectives. This bill would reauthorize FAA programs for 3 years and continue the investments in the aviation system that began under AIR 21. Specifically, it would authorize funding for FAA Operations at \$7.6 billion for fiscal year 2004; \$7.7 billion for fiscal year 2005; and \$7.9 billion for fiscal year 2006, and it would authorize funding for the Airport Improvement Program at \$3.4 billion in fiscal year 2004; \$3.5 billion in fiscal year 2005; and \$3.6 billion in fiscal year 2006. The bill also authorizes \$2.9 billion in fiscal year 2004; \$2.97 billion in fiscal year 2005; and \$3 billion in fiscal year 2006 for the Airway Facilities Improvement Program and requires a report on major FAA modernization programs.

The funding levels in this bill do not require any new or increased taxes or user fees. The taxes currently paid by air travelers and others into the Aviation Trust Fund are in place through fiscal year 2007 and are sufficient to pay for this bill.

We also must ensure that the FAA manages its resources wisely. The bill includes provisions, first proposed by former FAA Administrator Garvey and endorsed by the current Administrator, to improve FAA management. The FAA's management of its programs, especially its modernization efforts, continue to be of particular interest to Congress. I note that the FAA has finally hired its first Chief Operating Officer, Russ Chew, three and one-half years after the office was authorized. This bill would provide additional clarification of the FAA's Chief Operating Officers' responsibilities for managing the FAA's air traffic control system.

The bill would create a process to enhance airport capacity at certain large hub airports that significantly add to delays in the national aviation system by ensuring that these airports' needs are continually reviewed. It also attempts to streamline the environmental review process by coordinating the reviews by different agencies. This is important as this process is sometimes used to unnecessarily delay airport expansion.

The bill makes several improvements and reforms to services to small communities and the essential air service program by continuing programs cre-

ated in AIR-21 to incentivize communities to take a greater ownership role in their service. It also allows the communities flexibility to opt out of the program in return for payment or to look at alternate services for the community.

The bill extends the small community air service development pilot program, established in AIR-21, until 2006, and provides funding of \$27.5 million per year during the 3 year extension. It also clarifies that 40 communities per year may participate in the program and that no community may participate twice. This program has been well-received for the innovative ideas that have sprung from it regarding the provision of and payment for air service to small communities, and we believe it is important for the program to continue in the near term.

Regarding competition, the bill instructs the Secretary of Transportation to study competition and airline access problems at hub airports. Specially, the Department of Transportation is to look at gate usage and availability, and the effects of pricing of gates and other facilities on competition and access. Within 6 months, the Secretary's findings, conclusions, and recommendations are to be submitted to the Senate Committee on Commerce, Science and Transportation and the House of Representatives Committee on Transportation and Infrastructure.

In addition, the bill requires that airports which deny applications by an air carrier for access to gates or other facilities submit to the Secretary notification of the denial and a report explaining the reasons for the denial and a time line, if any, for when the request will be accommodated.

For security, the bill establishes the Aviation Security Capital Fund which is financed with \$500 million annually in security service fees which are already collected by the Transportation Security Administration. The fund will be administered by the TSA and the TSA will make grants to airports to assist with capital security costs. The fund will allocate 40 percent to hub airports; 20 percent to medium hub airports; 15 percent to small hub airports; and 25 percent is to be distributed at the Secretary's discretion to address security risks. At the same time, the bill protects the AIP funding from continued raids on what was created for capital improvement funding, but which in recent years has been used for security funding.

The bill also directs the Secretary of the Department of Homeland Security to study the effectiveness of the aviation security system. Within 6 months, the Secretary's findings, conclusions, and recommendations are to be submitted to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure. The Secretary is directed to redeploy the department's re-

sources based on the results of the study.

For aviation modernization, the bill establishes a new Office of Aerospace and Aviation Liaison within the DOT. This office will be charged with coordinating aviation and aeronautics research programs, activities, goals, and priorities within the Federal Government. Areas of responsibility include air traffic control, technology transfer from government programs to private sector, noise, emissions, fuel consumption, and safety. This office will work with the FAA and the National Aeronautics and Space Administration to ensure that aviation and aerospace research is coordinated and funds are well spent.

This bill also establishes a National Air Traffic Management System Development Office within the FAA with the mission of developing a next generation air traffic management system plan for the United States. This plan is required to focus on transforming the national airspace system to meet air transportation mobility, efficiency, and capacity needs beyond those currently included in the FAA's Operational Evolution Plan in an effort to build on existing capabilities while improving the security, safety, quality, and affordability of the system.

Finally, we have developed a manager's amendment which has been agreed to by myself and Senator LOTT, HOLLINGS, and ROCKEFELLER. It includes a number of technical changes and improvements recommended by the executive agencies affected by this bill. It also includes some substantive changes to the bill, including: extending whistle blower protections to the employees of contractors doing business with the FAA; requiring that the GAO periodically report to Congress on the economic state of the airline industry and on airline executives' compensation; clarifying that the war risk insurance provision only applies to U.S. air carriers; moving the new security capital fund from the FAA to the TSA; and removing the provision adding additional "outside the perimeter" slots at Reagan National Airport.

I yield to my colleague from South Carolina and perhaps the Senator from Mississippi.

I say to my colleagues, if they are prepared to bring forward an amendment, we would like to consider that quickly and move forward with the amending process as it would be our intention to try to finish this legislation this evening.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I rise today in support of legislation that will reauthorize the programs of the Federal Aviation Administration for the next 3 years, S. 824, the Aviation Investment and Revitalization Vision Act, AIR-V. I would like to thank Chairman McCAIN, Senator LOTT and Senator ROCKEFELLER for their hard

work in helping to craft this bipartisan bill that seeks to address the needs of the Nation's air transportation system.

The troubled state of the aviation industry has made FAA reauthorization a high priority of the 108th Congress. From the start, the Senate Commerce Committee pursued an ambitious schedule, and held several hearings on this matter in the first few months of the year. Our focus on this matter permitted all involved parties to express their concerns about the aviation system in the United States, and helped us develop a constructive approach to improve the work of the FAA as we move into an unclear future. We have crafted a strong bill that focuses properly on safety, security, efficiency and environmental friendliness in the realm of aviation.

AIR-V is a good starting point, but we have a long way to go make certain that the FAA's budget adequately supports the agency's ability to oversee an increasingly complex system to ensure safe flying. Recent reports have pointed to the FAA's laxity on plane maintenance as airlines have increasingly farmed out repair work to trim more expensive in-house operations over the past decade. The Department of Transportation Inspector General found that major air carriers paid contractors \$2.9 billion for maintenance in 2001, which was 80 percent more than in 1996. While maintenance responsibility has shifted, the FAA's policies have not, and the DOT IG is currently conducting an audit of repair stations and the FAA's oversight of them. We must take steps to provide FAA needed funding to improve outdated oversight, monitor gaps in overseas repair service, and update training methods which have not changed significantly in almost 50 years. It is vital that we adequately fund to FAA's budget to ensure the safest aviation system possible.

The impact of the aviation industry on our Nation is clear. Prior to September 11, 2001, the total impact of civil aviation on the national economy exceeded \$900 billion and 11 million jobs, representing 9 percent of the U.S. gross domestic product. Since that time, the airline industry has faced consecutive years of record multibillion dollar losses while our national economy continues to struggle. This has made reauthorization of the FAA that much more critical, and I believe AIR-V strikes the proper balance among key FAA programs to advance our Nation's air transportation system.

After September 11, 2001, Congress created the Transportation Security Administration, which has taken charge of a massive restructuring of transportation security, which has led to a greater confidence in the traveling public. Even with the vast downturn in aviation traffic over the past couple of years, the FAA's Aerospace Forecast anticipates that enplanements in the U.S. are expected to increase over the next 10 years by roughly 50 percent, with as many as 1 billion passenger boardings expected annually by 2013.

Knowing of the expected growth in airline traffic, we must press our efforts to make system-wide improvements that will allow the U.S. aviation industry to flourish in the coming years and beyond. AIR-V promotes airport development with increased funding for the Airport Improvement Program, and additional support for vital components of the National Airspace System through the designation of certain essential undertakings as "national capacity" projects. When the Bush Administration's FAA reauthorization proposal was unveiled it was criticized by Aviation Week for not providing enough long-term support for AIP at a time when the FAA is in a tight budget situation and the Nation's airports are looking for increased funding to pursue needed projects to improve their facilities. AIR-V also takes steps to resolve the bleeding of hundreds of millions of dollars from AIP for security purposes and seeks to expedite the installation of EDS machines at airports across the country while diverting none of the AIP funds away from important infrastructure projects through the creation of an Aviation Security Capital Fund to be financed with \$500 million annually in security service fees to allow TSA to make grants to airports to assist with capital security costs.

I have had increasing concerns that the European Community will continue its bold efforts to surpass the American aerospace industry in the coming years. We must recognize the importance of the FAA's Research, Engineering and Development program in maintaining our position as the worldwide leader in the aviation and aerospace industries. AIR-V will significantly increase funding for the R,E&D program with the understanding that long term planning will be needed to keep up with the rapidly changing dynamic of this industry. The EC has already introduced a "2020 plan" aimed at surpassing America—FAA, NASA and our aerospace industry—as the world's aerospace leaders within the next two decades. We must respond to this challenge with an emphasis on technology, and public-private cooperation that will ensure our advantage over the EC by strengthening our R,E&D programs and U.S. education and interest in aerospace.

I am pleased that key components of S. 788, the Second Century of Flight Act, legislation I introduced along with Senators BROWNBACK, ROCKEFELLER, INOUE, CANTWELL, and KERRY have been included in this reauthorization effort. Among the most important steps that the bill take to promote FAA, R,E&D is the creation of a national office to coordinate aviation and aerospace research activities within the U.S. Government tasked with coordinating programs and developing goals to facilitate the nation's R,E&D technologies, and a national office to focus on a next generation air traffic management system. Of equal impor-

tance is the establishment of a new educational program to train the next generation of aeronautics engineers and mechanics. According to the Commission Report on Aerospace, more than a quarter of the U.S. science, engineering and manufacturing workforce will be eligible to retire in the next 5 years. This workforce initiative is aimed at increasing participation of U.S. students in fields related to aerospace and aviation safety through the use of grants and scholarships for service to ensure the growth of interest in the United States and increase the talent pool of American students.

To ensure that the U.S. continues to have the safest aviation system possible we must also make improvements to the FAA's Facilities and Equipment program which contains financing for the purchase, installation and construction of equipment and facilities required to maintain the NAS. Through this bill we should boost the F&E program so that it will be a better complement to the improved AIP program in preparation for increased passenger levels. However, we must consider ways to make further advances to this program to ensure our ability to provide crucial enhancements to the safety of our aviation system.

AIR-V will have an enormous impact on the future of our entire air transportation system, and makes a strong statement about the direction that we want our air transportation system to go. Please support this effort and work with us to help the FAA take real steps forward and maintain our strength in aviation for the future.

I yield to our distinguished leader who really held the hearings and led for this particular measure.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. I thank the distinguished Senator from South Carolina for those comments. He and Senator MCCAIN certainly have been very interested in this important issue. A couple of hearings we had on this legislation were in the full committee because of the importance of the issues involved.

I also particularly thank Senator ROCKEFELLER, who is the ranking member on the Aviation Subcommittee, for his work and his cooperation on this legislation. This is truly bipartisan legislation: Senator MCCAIN, Senator HOLLINGS, Senator ROCKEFELLER and I all have worked on it. Where we have had problems we have been able to work out most of them. I think we have a really good product.

I want to say at the beginning we are hoping to move this legislation through rapidly. Hopefully we could even complete it today. We have a few issues that have not been resolved yet. Two or three of them may require votes. We ask our colleagues to come to the floor, let's have a debate and, if we have to, we will have a vote. There are not that many amendments that I think would actually require a vote.

I also want to emphasize the importance of this legislation. Because we have moved it fast, and because we have been able to get an agreement worked out to bring it to the floor, and because we may be able to handle it in a brief period of time, it should not diminish at all the importance of passing this legislation. Transportation in America is unique. If we are going to have a strong economy, we have to have good transportation systems—not just roads and bridges, which are very important, and not just a good railroad system, freight and passenger, and not just good ports and harbors, but we also need a strong aviation system in America.

We all know the industry has been having difficult times for a variety of reasons. In some cases it was bad management decisions. Obviously all of them have been affected by high fuel costs. There have been some difficult management-labor decisions. But also probably no other industry was as dramatically and directly affected by 9/11 as the aviation industry. Aircraft were involved on that infamous day, used as weapons of destruction, as missiles—both in New York and, of course, one plane that hit the Pentagon and the one that went down in Pennsylvania. We saw the industry basically shut down that day—for days. We are still having fallout, the ramifications of that day and those decisions in terms of access to airports, including Washington Reagan National. General aviation is still dealing with the problems as a result.

There is no question the industry has had difficulties and some of those difficulties have been related to 9/11. Government decisions were made that needed to be made. We had to deal with security considerations on our airplanes and at our airports. So a lot of costs have been put on the industry that have caused them additional problems.

We have taken action immediately after 9/11, of course, to provide some assistance to the aviation industry. We did it again in the supplemental appropriations this year. But this is the third step and in some respects maybe the most important step in helping the airline industry, helping aviation get back to where they can see blue skies and begin to make profits and provide the kind of service the American people are entitled to.

I do think it is important we get this bill done, that we get into conference and see if we can come to a reasonable and relatively quick agreement with the House. That will allow this bill to be completed before we get into the time-consuming and very important TEA-21 extension, and the appropriations process.

This bill's title is Aviation Investment and Revitalization Vision Act—AIR-V. Our intent is to go all the way from stabilizing the industry, giving them dependability and reliability of what they can expect from FAA, from

the Airport Improvement Program, to all the different programs that are involved in aviation including service to small communities. I think we do have the fundamental provisions we need to make sure that happens. We will ensure the Airport Improvement Program will continue uninterrupted for the next 3 years. We also are going to make sure the funds that go into Airport Improvement Programs are actually used for their original purpose, and that is to improve our airports, the runways, the terminals, and the services our constituents need and deserve.

On that note, this legislation also no longer allows AIP funds to be used for security mandates. Up to this point approximately \$500 million has been skimmed off the top of the AIP fund to pay for security mandates that the Federal government placed on our local airports. The Transportation Security Administration—TSA—predicts that an additional \$500 million will be needed to complete these capital improvements that have been deemed necessary for security purposes. This bill proposes that these unfunded mandates be paid for by directing the passenger security fee into a separate fund to cover these costs. The first \$500 million of these fees that is collected will be directed to this fund.

This legislation also looks at excessiveness at TSA. It will require TSA to do a study to look at the efficiency of their employees and then redeploy them as necessary based on the results of the study. I am pleased that TSA is already reassessing their workforce. While it is not the goal of this Congress to have less than adequate security at any airport, it is important for TSA to recognize the areas in which they have gold-plated security.

In another effort to help the industry, this legislation also makes permanent a provision already in the annual appropriations bill that requires TSA to pay fair market value for the space they occupy at airports. The bill also keep AIP funding at the fiscal year 2003 level for FY04, but changes the match requirement from 10 percent to 5 percent for that 1 year. AIP funding will then be increased by \$100 million for the out years. This is very important to local communities that are hard pressed to make that local match, because their funds have been depleted due to these unfunded mandates. AIR-V also maintains the budget firewalls that were put in place during the debate over Air-21. These firewalls require that the trust fund continues to be spent down.

Of particular importance to my home state of Mississippi is language in this legislation that continues the authorization of the Small Community Pilot Program. This provision will allow 40 new communities to be eligible to receive one-time money each year. This is a good program that requires innovative thinking on the part of airports and their local communities.

Another important issue to rural States such as mine and Senator

ROCKEFELLER's is the Essential Air Service Program. The two of us introduced legislation that works to improve this program, while not implementing the drastic change the administration has pushed. In short, it provides incentive to the local communities to get involved in determining the quality and type of air service their community receives. We have included that legislation in this bill.

Transportation infrastructure spending is important, and it is one of my top priorities. I want to continue the Republican congressional majority's commitment to transportation infrastructure. Our Nation's growing economy demands attention to this issue. Passage of this bill will be a step in that direction.

I say again, in Senator McCAIN's presence, I appreciate his attention to this and his interest and his desire to move forward. Without his tenacity we would not be here now. I believe we have a good bill that we can complete in short order.

I am glad to yield the floor at this time.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. I thank the Senator from Mississippi for his kind comments.

Mr. President, we are awaiting the appearance of Senator LAUTENBERG, who has an amendment we will be considering shortly. Until then, I remind my colleagues we would like to move forward with amendments.

I understand that Senator COCHRAN may have an amendment, and several others. But I don't think there are many. We could go ahead and move forward as quickly as possible with the legislation.

Pending their arrival, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. McCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 889

Mr. McCAIN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from Arizona [Mr. McCAIN] proposes an amendment numbered 889.

Mr. McCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The amendment is printed in today's RECORD under "Text of Amendments.")

Mr. McCAIN. Mr. President, this is a managers' amendment which we have developed working with Senators LOTT, HOLLINGS, and ROCKEFELLER. It includes a number of technical changes

and improvements recommended by the executive agencies affected by the bill. It also includes some substantive changes, including whistleblower protections for the employees of contractors doing business with the FAA; requiring the GAO to periodically report to Congress on the economic state of the airline industry; airline executives' compensation; clarifying that the war risk insurance provision only applies to U.S. air carriers; moving the new security capital fund from FAA to TSA; and removing a provision—I emphasize "removing"—a provision that was added in the markup concerning outside-the-perimeter slots at Reagan National Airport.

Mr. HOLLINGS. Mr. President, these particular modifications have been checked through by both the chairman and ranking member of our Aviation Subcommittee. Let the RECORD show that the distinguished Senator from West Virginia, Senator ROCKEFELLER, our ranking member, is at an important Finance Committee markup at the moment with respect to prescription drugs and Medicare. I have checked it through with him, and it has been checked through on this side. We ask for support of the amendment.

The PRESIDING OFFICER. Is there further debate? If not, without objection, the amendment is agreed to.

The amendment (No. 889) was agreed to.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I wanted to alert my colleagues that I intend to offer an amendment to this bill this afternoon. I have talked to several people about it. I will not take a lot of time. I don't intend to delay the bill at all. But there is an important piece of policy in this legislation.

Before I explain it, I should congratulate my colleagues, Senator MCCAIN, chairman of the full committee, and Senator HOLLINGS, ranking member, for their work on this bill. It is really important for us to complete this legislation. Hopefully, perhaps we can complete it today, in fact.

On page 145, there is an aviation security capital fund of \$500 million. I think that is an important fund which it establishes in the Department of Transportation. I think that is perhaps transferred in the managers' amendment in fact to homeland security.

This capital fund provides funds for the security needs at airports around the country, and for investment in the construction and infrastructure for security purposes.

All of us know in the shadow of 9/11 and the terrorist attacks that occurred in our country that security, especially aviation security, is critically important.

This provision, as important as it is, however, has a local match requirement. My great concern is that this money will not be invested in aviation security because many communities and States around the country simply

won't have the capability of coming up with the local match. That is why we put money in legislation previously. In the tax bill that passed the Congress, we included a substantial amount of money to try to help State and local governments, many of which are flat on their backs financially. They are having trouble funding their own needs.

I think having a security capital fund is very important. But having that fund available only if there is matching money available for it locally will mean that much of it will not be spent, much of it will not be invested, and much of it will not contribute anything to this country's security.

What I propose to do on this occasion, because it deals with security, which is a national issue, and because the State and local governments are in a pretty precarious fiscal position, is eliminate the local match so we could expect that this money would be invested. The construction and the infrastructure that will be completed with this money will contribute, in fact, to aviation security in this country.

I have visited with my colleague, the Senator from Mississippi. I think he has some persuasive reasons for not eliminating the local match. But, on the other hand, I think there is a persuasive argument that the only way we will see this money truly invested in airports around the country is if we eliminate the local match.

Perhaps I should offer this amendment now and have it pending. I have to chair a luncheon in a few minutes and will have to leave the floor.

If it is all right with the chairman and ranking member, I will offer the amendment. We will have it pending.

AMENDMENT NO. 890

Mr. DORGAN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from North Dakota [Mr. DORGAN] proposes an amendment numbered 890.

Mr. MCCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:
(Purpose: To delete the matching requirement for airport security related capital investment grants)

On page 146, beginning with line 20, strike through line 8 on page 147.

Mr. MCCAIN. Mr. President, I understand the Senator from North Dakota has to leave at this time. We will be glad to discuss this amendment at his convenience, hopefully later this afternoon, and perhaps we can get something worked out on it.

Mr. DORGAN. Mr. President, I have explained my amendment already. What I would like to do is work with my colleagues, Senator MCCAIN, Senator LOTT, Senator HOLLINGS, and others. I think this is an important

amendment. I am not suggesting this be a precedent forever, for all time. At this moment, in this place, for this reason, I believe if we want to invest \$500 million in aviation security in this country, it is likely the only way that will be invested is to eliminate the State and local match. I think there are good reasons to do that. So if I can work with my colleagues in the next several hours, I hope we can make some progress on this amendment.

I do want to make one final point. It is not my intention in any way to hold up this bill. I do not expect this would be a lengthy debate, in any event. I would agree to a short time agreement. But my hope is perhaps we could support this by a voice vote at some point.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, Senator LAUTENBERG is in the Chamber to offer an extremely important amendment. He will be ready to do that in a matter of a few minutes.

In the meantime, Mr. President, I ask unanimous consent that the pending amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 891

Mr. REID. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from Nevada [Mr. REID] PROPOSES AN AMENDMENT NUMBERED 891.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To clarify the apportionment of funds from the Aviation Security Capital Fund)

On page 146, line 17, insert "origination and destination" before "emplanements".

On page 146, line 19, insert "origination and destination" before "emplanements".

Mr. REID. Mr. President, the events of September 11, 2001, have been catastrophic on the aviation and travel industry. And that is an understatement. I strongly supported the formation of the Transportation Security Administration because I believed then and believe now it is critical that the public has confidence in the safety and security of our airports and airlines.

This enhanced security will save jobs, protect Americans' ability to travel freely and safely, and boost business for the travel and tourism industries.

The need for capital security costs, such as explosives detection and screeners, should be based on real need. Unfortunately, the formula in this bill that allocates grants in the aviation security fund to assist with capital security costs is not based on real needs. It does not accurately account for the number of passengers who must be

carefully screened as they enter airport terminals at their point of origin. That is where delays occur and additional security equipment is always badly needed.

My amendment corrects the language in section 402 of this bill that allocates funding for capital security costs based on "emplacements." This is wrong.

My amendment would change the formula for allocating funding in the aviation security fund from "emplacements" to "origination and destination emplacements."

My amendment allocates resources to airports that are screening the largest number of passengers and not at airports where passengers simply connect to another flight. As an example: Someone flies from New York to Chicago and they have a connection to go to Des Moines, IA. They don't leave the airport. The problem in Las Vegas is people come to Las Vegas. They go downtown or to the strip and then they come back and have to get back through all the screening. That is where the need should be, for people who enter and leave the airport not simply the fact that people land at the airport.

My amendment would allocate resources, as I said, to airports that are screening the largest number of passengers, and not at airports where passengers simply connect to another flight.

At large hub airports many passengers simply change flights. They don't enter and leave the terminal where security is most needed. These passengers have already been screened.

This is especially important in Las Vegas but it is a bigger issue. It is important that we prevent another terrorist attack on our airlines. Terrorists will search for the weakest link in our security and try to exploit it.

Capital security resources must be allocated fairly and equitably and correctly. Las Vegas McCarran Airport has the second largest number of origination and destination passengers in the entire Nation, second only to LAX. This means that McCarran processes more people through TSA security checkpoints than every other airport, except Los Angeles.

Under the present formula, other airports would get far more security resources even though they screen fewer passengers. McCarran clearly needs more resources than many hub airports where a great number of passengers emplane but do not need to be screened.

Nothing could be worse for the Nation than allocating its precious security resources in the wrong manner. We need additional security at origination and destination airports—and we need it now—where passengers are actually screened. We do not want resources allocated where they are unnecessary, especially at a time when Congress is asking TSA to get its costs under control.

Mr. President, I ask unanimous consent that Senator ENSIGN be added as a

cosponsor of this amendment with the Senator now speaking.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I urge my colleagues to support this amendment for the safety of the flying public and the health of our economy. We need to put our security resources in the right place. Let's keep the skies safe.

Now, Mr. President, I have spoken—

Mr. McCAIN. Will the Senator yield for a question?

Mr. REID. I am happy to yield.

Mr. McCAIN. It is my understanding, from talking with you and your colleague, that at McCarran Airport—for example, on a Sunday—a 3-hour delay is a routine kind of experience. That is a normal experience rather than an exception, which is remarkably different from almost every other airport in America. Is that true?

Mr. REID. That is absolutely right. It is based upon the formula I have just given.

I say to the managers of this bill—the chairman of the Commerce Committee and the ranking member of the Commerce Committee—I have spoken to their staffs, I have spoken to them, as has Senator ENSIGN. We have been given an assurance by these two fine men and their staffs that this is something the conference will look at as soon as the bill leaves this body. The staff will start reviewing this.

They have a concern now that they may not have adequate figures to justify what Senator ENSIGN and I are saying. We want them to have adequate numbers so that what we are saying is valid.

We want, as I have indicated in my statement, there to be a fair allocation of resources. We believe, as the Senator from Arizona has indicated, that Las Vegas is a very unique place. It is not like Chicago O'Hare. It is not like the airports in New York. It is similar to what we have in Phoenix. Phoenix has a problem similar to us. I believe Phoenix would benefit from the formula I am suggesting.

But I have been given an assurance, as I have indicated, by the two managers of this very important committee, that they will do what they can in conference to allocate the resources fairly.

The language I have in this amendment may not be perfect. There may be some need to look at other issues to have a fair apportionment of these resources.

So based upon the assurances I have been given by the two managers of this bill, I will withdraw this amendment, on behalf of Senators REID and ENSIGN, and look to the good offices of these two gentlemen to make sure that, for our country, there is a fair allocation of resources.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Before the Senator from Nevada leaves the Chamber, I

would like to ask him another question.

So that my colleagues will understand this problem—and it is a serious one—if I fly from here to the Atlanta Airport, or the Dallas/Fort Worth Airport, which I will do tomorrow, and then change airplanes but stay within the terminal, not having to go through security again, and then I go on to the Phoenix, AZ, airport, that, for the purposes of the present formula, would be counted as the same as someone who enters an airport, flies and lands at another airport, leaves that airport, and then later on has to reenter the airport to leave that area.

In other words, what we are saying is, we have a formula now where someone who remains within the airport and does not have to go through security is basically counted the same as a person who does have to go through security.

Mr. REID. That is right.

Mr. McCAIN. So that, obviously, is an incredible burden if you have to put every passenger through security where a large majority of them, particularly at hub airports, do not have to send passengers through security. Is that basically the problem we are trying to confront here?

Mr. REID. The Senator is absolutely right. We have places, such as at McCarran Airport, where, if we had additional help, we could move people into the airport more quickly but we simply don't have the TSA people to do that. We have some of our hub airports where, as the Senator has indicated, they have people standing around looking at each other because they are not having people coming in and out of the airport like we have at McCarran.

Mr. McCAIN. I say to the Senator, I think your concern is legitimate. I think the formula needs to be changed. We will work on it.

First, we will get a letter over to communications with TSA and tell them we need to look at this formula again. I have been told they are already doing that, but I want to assure the Senator from Nevada, we will try to do everything in our power to address this clear inequity that exists in the formula as we go to conference.

I thank the Senator.

Mr. REID. If I could say one additional thing before I sit down. I do not have the opportunity very often to talk about the good work of the committee but, as far as this Senator is concerned, some of the best work of this committee is to allow flights from National Airport to Las Vegas, to Phoenix, to Salt Lake. I would suggest that the Senator from Arizona—and I am sure he will check with his staff—I think he might find a better flight than going from Dallas to Phoenix.

Mr. McCAIN. I thank the Senator from Nevada. But I have done many foolish things in my life—many. One of those that ranks up in the top 10 is when I was being accused by the local newspaper for attempting to seek some

relief from the perimeter rule in hopes that I might then have the convenience of flying direct from Reagan National Airport to Phoenix. I swore I would never fly direct from Reagan National Airport. Many years have gone by, and I had hoped that people's memories had grown dim on that, but now I will probably have to go another 5 years since the Senator has raised that.

Mr. REID. Well, the statute of limitations has run.

Mr. MCCAIN. I thank my colleague.

Mr. HOLLINGS. Mr. President, the Senator from Nevada is correct. The money is for security, and a security check is what we are trying to fund, finance. It just hasn't been vetted at FAA. It is very logical to this particular Senator that the Senator from Nevada is correct, and I will make every effort in the conference to change the particular formula or rather embellish the word emplanement, so as to get destinations and takeoffs considered as going just through the security and the money be allocated there-
of.

So I assure the Senator from Nevada that I will support it in every way I can.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

AMENDMENT NO. 890

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LOTT. Mr. President, while discussions are taking place on other issues or amendments, I wanted to go back and comment briefly on the statement by Senator DORGAN and his amendment.

First of all, I appreciate his membership on the committee and his interest in this aviation hearing. Most of the time we agree on how we can be helpful to the aviation industry. I appreciated the fact that he said he thought it was important we have this revolving fund for TSA security. There are those who are going to speak against that fund later today.

The appropriators feel as if the fund is not a positive thing, that it is taking funds from their bottom line. My concern is, if we have these fees collected for airport security and there is no specification that it go into that area, then it may be spread all over the place. If you go into port security, Coast Guard, or any number of programs—which may be very important and may be needed—if fees are collected for a purpose, they should not be spread out into other areas. It is like the highway trust fund. You collect gasoline taxes for highways, and to let it be spent for airports or ports—that is not the intended purpose and what people think they are paying for.

This fund is not intended in any way to get into the appropriators' job. They

have a tough job. I know my colleague from Mississippi and Senator STEVENS will work hard to help our homeland security. We will continue to work to see if we can come up with some compromise agreement that will accommodate all concerned. Our goal is to just make sure we have these fees that are collected for airport security and security for the TSA used for that purpose.

With regard to the local share, I have a State that, obviously, is not a wealthy State. We have a limited number of airports. Several of them are relatively small. So any kind of cost share is not easy for them, plus the airline industry will tell you very quickly that in a lot of airports—particularly the bigger ones—any kind of a local cost share, the airlines will wind up having to pick up the cost because airports cannot get money from the local government. So they will say, all right, we have to get it from the airlines and they will pass it on to the airlines. That is a legitimate concern. It is really not fair.

I know it is not easy for the local airports sometimes to get a match. But we are talking about a small match here. Even if we can have the match 10 percent, it would still have the principle that the local governments are doing their share. Airports and airline service is a very important part of the economy in these smaller towns. It creates jobs, helps attract industry, and it is a big plus. Yet the cities or counties, even the big cities—Detroit, Chicago, New York—get tremendous benefits from their international airports, but they don't want to participate or pay any of the costs. Of course not. The trend in America is just let the Federal Government do it. Let the Federal Government do it all. Let the Federal Government pay for all of the airport costs, pay for all the housing costs, pay for all of the farming costs—just let the Federal Government do it. That is why we are going to have a \$500 billion deficit this year, and probably the same next year, and it may come down some in 2005, but it is still going to be really ugly. Let Uncle Sam do it.

All I am saying is, let the local communities do a little bit, participate some, help a little in the cost of this huge benefit. I promote local airports in my State, such as Tupelo, Meridian, Golden Triangle, Biloxi, Pine Belt, and others. We have small airports that mean a lot. For them to help a little bit looks to me like a good idea. So I realize maybe that is not the way to do things around here. I am arguing on principle and some degree of responsibility for everybody to pay a little bit. Why should the Federal Government always have to pay the first and the last dollar?

We will work with Senator DORGAN, a very valuable member of the committee. I understand his concerns in these smaller communities. But the problem is not really the smaller communities; it is actually the bigger airports that will be inclined to pass them

along to the airlines. I realize they have plenty of burdens of their own.

I wanted to respond and make it clear why I feel that some small amount of local participation is a responsible thing to do. It makes good, common sense. We may have a way to work it out. I wanted to get that on the record before we got too far away from Senator DORGAN's remarks.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT NO. 892

Mr. MCCAIN. Mr. President, I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. The pending amendments are set aside and the clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN] proposes an amendment numbered 892.

(Purpose: To express the sense of the Senate with respect to air fares provided to members of the Armed Forces)

At the appropriate place, insert the following:

SEC. . AIR FARES FOR MEMBERS OF ARMED FORCES.

It is the sense of the Senate that each United States air carrier should—

(1) make every effort to allow active duty members of the armed forces to purchase tickets, on a space-available basis, for the lowest fares offered for the flights desired, without regard to advance purchase requirements and other restrictions; and

(2) offer flexible terms that allow members of the armed forces on active duty to purchase, modify, or cancel tickets without time restrictions, fees, or penalties.

Mr. MCCAIN. Mr. President, this is a sense-of-the-Senate amendment. Frankly, I would like to see it in law, but I am not sure whether it would be constitutional and in keeping with existing law.

Basically, it says that the airlines should do whatever they can to make sure that members of the Armed Forces can get the lowest fare even if they are late; that they will offer them the lowest fare available; and that when there are cancellations or other reasons they have to change their travel plans, the airlines will show the flexibility that will afford them the lowest possible cost for their airfare.

We have a lot of transience amongst the men and women in the military and their families, not just being transferred from one place to another but, generally speaking, they are not based where they grew up and where their families or friends are located.

There are a lot of men and women in the military who make use of the airlines and many times on short notice. We are simply urging the airlines to show the kind of patriotism that is necessary to provide these very low income Americans the ability to move from one place to another.

I might add, this amendment was offered by Senator KAY BAILEY HUTCHISON on the DOD authorization bill as well. I hope the airlines will react positively to this sense-of-the-Senate resolution. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I thank the distinguished chairman and Senator KAY BAILEY HUTCHISON for this initiative. It is well deserved. Whether or not it can be worked out—as the Senator indicates, we hope it can be. It has been cleared on our side, and I urge its adoption.

The ACTING PRESIDENT pro tempore. Is there further debate on the amendment?

If not, the question is on agreeing to amendment No. 892.

The amendment (No. 892) was agreed to.

Mr. MCCAIN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT NO. 893

Mr. LAUTENBERG. Mr. President, I commend the chairman and the ranking member of the Commerce Committee for moving this reauthorization forward. It is critical. The FAA is an essential part of our travel and aviation system. I encourage its consideration promptly.

A principal issue these days in aviation is security. How do we best protect those who are flying and those who are working in the airplanes, the cockpit crew, the cabin crew? How do we best protect all of those people? Well, we review the passenger lists. We review the baggage. We look at what anybody brings aboard. One of the things that does not always get the attention it deserves is what happens with the FAA. What kind of people are they? Are they up to snuff in their training? Have we a reservoir, a reserve, of people who are trained and ready to take over when we are looking forward to a fairly large retirement possibility for those people who came in after some of the labor problems were resolved?

I send an amendment to the desk to make certain that FAA is going to be able to maintain its integrity, and I ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. Without objection, the pending amendments are set aside.

The clerk will report.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG] proposes an amendment numbered 893.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the read-

ing of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To prohibit the Secretary of Transportation from transferring certain air traffic control functions to non-governmental entities)

On page 193, after line 23, insert the following:

SEC. 624. TRANSFER OF CERTAIN AIR TRAFFIC CONTROL FUNCTIONS PROHIBITED.

(a) IN GENERAL.—The Secretary of Transportation may not authorize the transfer to a private entity or to a public entity other than the United States Government of—

(1) the air traffic separation and control functions operated by the Federal Aviation Administration on the date of enactment of this Act; or

(2) the maintenance of certifiable systems and other functions related to certification of national airspace systems and services operated by the Federal Aviation Administration on the date of enactment of this Act or flight service station personnel.

(b) CONTRACT TOWER PROGRAM.—Subsection (a)(1) shall not apply to a Federal Aviation Administration air traffic control tower operated under the control tower program as of the date of enactment of this Act.

On page 69, after the item relating to section 623, insert the following:

Sec. 624. Transfer of certain air traffic control functions prohibited.

Mr. LAUTENBERG. I rise to offer a critical safety and security amendment to this FAA bill. My amendment would ensure that the air traffic control system and its personnel remain a government function.

There is an attempt underway right now in the executive branch to open up air traffic control to private contractors. I believe we in the Congress must put a stop to this. There are some areas where it makes sense to contract work out to private entities, but air traffic control is not one of them. The safety of our skies should not be put in the hands of the lowest bidder. We should not be looking to buy security on the cheap.

I believe those who operate and maintain our air traffic control system are almost like a wing of the military. They keep us safe. They police our skies.

On September 11, 2001, we had a tragic day for all Americans. In my State of New Jersey, nearly 700 people lost their lives. As my colleagues know, Transportation Secretary Norman Mineta ordered all aircraft in the U.S. airspace grounded that day. They wanted those airplanes safely out of the sky. It was a massive undertaking.

I have a visual of 9/11 at 12:30 p.m. The assault took place around the 9 hour. This is a picture of the traffic, each one of these denoting an airplane, that was in the sky at 12:30. Many planes had already landed, but there were still thousands in the air, as we can see. The bulk of this traffic was in the East, as it was still early morning on the west coast. My home State of New Jersey is all but covered in air traffic in this picture.

In the next visual, we will see what the skies looked like roughly an hour later, at 1:45. We see some reduction in the cluster, but there are still hundreds, if not thousands, of airplanes in the sky. Planes are being rapidly grounded in the Northeast, and they are headed to the points in the Midwest to try to land safely, to take care of their passengers.

We have the next picture, which is only half an hour later, and look at this. Look at how empty the space, on a relative basis, is compared to where it was. The first one, this is now 3 to 3½ hours after the terrible assault on our buildings and our people took place. There is a cluster. We cannot even see the ground. But the air traffic controllers went to work, the system went to work, and now at 2:15, an hour and three-quarters later, they have cleared the skies, which is not an insignificant job.

We did not have one accident that day. We had the attacks with the aircraft on the towers, but all other aircraft that were in the sky that day got to the ground safely. People were able to call their families and say: Do not worry about me. I was flying. I am here. I am safe. I am well. I will be home tonight. I will be home this weekend. To the children: Daddy is alive and well, and we will be there.

We can see a massive number of planes were landing in that last half hour. Meanwhile, we can see the clusters of airplanes circling major airports, waiting for clearance to land, making sure the separations were maintained. The airports were at Dallas, Fort Worth, Atlanta, Kansas City, Denver, Indianapolis, Cincinnati, Minneapolis-St. Paul. That was the extent of the impact of this attack and the need to disperse the airplanes in the sky. And out west, Phoenix, Salt Lake City, Las Vegas, NV, Los Angeles, San Francisco, all of these planes landed safely in an amazingly short amount of time.

Let's look at the picture at 3:45. The sky almost looks clear, and thank goodness. Those were tense moments for everybody, for those who saw the smoke coming out of the Trade Center buildings and noted the absence of these two giant towers that were built, this testimonial to man, gone.

We did what we had to in the rest of the country to make sure those planes got on the ground safely. There were still some government planes in the air. We can see the military aircraft in the blue—they are a little hard to discern—as they patrolled the near empty skies.

On September 11, those who operated our Federal air traffic system demonstrated great heroism and dedication. Air traffic controllers across the Nation performed heroically as they guided thousands of aircraft out of the sky.

I wish to point out a bit of a technicality. They think of the air traffic control group sometimes as just the

people in the tower who have the microphones at that moment, but we have specialists who keep this equipment going, and it is a complicated network. We have those flight service people who are on the ground giving advice, watching the separation, making sure that the system is in an orderly condition. It is a package. It is one part of it. It is very obvious that we in this body need lots of people around to make the system work, such as our staff people who are very good. We could not take part of them and have them working for one entity while we worked for another. It would not make sense, especially if there is a moment of need when the owner of the company says we are cutting back on some of the company benefits. It does not work. This is a unified system.

In my home State, from the tower of Newark International Airport, the air traffic controllers looking out the window could see the World Trade Center on fire as they worked to return tens of thousands of Americans to the ground safely. Like many public servants on that day, they were heroes, along with the police and firefighters and other emergency personnel. These public employees gave 110 percent of their ability to secure the safety of the American people.

In the aftermath of these tragic events, our people demanded one thing in particular of their government. They wanted government personnel, not private contracting firms, to perform security screening of baggage at our Nation's airports. If the American people demanded that baggage screeners become Federal employees at substantially increased salaries, this was an enormous cost burden we picked up. We took it out of the hands of the private sector, away from the airlines, to say: You were not buying security appropriately; you were not spending the money needed to keep the people interested, trained, and functioning.

Why in the world, if we wanted the baggage screeners to become Federal employees, would we contract out air traffic control to the lowest bidder? It does not make sense. One bag getting through at the wrong time could be a terrible tragedy. But one airplane in the wrong place at the wrong time would dwarf many of the opportunities others have to attack an airplane with a piece of baggage.

The safety and security of the American people should not be the responsibility of the lowest bidder. It is a core responsibility of our Government. To be able to muster the forces we need for our military endeavors, we have to know the people in the towers and their support system are always on the job, that they are reliable, that there is no dispute between a company or corporate headquarters and the need of the people.

That is why it is so shocking the FAA is being asked to take steps to privatize air traffic control in this country. It makes no sense, especially

after September 11. It is the opposite of what the public wants.

Mr. LOTT. Will the Senator yield?

Mr. LAUTENBERG. I yield.

Mr. LOTT. My questions and my comments are related to your subject.

First of all, I appreciate Senator LAUTENBERG and what he is doing here. I understand his point. I indicated to him on the committee we would work with him and see if we could come up with compromise language that we could agree to. Unfortunately, we could not get that done. However, the Senator knows I have tried to act in good faith. I know he has, too. I appreciate that.

My concern is, I, like you, have concern about privatizing the air traffic controllers themselves. I also have sympathy for the flight weather service people because, in effect, in some areas I am familiar with, they are the air traffic controllers. But the amendment, as I understand it, and I think the Senator admitted, goes beyond demanding the tower or demanding the actual person looking at the screen and the flight weather service, it does expand to the other employees who are employed in the area—the service people, the repairmen, and perhaps even further than that.

My question is, is that a fact? Would your amendment expand beyond the professional air traffic controller or even the FWS employee and other employees? Could you perhaps specify some of the areas that might be covered, just for the edification of myself and the other Senators.

Mr. LAUTENBERG. The Senator from Mississippi is a sincere advocate of safety in our skies and has been very supportive of introductions of technology. The Senator has had a long period of service as chairman of the Subcommittee on Aviation. There is mutual respect.

We are including all parts of the FAA, of the controller system, systems specialists, and the safety inspectors. As I tried to demonstrate, it is a whole unit. One thing and is quite apparent. Very often when you have an organization the size of FAA, when functions are parceled out, very often the segment you have taken out—look at railroads where you have different unions that control different parts. If one of those unions has a disagreement with the management or with the operations of the company, they go out and can tie the whole thing up.

Keeping this team together—the nurses in the operating room, the orderlies, all those people, beside the doctor and the guy now who is the person developing the equipment that in many cases now is doing the surgery—is all one thing. Would you think of splitting off parts of that and saying one part ought to be here, one part ought to be there? I think not. We include them all. We say this is one integrated system.

I come out of the technology business—of course, it was 20 years ago—

but there are certain buttons you have to push to connect everything. You have to make sure the equipment is working properly. If one asks the distinguished Senator from Alaska, Senator STEVENS—and I take this from recall so I am not giving his statement—he talked about the value of the flight service people in the State of Alaska and remote places. The Senator from Mississippi said it himself; very often they turn into controllers.

It is our intention to keep this package together. If we want to talk about it at another time in the future, certainly I would like to do so.

Mr. LOTT. If the Senator will continue to yield, we will continue to work on this. I know Senator MCCAIN will have something to say about it later. Regardless of how it works here, we will continue to work together.

I want to make note of the fact for the record that Secretary Mineta has determined that air traffic control is a core function of the FAA and as such the administration would not consider outsourcing beyond the current contract tower program. I note that is a program that is in place, the contract towers, and it has broad general support. Twenty-five percent of all take-offs and landings, mainly general aviation in the United States, occur at these traffic towers. There is an example of how contracting out has been done and is working.

We will continue to work with the Senator. While I have some sympathy with what the Senator is trying to do as the amendment presently exists, it is too broad and I would have to oppose it.

I thank the Senator for yielding.

Mr. LAUTENBERG. We are leaving out the contract tower program. We do not touch that at all. Those are special situations, smaller airports where more is demanded from the operation than can be given as part of the FAA. We have no problem with those.

The amendment we offer now is smaller in scope than my original bill. It covers only air traffic control, separation functions, system specialists, and flight service station controllers.

There is a world far larger than that, that could be included which we have not included.

The administration has already changed the designation of air traffic control from “inherently governmental” to “commercial.” It is more than a technical change. It opens the door to privatizing the air traffic control system.

We currently have the best air traffic control system in the world, with 15,000 dedicated Federal air traffic controllers who guide home safely more than 2 million passengers a day. They are expert professionals who perform under pressure every day to keep our skies safe.

Air traffic controllers play a major role in homeland security. When President Bush gave his State of the Union speech this year, it was the flight service station air traffic controllers who

sent alerts to pilots around here to avoid the expanded no-fly zone around Washington. We wanted to keep the President safe. We wanted the security to be maintained. It takes a certain skill and dedication and experience to make sure it gets done, that it gets done in a timely fashion.

When the Space Shuttle Columbia tragically exploded in the skies over Texas, it was the air traffic controllers who directed the aircraft away from the falling debris field.

These men and women perform a critical function. Our security ought not be up for bid. Some claim privatization will save money, but we have to take a look at other countries' experiments with air traffic control privatization. When you do, you see financial messes and safety hazards. Australia, Canada, and Great Britain have all privatized systems that are now in crisis. Costs have gone up and safety has gone down. Since Great Britain adopted privatization, near misses have increased. That means near misses in the sky. When I told someone this, he said, You mean people missed more flights? I said, No, no, airplanes missing one another. Near misses have increased by 50 percent, and delays have increased by 20 percent. The British government has already had to bail out the privatized air traffic control company twice.

Look at this quote from a Member of the British Parliament.

The privatization of the UK's air traffic control system was a grave mistake, and one that the United States can still avoid making. British Air Traffic Controllers are among the best in the world, and they fought tooth and nail to keep ATC in the public sector. They insisted that the sale of the National Air Traffic Services—NATS—would lead to a collapse in morale, the unwise introduction of inadequate and unreliable equipment, and an increasing danger of catastrophic accidents. The Government did not listen and went ahead. They were wrong and the air traffic controllers were right.

This is from Gwyneth Dunwoody, a British MP in the House of Commons.

Why should we jeopardize the public's safety in the skies? We have the best system in the world now. Why should we risk making it more dangerous and costly. We should not repeat the mistake other countries have already made.

I want to make clear to my colleagues my amendment does not affect the expansion of the contract tower program. That is one that is contracted out away from the FAA, typically in smaller communities, and that service seems to function very well. It has been in place a long time. That program, which affects the small visual-flight-rules airports, can be expanded to any of the 4,000 airports that are eligible. My amendment only affects FAA towers.

Our luggage is important, important enough to be screened by trained Federal workers. But once you are up in the sky, it seems the administration believes your safety should be in the

hands of the lowest bidder. It makes no sense.

My amendment declares air traffic control functions to be "inherently governmental" and therefore it means they ought to stay with the Government and they are therefore not eligible for outsourcing.

I want to point out the Member of the British Parliament, Gwyneth Dunwoody, the MP, is the equivalent of our distinguished Senator McCAIN in this body. So we have a considered opinion from someone who has the responsibility and has been through it.

I urge my colleagues to support safety and security in our skies by voting for the amendment, keeping the FAA as a body in the hands of the Government.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

Mr. McCAIN. Mr. President, I oppose this amendment and I think we ought to understand this amendment does more than tie FAA's hands with respect to air traffic control management. It would prevent a host of broader measures as well. Certain FAA responsibilities are best fulfilled by contract, using a combination of Government and private services, as is the case today.

Congress gave the FAA unique procurement authority for exactly this reason and the amendment would compromise that authority. For example, the FAA's air traffic control systems are increasingly composed of commercial components and software that build upon privately developed computer programs. If this amendment passes, the FAA's costs to maintain and install its systems would most likely increase significantly as the FAA tries to acquire needed data rights to maintain the equipment or forgoes the advantages of using commercial products.

Furthermore, the FAA would pay ever-escalating training costs to provide its workforce with the changing skills needed to maintain multiple systems.

The amendment prevents the FAA's ability to reduce its operating costs by contracting out certain operations—such as providing weather information to pilots. Congress has been very critical of the FAA's continually increasing operating costs. This amendment would take a very important tool for controlling costs away from the FAA.

The FAA is currently conducting a competition to evaluate the performance of its 61 flight service stations, which provide needed services, such as weather briefings, to general aviation pilots. The FAA expects that the competition will identify innovations and lead to greater value for America's pilots at a lower cost to the taxpayer. The bottom line is that the legislation would stop this study—a study that encourages the FAA.

Finally, this amendment prevents the FAA from expanding the existing

contract tower program. This program allows smaller airports to continue to have air traffic control where an FAA tower might not be fully justified.

The Transportation Department's Inspector General has examined this program. He found that contract towers are just as safe and effective as FAA towers and on average cost \$800 thousand a year less. This amendment would prohibit any other existing towers from becoming contract towers.

FAA continues to operate about 71 towers that are similar in traffic and complexity to towers currently in the contract program. For example, in Virginia, the tower at Manassas Regional Airport, which has general aviation only, is FAA-operated but the tower at Charlottesville-Albemarle Airport, which has frequent commercial service, is a contract tower. Converting these towers could save the FAA about \$57 million dollars per year in operating costs and free up 900 controllers that could be used in more complex facilities and help meeting the pending wave of controller retirements.

The Administration is adamantly opposed to this amendment or any other provisions that would reduce the FAA's flexibility and ability to control costs. In a letter to the House, Secretary Mineta indicated that he will recommend a veto of any bill that contained provisions similar to this amendment.

We will hear today a lot of discussion about how admirably the air traffic controllers performed on September 11, and it is true. It is absolutely true. They did a magnificent job. It is also true that the air traffic controllers in Canada worked extremely well with their partners, the counterparts in the U.S., and they are not government employees. They are privatized air control providers.

All of us appreciate the enormous contributions and terrific jobs that our air traffic controllers did, and do. The question is, Will the administration be able to have the flexibility necessary to do such things as contract towers that operate without the complexities and difficulties that are associated with major air traffic control centers?

I ask unanimous consent that a letter dated June 12 from the Office of Management and Budget, Statement of Administration Policy, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,

Washington, DC, June 12, 2003.

STATEMENT OF ADMINISTRATION POLICY
S. 824—AVIATION INVESTMENT AND REVITALIZATION VISION ACT

The Administration strongly supports Senate passage of S. 824. Like the Administration's proposal, S. 824 would authorize federal aviation programs without increasing taxes or fees on an industry that has been severely impacted since the attacks on September 11th. The bill contains important environmental provisions including voluntary

air quality initiatives; environmental streamlining elements for safety and airport capacity projects, and a more flexible use of the Airport Improvement Program (AIP) noise set-aside. The bill also adopts structural changes to the Federal Aviation Administration (FAA) that were included in the Administration's bill, as well as important clarifications in the area of judicial review of both airport environmental and agency acquisition decisions.

The Administration will work with Congress to ensure, in the version of the bill presented to the President, that: (1) spending during the authorization period conforms to the amounts requested by the Administration; (2) environmental streamlining provisions include safety projects and are optimized to promote their intended goals; (3) the Aviation War Risk Insurance program remains focused on aircraft used to support U.S. military and foreign policy objectives; (4) responsibility for transportation security expenditures is consolidated in the Department of Homeland Security and fees collected for security activities are not diverted to purposes other than the provision of direct security services; (5) the appointment of members and the operation of any committees or commissions created by the bill are consistent with the appointments clause of the Constitution and the President's constitutional authority to supervise the unitary executive branch and make recommendations to Congress; (6) any provision for airline collaboration or coordinated capacity reduction preserves competition to the maximum extent possible; (7) maximum flexibility is provided in the use of AIP funds for security costs, noise set-aside and emissions research and mitigation; (8) provisions regarding the use of space by the FAA at airports do not impose costs which preclude the continued provision of essential services by FAA; and (9) mandates which might interfere with the FAA's ability to optimize its organization or research programs are minimized.

The Administration is aware that an amendment may be offered to S. 824 that would inappropriately prohibit the conversion of any FAA facilities or function from the Federal Government to the private sector. Such restrictions are unnecessary and would hinder the FAA's ability to manage the air traffic control system. If such an amendment were included in the final legislation presented to the President, his senior advisors would recommend that he veto the bill.

PAY-AS-YOU-GO-SCORING

The Budget Enforcement Act's Pay-As-You-Go requirements and discretionary spending caps expired on September 30, 2002. The Administration supports the extension of these budget enforcement mechanisms in a manner that ensures fiscal discipline and is consistent with the President's Budget. OMB scoring of the bill is under development.

Mr. McCAIN. Mr. President, I will not bother with the entire letter except to say that the administration strongly supports passage of the bill. It talks about all the good things which will happen as a result of the bill, most of which we have already covered. I am sure we will cover it again. But it also says the administration is aware that an amendment may be offered to S. 824 that would inappropriately prohibit conversion of any FAA facilities or functions from the Federal Government to the private sector. They say that such restrictions are unnecessary and would hinder the FAA's ability to

manage the air traffic control system; and, if such an amendment were included in the final legislation presented to the President, his senior advisors would recommend that he veto the bill.

I very much dislike having all the work that has been done on this legislation for literally months be negated by one amendment. Although it may be emotionally an important issue, I would hate to see that provision destroy all the hard work and important programs that are included in this bill.

I don't know what the plans are for the other side. We would obviously like to have a vote on the Lautenberg amendment. I think there are negotiations going on and conversations concerning that. In the meantime, I note the presence of the Senator from Texas.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I thank the Senator from Arizona. I also thank the Senator from South Carolina for making sure that we have an FAA reauthorization bill on the floor in a timely manner.

There has been so much impact on the aviation industry over the last 2 years that I think we have had to refocus our efforts from capacity issues which we were trying to address before 9/11 to now security issues. Certainly, the parts of the bill that deal with capacity are still here. I think it is warranted that we look ahead. The aviation industry is going to come back, and we need to make sure we have the expedited environmental procedures for building new runways and help communities be able to meet the needs of increased demand when that occurs. If we can do that before a crisis, it will help us allow airports to grow in an environmentally positive way. In a way, that can be handled by the community effectively.

I think this bill is a good bill. I have worked on it as the former chairman of the Aviation Subcommittee and now as a member of the Aviation Subcommittee. I think it is very important that we look at the major issues of security.

I commend the committee for keeping the Security Trust Fund, which I think is so important. People pay a ticket tax for security. I want to make sure this ticket tax goes for security purposes. That is what this bill does. If we start having a shoestring for the Transportation Security Agency, they are going to start cutting corners, and we are not going to have an airtight system that a number of us want to ensure. We have a safer aviation system today than we had on 9/10 in 2001. We want to make sure it stays that way. We should not let our guard down. The kind of enemies there are today are looking for vulnerabilities, and we are not going to allow them to have that.

I think that is why this reauthorization discusses and handles the security

issues, the capacity issues, and the issues of air traffic control and safety all in a way that I think is quite positive.

I appreciate the chairman of the committee and the ranking member working to get this bill out. It came out of our Commerce Committee, and I look forward to supporting it.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I listened carefully to comments made by our leader, the distinguished colleague from Arizona. I want to say that there are places where the contract tower process can be used. There are some 4,000 airports across the country where the contract tower program might apply. I have no objection to those smaller airports converting to that system. But we are grandfathering those that are presently FAA controlled to continue in that vein to make sure that the system is intact, and that the integrity of the functioning is as planned. If there is a point in time at some future date when we want to look at this, I am more than willing to discuss it. But I want to know exactly what the implications are to the total system, and not simply look at this as a financial gain because in the long run, the financial gains are ephemeral. We saw it in the British experience. We saw it in the Canadian experience.

The Senator from Arizona talked about how nobly the controllers from Canada performed on 9/11. Yes, we give them credit for that. But still in all, their system falls into higher costs all the time, and it is in financial despair, if I can use the terminology. We believe we take care of the issues concerned.

I think we would like to see what our colleagues have to say about that. In due time, I hope we will bring it to a vote.

I yield the floor.

Mrs. CLINTON. Mr. President, I thank my colleague from New Jersey for offering this amendment, which I am proud to cosponsor. This amendment will bar the use of funds to privatize the functions of the air traffic control system in the United States, which will ensure that air traffic control will remain a Government function under the control of the Federal Aviation Administration.

I believe that there are few functions of Government more inherent to our responsibility than guaranteeing the safety and security of consumers of transportation in our country. Since September 11, 2001, we have worked to increase the Federal role in improving air security. Air traffic control is essential to our Nation's security and it is vital that we keep air traffic control within the Government's function in order to ensure a safe aviation system on a day-to-day basis. It is also vital in the case of a terrorist attack. This was

demonstrated vividly on September 11, when central Government control of air traffic proved essential in quickly clearing our skies and possibly preventing further casualties.

Furthermore, it is clear that the intention of those who oppose this amendment is to open the door for privatization of air traffic control. This would be a disaster. An extensive Columbia University study that looked at air traffic control privatization in other countries found that there are no operational or economic advantages to privatizing air traffic control. In fact, there is some evidence that suggests privatization can lead to an increase in incidents, as fewer controllers are used in an attempt to cut costs. For example, privatization in Canada has led to an operational irregularity rate twice ours despite the fact that their air system is 7 percent the size of ours. Privatization may also increase costs. The British Government has twice had to bail out its privatized system for \$131 million, about two-thirds of what they originally sold it for.

I urge all of my colleagues to support this amendment in order to ensure the continued safety of our aviation system. Let us focus on how to improve our air traffic control system without compromising safety.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I ask unanimous consent the pending amendment be set aside so I may offer an amendment to the bill.

The PRESIDING OFFICER. Is there objection?

Mr. MCCAIN. Mr. President, if my friend from Mississippi would not mind, the Senator from Wyoming has a brief statement counter to the Lautenberg amendment.

So that we can be agreeable, I ask unanimous consent that immediately following the Senator from Wyoming, we set aside the Lautenberg amendment for the purpose of the Senator from Mississippi proposing an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. I thank the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. I thank the President, and I thank the Senator from Mississippi. I will not take long. In fact, I just came from a markup in health care. I was very much interested in the discussion that was going on here. We are all involved, of course, in one way or another in air traffic control. I am a former private pilot and have experienced a great deal over the years. I don't fly anymore because I don't get enough opportunity to be safe. Nevertheless, I have listened.

First of all, I am very much interested in doing all we can in government to modernize and make it as efficient as can be. That is what the administration seeks to do in various kinds of activities, taking a look at

those to see if there is something that can be done governmentally. If they can do it just as well or better in the private sector, there ought to be some competition for that. I believe that. I believe that very strongly.

I am always sort of surprised at the efforts made to keep the government from doing that. If they study it and come up with the right answer, I think that is a good idea, instead of saying we ought not to be doing any of those things.

I am an advocate of trying to have competition to see how we can do the best thing.

Currently, the FAA is reviewing the jobs done by the flight services staff to determine if these jobs could indeed be done better by the private sector.

I think most everyone knows that President Bush and his Secretary have no intention of having private competition for the air traffic controllers.

What we are talking about here is the flight service function, which is quite different. Currently provided for in general aviation, of course, is that pilots currently review it to see if flight service functions could be modernized by allowing the private sector to provide some of these services.

So it seems to me that is reasonable. And to come in with an amendment that says you cannot take a look at doing something better is a surprise to me.

The commercial airlines rely on the private sector for weather and all kinds of things. There is really no reason to think that is something that is done better by Government people than it is by private sector people. Who is flying the airplane, for example? That is where the real test comes.

So it seems to me we ought not to adopt this kind of an amendment. Remember, this is a current A-76 study that is underway. It is a study, and we ought to give that an opportunity to happen.

The FAA has categorized air traffic controllers as noninherently governmental. They have shielded the air traffic controllers from the A-76 study.

Mr. LAUTENBERG. Will the Senator from Wyoming yield for a question?

The ACTING PRESIDENT pro tempore. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I asked if the Senator from Wyoming would yield for a question.

Mr. THOMAS. Sure. Yes.

Mr. LAUTENBERG. I ask if the Senator from Wyoming is aware of the fact that some \$20 million has already been spent on a survey or a study of this process?

Mr. THOMAS. I am not aware of that. Are you aware of the outcome?

Mr. LAUTENBERG. No.

Mr. THOMAS. No.

Mr. LAUTENBERG. The outcome is one we see that says perhaps we ought to put the security of the FAA out to the cheapest bidder. I am aware that is where it comes out. And can the distinguished Senator from Wyoming explain

why it is we took this very comfortable, privately managed sector of our aviation system, the baggage screeners, and brought them into Government at three times the wage they were working? There are 33,000 or 28,000 of those people.

Mr. THOMAS. May I answer the question, please?

I do know why that is, and I would think you do, too.

We decided it right here. I voted against it. I voted for having the private sector continue. That is why it was done, because it is a political thing, and you know it and I know it.

Mr. LAUTENBERG. I am delighted—I always enjoy the comments of my friend from Wyoming. We talk the same language in New Jersey.

But to say it was a political decision, then it sounds relatively meritoriousless. But I hear people say things are better with the folks working for Government. Of course, we have started to lay off a lot of baggage screeners already. And so, to me, the chances of baggage screening being of the same danger as changing the system that now—

Mr. THOMAS. Is there a question?

Mr. LAUTENBERG. Mr. President, I am sorry. Forgive me. I did not mean to use the time of the Senator from Wyoming. I was just trying to respond to his answer.

Mr. THOMAS. I understand, and you will probably have an opportunity to do that. Let me respond to what you are saying.

You talk about how much better it is. I think if you had spent that many billions of dollars doing it on the other side, it perhaps would have been better as well.

So I urge Senators to not accept this amendment and to let us continue to have a study of what might better be done rather than saying, flatly, we cannot even take a look at a possible modernization.

I yield the floor.

The PRESIDING OFFICER (Mr. ALEXANDER). The Senator from Mississippi.

AMENDMENT NO. 898

Mr. COCHRAN. Mr. President, under the unanimous consent agreement propounded by the distinguished Senator from Arizona, I ask unanimous consent that the pending amendments be set aside, and I send an amendment to the desk and ask it be reported. The amendment is at the desk.

Mr. REID. Reserving the right to object, Mr. President, I missed the unanimous consent request. What is it? What is the request?

Mr. COCHRAN. The request is that the pending amendments be set aside and that I may be permitted to offer an amendment to the bill.

Mr. REID. I would agree to that if we have a time set for a vote on the Lautenberg amendment. Other than that, because I don't want his amendment to—

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. When would the Senator like to have that vote?

Mr. REID. We would like to have it as soon as possible.

Mr. McCAIN. Mr. President, I ask unanimous consent that pending the discussion of the Cochran amendment, we move then to a vote.

Mr. REID. Well, I know we have two of our most senior Members here involved in this debate, Senator COCHRAN and Senator BYRD, and they usually do not talk for 5 minutes.

Mr. COCHRAN. Mr. President, if the Senator will yield, I do not intend to talk long. I do hope we can permit Senator BYRD to make a statement on this amendment. I do not know how much time he would need for that purpose.

Mr. BYRD. Five minutes.

Mr. McCAIN. The Senator says 5 minutes.

Mr. President, I say, we are prepared to accept the amendment by Senator COCHRAN.

Mr. REID. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN] for himself and Mr. BYRD, proposes an amendment numbered 898.

Mr. COCHRAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide authorization for an Aviation Security Capital Fund)

On page 145, beginning with line 8, strike all down through and including line 24 on page 147, and insert the following:

“SEC. 402. AVIATION SECURITY CAPITAL FUND.

“(a) IN GENERAL.—There may be established within the Department of Homeland Security a fund to be known as the Aviation Security Capital Fund. There are authorized to be appropriated to the Fund up to \$500,000,000 for each of the fiscal years 2004 through 2007, such amounts to be derived from fees received under section 44940 of title 49, United States Code. Amounts in the fund shall be allocated in such a manner that—

“(1) 40 percent shall be made available for hub airports;

“(2) 20 percent shall be made available for medium hub airports;

“(3) 15 percent shall be made available for small hub airports and non-hub airports; and

“(4) 25 percent may be distributed at the Secretary's discretion.

“(b) PURPOSE.—Amounts in the Fund shall be available to the Secretary of Homeland Security to provide financial assistance to airport sponsors to defray capital investment in transportation security at airport facilities in accordance with the provisions of this section. The program shall be administered in concert with the airport improvement program under chapter 417 of title 49, United States Code.

“(c) APPORTIONMENT.—Amounts made available under subsection (a)(1), (a)(2), or (a)(3) shall be apportioned among the airports in each category in accordance with a formula based on the ratio that passenger enplanements at each airport in the category bears to the total passenger enplanements at all airports in that category.

“(d) MATCHING REQUIREMENTS.—

“(1) IN GENERAL.—Not less than the following percentage of the costs of any project funded under this section shall be derived from non-Federal sources:

“(A) For hub airports and medium hub airports, 25 percent.

“(B) For airports other than hub airports and medium hub airports, 10 percent.

“(2) USE OF BOND PROCEEDS.—In determining the amount of non-Federal sources of funds, the proceeds of State and local bond issues shall not be considered to be derived, directly or indirectly, from Federal sources without regard to the Federal income tax treatment of interest and principal of such bonds.

“(e) LETTERS OF INTENT.—The Secretary of Homeland Security, or his delegate, may execute letters of intent to commit funding to airport sponsors from the Fund.

“(f) CONFORMING AMENDMENT.—Section 44940(a)(1) of title 49, United States Code, is amended by adding at the end the following:

“(H) The costs of security-related capital improvements at airports.’.

“(g) DEFINITIONS.—Any term used in this section that is defined or used in chapter 417 of title 49 United States Code has the meaning given that term in that chapter.”.

Mr. COCHRAN. Mr. President, I also note that Senator BYRD is a cosponsor of the amendment. I appreciate very much hearing the assurance of the Senator from Arizona that this amendment will be accepted, so I am not going to talk long. I do not want to talk our way out of getting this amendment accepted, but I do briefly want to say what it does, and then I will be happy to yield to Senator BYRD for whatever comments he would like to make.

This amendment seeks to amend section 402 of the bill. Section 402 creates a new entitlement program, in effect, and it is a capital fund program that would permit the Transportation Security Administration to use up to \$500 million—the first \$500 million collected each year from the emplanement fee; \$2.50 per passenger that is now collected under current law—and transfer those funds to the Department of Transportation for administration of this capital fund.

The Department of Transportation could then allocate those funds to airports for security improvements. There are provisions in the amendment about how much hub airports would be entitled to—40 percent; 20 percent to medium hub airports, and the like. But the problem with it is the CBO says that, unlike the arrangement under current law, where the Transportation Security Administration spends these funds for airport screeners and other activities under the jurisdiction of the Transportation Security Administration, it would no longer be able to have those activities offset by the funds that are collected from the passengers, which means we would have to appropriate additional money each year to pay for those purposes that are now being paid for out of the emplanement fund that is designated and earmarked for that purpose now.

So what we are doing is saying, it is OK to set up this new capital fund, and

it is OK to authorize the Transportation Security Agency to collect the money and make it available, but we need to make that subject to appropriations. That is the point because we are going to divert money from the Department of Homeland Security for this new purpose, and we have a letter from Secretary Ridge explaining that. I ask unanimous consent that a copy of his letter dated June 11 to me be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF HOMELAND SECURITY, OFFICE OF THE SECRETARY,

June 11, 2003.

Hon. THAD COCHRAN,
Chairman, Subcommittee on Homeland Security,
Committee on Appropriations, U.S. Senate,
Washington, DC.

DEAR MR. CHAIRMAN: The Administration appreciates the continued support of Congress for improvements in the security of the Nation's civil aviation system and supports Senate passage of S. 824, the Aviation Investment and Revitalization Vision Act (Air-V). However, the Administration opposes a provision in S. 824 that would divert fees collected for security activities for purposes other than the provision of direct security services.

With the Homeland Security Act of 2002, Congress identified the Department of Homeland Security (DHS) as the focal point of the federal government's homeland security efforts, with the mission of preventing terrorist attacks and reducing the nation's vulnerability to terrorism. While the Department welcomes and appreciates the assistance of other agencies in improving security, any diversion of security fees, such as that proposed in S. 824, would directly undermine the Department's ability to fulfill its mission. Air-V would establish an Aviation Security Capital Fund that is both outside the control of the Department and funded by diverting \$500 million per year of passenger and air carrier security fees collected by the Transportation Security Administration (TSA). This would diminish the Department's funding capacity. As you know, the direct annual costs of operating the aviation security system are not fully offset by these fees, and diverting fee revenue for other purposes clearly weakens the intended financing structure of TSA set forth in the Aviation and Transportation Security Act. Diversion of the fees into a fund outside of DHS undermines the ability of the Administration to apply these resources to the most pressing security needs.

The Administration looks forward to working with Congress to ensure that the version of the bill presented to the President eliminates this objectionable provision.

The Office of Management and Budget has advised that there is no objection, from the standpoint of the Administration's program, to the submission of these views for the consideration of the Congress.

Sincerely,

TOM RIDGE.

Mr. COCHRAN. Mr. President, I am hopeful we can go forward. I appreciate very much the assurance of the Senator from Arizona that the amendment will be included in the bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I am pleased to join my friend and the

Chairman of the Homeland Security Appropriations Subcommittee, Senator COCHRAN, in offering this amendment today. At the same time, I deeply regret the fact that we are being forced to have to come to this floor and offer this amendment.

S. 824 contains a brand new \$500 million entitlement program. This legislation would earmark \$500 million of existing aviation security fees for grants to airports for construction.

The Transportation Security Administration was created by the Congress in response to the attacks of September 11. It was a failure of our airport screening procedures that allowed 19 men to board domestic airliners with weapons and turn four planes into instruments of death and destruction. With the creation of the Department of Homeland Security, the TSA was transferred from the Department of Transportation to the new Homeland Security Department. The Appropriations Subcommittee on Homeland Security, which is so ably chaired by the senior Senator from Mississippi, is charged with funding the TSA—one of many agencies now in the Department of Homeland Security.

The President's Fiscal Year 2004 budget request for the TSA assumes that \$2 billion and \$70 million in aviation security fees will go to the TSA to meet its security requirements. These fees are used to fund the thousands of screeners at our airports, for purchasing security equipment such as explosives detection equipment, and for the Federal Air Marshals program, all of which help secure our airports and the millions of travelers who use them. The provision in this bill that Senator COCHRAN and I are seeking to modify would take \$500 million of those fees that the President has requested for the TSA and instead earmark the \$500 million for a new entitlement program for airport construction grants.

This new mandatory program purports to "solve" an airport security construction problem. However, the provision actually creates a homeland security problem. The provision will create a \$500 million hole in the TSA budget—a hole that the Homeland Security Subcommittee will be unable to fill without creating other holes in our homeland security budget.

How should we fill that \$500 million hole? Should we take Border Patrol agents off our Southwest border? Should we cut port security programs? Should we further slow down the Coast Guard's modernization program? Should we reduce the numbers of inspectors at our ports of entry on our borders and increase the waiting time for agricultural produce to enter the U.S. from Mexico and Canada? Should we cut grants to our States and cities to equip and train first responders? These are the very real choices we on the Homeland Security Appropriations Subcommittee will have to face if the provision in this bill is permitted to pass.

I sympathize with the dilemma facing the members of the Commerce Committee. They are attempting to relieve the security construction burden facing our Nation's airports. I support these airport security programs and have provided funds in the past to begin to meet these airport security needs. However, the President did not request one dime for airport security construction in his budget, not one dime. So if this provision became law, we would need to cut \$500 million from homeland security priorities requested by the President.

Our amendment is a simple one. Instead of creating a new entitlement program, instead of creating a colossal new \$500 million earmark, instead of putting airport construction grants at the front of the line, ahead of border security, port security or first responder grants, this amendment would simply turn this new \$500 million program into an authorization. It would allow the Senate to use the appropriations process to make careful choices among the competing homeland security priorities.

I urge my colleagues to join us on this amendment and strike this ill-advised provision.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. MCCAIN. Mr. President, we are ready to accept the amendment on this side.

Mr. HOLLINGS. It has been cleared on this side.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 898) was agreed to.

Mr. MCCAIN. Mr. President, I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. If the Senator will yield briefly, I thank the Senator from Arizona and the comanager on this side of the aisle for their accepting the amendment. I think it is a real service.

Mr. MCCAIN. Mr. President, I understand it is the agreement of the Senator from Nevada that we will have a vote at 2:30 on the pending amendment.

Mr. REID. Yes.

Mr. MCCAIN. Could I have a small modification, a technical amendment?

Mr. REID. Yes.

AMENDMENT NO. 889, AS MODIFIED

Mr. MCCAIN. Mr. President, I have a modification of amendment No. 889 at the desk. It is a technical correction concerning the sale of airline tickets that was inadvertently included in the managers' package.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The modification is as follows:

On page 10, strike lines 11 through 18

Mr. MCCAIN. Mr. President, I ask unanimous consent that the vote in re-

lation to the Lautenberg amendment No. 893 occur at 2:30 today, with no amendments in order to the amendment prior to the vote; further, that the remaining time until 2:30 be equally divided in the usual form.

Mr. REID. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, I wish to mention to my colleagues that we are moving along on the amendments on this side. I know there is an amendment by the Senator from Oklahoma, Mr. INHOFE, which I hope we can consider rather quickly. It is a very interesting amendment on raising the age from 60 to 65. There are several amendments by Senator BURNS.

I say to my friend on this side that I think we can probably agree to at least a majority of them. I know of no other amendments that would be pending on this side. If there are, we hope that during the vote that takes place at 2:30 we can get pending amendments at least brought to our attention so we can schedule them. I still believe there is a very good opportunity to finish this legislation tonight.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 891, WITHDRAWN

Mr. REID. Mr. President, I ask that my amendment No. 891 which I offered earlier today be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I ask for the yeas and nays on the Lautenberg amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to amendment No. 893.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from North Carolina (Mr. EDWARDS), the Senator from Vermont (Mr. JEFFORDS), and the Senator from Connecticut (Mr. LIEBERMAN), are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced — yeas 56, nays 41, as follows:

[Rollcall Vote No. 222 Leg.]

YEAS — 56

Akaka	Domenici	Levin
Baucus	Dorgan	Lincoln
Bayh	Durbin	Mikulski
Biden	Feingold	Murkowski
Bingaman	Feinstein	Murray
Bond	Fitzgerald	Nelson (FL)
Boxer	Graham (FL)	Nelson (NE)
Breaux	Gregg	Pryor
Byrd	Harkin	Reed
Cantwell	Hollings	Reid
Carper	Inhofe	Rockefeller
Chafee	Inouye	Sarbanes
Clinton	Johnson	Schumer
Conrad	Kennedy	Specter
Corzine	Kerry	Stabenow
Daschle	Kohl	Talent
Dayton	Landrieu	Voivovich
DeWine	Lautenberg	Wyden
Dodd	Leahy	

NAYS—41

Alexander	Crapo	McConnell
Allard	Dole	Miller
Allen	Ensign	Nickles
Bennett	Enzi	Roberts
Brownback	Frist	Santorum
Bunning	Graham (SC)	Sessions
Burns	Grassley	Shelby
Campbell	Hagel	Smith
Chambliss	Hatch	Snowe
Cochran	Hutchison	Stevens
Coleman	Kyl	Sununu
Collins	Lott	Thomas
Cornyn	Lugar	Warner
Craig	McCain	

NOT VOTING—3

Edwards	Jeffords	Lieberman
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The amendment (No. 893) was agreed to.

Mr. REID. Mr. President, I move to reconsider the vote.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. If I may have the attention of the managers of the bill.

The PRESIDING OFFICER. The Senator will be in order.

Mr. REID. One of the important amendments on this bill is the Inhofe amendment that has been discussed at some length, on both sides, off the floor. But both have agreed that the Inhofe amendment will be handled in 40 minutes, equally divided.

I ask unanimous consent that the Inhofe amendment be the next in order and that the time for the amendment be 40 minutes.

Mr. MCCAIN. Equally divided.

Mr. REID. And no second-degree amendments be in order prior to the vote, on or in relation to the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. MCCAIN. Forty minutes equally divided.

Mr. REID. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Arizona.

Mr. MCCAIN. Mr. President, before we move to the Inhofe amendment, I wish to state for the benefit of my colleagues, we have a Dorgan amendment which is being worked on. We have a

Bunning amendment which is being worked on.

I believe a Burns amendment is being worked on as well. I think we are close to completion of work on the amendments. If our colleagues have additional amendments, we would certainly like to see them during this 40 minutes of debate on the Inhofe amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

AMENDMENT NO. 986

Mr. INHOFE. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. INHOFE], for himself, Mr. KYL, Mr. THOMAS, Mr. BROWNBACK, Mr. GRASSLEY, and Mr. ENZI, proposes an amendment numbered 986.

Mr. INHOFE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To establish age limitations for airmen)

At the end of title V, add the following new section:

SECTION 521. AGE LIMITATIONS.

(a) GENERAL.—Notwithstanding any other provision of law, beginning on the date that is 30 days after the date of enactment of this Act—

(1) section 121.383(c) of title 14, Code of Federal Regulations, shall not apply;

(2) no certificate holder may use the services of any person as a pilot on an airplane engaged in operations under part 121 of title 14, Code of Federal Regulations, if that person is 65 years of age or older; and

(3) no person may serve as a pilot on an airplane engaged in operations under part 121 of title 14, Code of Federal Regulations, if that person is 65 years of age or older.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the provisions of this section shall take effect on the date that is 30 days after the date of enactment of this Act.

(2) INTERIM LIMITATION.—During the period that begins on the date that is 30 days after the date of enactment of this Act and ending on the date that is one year after such date—

(A) subsection (a)(2) shall be applied by substituting “64” for “65”; and

(B) subsection (a)(3) shall be applied by substituting “64” for “65”.

(c) CERTIFICATE HOLDER.—For purposes of this section, the term “certificate holder” means a holder of a certificate to operate as an air carrier or commercial operator issued by the Federal Aviation Administration.

(d) RESERVATION OF SAFETY AUTHORITY.—Nothing in this section is intended to change the authority of the Federal Aviation Administration to take steps to ensure the safety of air transportation operations involving a pilot who is 60 years of age or older.

Mr. INHOFE. Mr. President, first of all, I would like to say this is a non-controversial amendment which everyone is for.

That is not true. But it is a very old subject. I say that in two ways.

It is a subject that has been around for a long time and one that needs to be addressed one way or another.

Second, I am offering an amendment that passed out of the Commerce Committee last year. It does one very simple thing. Currently, the age limit for a commercial pilot is age 60. That was established some 40 years ago. The life expectancy since that time has increased by about 12 years. There is no medical reason that anyone has ever put forward why a pilot should have to stop flying at age 60. Quite frankly, I know pilots who are too old to fly at age 50. I am an exception. I am age 68, and I am a better pilot than I was 40 years ago. But age is arbitrary. There are no two people alike.

For that reason, age 60 being an arbitrary number and having been around for some 40 years, my preference would be not to have any age limit at all. Frankly, I think we should have very strong, stringent medical requirements. That is in the law today. And we should have very strong proficiency requirements. That is in the law today. So long as a person is able to do that, that person should be able to continue. But, realistically, I believe people are going to say, well, that could lead up to very old ages—even my age. They do not want that to happen.

So we are putting an arbitrary age limit of 65 so we can at least look at it for a period of time. There have been a lot of studies. Johns Hopkins University School of Hygiene did a study as to what age someone would not have the proficiency in flying an airplane. They came back and said age has absolutely nothing to do with it. There are other predictors that are much more important. In fact, some studies have shown that airline pilots exceed population norms for physical health and mental ability. I believe that is true because they are required to take physicals on a regular basis.

I am a commercially rated pilot. I have been for some 40 years. I can tell you from personal experience in my particular case. Some of you in this Chamber will remember this. I had an experience just a couple of years ago with a single-engine airplane where the front end of the airplane came off in flight. Normally, with that situation you are through. However, drawing upon experience, I was able to determine where the new stalling speed was, which was three times what the stalling speed normally would be for that aircraft, and come back and made somewhat of a crash landing, I guess, only because I didn't have any gears down there. But, nonetheless, quite frankly, I wonder if I would have been able to do that before.

At this time, I would like to yield the floor so I can see what type of opposition is here today.

I would like to tell you that everyone is for it. Quite frankly, ALPA, the Airline Pilots Association, is not for it. There is a very good reason. It is not a safety reason. It is not an age reason. It is a monetary reason. I have a great deal of respect for younger pilots who are commercial pilots working for the

airlines. By getting rid of older pilots, that leaves more upward mobility. That is true. I think that is one of the reasons they are opposed to it. In fact, I think that is the only reason they are opposed to it. Many of the airlines are for it, and some are against it. Some of them are in opposition to my amendment as an economic issue. As a pilot becomes older, he is paid more money. Consequently, the payrolls in an ailing industry would go up. I am sensitive to that. I have weighed that carefully and have determined this is the best thing.

With that, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DORGAN. Mr. President, let me take such time as I may consume on our side.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. I intend to oppose the amendment. In many ways, I regret opposing my friend from Oklahoma. He is quite a remarkable pilot. I have had the opportunity to ride with him. I believe he flew around the world in a single-engine airplane at one point.

Mr. INHOFE. It was actually a twin-engine plane.

Mr. DORGAN. Nonetheless, he is a pilot who has flown around the world. He knows a bit about flying.

I learned to fly at one point in my life. I know something about the wonders of it. I know something about the time the instructor steps out of the plane and says: It is your turn. Take it up alone. That is one of the moments in your life you will always remember.

The issue here is about an age limit for commercial pilots. I don't stand here as an expert on this subject. I don't expect there is an expert in the Senate on this subject. The question of the age rule is a question that the FAA has dealt with, and they have dealt with it repeatedly.

The history of this rule goes back many years. It is a rule that has been around for a long while. It was established by the FAA as a matter of safety. I know this rule has actually been considered by the Senate previously as well.

At one point during its consideration in the Senate, it was considered and proposed that we had a shortage of pilots, and, therefore, we should remove this age restriction and increase it some. Of course, now we have exactly the opposite. We have many pilots who are furloughed and laid off and would like to come to work. That is not the issue. The issue is one of safety.

I think the FAA has always erred on the side of safety. I expect that all of us want them to err on the side of safety.

My judgment about this is that the decision about age requirements for commercial pilots ought to be left to the regulatory agency, the FAA. They are the experts in this area. We are not. They know more about this subject than we do.

I just feel uncomfortable substituting our judgment, with an arbitrary number, for the judgment of the FAA.

Let me say I am sure the Senator from Oklahoma would agree, the FAA has the opportunity and the discretion and the ability right now this afternoon to make that age change, if they wish to do that. The FAA has the authority under law, as I understand it, to change the rule as they see fit. They have continuously, however, kept the 60-year age rule because they want to maintain the highest degree of safety in air transportation.

There have been a number of studies dealing with this issue. In 1979, Congress mandated a study conducted under the auspices of the NIH. In 1990, the House Committee on Public Works asked the Office of Technology Assessment to examine the medical aspects of the Federal requirement that airline pilots retire at age 60 and to assess the state of the art medical risk assessment. There have been a number of these studies.

I chose not to go into the conclusions of all the studies except to say that the FAA, in reviewing the body of information in those studies, decided that they believed the 60-year age retirement rule was appropriate.

Again, in April 2000, the FAA reaffirmed its position and decision to maintain the 60-year retirement age. That decision was appealed to the courts actually in 2001, and the Seventh Circuit Court of Appeals upheld the FAA's decision.

Once again, I say I am not an expert. I would expect, perhaps, the Senator from Oklahoma would make the same statement. The question of safety and the question of the proper retirement age given medical circumstances with respect to commercial flight and the commercial license that one needs to fly is a decision that is enormously complicated. It is a decision that has been studied and restudied by the FAA folks whose job it is to provide the assurance of safety. I frankly am comfortable with whatever decision they make.

If they were to decide this afternoon, look, we have studied this from six more angles and here is what we have concluded, and it came up with a different number, that would be fine with me. But I must say, I am not comfortable with the Senate arbitrarily deciding there is a number that we know better than the FAA which represents the risk assessment with respect to this mandatory retirement age. For that reason, I regret I have to oppose the amendment.

Again, let me finish by saying this is not a new subject and not a new debate. We may not know much more about it than we did the last time we debated it, but I believed then and believe now it is appropriate to allow the Federal Aviation Administration—the regulatory agency that has the experts and has the charge to make these decisions—to make this judgment.

Again, it is my contention, if they decided this afternoon to increase that mandatory retirement age, that would

be fine with me. And they have that capability under current law to do so, but they have not because they believe it not advisable. I think the Senate would be well advised to listen to the FAA on this subject.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER (Mr. CRAPO). The Senator from Oklahoma.

Mr. INHOFE. Mr. President, first of all, I have a great deal of respect for the Senator from North Dakota, and some of the things he says certainly do make sense. I would have to say this, though. There is not a bureaucracy out there that, now and then, does not have to be prodded a little bit because it is the very nature of a bureaucracy not to change. They do not want to change.

Not long ago, I had a bill, on which I believe the Senator from North Dakota supported me, called the emergency revocation bill. It took 3 years before we got the votes to pass it. It was something that should have been done, I believe, by the FAA; and I think most of them would agree. Many of them in the field have told me since then that it was something they should have done. They are very busy, they have their hands full, and probably the furthest thing from their minds is making a change.

When it gets down to age, when you talk about 60, age 60, when this rule was put in, is the same as age 72 today. Everything that is tied to an index—whether it is retirement, Social Security—they all have increased in age, except this one issue.

As far as safety is concerned, I do not think the FAA would tell you the arbitrary age of 60 or 65 is going to relate to safety. But what they relate to safety is the medical and proficiency requirements, which are very stringent. And the older you get, I suggested to my friend from North Dakota, the more stringent they become, because I have had to live through this myself.

On the argument that there is not a shortage of pilots, now we are going through a temporary phase. I think, as everyone in this Chamber knows, we are going through a rebuilding process of our military, and the supply and demand of pilots is something that is going to change. I just hope that does not influence a person into making that decision on a vote.

I say to the Senator, he is right, safety is the big issue. But we can show—and have testimony, a lot of which I have already talked about—that safety is not related to age; it is related to medical conditions and proficiency.

With that, I yield the floor to see if there are those who want to be heard. If not, I will yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I have been on the Commerce Committee for quite a few years, not nearly as long as my friend from South Carolina, but

long enough to know that this issue has been around for a long time.

When it was first presented to me, it was presented to my office by a group of pilots who were nearing the age of 60. And they said: Gee, we are in great shape. We fly planes that have two pilots in the cockpit. We would be willing to take three or four physicals every year if necessary. We all know people are living longer. We know that fewer and fewer people smoke. We have rigorous physicals.

I said: Gee, it makes good sense to me. And as I grow older, it makes even more sense to me, I might add to my friend from Oklahoma.

But here is the problem. The airlines do not want it because they do not want to pay senior pilots the amount of money they have to pay them, and so they want to get rid of them at age 60 and bring in lower salaried pilots. And, of course, then, incredibly, the younger members of ALPA, the Airline Pilots Association, want the old geezers gone so they can move up more rapidly. It is really kind of an incredible scenario, when you think about it.

We all know that people live longer and are healthier longer. And the Senator from Oklahoma probably knows when this rule went into effect. I am not sure.

Mr. INHOFE. Forty years ago.

Mr. McCAIN. Forty years ago. The demographics have changed, and everything else has changed. It argues for at least allowing pilots to fly longer.

By the way, I might say, also—again, maybe I have a little senior's bias here—more experienced pilots are better pilots. And if they are in good health, and there are two of them in almost every commercial airliner, why in the world are we opposed to allowing them to fly longer? Southwest Airlines supports the efforts. SWAPA and other organizations and individuals allow pilots to fly commercial jet aircraft beyond age 60. JetBlue supports it. The low-cost airlines all support it. The most expensive airlines, the more established ones—most of them are rotating in and out of bankruptcy because of their outstanding management practices—are opposed to it.

So this is really a no-brainer, Mr. President. We should allow these pilots to serve longer and fly longer and be able to realize an income that comes from serving these airlines and the American public for a long time.

Having said that, we will probably lose because right now, ALPA, the Airline Pilots Association, and the executives and lobbyists for the major airlines are on the phone saying: Don't do this. This could be really dangerous.

It is hard for me to believe that someone 61 years old, who passed a physical, who is flying with another qualified pilot, plus, in many cases, a flight engineer, is in any way a danger. Not only that, in case there is some kind of emergency, that pilot is probably better qualified to handle that emergency by virtue of that pilot's ex-

perience than a much younger individual would be.

So I will clearly be supporting the amendment of the Senator from Oklahoma. I appreciate his courage in bringing up this issue. Maybe someday we will be able to allow these young men and women to serve past age 60 if they are physically and mentally qualified to do so.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Oklahoma.

Mr. INHOFE. Mr. President, first of all, I thank the Senator from Arizona. I would suggest that this is exactly like the bill that came out of the Commerce Committee last year or the year before, the 107th Congress. I really believe it is time for us to do this. I know where the pressures are against it.

If there is no one else on the other side who wants to be heard, I will yield back.

Yes.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, let me make one final point.

It is not quite so simple to say it is ALPA, the airlines. The fact is, the Federal Aviation Administration, the FAA, has the authority today to make a decision about increasing this retirement age. It has chosen not to, I assume because the experts there have taken a look at the OTA study, the accident rates, and whole series of things.

I agree, people are living longer, better lives. I have an 81-year-old uncle who runs in the Senior Olympics. He runs the 400 and the 800 at age 81. People are living longer. I understand all that.

The issue is, what the proper age is for retirement of commercial airline pilots is not a function of the Senate, making a judgment on the floor of the Senate. In my judgment, it is a function of people who know, the medical experts at the FAA, looking through the data and making a considered judgment on behalf of the American people of what constitutes their best safety.

So that is the basis of this position. It is not, in my judgment, about ALPA or the airlines, it is just saying, look, whatever the judgment is, let it be, but let's have the experts make it. That is my whole point.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, I think we have responded to everything the Senator from North Dakota has said. I would only say that there are a lot of forces out there against it. But every argument that is against it, that is a legitimate argument, is an economic argument.

I believe everyone in this Chamber has to understand that what was being age 60, 40 years ago, is not the same as being age 60 today. And everything else, every other schedule we have written into law, has changed more

than this amount during that 40-year period.

Mr. HOLLINGS. Mr. President, I yield as much time as the Senator from Mississippi wants from the time remaining.

Mr. LOTT. Mr. President, how much time remains?

The PRESIDING OFFICER. There are 12 minutes 55 seconds remaining.

Mr. LOTT. I don't believe I will need the entire time. I will take a few minutes to say that, in this case, I do feel the need to oppose this amendment by Senator INHOFE. Our Commerce Committee has discussed this issue several times in the past and at various times we have gone different ways on it. In this case, I think you need to look at how we got where we are.

The Federal Aviation Administration has the responsibility that is mandated to ensure aviation safety. In 1959, they concluded, after concerns developed of potential detrimental effects of aging and the risk of acute and incapacitating medical conditions, that commercial pilots need to be required to retire at age 60. Today I believe there is sufficient evidence to keep that rule. There is not enough evidence to reverse that. There is a case here where I believe most of the airlines, although not all, support keeping it at 60. There is no question that the representatives of the pilots prefer to keep it at 60. So you have an agreement.

Also, I do feel as if, particularly in the aviation area, there is a need right now to have some opportunity for retirement at 60, to bring in newer, young pilots or, as a matter of fact, to decide they don't need all those pilots. This is a unique time in the aftermath of 9/11, where at this time I am inclined not to think we should raise the age to 65, whereas sometime down the road I might be so inclined.

I do worry about age discrimination. As I get older, I worry about it more than I used to. I think in this case, with medical science and the acknowledgement of the current situation in the industry, we should keep it at 60.

I don't like to be on the other side of my good friend, the Senator from Oklahoma, but I think, all things considered, we should stick with what the rule has been.

Mr. INHOFE. Mr. President, the three arguments used by the distinguished Senator from Mississippi are, first, economic. The pilots' union is opposed to it. I said that in my opening statement. There is a justified reason for that. If I were a young pilot and a member of the union, I might feel the same way because they want more upward mobility. As far as the airlines are concerned, yes, they are going to have to pay a little more. The average older pilots have greater salaries and benefits. These are economic reasons.

I think we should consider these reasons but I don't want anybody voting on this and believing in their heart that they are doing it for safety or because of the supply and demand of pilots. We all know that will change; we

know that with the restructuring of our military.

As I said, if it is a good age—first, it should not be an age at all. It ought to be based on medical tests and proficiency tests. If 40 years ago 60 was a good age, 65 would be better now.

We will have a chance to look at this. I think there are a lot of people who would like to see a realistic approach to this. I think we used the same thing for 40 years and certainly it is justified to raise that at this time.

I yield the floor.

Mr. DORGAN. Will the Senator yield for a question?

Mr. INHOFE. Yes.

Mr. DORGAN. The Senator talked about a proficiency test. We would not have difficulty if the FAA could find a device that is appropriate to deal with that. I think they have evaluated that for a long period of time and have not been able to come to that conclusion. I don't think even those of us who would agree with your amendment believe there is a magic number here. I am not qualified to set the number.

I am not suggesting that it is ever appropriate to increase the age limit. I would prefer someone with the capabilities of the FAA to evaluate the medical histories to be able to do that.

Mr. INHOFE. In terms of proficiency tests, I am a flight instructor. I test people, and I think everybody doing that takes into consideration age, and they are more stringent with them as they get older.

Again, a person could be more proficient at age 70 than at age 40. This happens to some people. That is why age should not be the determining factor; proficiency and health should be. Certainly, economic factors should not.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. Are they prepared to yield back their time?

Mr. INHOFE. I yield back my time.

Mr. HOLLINGS. We yield back our time on this side.

The PRESIDING OFFICER. If all time is yielded back, the question is on agreeing to the amendment.

Mr. LOTT. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID I announce that the Senator from North Carolina (Mr. EDWARDS), the Senator from Vermont (Mr. JEFFORDS), the Senator from Massachusetts (Mr. KERRY), and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from MA (Mr. KERRY) would vote "nay".

The PRESIDING OFFICER (Mr. SMITH). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 44, nays 52, as follows:

[Rollcall Vote No. 223 Leg.]

YEAS—44

Allard	Domenici	Murkowski
Allen	Ensign	Nelson (FL)
Bennett	Enzi	Nickles
Bond	Feingold	Roberts
Breaux	Fitzgerald	Santorum
Brownback	Frist	Schumer
Bunning	Graham (SC)	Sessions
Burns	Grassley	Smith
Campbell	Hatch	Specter
Chafee	Hutchison	Stevens
Collins	Inhofe	Sununu
Cornyn	Kyl	Thomas
Craig	Lugar	Voinovich
Crapo	McCain	Warner
DeWine	McConnell	

NAYS—52

Akaka	Dodd	Lincoln
Alexander	Dole	Lott
Baucus	Dorgan	Mikulski
Bayh	Durbin	Miller
Biden	Feinstein	Murray
Bingaman	Graham (FL)	Nelson (NE)
Boxer	Gregg	Pryor
Byrd	Hagel	Reed
Cantwell	Harkin	Reid
Carper	Hollings	Rockefeller
Chambliss	Inouye	Sarbanes
Clinton	Johnson	Shelby
Cochran	Kennedy	Snowe
Coleman	Kohl	Stabenow
Conrad	Landrieu	Talent
Corzine	Lautenberg	Wyden
Daschle	Leahy	
Dayton	Levin	

NOT VOTING—4

Edwards	Kerry
Jeffords	Lieberman

The amendment (No. 896) was rejected.

Mr. MCCAIN. Mr. President, we have four Members here who have pending amendments which are going to be accepted. All four Members want to have their amendment proposed and discussed. I ask unanimous consent Senator BINGAMAN be recognized for his amendment, and Senator BUNNING, Senator DORGAN, and Senator INHOFE, in that order. I know all will speak briefly.

Mr. LOTT. Reserving the right to object, I want to clarify there were no time agreements included, just the order that they would discuss the amendments briefly.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 906

Mr. BINGAMAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows.

The Senator from New Mexico [Mr. BINGAMAN], for himself, and Mr. INHOFE, Ms. SNOWE, Mr. JEFFORDS, Ms. COLLINS, Mr. SPECTER, Mr. HARKIN, Mrs. CLINTON, Mr. SCHUMER, Mr. PRYOR, Mr. NELSON of Nebraska, Mrs. LINCOLN, and Mr. GRASSLEY, proposes amendment No. 906.

Mr. BINGAMAN. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To preserve the essential air service program)

Beginning on page 138, line 15, strike all through page 142, line 11.

Mr. BINGAMAN. Mr. President, I rise today to speak briefly about the Bingaman-Inhofe amendment to preserve the Essential Air Service Program. Our amendment is cosponsored by Senators SNOWE, JEFFORDS, COLLINS, SPECTER, HARKIN, CLINTON, SCHUMER, PRYOR, BEN NELSON, LINCOLN, and GRASSLEY. I thank them for their support.

I first want to compliment Commerce Committee Chairman MCCAIN, Aviation Subcommittee Chairman LOTT, and Ranking Members HOLLINGS and ROCKEFELLER for their good work on this bill to reauthorize FAA. The bill the Senate is now considering, S. 824, will do much to assure the safety and security of the traveling public.

I am also pleased S. 824 includes a number of provisions that will help improve commercial air service in rural areas, including a reauthorization of the Small Community Air Service Development Pilot Program.

However, we do take issue with one provision in this bill that would for the first time impose new costs on some communities that participate in the EAS program.

As the bill now stands, some communities would be required to pay to continue to receive scheduled air service I believe this arbitrary proposal could eliminate scheduled air service from many rural communities. Yesterday, the House of Representatives voted to eliminate all mandatory cost sharing language from the FAA reauthorization bill. I hope the Senate will do the same.

Congress established the Essential Air Service Program in 1978 to ensure that communities that had commercial air service before airline deregulation could continue to receive scheduled service. Without EAS, many rural communities would have no commercial air service at all.

All across America, small communities face ever-increasing hurdles to promoting their economic growth and development. Today, many rural areas lack access to interstate or even four-lane highways, railroads or broadband telecommunications. Business development in rural areas frequently hinges on the availability of scheduled air service. For small communities, commercial air service provides a critical link to the national and international transportation system.

A recent study from the Department of Agriculture, titled "How Important is Airport Access for Rural Businesses" underscores the importance of commercial air service to rural communities. In a survey of rural businesses, access to airport facilities and air service was frequently cited as one of the top problems for businesses in most rural counties. Air facilities, services, and fares were also found to be important to tourist-related and service businesses in rural areas. Not surprisingly, airport access was one of the least cited concerns of manufacturers in large- and medium-sized cities.

The Essential Air Service Program currently ensures commercial air service to over 100 communities in thirty-four states. EAS supports an additional 33 communities in Alaska. Because of increasing costs and the current financial turndown in the aviation industry, particularly among commuter airlines, about 28 additional communities have been forced into the EAS program since the terrorist attacks in 2001.

Congress already limits the eligibility of the EAS program to communities more than 70 miles from a major airport. In addition, the amount of the subsidy must be less than \$200 per passenger for communities less than 210 miles from a major airport. These requirements serve to limit the cost to the government of the EAS program. In fact, in the past two years, about a dozen airports, including one in New Mexico, have been eliminated from EAS because the cost per passenger has exceeded the limit. We feel the additional requirements imposed in this bill are not appropriate and could force a number of communities to lose their commercial air service.

In my State of New Mexico, five cities currently rely on EAS for their commercial air service. The communities are Clovis, Hobbs, Carlsbad, Alamogordo and my hometown of Silver City. In each case commercial service is provided to Albuquerque, the State's largest city and business center.

I hope that all Senators recognize the vast distances between communities in my State. If you drive, Hobbs is 320 miles from Albuquerque, Carlsbad is 283 miles, Silver City 233, Clovis 216, and Alamogordo 210 miles. None of these cities are on interstate highways, so the driving times to Albuquerque can be 4, 5, and even 6 hours. Commercial air service is the only practical way to make the trip for business people or community leaders going to Albuquerque or to the nearby state capital in Santa Fe. Though so called "hub" airports may be located a hundred miles away in another state, it is just not practical to drive the long distance to another airport in order to fly to Albuquerque. However, that's exactly what is likely to happen if the Congress imposes new costs on our communities to maintain their commercial air service.

As I understand it, under the proposal in this bill communities in 16 states could be affected by the mandatory cost-sharing requirements in the Senate bill. These States are, Alabama, Arkansas, Colorado, Georgia, Iowa, Kansas, Maine, Mississippi, New Hampshire, New Mexico, New York, Oklahoma, Pennsylvania, Tennessee, Texas, and Vermont.

The House-reported bill—H.R. 2115—also requires some rural communities to pay or lose their commercial air service. We believe this ill-conceived proposal could not come at a worse time for small communities already facing depressed economies and declining tax revenues.

The Governor of my state of New Mexico, Bill Richardson, said in a letter to me supporting this amendment: The cost sharing provision has the potential to affect the economic welfare of small communities in over 35 states—particularly those in New Mexico.

I also have a letter of support from the New Mexico State Aviation Director, Mike Rice, who said this: This significant additional financial burden would have profound negative impacts on both current air service and economic development efforts in several of our cities. Changes to current EAS funding could very well jeopardize existing air service in our state.

Mayor Donald Carroll of Alamogordo, writes that it is improbable that funding will be available to locally subsidize air service. He also notes that the city is actively working with the commercial carrier, Rio Grande Air, to increase enplanements.

The National Association of Development Organizations says:

During these challenging economic times, Congress should be working to improve and enhance air service to rural and underserved communities, instead of adding new requirements that would further isolate hundreds of our nation's smaller communities.

I'm not entirely sure that the proposal to charge the communities to continue their air service has been thoroughly thought out. The chairman's report on this bill from the Commerce Committee indicates that the Secretary will select 10 EAS communities to pay for their air service. However, the way I read the reported bill, only a one city in each of 8 states would be required to pay. Now, the chairman has offered an amendment that ups that total to 16 states with about 27 communities that could be impacted.

At the same time, the bill isn't clear on what exactly is a "hub" airport. As I understand it, the FAA compiles one set of data on annual enplanements, but the Department of Transportation currently uses a different set of data from the department's Bureau of Transportation Statistics to determine eligibility for EAS. These data produce a different list of "hub" airports, which could change which airports would be required to pay, simply because of the source of the data the government chooses to use. Finally, new cities are coming into the EAS program, so that additional states could have cities that would be required to pay for their air service.

Just one last point on the impacts of this proposal. I think we should make clear this isn't about saving the Government a lot of money. We estimate the payments from the communities would amount to less than \$2 million a year out of a \$113 million annual program.

Advocates of this proposal may claim they've made it as easy as possible for the communities to provide the mandatory 10 percent match. I just don't be-

lieve these alternatives will be all that effective. I understand, none of the five EAS cities in New Mexico currently charge the commercial carrier any fees to land at the airport. In this way, our cities are already contributing to the cost of their commercial air service.

I think we all appreciate the current concerns about the aviation industry and the EAS program. Ridership levels to rural cities are down. Meanwhile operating costs continue to increase, resulting in ticket prices that fewer people can afford. There are too many commuter aircraft flying at less than half capacity. Clearly, some improvements are needed.

But what are some better options? Well, I think senators need only look in this same bill for the answer. In my view the bill already includes a number of excellent improvements in the EAS program that I believe will significantly enhance commercial air service in rural communities.

For example, section 352 of the bill authorizes a new Marketing Incentive Program to increase ridership, reduce the Federal subsidies, and improve service. Section 353 provides for a number of pilot programs to help communities improve their commercial air service. One option is to allow communities to receive service with a smaller airplane. In my State, Alamogordo has decided to try service with a nine-passenger plane. In addition, communities may opt to convert their EAS service to alternative transportation, which might include bus or vans. I think these ideas represent a better approach to improving commercial air service in rural areas. I support these proposals and want to thank the chairman and ranking member for including them.

The choice here is clear: If we do not preserve the Essential Air Service Program today, we could well see the end of all commercial air service in rural areas. The EAS program provides vital resources that help link rural communities to the national and global aviation system. Our amendment will help ensure affordable, reliable, and safe air service remains available in rural America.

The House of Representatives has already voted to eliminate the mandatory cost sharing language from the FAA reauthorization bill. I hope all Senators will vote for this amendment.

I ask unanimous consent that a listing of the communities that could be affected and a letter of support for the amendment by the Governor of New Mexico, a letter of support for the amendment from the Director of the New Mexico Aviation Division of the New Mexico Department of Transportation, a letter from the Mayor of Alamogordo, NM, and a letter from the National Association of Development Organizations, all in support of this amendment, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE I—100 MILES FROM A SMALL OR HUB AIRPORT

State	EAS city	Distance to small hub	Distance to hub airport
Alabama	Muscle Shoals	Huntsville, AL 69 miles	Nashville, TN 122 miles.
Arkansas	Hot Springs	Little Rock 53 miles	Memphis 197 miles.
	Harrison	Fayetteville, AR 77 miles	Tulsa 183 miles.
	Jonesboro		Memphis 79 miles.
Colorado	Pueblo	Colorado Springs 43 miles	Denver 125 miles.
Georgia	Athens		Atlanta 80 miles.
Iowa	Fort Dodge	Des Moines 94 miles	Minneapolis 208 miles.
	Burlington	Moline, IL 73 miles	St. Louis 186.
Kansas	Salina	Wichita 93 miles	Kansas City 182 miles.
Maine	Augusta	Portland, ME 68 miles	Manchester 153, Boston 172 miles.
	Rockland	Portland, ME 80 miles	Manchester 176, Boston 183 miles.
Mississippi	Laurel	Gulfport-Biloxi 85 miles	New Orleans 137 miles.
New Hampshire	Lebanon		Manchester 76 miles.
New Mexico	Hobbs	Midland/Odessa 88 miles	Albuquerque 320.
	Alamogordo		El Paso 91 miles.
New York	Saranac Lake	Burlington 63 miles	Boston 266 miles.
	Watertown	Syracuse 65 miles	Buffalo 190 miles.
	Jamestown		Buffalo 76 miles.
	Plattsburgh	Burlington 30 miles	*
Oklahoma	Ponca City	Wichita, KS 81 miles	Oklahoma City 102 miles.
	Enid		Oklahoma City 84 miles.
Pennsylvania	Johnstown		Pittsburgh 82 miles.
	Oil City		Pittsburgh 86 miles.
	Bradford		Buffalo NY 79 miles.
Tennessee	Jackson		Memphis 85 miles.
Texas	Victoria	Corpus Christi 94 miles	San Antonio 122 miles.
Vermont	Rutland	Burlington 69 miles	Manchester 125, Boston 159 miles.
		Albany 90	

Hub classification based on TBTS's 2001 "Airport Activity Statistics of Certificated Air Carriers: Summary Tables," instead of FAA's enplanement activity data. BTS's data don't include commuter, intrastate, and foreign flag carriers. Hub airports have at least 0.25% of enplanements, small hubs have at least 0.05% but less than 0.25% (49 USC 41731). *TBD.

STATE OF NEW MEXICO,
OFFICE OF THE GOVERNOR,
Santa Fe, NM, May 22, 2003.

Hon. JEFF BINGAMAN,
U.S. Senator, Hart Senate Office Building,
Washington, DC.

DEAR SENATOR BINGAMAN: I am writing regarding S. 824, the Aviation Investment and Revitalization Vision Act that reauthorizes the Federal Aviation Administration. Although several aspects of this reauthorization bill are to be commended, I am opposed to one specific provision, which calls for a 10 percent cost-sharing requirement for selected Essential Air Service (EAS) communities. This provision has the potential to affect the economic welfare of small communities in over 35 states—particularly those in New Mexico.

During my tenure in Congress I understood the importance, which the EAS program played within our small communities by preserving the scheduled air service and ensuring that these communities would retain a link to the national air transportation system. As Governor, I recognize the economic benefits associated with this program, which is integral to the economic development of our small rural communities.

The language calling for the Secretary to arbitrarily select 10 EAS communities that are within 100 miles of a hub airport and requiring them to pay a 10 percent cost share for a three year period is not only unfair but unpractical given the current economic conditions in states and within the airline industry. It is my hope that you will work with your colleagues in the Senate to amend this language, which only serves to impose new costs on EAS communities.

Last March, I announced the formation of a task force to improve and increase intrastate air service, and air cargo activity in New Mexico. Air service to and within New Mexico is vital to strengthening our economy and those of our communities. Your leadership and support for the EAS program as well as the Small Community Air Service Development Program will go along way to improving and increasing air service in New Mexico.

Sincerely,

BILL RICHARDSON,
Governor.

NEW MEXICO AVIATION DIVISION,
Santa Fe, NM, May 8, 2003.

Reessential air service rule changes.

Senator JEFF BINGAMAN,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR BINGAMAN: I am writing to express my opposition to proposed Essential Air Service (EAS) rule changes (Section 353) of Senate Bill 824, the FAA Reauthorization legislation. While this bill does have many favorable aspects, Section 353 contains major program funding changes. As written, affected EAS pilot program communities would be required to assume ten percent (10%) of their subsidy costs for a three year period. This could very easily cost a community \$80,000—\$90,000 per year! If approved, this significant additional financial burden would have profound negative impacts on both current air service and economic development efforts in several of our cities (Alamogordo and Hobbs) that would be affected. Any changes to current EAS funding could very well jeopardize existing air service in our state.

The timing of this change could not have come at a worst time for us. Just recently, Governor Bill Richardson established a high level task force (three Cabinet Secretaries) to determine ways to improve intra-state air service for New Mexicans. I am concerned that the basic foundation of the EAS program, as we know it, could be further weakened by these types of rule changes, and in turn defeat our Governor's initiative.

I am well aware of the need to adjust the current EAS program but firmly believe that both the states and communities participating in the program should have an input to the reconstruction process.

I am respectfully requesting your assistance in removing the EAS Local Program cost sharing provisions from Senate Bill 824.

Sincerely,

JOHN D. "MIKE" RICE,
Director,
New Mexico Aviation Division.

CITY OF ALAMOGORDO,
Alamogordo, NM, May 15, 2003.

Re essential air service rule changes.

Senator JEFF BINGAMAN,
Hart Senate Office,
Washington, DC.

DEAR SENATOR BINGAMAN: On behalf of the City of Alamogordo, I am writing to express my concerns and opposition to the proposed

Essential Air Service (EAS) rule changes (Section 353) of Senate Bill 824, the FAA Reauthorization Legislation. Although this bill has many favorable aspects, the program funding changes are not an alternative for the City of Alamogordo and the surrounding communities the airport serves. In pertinent part, Section 353(4)(A) would require the City of Alamogordo to assume ten percent (10%) of the subsidy cost or approximately Eight-Five Thousand Dollars (\$85,000) annually for the next three (3) years.

This change could not have come at a more inappropriate time for the City. With City revenues declining from a depressed economy, and capital desperately needed to repair Alamogordo's water problems, it is improbable funding will be available to locally subsidize air service. The airport relies solely on City revenue to operate since eighty-eight percent (88%) of Otero County land is Federally and Tribally owned and generates no revenue for the City. However, we have taken measures which we believe will ultimately permit air service in Alamogordo to be a stand alone enterprise. As you know, Alamogordo was the first EAS community nationwide to request smaller commercial aircraft in an effort to stabilize federal subsidy and ticket costs. Additionally, our air carrier, Rio Grande Air, reduced fares by sixty percent (60%) last month in an effort to increase enplanements at the airport. We have noted a marked increase in ridership since implementation of this low fare. If the EAS rule changes are passed as proposed, the City of Alamogordo may be forced to discontinue commercial air service and thus, sacrifice all Airport Improvement Program (AIP) entitlement/grant funds.

Otero County is below the State average for median income. The County has no passenger train service and is not located near a freeway making the airport and air service a vital link to the national transportation system.

I am respectfully requesting your assistance in removing the EAS local program cost sharing provisions from Senate Bill 824.

Sincerely,

DONALD CARROLL,
Mayor of Alamogordo.

NATIONAL ASSOCIATION OF
DEVELOPMENT ORGANIZATIONS,
Washington, DC, June 12, 2003.

Hon. JEFF BINGAMAN,
U.S. Senate, Senate Hart Office Building,
Washington, DC.

DEAR SENATOR BINGAMAN: On behalf of the National Association of Development Organizations (NADO), I am writing to express our strong support for your amendment to preserve rural air service as part of the FAA reauthorization bill (S. 824).

The national transportation network functions properly when it helps form vital social and economic connections. This is especially true in small metropolitan and rural America where distance and a scattered population make these connections even more important. The national aviation system is essential not only for linking people to jobs, health care and family in a way that enhances their quality of life, but also for contributing to regional economic growth and development by linking business to customers, goods to markets and tourists to destinations.

Within the transportation system, the aviation network plays an enormous role in transporting goods and people. In 2001, 542 million people flew domestically and another 52 million flew internationally on US carriers, according to the US Department of Transportation. Unfortunately, since the deregulation of the aviation industry in the late 1970s the availability of affordable and reliable air service in most rural and small metropolitan areas has dramatically declined.

During these challenging economic times, Congress should be working to improve and enhance air service to rural and underserved communities, instead of adding new requirements that would further isolate hundreds of our nation's smaller communities. While the Essential Air Service (EAS) program is small by Washington standards, we believe it offers vital resources for linking rural communities to the national and global aviation systems. By adopting your amendment, the US Senate would be reinforcing its support of maintaining affordable, reliable and safe air service to rural America.

Thank you for your leadership on this important issue.

Sincerely,

ALICEANN WOHLBRUCK,
Executive Director.

Mr. PRYOR. Mr. President, I rise today in support of the Bingaman-Inhofe amendment to strike language requiring certain communities enrolled in the Essential Air Service to provide a local cost-share.

We are asking our towns and communities, our local governments, hardest hit by difficult economic times to suddenly find thousands of dollars in their already overstretched budgets to replace a significant source of Federal funding, for a critical economic function.

In this time of economic uncertainty, rural communities are struggling to maintain their daily ways of life. With an added burden placed upon them, survival and the opportunity for further rural development will be nearly impossible.

Local airports and the commercial air service they provide are extremely important to small towns, and a strong component of a State's economy. By enacting a cost-share provision, we run the risk of losing these airports, and

cutting off a vital economic lifeline to rural America.

In my State, airports in Jonesboro, Hot Springs, and Harrison provide affordable and reliable service to over 10,000 customers a year. The EAS funding they receive is a sound investment in our State's transportation network. Cost share provisions, however, could put those airports out of business.

We are already putting enough strain on our small towns and local governments. We do not need to add to that by eliminating a vital source of funding for a vital function. This amendment would prevent that from happening, and I urge my colleagues to support it.

Mr. BINGAMAN. I urge the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 906) was agreed to.

AMENDMENT NO. 903

The PRESIDING OFFICER. Under the previous order, the Senator from Kentucky is recognized.

Mr. BUNNING. Mr. President, I rise today, along with Senator BOXER, to offer the Arming Cargo Pilots Against Terrorism Act as an amendment to this bill. This amendment closes a loophole to better protect our homeland against terrorists. As a result of the airplane hijackings on September 11, 2001, Congress took the appropriate action to prevent the use of airliners being used as missiles. Last year, large majorities of the Senate and House of Representatives voted to arm both cargo and passenger pilots who voluntarily went for stringent training as part of a program of homeland security which was in the Homeland Security bill. Arming these pilots served to protect the pilots and crew, passengers, and those on the ground from ever being victims of another airline hijacking. It was the right thing to do.

However, during conference of the Homeland Security bill, the cargo pilots were yanked out of the bill. This amendment will return them and close the loophole created when they were left out last year.

This provision enjoys broad support and has already passed the Senate as part of the Air Cargo Security Act earlier this year.

Obviously, I would not be offering it had not the bill gotten tied up in conference and we need another vehicle to get it back to the House, so that is the reason we are offering it on this bill.

Not too many people realize that cargo space is usually not secured as well as passenger space. There are no air marshals, there are no passengers to help protect against terrorists, and there are sometimes invasions of privacy on these planes. In fact, someone from North Dakota actually broke the security and entered an aircraft. Thank God she was found out before the aircraft took off.

We would like this to be added to this bill so we can get it back to the House and a new conference. The whole area of cargo aircraft is not secured by the TSA and many other people who secure passenger terminals or commercial flights. I hope we can agree and get this bill over to the House.

I hope the rest of my colleagues here in the Senate will support this amendment.

Mr. President, I ask for a voice vote.

Mr. MCCAIN. Will the Senator yield for a question? Isn't it the case the Senator has added language that indicates that nonlethal weapons—

Mr. BUNNING. Nonlethal weapons, and totally voluntary.

Mr. MCCAIN. I support the amendment.

Mr. BUNNING. They are called Tasers.

Mr. BOXER. Mr. President, this amendment is to close a loophole in the Federal Flight Deck Officer program.

Last year, in response to the September 11 attacks, I worked along with our former colleague Senator Bob Smith to pass the Arming Pilots Against Terrorism and Cabin Defense Act, which allowed passenger and cargo pilots who volunteer and receive special training to have guns in the cockpit as a last line of defense.

The bill passed the Senate 87-6 as an amendment to the Homeland Security bill.

Unfortunately, during the Homeland Security conference, cargo pilots were left out of the program.

This amendment will close this dangerous loophole in the law and add an important new layer to our homeland security by allowing cargo pilots to participate in the Federal Flight Deck Officer program.

With less security than passenger aircraft, cargo planes are tempting targets for terrorists. These planes do not have strengthened cockpit doors, Federal Air Marshals, trained cabin crew, or alert passengers on board.

Cargo planes are usually more vulnerable on the tarmac than passenger aircraft. Most cargo planes are parked in remote areas with relatively easy access; many operate at airfields that do not have the same level of security as passenger airports.

Late last year in Fargo, ND, a mentally unbalanced woman walked across a runway, boarded a cargo aircraft, entered the cockpit, and asked the crew to fly her to California.

Just think what a terrorist could do. A terrorist could hijack a cargo plane and fly it into a building, nuclear power plant, or other target on the ground.

Cargo pilots must be given a last line of defense to keep terrorists from gaining control of their aircraft.

We need to close this gap in our homeland security.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. BUNNING] for himself and Mrs. BOXER, proposes an amendment numbered 903.

The amendment is as follows.

(Purpose: To amend title 49, United States Code, to allow the arming of pilots of cargo aircraft)

At the appropriate place insert the following new section:

SEC. ____ . ARMING CARGO PILOTS AGAINST TERRORISM.

(a) **SHORT TITLE.**—This section may be cited as the “Arming Cargo Pilots Against Terrorism Act”.

(b) **FINDINGS.**—Congress makes the following findings:

(1) During the 107th Congress, both the Senate and the House of Representatives overwhelmingly passed measures that would have armed pilots of cargo aircraft.

(2) Cargo aircraft do not have Federal air marshals, trained cabin crew, or determined passengers to subdue terrorists.

(3) Cockpit doors on cargo aircraft, if present at all, largely do not meet the security standards required for commercial passenger aircraft.

(4) Cargo aircraft vary in size and many are larger and carry larger amounts of fuel than the aircraft hijacked on September 11, 2001.

(5) Aircraft cargo frequently contains hazardous material and can contain deadly biological and chemical agents and quantities of agents that cause communicable diseases.

(6) Approximately 12,000 of the nation’s 90,000 commercial pilots serve as pilots and flight engineers on cargo aircraft.

(7) There are approximately 2,000 cargo flights per day in the United States, many of which are loaded with fuel for outbound international travel or are inbound from foreign airports not secured by the Transportation Security Administration.

(8) Aircraft transporting cargo pose a serious risk as potential terrorist targets that could be used as weapons of mass destruction.

(9) Pilots of cargo aircraft deserve the same ability to protect themselves and the aircraft they pilot as other commercial airline pilots.

(10) Permitting pilots of cargo aircraft to carry firearms creates an important last line of defense against a terrorist effort to commandeer a cargo aircraft.

(c) **SENSE OF CONGRESS.**—It is the sense of Congress that members of a flight deck crew of a cargo aircraft should be armed with a firearm and taser to defend the cargo aircraft against an attack by terrorists that could result in the use of the aircraft as a weapon of mass destruction or for other terrorist purposes.

(d) **ARMING CARGO PILOTS AGAINST TERRORISM.**—Section 44921 of title 49, United States Code, is amended—

(1) in subsection (a), by striking “passenger” each place that it appears; and

(2) in subsection (k)—

(A) in paragraph (2)—

(i) by striking “or,” and all that follows; and

(ii) by inserting “or any other flight deck crew member.”; and

(B) by adding at the end the following new paragraph:

“(3) **ALL-CARGO AIR TRANSPORTATION.**—For the purposes of this section, the term air transportation includes all-cargo air transportation.”

(e) **TIME FOR IMPLEMENTATION.**—The training of pilots as Federal flight deck officers required in the amendments made by subsection (d) shall begin as soon as practicable and no later than 90 days after the date of enactment of this Act.

(f) **EFFECT ON OTHER LAWS.**—The requirements of subsection (e) shall have no effect on the deadlines for implementation contained in section 44921 of title 49, United States Code, as in effect on the day before the date of enactment of this Act.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 903) was agreed to.

Mr. McCain. Mr. President, I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Is my amendment the amendment pending before the Senate?

The PRESIDING OFFICER. It is not pending but it is in order.

Mr. DORGAN. Mr. President, I ask it be considered at this point.

The PRESIDING OFFICER. The Senator is correct, the amendment is now pending.

AMENDMENT NO. 890

Mr. DORGAN. Mr. President, I visited with my colleagues Senator LOTT and Senator McCain on this amendment. I believe they are prepared to accept it. This deals with the creation of an aviation security capital fund. Many of us know both revenues and passenger boardings are down in airports. We have gone through a pretty difficult time. The creation of this aviation security capital fund is very important in order for these funds to be invested in what that will make aviation safer and deal with the security issues we intend to have dealt with with this fund.

I think it appropriate at this point to waive the local match, State and local match, which I believe in most cases cannot be raised because of the circumstances I mentioned earlier.

I believe accepting this amendment will give us the assurance that this investment in security will be made across this country. It will be a wise investment. I think it ought not be borne by the carriers at this point, nor the local airports that can least afford it.

I appreciate very much the fact this will now be accepted by the Senate. I want to especially say thanks to the Senator from Mississippi. We have talked about this, I suppose, 10 times in recent days. He is a tireless advocate for what makes sense for our aviation system in this country. Of course, he is chairing the subcommittee here in the Senate on those issues.

I thank him for his cooperation in allowing us to move forward with this amendment at this stage.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Has Senator DORGAN completed his remarks?

Mr. DORGAN. I have.

Mr. LOTT. I think the order was for Senator INHOFE to be next, but since he

is not here, I ask unanimous consent I be permitted to speak at this time, despite the previous agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, certainly I always enjoy working with Senator DORGAN on these issues. I think he has a legitimate point.

He does note that we need a fund to make sure these security fees go for the purpose they were intended. But he does think, at least in this instance because of the security aspect, we should waive the local requirement.

It should also be noted that, in fact, local communities, particularly with bigger airports, are probably not going to get or could not get a cost share, and, even if they did in some ways, it would be passed on to the airlines, therefore undermining a lot of what we are trying to do now.

We are trying to get the priorities set where the people who are getting certain parts of the security should be the ones who pay for it, and we shouldn’t always try to find a way to pass it off to the airlines. Sometimes it is a Federal responsibility. In other instances, other people—I think also local governments—should have some part of this pie. But we agreed for a variety of reasons to accept Senator DORGAN’s amendment.

But I want colleagues to know and the American people to know the Bingaman amendment does the same thing but in a different category. I think, in fact, it is even worse. In the essential air service area, where special help goes to small airports and a lot of rural airports—that affects airports in West Virginia, North Dakota, and probably in my State of Mississippi—with this additional Federal assistance to keep airports functioning, there would be some small local match. The administration recommended, by the way, that we eliminate the EAS problem; or, if we had EAS, you have the local match required for all of the airports.

The language in the bill specifies that there would be 10 airports where we would have this local match to see how it would work, and if it would work.

We now are agreeing to accept the Bingaman amendment because right now, I think out of concern for local communities and trying to have this essential air service, the amendment would probably pass.

But I want to say, again, I think for us to set the precedent and require not even a dollar from local communities when they are getting additional security, particularly where they are getting essential air service which is vital to their communities and which is important from an economic standpoint for the local cities and counties to put up no money—and in the case of the Dorgan amendment—at least in the bigger airports, it could create definite problems in terms of costs being passed on to the airlines. In this case, it is

just a question of these local communities not wanting to have to share at all.

I think we should continue to look at some small amount—10 percent or 5 percent, some amount of local share.

But for now, we will accept it. We will continue to work on these issues. It is important for us to get this important legislation completed so that the airlines, the airports, general aviation, and the American people will know what they can count on in terms of the Federal Aviation Administration and their programs over the next 3 years. I thank my colleagues for allowing me to interject my remarks at this point.

I believe Senator INHOFE is next in order to speak.

I yield the floor, unless Senator DORGAN would like me to yield to him. Does he want to get action on his amendment?

Mr. DORGAN. Mr. President, let me ask the Senator to yield for a moment.

I think there is great merit in local matching, by and large, because you need local support. We ought not just create pools of money here in the Congress to send out around the country unless there is evidence of local support.

The Senator from Mississippi made the point, and I think it is an important point.

First, I ask unanimous consent that a letter from the American Association of Airport Executives, and a letter from the Air Transport Association be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Hon. BYRON L. DORGAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR DORGAN: We are writing to express our support for an amendment that you may offer to the S. 824, the Aviation Investment and Revitalization Vision Act, that will help airports in North Dakota and throughout the country pay for their increased capital security costs.

As you know, S. 824 includes would establish an aviation security capital fund to pay for installation of Explosive Detection Systems (EDS) and other capital security costs at airports. Specifically, the bill calls for \$500 million every year between 2004 and 2007 to pay for the security capital costs. The funds would be derived from revenue generated by the \$2.50 passenger security fee.

Airports Council International-North America and The American Association of Airport Executives strongly support the creation of an aviation security capital fund. Without a separate source of funds to pay for capacity security projects, airports will be forced to continue divert their Airport Improvement Program funds, which they traditionally use for much-needed safety and capacity projects.

The Senate proposal calls for large- and medium-hub airports to pay a 25 percent match, and smaller airports to pay a 10 percent match. While we are grateful that S. 824 would create the aviation security capital fund, we strongly support your proposal to eliminate the matching requirement. Installing explosive detection machines is a federal national security mandate, and we think the federal government should reimburse airports for those and other new security costs.

Airports like others in the aviation industry have been struggling since September 11. It would be difficult for airports to cover the proposed match at a time when their revenues and passenger boarding are down, and their costs have skyrocketed due to a host of unfunded federal security mandates. Again, we strongly believe that airports should not be forced to divert critical safety and capacity funds to pay for security.

Moreover, airports are reluctant to pass additional costs on to airport users including airlines that are facing their own financial challenges. Since September 11, airports around the country have been taking numerous steps to reduce costs in an effort to pass those savings on to the airlines. Eliminating the matching requirement is just one more way that airports can help their partners in the aviation industry.

Thank for your leadership on this and other aviation issues.

Sincerely,

DAVID Z. PLAVIN,
President, ACI-NA.
CHARLES BARCLAY,
President, AAAE.

Hon. BYRON DORGAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR DORGAN: On behalf of ATA member airlines, I am writing in support of your efforts to remove the "local match" requirement in the Security Capital Fund found in the Senate FAA reauthorization bill. Your amendment will ensure that airport security projects will not be subject to an unworkable funding scheme.

As you are aware, the Aviation and Transportation Security Act of 2001 imposed sweeping security mandates on the airlines and airports, many of which were unfunded. Today, in this constrained, unsettled financial environment, our members continue to incur substantial costs to meet these mandates. While the airlines have been and will continue to fully support efforts by the U.S. Government, particularly the Transportation Security Administration, to assume primary responsibility for aviation security, the airlines simply cannot continue to absorb additional costs. Sufficient federal funding for mandated airport security projects, such as installation of Explosive Detection Systems and additional law enforcement personnel makes common sense and is absolutely critical.

If, as is provided in the current bill, local airports must provide 25% matching funds at large and medium hub airports and 10% matching at smaller airports, the airports (also experiencing declining reserves) will have no option other than to pass through these costs to the airlines. On top of existing security costs, airlines will see significant increases in airport rates and charges, as well as other airport costs, to fund these mandatory contributions. Although the airlines, of course, support security enhancements, the industry can ill afford hundreds of millions of dollars in additional unfunded mandates as the aviation system struggles to survive economically.

Thank you for your efforts on this critical issue. I look forward to working with you as we work to maintain a viable, safe, and efficient air transportation system.

Sincerely,

JAMES C. MAY.

Mr. DORGAN. Mr. President, the American Association of Airport Executives and the Air Transport Association, and others, have told us it is unlikely we would see the security investment—after all, this is national security—we would not see the security

investment in airport improvement and safety with this money if we did not waive the local match.

I continue to believe we ought to make this habit forming. The value expressed by the Senator from Mississippi is on the mark in many cases. I appreciate very much the ability to work this out and be able to move this amendment. If appropriate, I think it has been agreed to by both sides. I ask if we can have the amendment considered at this point.

The PRESIDING OFFICER. Is there further debate? Without objection, the amendment was agreed to.

The amendment (No. 890) was agreed to.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

AMENDMENTS NOS. 894 AND 895 EN BLOC

Mr. INHOFE. Mr. President, I have two technical amendments. They have been agreed to.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. INHOFE] proposes amendments numbered 894 and 895 en bloc.

Mr. INHOFE. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments en bloc are as follows:

(Purpose: To amend the provisions dealing with security measures for general aviation and air charters)

At the end of title IV, add the following:

SEC. 405. GENERAL AVIATION AND AIR CHARTERS.

Section 132(a) of the Aviation and Transportation Security Act (49 U.S.C. 44944 note) is amended by striking "12,500 pounds or more" and inserting "more than 12,500 pounds".

(Purpose: To establish reporting requirements with respect to the Air Defense Identification Zone)

At the end of title IV, add the following:

SEC. 405. AIR DEFENSE IDENTIFICATION ZONE.

(a) IN GENERAL.—If the Administrator of the Federal Aviation Administration establishes an Air Defense Identification Zone (in this section referred as an "ADIZ"), the Administrator shall, not later than 60 days after the date of establishing the ADIZ, transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate, a report containing an explanation of the need for the ADIZ. The Administrator shall provide the Committees an updated report every 60 days until the establishment of the ADIZ is rescinded. The reports and updates shall be transmitted in classified form.

(b) EXISTING ADIZ.—If an ADIZ is in effect on the date of enactment of this Act, the Administrator shall transmit an initial report under subsection (a) to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate not later than 30 days after the date of enactment of this Act.

(c) REPORTING REQUIREMENTS.—If a report required under subsection (a) or (b) indicates

that the ADIZ is to be continued, the Administrator shall outline changes in procedures and requirements to improve operational efficiency and minimize the operational impacts of the ADIZ on pilots and air traffic controllers.

(d) DEFINITION.—In this section, the terms “Air Defense Identification Zone” and “ADIZ” mean a zone established by the Administrator with respect to airspace under 18,000 feet in approximately a 15 to 38 mile radius around Washington, District of Columbia, for which security measures are extended beyond the existing 15-mile-no-fly zone around Washington and in which general aviation aircraft are required to adhere to certain procedures issued by the Administrator.

Mr. LOTT. Mr. President, we have considered these amendments and we find no problem with them at this point. They have been cleared on both sides.

The PRESIDING OFFICER. Is there further debate on amendments? If not, without objection, the amendments are agreed to en bloc.

The amendments (Nos. 894 and 895) were agreed to.

AMENDMENT NO. 908

Mr. HOLLINGS. Mr. President, the distinguished chairman, Senator MCCAIN, and myself have four amendments that we will send to the desk in due time. One is a Wyden amendment which is a privacy study of the CAPP Program, Computer Assisted Passenger Prescreening.

I send it to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for Mr. WYDEN, proposes an amendment numbered 908.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To require the Secretary of Homeland Security to report to the Congress in writing on the impact of the Computer Assisted Passenger Prescreening System, proposed to be implemented by the Transportation Security Administration, on the privacy and civil liberties of United States citizens)

At the appropriate place, insert the following:

SEC. . REPORT ON PASSENGER PRESCREENING PROGRAM.

(a) IN GENERAL.—Within 90 days after the date of enactment of this Act, the Secretary of Homeland Security, after consultation with the Attorney General, shall submit a report in writing to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the potential impact of the Transportation Security Administration’s proposed Computer Assisted Passenger Prescreening system, commonly known as CAPP II, on the privacy and civil liberties of United States Citizens.

(b) SPECIFIC ISSUES TO BE ADDRESSED.—The report shall address the following:

(1) Whether and for what period of time data gathered on individual travelers will be retained, who will have access to such data,

and who will make decisions concerning access to such data.

(2) How the Transportation Security Administration will treat the scores assigned to individual travelers to measure the likelihood they may pose a security threat, including how long such scores will be retained and whether and under what circumstances they may be shared with other governmental, non-governmental, or commercial entities.

(3) The role airlines and outside vendors or contractors will have in implementing and operating the system, and to what extent will they have access, or the means to obtain access, to data, scores, or other information generated by the system.

(4) The safeguards that will be implemented to ensure that data, scores, or other information generated by the system will be used only as officially intended.

(5) The procedures that will be implemented to mitigate the effect of any errors, and what procedural recourse will be available to passengers who believe the system has wrongly barred them from taking flights.

(6) The oversight procedures that will be implemented to ensure that, on an ongoing basis, privacy and civil liberties issues will continue to be considered and addressed with high priority as the system is installed, operated and updated.

Mr. LOTT. Mr. President, are we going to dispose of that amendment now?

Mr. HOLLINGS. Yes, we are going to go ahead and vote on it.

Mr. LOTT. It has been cleared. It may save some time if we could go ahead and agree to it.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 908) was agreed to.

AMENDMENT NO. 909

Mr. HOLLINGS. Mr. President, I also have another amendment by the distinguished Senator from Florida, Mr. NELSON, which deals with the background checks of new pilots on the smaller planes.

Mr. LOTT. Has this been approved on both sides?

Mr. HOLLINGS. Yes, it has been approved.

I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for Mr. NELSON of Florida, proposes an amendment numbered 909.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To modify requirements regarding training to operate aircraft)

At the appropriate place, insert the following:

SEC. . MODIFICATION OF REQUIREMENTS REGARDING TRAINING TO OPERATE AIRCRAFT.

(a) IN GENERAL.—Section 44939 of title 49, United States Code, is amended to read as follows:

“§ 44939. Training to operate certain aircraft

“(A) IN GENERAL.—

“(1) WAITING PERIOD.—A person subject to regulation under this part may provide training in the United States in the operation of an aircraft to an individual who is an alien (as defined in section 101(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(3))) or to any other individual specified by the Under Secretary of Homeland Security for Border and Transportation Security only if—

“(A) that person has notified the Under Secretary that the individual has requested such training and furnished the Under Secretary with that individual’s identification in such form as the Under Secretary may require; and

“(B) the Under Secretary has not directed, within 30 days after being notified under subparagraph (A), that person not to provide the requested training because the Under Secretary has determined that the individual presents a risk to aviation security or national security.

“(2) NOTIFICATION-ONLY INDIVIDUALS.—

“(A) IN GENERAL.—The requirements of paragraph (1) shall not apply to an alien individual who holds a visa issued under title I of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) and who—

“(i) has earned a Federal Aviation Administration type rating in an aircraft or has undergone type-specific training; or

“(ii) holds a current pilot’s license or foreign equivalent commercial pilot’s license that permits the person to fly an aircraft with a maximum certificated takeoff weight of more than 12,500 pounds as defined by the International Civil Aviation organization in Annex 1 to the Convention on International Civil Aviation,

if the person providing the training has notified the Under Secretary that the individual has requested such training and furnished the Under Secretary with that individual’s visa information.

“(B) EXCEPTION.—Subparagraph (A) does not apply to an alien individual whose airman’s certificate has been suspended or revoked under procedures established by the Under Secretary.

“(3) EXPEDITED PROCESSING.—the waiting period under paragraph (1) shall be expedited for an individual who—

“(A) has previously undergone a background records check by the Foreign Terrorist Tracking Task Force;

“(B) is employed by a foreign air carrier certified under part 129 of title 49, Code of Federal Regulations, that has a TSA 1546 approved security program and who is undergoing recurrent flight training;

“(C) is a foreign military pilot endorsed by the United States Department of Defense for flight training; or

“(D) who has unescorted access to a secured area of an airport designated under section 44936(a)(1)(A)(ii).

“(4) INVESTIGATION AUTHORITY.—In order to determine whether an individual requesting training described in paragraph (1) presents a risk to aviation security or national security the Under Secretary is authorized to use the employment investigation authority provided by section 44936(a)(1)(A) for individuals applying for a position in which the individual has unescorted access to a secured area of an airport designated under section 44936(a)(1)(A)(ii).

“(5) FEE.—

“(A) IN GENERAL.—The Under Secretary may assess a fee for an investigation under this section, which may not exceed \$100 per individual (exclusive of the cost of transmitting fingerprints collected at overseas facilities) during fiscal years 2003 and 2004. For fiscal years 2005 and thereafter, the Under Secretary may adjust the maximum amount of

the fee to reflect the costs of such an investigation.

“(B) OFFSET.—Notwithstanding section 3302 of title 31, United States Code, any fee collected under this section—

“(i) shall be credited to the amount in the Treasury from which the expenses were incurred and shall be available to the Under Secretary for those expenses; and

“(ii) shall remain available until expended.

“(b) INTERRUPTION OF TRAINING.—If the Under Secretary, more than 30 days after receiving notification under subsection (a)(1)(A) from a person providing training described in subsection (a)(1) or at any time after receiving notice from such a person under subsection (a)(2)(A), determines that an individual receiving such training presents a risk to aviation or national security, the Under Secretary shall immediately notify the person providing the training of the determination and that person shall immediately terminate the training.

“(c) COVERED TRAINING.—For purposes of subsection (a), the term ‘training’—

“(1) includes in-flight training, training in a simulator, and any other form or aspect of training; but

“(2) does not include classroom instruction (also known as ground school training), which may be provided during the 30-day period described in subsection (a)(1)(B).

“(d) INTERAGENCY COOPERATION.—The Attorney General, the Director of Central Intelligence, and the Administrator of the Federal Aviation Administration shall cooperate with the Under Secretary in implementing this section.

“(e) SECURITY AWARENESS TRAINING FOR EMPLOYEES.—The Under Secretary shall require flight schools to conduct a security awareness program for flight school employees, and for certified instructors who provide instruction for the flight school but who are not employees thereof, to increase their awareness of suspicious circumstances and activities of individuals enrolling in or attending flight school.”.

(b) PROCEDURES.—

(1) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Under Secretary of Homeland Security for Border and Transportation Security shall promulgate an interim final rule to implement section 44939 of title 49, United States Code, as amended by subsection (a).

(2) USE OF OVERSEAS FACILITIES.—In order to implement section 44939 of title 49, United States Code, as amended by subsection (a), United States Code, as amended by subsection (a), United States Embassies and Consulates that possess appropriate fingerprint collection equipment and personnel certified to capture fingerprints shall provide fingerprint services to aliens covered by that section if the Under Secretary requires fingerprints in the administration of that section, and shall transmit the fingerprints to the Under Secretary or other agency designated by the Under Secretary. The Attorney General and the Secretary of State shall cooperate with the Under Secretary in carrying out this paragraph.

(3) USE OF UNITED STATES FACILITIES.—If the Under Secretary requires fingerprinting in the administration of section 44939 of title 49, United States Code, the Under Secretary may designate locations within the United States that will provide fingerprinting services to individuals covered by that section.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on the effective date of the interim final rule required by subsection (b)(1).

(d) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of Homeland Security shall submit to the Senate Committee on Commerce,

Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure a report on the effectiveness of the activities carried out under section 44939 of title 49, United States Code, in reducing risks to aviation security and national security.

Mr. NELSON of Florida. Mr. President, I rise to offer an amendment that will close a serious loophole regarding foreign flight student training that was created in the Aviation Security Act of 2001. This amendment has passed the Senate twice on other bills since I first introduced it in the 107th Congress.

This amendment is another important step toward fully protecting the United States and all Americans from terrorists who intend to use our aviation system to commit future attacks.

We must continue to be vigilant in protecting our Nation. This amendment addresses a deep concern regarding foreign citizens coming to the United States to receive pilot training on all sizes of aircraft. This concern clearly is shared by the administration. In fact, the Department of Homeland Security, DHS, released an advisory on May 1, 2003 titled “The Continuing Threat to Aviation” citing that al-Qaida operatives may “attempt to use charter or general aviation aircraft to conduct future attacks because of their availability, less stringent protective measures, and destructive potential.” The advisory continued on to say that “[c]harter aircraft also may be attractive because terrorists may only need an established line of credit to gain access to an aircraft and because some agencies allow the use of customer pilots.” Finally, and of greatest concern, the DHS warns that “[r]eliable information . . . indicated al-Qaida might use experienced non-Arab pilots to rent three to four light aircraft under the guise of flying lessons.” This threat to our national security is real and cannot be understated. I ask unanimous consent that the Department of Homeland Security advisory be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HOMELAND SECURITY ADVISORY 03-019—SECURITY INFORMATION FOR GENERAL AVIATION PILOTS/AIRPORTS

This advisory was produced by the Department of Homeland Security based on information and analysis from the Terrorist Threat Integration Center received during the last 24 hours.

THE CONTINUING THREAT TO AVIATION

Al-Qaida has long considered attacking U.S. Homeland targets using light aircraft. Recent reliable reporting indicates that al-Qaida was in the late stages of planning an aerial suicide attack against the U.S. Consulate in Karachi. Operatives were planning to pack a small fixed-wing aircraft or helicopter with explosives and crash it into the consulate. This plot and a similar plot last year to fly a small explosive-laden aircraft into a U.S. warship in the Persian Gulf demonstrate al-Qaida’s continued fixation with using explosive-laden small aircraft in attacks. General aviation aircraft that were loaded with explosives to enhance their destructive potential would make them the equivalent of a medium-sized truck bomb.

Al-Qaida may attempt to use charter or general aviation aircraft to conduct future attacks because of their availability, less stringent protective measures, and destructive potential. The group has a fair sized pilot cadre and the use of small aircraft requires far less skill and training than some larger aircraft.

Charter aircraft also may be attractive because terrorists may only need an established line of credit to gain access to an aircraft and because some agencies allow the use of customer pilots. Security procedures typically are not as rigorous as those for commercial airlines and terrorists would not have to control a large number of passengers.

Reliable information obtained last year indicated al-Qaida might use experienced non-Arab pilots to rent three or four light aircraft under the guise of flying lessons.

In consideration of the above information, the Department of Homeland Security asks members of the General Aviation community to report all unusual and suspicious activities. If you observe persons, aircraft, and operations that do not fit the customary pattern at your airport, you should immediately advise law enforcement authorities.

Your immediate action is requested for these items:

Secure unattended aircraft to prevent unauthorized use.

Verify the identification of crew and passengers prior to departure.

Verify that baggage and cargo are known to the persons on board.

Where identification systems are in place, ensure employees wear proper identification and challenge persons not doing so.

Increased vigilance should be directed toward the following:

Unknown pilots and/or clients for aircraft or helicopter rentals or charters.

Unknown service/delivery personnel.

Aircraft with unusual or unauthorized modifications.

Persons loitering in the vicinity of aircraft or air operations areas.

Persons who appear to be under stress or the control of other persons.

Persons whose identification appears altered or inconsistent.

Persons loading unusual or unauthorized payload onto aircraft.

NOTE: All charter operators subjected to the 12-5 rule, Standard Security Program and the Private Charter Security Program, are reminded to ensure compliance with these security requirements.

Persons should immediately report such activity to local law enforcement and the TSA General Aviation Hotline at 866-GASECUR (866-427-3287).

Mr. NELSON of Florida. Unfortunately, we all have seen what can happen when people come to our country with the specific intent to do us great harm. It has become painfully clear that many of the September 11 hijackers learned to fly the planes they used as deadly weapons at flight schools here in the United States, some in my home State of Florida.

Section 113 of the Aviation and Transportation Security Act, which was enacted in the 107th Congress, requires background checks of all foreign flight school applicants seeking training to operate aircraft weighing 12,500 pounds or more. While this provision should help prevent September 11 style

attacks by U.S. trained pilots using hijacked jets in the future, it does nothing to prevent different types of potential attacks against our domestic security. To rectify this problem, I introduced S. 236 together with Senators CORZINE, ENZI, FEINSTEIN, and THOMAS earlier this year.

Small aircraft can be used by terrorists to attack nuclear facilities, carry explosives, or deliver biological or chemical agents. For example, if a crop duster filled with a combination of fertilizers and explosives were crashed into a filled sporting event stadium thousands of people could be seriously injured or killed. We cannot allow this to happen. We need to ensure that we are not training terrorists to perform these activities. We cannot allow critical warnings to go unheeded.

This bill will close an important loophole and answer these critical warnings by extending the background check requirement to all foreign applicants to U.S. flight schools, regardless of the size aircraft they seek to learn to fly. It also transfers the entire security background check program from the Department of Justice to the Department of Homeland Security, specifically to the Transportation Security Administration. It is my expectation that the Transportation Security Administration, which provided excellent advice in the fine tuning of this legislation, will apply a stringent level of background screening to all foreign nationals who seek flight training here in the United States. We cannot allow anyone to slip through the cracks. We cannot aid anyone who intends to do harm to Americans and to our Nation.

I yield the floor.

Mr. HOLLINGS. Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 909) was agreed to.

AMENDMENT NO. 910

Mr. HOLLINGS. Mr. President, on behalf of the distinguished Senator from Vermont, Mr. JEFFORDS, this amendment takes care of the EAS eligibility up in Vermont.

This has been checked through.

I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for Mr. JEFFORDS, proposes an amendment numbered 910.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide a 1 year extension of essential air service to an airport whose eligibility was terminated due to the impact of decreased air travel)

At the appropriate place, insert the following:

SEC. . 1-YEAR EXTENSION OF EAS ELIGIBILITY FOR COMMUNITIES TERMINATED IN 2003 DUE TO DECREASED AIR TRAVEL.

Notwithstanding the rate of subsidy limitation in section 332 of the Department of Transportation and Related Agencies Appropriations Act, 2000, the Secretary of Transportation may not terminate an essential air service subsidy provided under chapter 417 of title 49, United States Code, before the end of calendar year 2004 for air service to a community—

(1) whose calendar year ridership for 2000 was sufficient to keep the per passenger subsidy below that limitation; and

(2) that has received notice that its subsidy will be terminated during calendar year 2003 because decreased ridership has caused the subsidy to exceed that limitation.

Mr. HOLLINGS. Mr. President, let me check with my distinguished colleague from Mississippi. This is a Jeffords amendment.

Mr. LOTT. Mr. President, I wanted to make sure I understood what this amendment is. I had not had a chance to look at it. It is not specific to a particular airport or a particular State.

Mr. HOLLINGS. That is correct.

Mr. LOTT. It does change the formula on how these funds will be spent. Is that correct?

Mr. HOLLINGS. Eligibility; that is right.

Mr. LOTT. We have no objection.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, without objection, the amendment is agreed to.

The amendment (No. 910) was agreed to.

AMENDMENT NO. 911

Mr. HOLLINGS. Mr. President, on behalf of the Senator from Indiana, Mr. BAYH, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for Mr. BAYH and Mr. LUGAR, proposes an amendment numbered 911.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To expand aviation capacity and alleviate congestion in the greater Chicago metropolitan area.)

At the end of title II, add the following:

SEC. 217. GARY/CHICAGO AIRPORT FUNDING.

The Administrator of the Federal Aviation Administration shall, for purposes of chapter 471 of title 49, United States Code, give priority consideration to a letter of intent application for funding submitted by the City of Gary, Indiana, or the State of Indiana, for the extension of the main runway at the Gary/Chicago Airport. The letter of intent application shall be considered upon completion of the environmental impact statement and benefit cost analysis in accordance with Federal Aviation Administration requirements. The Administrator shall consider the letter of intent application not later than 90 days after receiving it from the applicant.

Mr. HOLLINGS. Mr. President, does the Senator from Arizona approve of the amendment?

Mr. MCCAIN. Yes.

The PRESIDING OFFICER. Is there further debate on the amendment? Without objection, the amendment is agreed to.

The amendment (No. 911) was agreed to.

AMENDMENT NO. 912

Mr. HOLLINGS. Mr. President, on behalf of the Senator from Connecticut, Mr. DODD, I send an amendment to the desk on the study of the shuttle services at Reagan National Airport. It merely requires a study with respect to housing of gates used by the shuttle services, and as to whether or not that is feasible.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for Mr. DODD, proposes an amendment numbered 912.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To require a study on the housing of the gates used by shuttle services within the same terminal at Ronald Reagan Washington National Airport)

At the appropriate place insert the following:

SEC.—. LOCATION OF SHUTTLE SERVICE AT RONALD REAGAN WASHINGTON NATIONAL AIRPORT.

The Airports Authority (as defined in section 49103(1)) of title 49, United States Code) shall in conjunction with the Department of Transportation conduct a study on the feasibility of housing the gates used by all air carriers providing shuttle service from Ronald Reagan Washington National Airport in the same terminal.

Mr. HOLLINGS. Mr. President, if there is no further debate—

Mr. MCCAIN. Mr. President, it is my understanding the Dodd amendment studies the situation at National Airport where there is some distance between both airlines that conduct shuttles along the east coast.

Mr. HOLLINGS. Right.

Mr. MCCAIN. I can see why Senator DODD might want that looked at as he grows older, shuttling himself back and forth from one end of Reagan National Airport to the other, which is a bit of a trial. And I certainly am in support, having undergone that unique experience.

Mr. HOLLINGS. Particularly becoming a recent father, he is wearing down.

Mr. MCCAIN. That is right. Having to carry a small child with him has become a bit of a burden. So on behalf of Senator DODD, and all of us who are aging, I ask that this amendment, which asks the airlines to take a look at the possibility of making these shuttles closer together, be adopted. I think it is appropriate and I support the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

If there is no further debate, without objection, the amendment is agreed to.

The amendment (No. 912) was agreed to.

Mr. MCCAIN. I move to reconsider the vote.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MCCAIN. Mr. President, it is my understanding we have a number of additional amendments which have been agreed to but have not been presented at this time. If the staffs of the Members who have these amendments we have discussed and have agreed to—one is a Nelson amendment. That has already been accepted. One is a Feinstein amendment. We are in agreement with it, but it has not been formally offered. One is a Specter amendment that we are considering now, a Burns amendment concerning general aviation, a Murkowski amendment concerning decision on a tower. We would like to consider those amendments as soon as possible, if the sponsors of those amendments would come here, while we are preparing to debate a Specter amendment at this time.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THOMAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 913

Mr. THOMAS. Mr. President, I have an amendment I send to the desk.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from Wyoming [Mr. THOMAS] proposes an amendment numbered 913.

Mr. THOMAS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To permit Jackson Hole Airport to adopt certain noise reduction measures)

At the end of title V, add the following new section:

SEC. 521. EXEMPTION FOR JACKSON HOLE AIRPORT.

(a) IN GENERAL.—Notwithstanding chapter 475 of title 49, United States Code, or any other provision of law, if the Board of the Jackson Hole Airport in Wyoming and the Secretary of the Interior agree that Stage 3 aircraft technology represents a prudent and feasible technological advance which, if implemented at the Jackson Hole Airport, will result in a reduction in noise at Grand Teton National Park—

(1) the Jackson Hole Airport may impose restrictions on, or prohibit, the operation of Stage 2 aircraft weighing less than 75,000 pounds, with reasonable exemptions for public health and safety;

(2) the notice, study, and comment provisions of subchapter II of chapter 475 of title 49, United States Code, and part 161 of title 14, Code of Federal Regulations, shall not apply to the imposition of the restrictions;

(3) the imposition of the restrictions shall not affect the Airport's eligibility to receive a grant under title 49, United States Code; and

(4) the restrictions shall not be deemed to be unreasonable, discriminatory, a violation of the assurances required by section 47107(a) of title 49, United States Code, or an undue burden on interstate commerce.

(b) DEFINITIONS.—In this section, the terms "Stage 2 aircraft" and "Stage 3 aircraft" have the same meaning as those terms have in chapter 475 of title 49, United States Code.

Mr. THOMAS. Mr. President, this is a very short, simple amendment. What it deals with is Teton National Park. I think it is probably the only park in the country that has in it a commercial airport.

Some years ago, the airport and the park agreed they could limit noise in the park. They had done so with commercial airlines, but they have not been able to do so with private jets. This would give them that authority.

It has been approved by the Park Service, by the Interior Department, and we would like very much to have the authority for them to be able to deal with the noncommercial jets and the noise they create in Teton National Park.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I thank Senator THOMAS for his sponsorship of this amendment. One of the greatest problems we have today in America is aircraft noise over national parks. We have been fighting it in the Grand Canyon, trying to balance the needs of commercial aircraft—not only those taking off and arriving but air tours—and that of preserving the incredible park experience.

I thank Senator THOMAS for his effort to try to bring about the restoration of that marvelous experience in one of our Nation's crown jewels.

I support the amendment.

Mr. HOLLINGS. Mr. President, the Department of the Interior and the Park Service approved the amendment. We also support its adoption.

The PRESIDING OFFICER. Is there further debate on the amendment?

The question is on agreeing to the amendment.

The amendment (No. 913) was agreed to.

Mr. MCCAIN. I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

AMENDMENT NO. 915

Mr. SPECTER. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER] proposes an amendment numbered 915.

Mr. SPECTER. Mr. President, I ask unanimous consent that further read-

ing of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of Title V, add the following new section:

(g) MEASUREMENT OF HIGHWAY MILEAGE FOR PURPOSES OF DETERMINING ELIGIBILITY FOR ESSENTIAL AIR SERVICE SUBSIDIES.—

(1) DETERMINATION OF ELIGIBILITY.—Subchapter II of Chapter 417 of title 49, United States Code, (as amended by subsection (f) of this bill) is further amended by adding at the end the following new section:

"§ 41746. Distance requirement applicable to eligibility for essential air service subsidies

"(a) IN GENERAL.—The Secretary shall not provide assistance under this subchapter with respect to a place in the 48 contiguous States that—

"(1) is less than 70 highway miles from the nearest hub-airport; or

"(2) requires a rate of subsidy per passenger in excess of \$200, unless such place is greater than 210 highway miles from the nearest hub airport.

"(b) DETERMINATION OF MILEAGE.—For purposes of Lancaster, Pennsylvania, the highway mileage between a place and the nearest hub airport is the highway mileage of the most commonly used route between the place and the hub airport. In identifying such route, the Secretary shall—

"(1) promulgate by regulation a standard for calculating the mileage between Lancaster, Pennsylvania and a hub airport, and

"(2) identify the most commonly used route for a community by—

"(A) consulting with the Governor of a State or the Governor's designee; and

"(B) considering the certification of the Governor of a State or the Governor's designee as to the most commonly used route."

"(b) CONFORMING AMENDMENT.—The analysis for subchapter II of chapter 417 of title 49, United States Code, (as amended by subsection (f) of this bill) is further amended by inserting after the item relating to section 41745 the following new item:

"41746. Distance requirement applicable to eligibility for essential air service subsidies."

(h) REPEAL.—The following provisions of law are repealed:

"(1) Section 332 of the Department of Transportation and Related Agencies Appropriations Act, 2000 (49 U.S.C. 41731 note).

(2) Section 205 of the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (49 U.S.C. 41731 note).

(3) Section 334 of the Department of Transportation and Related Agencies Appropriations Act, 1999 (section 101(g) of division A of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999) (Public Law 105-277; 112 Stat. 2681-471).

(i) SECRETARIAL REVIEW.—

(1) REQUEST FOR REVIEW.—Any community with respect to which the Secretary has, between September 30, 1993, and the date of the enactment of this Act, eliminated subsidies or terminated subsidy eligibility under section 332 of the Department of Transportation and Related Agencies Appropriations Act, 2000 (49 U.S.C. 41731 note), Section 205 of the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (49 U.S.C. 41731 note), or any prior law of similar effect, may request the Secretary to review such action.

(2) ELIGIBILITY DETERMINATION.—Not later than 60 days after receiving a request under subsection (1), the Secretary shall—

(A) determine whether the community would have been subject to such elimination

of subsidies or termination of eligibility under the distance requirement enacted by the amendment made by subsection (g) of this bill to subchapter II of chapter 417 of title 49, United States Code; and

(B) issue a final order with respect to the eligibility of such community for essential air service subsidies under subchapter II of chapter 417 of title 49, United States Code, as amended by this Act.

Mr. SPECTER. Mr. President, this amendment is an accommodation and compromise worked out after discussion with the chairman of the committee and the chairman of the subcommittee. I have already filed amendment No. 904, which is part of the record. This amendment goes to the issue of providing essential air services to Lancaster, Pennsylvania. The existing law provides that essential air services shall be provided if there is a distance of 70 miles or more to the hub of a major airport.

Lancaster is 66 miles from the Philadelphia International Airport, if you travel along Route 30, which is the old Lincoln Highway, where there is a traffic light every other block with the most extraordinary congestion. Nobody who travels from Lancaster to the Philadelphia Airport takes congested Route 30. The commonly used route is to take 222 to the turnpike and then to the Schuylkill Expressway, and that is a distance of some 80 miles. So the route that any rational person would use would be the 80-mile route, not the 66-mile route.

We have worked with the Department of Transportation for several years in trying to work out this arrangement, but they have refused to listen to reason. The City of Lancaster took an expensive appeal to the Court of Appeals for the Third Circuit, and the Court felt bound to honor the discretion of the Secretary of Transportation, even though the discretion was very unwisely used. The Court found itself constrained to let the Secretary determine it.

The amendment I had intended to offer, which has been denominated as 904, provides that the determination of the appropriate mileage would be determined by the Governor or by the Metropolitan Planning Organization. A concern was expressed as to that—to have the State make a determination as to what would be done with the Federal expenditure of funds. Well, that is not all the time, but I am not going to belabor that argument because we have an accommodation.

Mr. LOTT. Will the Senator yield to me at this point?

Mr. SPECTER. Yes.

Mr. LOTT. I note that I have looked at this situation and I am going to support what this amendment is trying to do. I think, in this case, this area he is referring to has been disadvantaged. We do not want to and do not intend to start down the line of making an exception here and there. This is a case where, clearly, you have been disadvantaged by the way it has been interpreted.

I appreciate the Senator being willing to work out a fair solution.

Mr. MCCAIN. Mr. President, I thank the Senator from Pennsylvania. I did have the opportunity to meet with a group of his fellow citizens from Lancaster. They made a very compelling case on the burden they bear. I think this is a fair and equitable solution. I thank the Senator.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, to complete the discussion here regarding giving these essential air services to Lancaster, they had one small airline that serviced Lancaster. They withdrew because, in the absence of a modest subsidy, they could not serve Lancaster anymore. In an era when we are helping airlines with loan guarantees and bailouts and so many other provisions, this is really minimal.

This amendment, as provided, will take care of Lancaster. If I may say for the record—if I may have the attention of the Senator from Mississippi, the chairman of the subcommittee, who will be principal conferee—this provision will be fought for in conference. In the House, the matter has been handled by Congressman JOE PITTS, a very able Congressman who represents the area including Lancaster. I am sure Congressman PITTS will be amenable to this amendment, which gives further assurance and protection to Lancaster, Pennsylvania. So it is in the context of this assurance of our tough position in conference, which ought to prevail, that I have agreed to this accommodation.

I thank the Senator from Mississippi and I thank the Senator from Arizona for working out this issue. I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. HOLLINGS. I thank the Senator from South Carolina for supporting the amendment.

Mr. SPECTER. Mr. President, I associate myself with the last remarks of Senator HOLLINGS. Like the Senator from South Carolina, I thank the Senator from South Carolina.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 915) was agreed to.

Mr. REID. Mr. President, our cloakroom has indicated that Senators have had an all-day-long notice that we are trying to complete this bill today. Statements have been made on the floor by the managers many times to that effect.

On the Democratic side, the only amendments we know of that people wish to offer are by Senators FEINSTEIN, INOUE, HOLLINGS, and Senator ROCKEFELLER has an amendment. Other than those, we don't know of any other amendments on our side.

On the other side, I have been told there is a Burns amendment, a Murkowski amendment, and a Stevens

amendment. Other than that, I don't know of any other amendments.

My point is, within a relatively short period of time, we will ask unanimous consent that these be the only amendments in order. If people are out there with amendments, they should come forward in the next couple of minutes.

Mr. MCCAIN. Mr. President, in about 10 minutes, if that is OK—that will give plenty of time for people who have additional amendments—I will propose that we have a unanimous consent that no further amendments be in order.

I yield the floor.

Mr. SPECTER. Mr. President, I supplement what the Senator from Nevada said. I have already given notice that I have another amendment. If I may inquire of the manager, the Senator from Arizona. I am prepared to proceed at this time with the amendment.

If I may have the attention of the Senator from Arizona, is it agreeable that I may call up my amendment?

Mr. MCCAIN. Yes.

AMENDMENT NO. 905

Mr. SPECTER. Mr. President, I call up amendment No. 905, which has been filed.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER], for himself, Mrs. BOXER, Mr. DURBIN, Mr. DAYTON, proposes an amendment numbered 905.

Mr. SPECTER. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide safety and security with respect to aviation repair stations)

At the end of title IV, add the following:

SEC. 405. FOREIGN REPAIR STATION SAFETY AND SECURITY.

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term “Administrator” means the Administrator of the Federal Aviation Administration.

(2) DOMESTIC REPAIR STATION.—The term “domestic repair station” means a repair station or shop that—

(A) is described in section 44707(2) of title 49, United States Code; and

(B) is located in the United States.

(3) FOREIGN REPAIR STATION.—The term “foreign repair station” means a repair station or shop that—

(A) is described in section 44707(2) of title 49, United States Code; and

(B) is located outside of the United States.

(4) UNDER SECRETARY.—The term “Under Secretary” means the Under Secretary for Border and Transportation Security of the Department of Homeland Security.

(b) APPLICABILITY OF STANDARDS.—Within 180 days after the date of enactment of this Act, the Administrator shall issue regulations to ensure that foreign repair stations meet the same level of safety required of domestic repair stations.

(c) SPECIFIC STANDARDS.—In carrying out subsection (b), the Administrator shall, at a minimum, specifically ensure that foreign repair stations, as a condition of being certified to work on United States registered aircraft—

(1) institute a program of drug and alcohol testing of its employees working on United States registered aircraft and that such a program provides an equivalent level of safety achieved by the drug and alcohol testing requirements that workers are subject to at domestic repair stations;

(2) agree to be subject to the same type and level of inspection by the Federal Aviation Administration as domestic repair stations and that such inspections occur without prior notice to the country in which the station is located; and

(3) follow the security procedures established under subsection (d).

(d) SECURITY AUDITS.—

(1) IN GENERAL.—To ensure the security of maintenance and repair work conducted on United States aircraft and components at foreign repair stations, the Under Secretary, in consultation with the Administrator, shall complete a security review and audit of foreign repair stations certified by the Administrator under part 145 of title 14, Code of Federal Regulations. The review shall be completed not later than 180 days after the date on which the Under Secretary issues regulations under paragraph (6).

(2) ADDRESSING SECURITY CONCERNS.—The Under Secretary shall require a foreign repair station to address the security issues and vulnerabilities identified in a security audit conducted under paragraph (1) within 90 days of providing notice to the repair station of the security issues and vulnerabilities identified.

(3) SUSPENSIONS AND REVOCATIONS OF CERTIFICATES.—

(A) FAILURE TO CARRY OUT EFFECTIVE SECURITY MEASURES.—If the Under Secretary determines as a result of a security audit that a foreign repair station does not maintain and carry out effective security measures or if a foreign repair station does not address the security issues and vulnerabilities as required under subsection (d)(2), the Under Secretary shall notify the Administrator of the determination. Upon receipt of the determination, the Administrator shall suspend the certification of the repair station until such time as the Under Secretary determines that the repair station maintains and carries out effective security measures and has addressed the security issues identified in the audit, and transmits the determination to the Administrator.

(B) IMMEDIATE SECURITY RISK.—If the Under Secretary determines that a foreign repair station poses an immediate security risk, the Under Secretary shall notify the Administrator of the determination. Upon receipt of the determination, the Administrator shall revoke the certification of the repair station.

(4) FAILURE TO MEET AUDIT DEADLINE.—If the security audits required by paragraph (1) are not completed on or before the date that is 180 days after the date on which the Under Secretary issues regulations under paragraph (6), the Administrator may not certify, or renew the certification of, any foreign repair station until such audits are completed.

(5) PRIORITY FOR AUDITS.—In conducting the audits described in paragraph (1), the Under Secretary and the Administrator shall give priority to foreign repair stations located in countries identified by the United States Government as posing the most significant security risks.

(6) REGULATIONS.—Not later than 180 days after the date of enactment of this section, the Under Secretary, in consultation with the Administrator, shall issue final regulations to ensure the security of foreign and domestic repair stations. If final regulations are not issued within 180 days of the date of enactment of this Act, the Administrator may not certify, or renew the certification

of, any foreign repair station until such regulations have been issued.

Mr. SPECTER. Mr. President, I am offering this amendment on behalf of myself and Senators BOXER, DURBIN, and DAYTON. Senator INHOFE had indicated some support, but I think he has a little different approach, so I am going to proceed with it on this basis.

The amendment provides for foreign aircraft repair stations to be subject to the same provisions as domestic air stations.

What we have at the present time is a very different set of standards for foreign repair stations than are in effect for domestic stations. In foreign stations, for example, there need not be drug and alcohol testing. In foreign stations, there are not the kinds of requirements and regulations as to the maintenance for safety, and there are no requirements as to security.

I realize this kind of an amendment may result in some higher costs, however, I believe these costs are warranted in the interest of the traveling public so there is an adequate assurance of safety. If you do not have the kinds of requirements that are in effect by the FAA in the United States, then we do not have the maintenance of the same kind of safety standards.

With respect to foreign competition, I think it is a fair requirement to say that you are not requiring "Buy American," but you are saying that the people in the United States who provide these services ought to have the same sort of security standards, the same sort of maintenance standards, and the same sort of drug testing or alcohol testing as in foreign standards. So this goes beyond the idea of protectionism. These requirements that are in effect in the United States are to provide for the safety of the traveling public. If it costs X dollars to provide for the safety of the traveling public, then I think that is what we ought to do, and that is the gravamen and the thrust behind this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

AMENDMENT NO. 914 TO AMENDMENT NO. 905

(Purpose: To require the Administrator of the FAA to conduct a study of safety standards at foreign repair stations)

Mr. LOTT. Mr. President, I send a second-degree amendment to the desk and ask it be read in its entirety.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT] proposes an amendment numbered 914 to amendment No. 905:

At the end of the amendment add the following:

() STUDY.—Notwithstanding the preceding provisions of this section—

(1) the Administrator shall conduct a study of the need to establish a program to ensure that foreign repair stations meet the conditions and standards described in subsection (c);

(2) report the results of that study, together with the Administrator's rec-

ommendations and conclusions, to the Congress within 180 days after the date of enactment of this Act; and

(3) the Administrator shall not issue regulations under subsection (h).

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, let me explain why I offered this amendment. Senator SPECTER raises some very legitimate concerns, and we need to know what the situation is with regard to safety standards and the conditions of the workers in these foreign repair stations.

First, I was not aware of this amendment or the committee was not aware of this amendment until about an hour ago. We have not had a chance to find out more about what the ramifications are, the need for it, or what we need to do. We have had no hearings on this matter.

There is no question we need to make sure these foreign repair stations for airlines are good ones and the workers at these stations meet certain qualifications. They are doing good work basically.

I am offering this amendment on behalf of Senator INHOFE who has some experience in this area, has been to some of these foreign repair stations and has some concerns. Being a pilot himself, having served on the committee of jurisdiction in the House, this is something we would like to know his feelings about and make sure of what the situation is today.

He thought, though, we needed to look into it and understand what is happening. For instance, we may, by doing this, be imposing more requirements on these foreign repair stations that do not need certain laws or regulations in the various countries. We may be taking actions that would drive up costs. We may be taking actions that would have a dramatic impact on our own domestic airlines, which, by the way, some of the most profitable routes are overseas routes. This is a reason Northwest was Northwest Orient. There is no question American, Delta—the big airlines—do have very important overseas routes.

I would like to know if they think they are getting good service. What problems and what costs are going to be the result of this action?

That is what I say to Senator SPECTER. It is a legitimate concern. We may need to do something more in this area, but I would like to know what the ramifications are before we actually put this requirement in place.

This amendment, as I understand it and as it has been read, says the Administrator has to have a study of the need to establish this program to ensure that foreign repair stations meet the conditions of standards described in other sections of the law, that they report the results of that study, together with the Administrator's recommendations and conclusions, to the Congress within a specified period of time. This is not just an open-ended generic thing. That would also give us

time on the committee to ask questions of all those impacted by the requirement.

I think this is a good solution to a problem we should not ignore, but before we act we need to know what the impact is going to be.

I yield the floor.

Mr. DURBIN. Mr. President, I strongly support the Specter amendment to S. 824, the Aviation Investment and Revitalization Vision Act, that would address safety and security issues at foreign aircraft repair stations working on U.S. aircraft.

For a number of years, I have been working with the AFL-CIO's Transportation Trades Department and its mechanic unions—the International Association of Machinists, the Transport Workers Union, and the International Brotherhood of Teamsters—to close the safety loopholes that many foreign stations present.

I would like to submit for the RECORD a letter I received from these unions expressing their continued opposition to unsafe foreign stations.

I would also like to submit for the RECORD a letter recently sent from the AFL-CIO and its Transportation Trades Department to the Administration highlighting their concerns about the security at foreign stations.

As these letters clearly demonstrate, we have legitimate concerns with regard to the current rules governing certification and oversight of foreign stations. For these reasons, I am cosponsoring the Specter amendment and urge my colleagues to support it as well.

I ask unanimous consent that the aforementioned letters, dated April 10, 2003, and May 22, 2003, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICAN FEDERATION OF LABOR
AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,

Washington, DC, April 10, 2003.

Hon. NORMAN Y. MINETA,
Secretary of Transportation, Washington, DC.

Hon. MARION BLAKEY,
*Administrator, Federal Aviation Administration,
Washington, DC.*

Hon. JAMES M. LOY,
*Under Secretary for Security, Transportation
Security Administration, Arlington, VA.*

DEAR SECRETARY MINETA, ADMINISTRATOR BLAKEY AND ADMIRAL LOY: On behalf of the 13 million members of the AFL-CIO and the Transportation Trades Department, AFL-CIO (TTD) we urge you to take immediate action to temporarily revoke the certification of certain foreign-based aircraft repair stations until such time as thorough security audits are conducted by responsible agencies and rules are put in place to ensure that these stations do not pose an imminent national and aviation security risk. As you know, there are currently over 600 foreign aircraft repair stations, certified under 14 CFR Part 145 (Subpart C), that are permitted to work on U.S. registered aircraft. Because of the unique combination of national security and economic conditions that currently exist in the aviation industry, as outlined below, we believe that the Department of

Transportation (DOT), the Federal Aviation Administration (FAA), and the Transportation Security Administration (TSA) are required to act upon this petition in the interest of aviation safety.

It is well known that this nation continues to be the target of terrorist intentions both domestically and abroad. In fact, the U.S. State Department and other government agencies have frequently warned about threats occurring outside the U.S. but directed at U.S. citizens and interests. We are concerned that certified foreign aircraft repair stations that are eligible to work on U.S. aircraft, could provide terrorists with an opportunity to jeopardize U.S. aviation safety without having to physically enter this country. At a time of heightened alert around the globe, our government must do everything possible to protect against terrorist agents infiltrating foreign repair stations and sabotaging air operations headed back to the United States.

While there is no publicly known evidence that terrorists have pursued this agenda, it makes little sense for the Bush Administration to leave it to chance. In fact, the DOT's Inspector General recently announced that as part of a larger audit of air carriers' use of aircraft repair stations, it found security vulnerabilities at stations located at commercial and general-aviation airports and off airport property. While the IG recommended that the TSA conduct risk-based security assessments as a first-step in determining the actions needed to address repair station security, we would maintain that until the security "fitness" of foreign stations can be assured, their FAR 145 rights to work on U.S. aircraft should be suspended.

The security risks posed by foreign stations is compounded by the unprecedented financial distress faced by the commercial aviation industry. Two major carriers have declared bankruptcy, others have announced severe workforce and service cuts, and virtually every airline has been forced to institute dramatic cost cuts to satisfy lenders and to keep flying. In this environment, U.S. carrier will undoubtedly pursue, over the strong objections of the International Association of Machinists and Aerospace Workers, the Transport Workers Union and the International Brotherhood of Teamsters, the outsourcing of major overhaul and other repair work to lower cost, potentially substandard third party contractors including those based overseas. A real life illustration of these concerns are the management rights secured by Northwest Airlines in its 2001 collective bargaining agreement with its mechanics union under which the airline can contract out almost 40 percent of repair and overhaul work to outside contractors around the globe. In fact, Northwest Airlines already relies on a Singapore-based repair operation for significant overhaul work on its DC-10 aircraft and the carrier could use the freedoms it secured in its 2001 collective bargaining agreement for mechanics to ship significantly more of that work abroad. And with the lax FAA oversight and surveillance of unknown security procedures at many foreign stations, the potential for terrorist security breaches grows as these stations see more work from the U.S.

It is interesting that in the pursuit of aviation security the FAA and the TSA recently issued rules that require the FAA to revoke the airman certificate, which includes a Part 65 mechanic certification, of any individual who the TSA determines poses a threat to aviation security. But from a practical standpoint these rules will only affect mechanics at domestic stations since only domestic stations, and not foreign stations, are required to have FAA-certified employees on premise. Furthermore, there are a number of

oversight activities that occur at domestic facilities, both formally and informally, that simply do not occur at foreign facilities.

Indeed, the AFL-CIO, TTD and its mechanics union affiliates have long been concerned that foreign aircraft repair stations can receive FAA certification and then work on U.S.-registered aircraft without meeting the same safety and security standards imposed on domestic facilities and their employees. In addition to regulatory differences, we know that the oversight of foreign stations pales in comparison to the surveillance performed on domestic stations, especially those managed within major air carrier operations. For example, FAA inspectors, represented by the Professional Airways Systems Specialists (PASS), do not have the same type of access to foreign stations as they do with domestic facilities. This reality is complicated by the fact that insufficient FAA inspector staffing levels do not allow for proper oversight of stations located outside the U.S. Given this situation, it is troubling that the effective date for modifications to Part 145 was recently and inexplicably postponed at the request of industry trade groups and that such postponement was granted without giving the public any notice or opportunity to comment.

For these reasons we urge the DOT, the FAA, and the TSA to issue an emergency order to temporarily prevent certain foreign stations certified under 14 CFR Part 145 from working on U.S. aircraft or components. The FAA should use these temporary revocations to conduct thorough security audits of foreign stations and to promulgate rules that impose security procedures at these facilities. In particular, the FAA should focus on ensuring that mechanics and other workers who come into contact with U.S. aircraft or components do not pose a security risk and that other precautions are taken to ensure the integrity of the aircraft maintenance work performed. We would suggest that Joint Aviation Authority members and certain countries that have current Bilateral Aviation Safety Agreements with the U.S. may already meet many of the security standards needed and would not need to have their FAR 145 rights suspended while rules are being drafted.

As you know, the Secretary of Transportation is charged with the responsibility of "assigning and maintaining safety as the highest priority in air commerce." 49 U.S.C. §40101(a)(1). Furthermore, when the Administrator is of the "opinion that an emergency related to safety in air commerce requires immediate action, the Administrator, on the initiative of the Administrator or on complaint, may prescribe regulations and issue orders immediately to meet the emergency . . ." 49 U.S.C. §46105(c). We would maintain that a unique confluence of factors described above create a situation that necessitates federal government action in the public interest and to maintain aviation safety.

Thank you for your immediate attention to this matter and we look forward to your response.

Sincerely,

RICHARD L. TRUMKA,
*Secretary-Treasurer,
AFL-CIO.*

SONNY HALL,
*President, Transportation Trades
Department, AFL-CIO.*

TRANSPORTATION TRADES
DEPARTMENT, AFL-CIO,
Washington, DC, May 22, 2003.

Hon. RICHARD J. DURBIN,
*U.S. Senate, Dirksen Senate Office Building,
Washington, DC.*

DEAR SENATOR DURBIN: On behalf of the Transportation Trades Department, AFL-

CIO (TTD) and its aircraft mechanics unions, we write to ask for your assistance in protecting the safety and security of our aviation system and the jobs of thousands of aircraft mechanics due to deficient federal government policy and efforts by the major airlines to cut costs through outsourcing of maintenance and heavy overhaul work to foreign-based repair stations.

As an original cosponsor of the Aircraft Repair Station Safety Act (S. 1089) in the 105th Congress, legislation strongly supported by AFL-CIO unions, we know that you are well aware of this problem and we appreciate your leadership in protecting aviation safety and U.S. jobs. As we have discussed with you over many years, the Federal Aviation Administration (FAA), pursuant to 14 CFR Part 145 (Subpart C), allows foreign stations to receive certification to work on U.S. aircraft even though these stations do not have to meet the same standards as those located in this country. While AFL-CIO mechanics unions have long argued that this situation threatens mechanics' jobs and the safety of the flying public, the current drive by air carriers to ship work overseas, combined with unique security concerns at these stations, has exacerbated this problem and your help is urgently needed to address this issue.

We know that U.S. carriers will pursue, over the strong objections of the International Association of Machinists and Aerospace Workers, the Transport Workers Union and the International Brotherhood of Teamsters, outsourcing of major overhaul and other repair work to lower cost and potentially substandard third party contractors based overseas. In fact, Northwest Airlines, secured the right in its 2001 collective bargaining agreement with its non-mechanics union (AMFA) to contract out almost 40 percent of repair and overhaul work to outside contractors in Singapore and around the globe. While the mechanics at Northwest are not members of our unions, we are deeply concerned that the carrier will continue to exploit these harmful contract concessions to the detriment of all the nation's professional aircraft mechanics, the vast majority of which are our members. Mechanics at other airlines will face increasing pressure to adopt the dangerous practices of Northwest-AMFA that permit almost four out of 10 jobs to be shipped to foreign contractors. Unless Congress steps in aggressively, aviation safety and security will suffer and the jobs of thousands of workers will be at risk.

For these reasons, we urge you to work with us to address this issue as part of the FAA Reauthorization bill that will be considered by the full Senate in the coming weeks. Together, we can protect the flying public and in the process ensure the future of America's highly skilled and professional aircraft mechanics. Thank you for your attention to this matter.

Sincerely,

ROBERT ROACH,
*General Vice President,
International Association of
Machinists and Aero-
space Workers.*

SONNY HALL,
*International President,
Transport Workers Union.*

DON TREICHLER,
*Director, Airline Division,
International Brotherhood of
Teamsters.*

EDWARD WYTKIND,
*Executive Director,
Transportation
Trades Dept., AFL-
CIO.*

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, the second-degree amendment proposed by the Senator from Mississippi is an improvement over where the record stands at the present time, however, I think it does not go far enough. When he states that he does not know the consequences of my amendment, I would disagree with him.

The amendment provides that there will be standards on the level of inspection, which are of the same type as now promulgated by the Federal Aviation Administration. So if you have that level of inspection, which they have now, there is no question as to its not being onerous, or at least if it is onerous, it is onerous now, however, it is the same.

We should have drug and alcohol testing as a very minimal requirement so we know specifically what is involved there. We know people who are drug addicts or who are unduly influenced by alcohol to be carrying on these inspections.

When it comes to the third factor, security, the amendment I have proposed calls for ensuring the security of maintenance and repair work conducted on U.S. aircraft and components at foreign repair stations by the Under Secretary in consultation with the Administrator.

Those security arrangements are going to be determined by the Department of Transportation. We certainly can rely on them. I think the issue has been joined. I think we understand what is involved.

I ask for the yeas and nays on the pending amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I ask that the vote be delayed until such time—

Mr. REID. Will the Senator yield without losing his right to the floor? The two leaders want these votes to be stacked. They are in a very important Finance Committee meeting which is going on now. I ask this be set aside for a later time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I also note that Senator BOXER wishes to speak on this amendment for up to 10 minutes.

Mr. MCCAIN. Mr. President, I ask unanimous consent that we withhold the vote until such time as the two leaders decide on a time, which I do not think will be very long. We have a couple of other amendments which are pending that we could dispose of, I would imagine, within the next 10 or 15 minutes.

Also, I ask unanimous consent that no further amendments be considered at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCAIN. The pending amendments on our side are a Stevens amendment, a Burns amendment, and a Santorum amendment.

Mr. REID. Mr. President, we want to have a list just as quickly as my friend from Arizona. We do need to have floor staff look at the subject matter of these amendments because we do not know what they could be. We can take the 10 minutes the Senator from Arizona suggested—the only addition I know we have is an amendment by Senator KOHL—and have our staffs look at these amendments while Senator BOXER is speaking for up to 10 minutes.

Following that, I think we would be in a position to look at the amendments and order the closure of the amendment process.

Mr. MCCAIN. I ask unanimous consent that Senator HAGEL be added as a cosponsor of amendment No. 906.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, as part of the agreement, it is my understanding that the Senator from California will be recognized for up to 10 minutes. Is that right?

The PRESIDING OFFICER. No agreement has been propounded.

Mr. REID. Did not the Senator from Arizona ask unanimous consent that the vote be put over until later and that request was propounded at that time? I thought the agreement was that the Senator from California would speak on the amendment that was just set aside for a vote for 10 minutes. I ask the Senator from California, would that be appropriate?

Mrs. BOXER. I am sorry. I was concentrating on my remarks.

Mr. REID. Is 10 minutes sufficient time for the Senator?

Mrs. BOXER. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. I ask unanimous consent that Senator SANTORUM be added as an original cosponsor on the Lancaster amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I understand Senator LOTT has second-degreed Senator SPECTER's amendment, of which I am a proud cosponsor, with a study. Something can be studied and studied but, frankly, this would gut what we are trying to do in our amendment. I do not mind a study, but I think the time for studying this has passed.

I want to show my colleagues an important op-ed that appeared in the USA Today on June 9: "Evidence Points to FAA's Laxity on Plane Maintenance."

It specifically cites the overseas gaps that are happening. There are 629 foreign repair stations certified by the FAA to service U.S. aircraft. They point out that they may not be strictly

monitored because of their distance from U.S.-based airline operations, increasing the potential risk for error.

That is an opinion of an expert on safety, Michael Barr, director of the University of Southern California's aviation safety program.

I think all of us want to see safety. One obvious place is making sure that we cut down on the number of aircraft that are overhauled abroad. That is why I think Senator SPECTER's amendment is so important, for the safety and security of the flying public. We all have worked very hard in the Commerce Committee to improve our aviation security, and I do believe our system is more secure than it was.

We have much more to do. My colleagues have heard me speak about the importance of the missile defense system, against shoulder-fired missiles, and there will be a lot more on that subject. But while we are improving our security at our airports in this country and rooting out potential threats among employees in the United States, meaning employees who work for the airlines, there are no security regulations or standards for foreign repair stations that work on U.S. aircraft.

I know the Senate is rushing to get through with this very important bill, but there is a huge gap in our aviation security. There is a huge safety concern that I have that Senator SPECTER's amendment will remedy. It is important to remember that foreign repair stations work on planes that not only fly internationally but planes that serve domestic routes as well.

There is a huge gap in our aviation security, and foreign repair stations do not have the same standards. Senator LOTT wishes to study this matter, and I am glad he wishes to study it, but we all know that the underlying amendment is the one that would bring about the changes. The underlying amendment would require foreign repair stations to meet the same safety standards required at domestic repair stations.

Specifically, under the Specter amendment, foreign repair stations would have to institute a drug and alcohol testing program of its employees if they want to work on American aircraft.

I say to my friends in the Senate, the people at these foreign stations are not even tested for drugs and alcohol, but American workers are required to have drug and alcohol tests.

There is no drug and alcohol testing program of employees on these foreign repair stations. We demand it in our own country. Our employees go through it and we do not have it at these foreign repair stations. We want these foreign repair stations to agree to FAA inspections.

In addition, the Under Secretary of Homeland Security must complete a security review and audit of all foreign repair stations. The foreign repair stations must address security issues

identified by the Homeland Security Department within 90 days, and if they do not prove to the FAA and to the Homeland Security Department that they are not meeting our heightened security needs, FAA must revoke the certification of that repair station.

After all of the work that has been undertaken to improve our aviation security, and I must say on both sides of the aisle we have seen this work, we must not allow this loophole to continue. We do not know who is working on our planes at foreign repair stations, and I would hate to be a Senator who voted to study the issue but not to move quickly to solve the problem if, God forbid, there is an accident because some employee in a foreign repair station was either inebriated or high on drugs or perhaps even was terrorist connected.

We owe the American people safe and secure skies, and I think the Specter amendment is critical to preventing terrorism and unnecessary accidents. My colleagues want a study? Then they are saying they do not think this is a problem.

Evidence points to FAA's laxity on plane maintenance, and if we do not adopt Senator SPECTER's amendment, I think we are making a big mistake. These planes not only fly internationally but nationally.

I have a parliamentary inquiry. Are we going to vote on Senator LOTT's second degree at a time certain?

Mr. REID. No.

The PRESIDING OFFICER (Mr. CORNYN). The yeas and nays have been ordered on that amendment but no time has yet been set for that vote.

Mrs. BOXER. Another question. If that fails, will we then be voting on the Specter amendment? And have the yeas and nays been ordered on that?

The PRESIDING OFFICER. That would be the normal course of business, but the yeas and nays have not yet been ordered on the Specter amendment.

Mrs. BOXER. I ask for the yeas and nays.

The PRESIDING OFFICER. It is not in order at this time.

Mr. HOLLINGS. I ask unanimous consent.

The PRESIDING OFFICER. Is there objection?

Mr. LOTT. Parliamentary inquiry. This is a request to have the yeas and nays on the second-degree amendment?

Mr. HOLLINGS. You already got that. This is on the Specter amendment, the yeas and nays on the Specter amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. REID. We are waiting for the unanimous consent request to be typed. I hope during that period of time we will have six or seven more people calling for amendments.

The PRESIDING OFFICER. The Senator from Montana.

Mr. McCAIN. I ask unanimous consent to set aside the pending amendment so Senator BURNS can be recognized for his two amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 900, AS MODIFIED

Mr. BURNS. Mr. President, I thank the chairman of the committee and the chairman of the subcommittee and the ranking member. I submitted two amendments. One has to do with general aviation and reimbursement to organizations that suffered losses due to September 11. We took care of the airlines and a lot of service industries in and around airports, but we forgot and left out one very important part of the American aviation scene, very important to my State of Montana, those people involved in general aviation, in other words, the charter business, as they were impacted, too, and received no reimbursement in any way to recover the damages or the losses they may have incurred.

We have talked about this. I ask the amendment which is at the desk to be considered. It has been amended and worked on by both sides of the aisle. There is agreement on this amendment.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Montana [Mr. BURNS] proposes an amendment numbered 900, as modified.

Mr. BURNS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide grants to reimburse general aviation entities for the security costs incurred and revenue foregone as a result of terrorism and the military action against Iraq)

At the appropriate place, insert the following:

SEC. —. REIMBURSEMENT FOR LOSSES INCURRED BY GENERAL AVIATION ENTITIES.

(a) IN GENERAL.—The Secretary of Transportation may make grants to reimburse the following general aviation entities for economic losses as a result of the restrictions imposed by the Federal Government following the terrorist attacks on the United States that occurred on September 11, 2001:

(1) General aviation entities that operate at Ronald Reagan Washington National Airport.

(2) Airports that are located within 15 miles of Ronald Reagan Washington National Airport and were operating under security restrictions on the date of enactment of this Act and general aviation entities operating at those airports.

(5) Any other general aviation entity that is prevented from doing business or operating by an action of the Federal Government prohibiting access to airspace by that entity.

(b) DOCUMENTATION.—Reimbursement under this section shall be made in accordance with sworn financial statements or other appropriate data submitted by each general aviation entity demonstrating the costs incurred and revenue foregone to the satisfaction of the Secretary.

(c) GENERAL AVIATION ENTITY DEFINED.—In this section, the term “general aviation entity” means any person (other than a scheduled air carrier or foreign air carrier, as such terms are defined in section 40102 of title 49, United States Code) that—

(1) operates nonmilitary aircraft under part 91 of title 14, Code of Federal Regulations, for the purpose of conducting its primary business;

(3) provides services necessary for nonmilitary operations under such part 91; or

(4) operates an airport, other than a primary airport (as such terms are defined in such section 40102), that—

(A) is listed in the national plan of integrated airport systems developed by the Federal Aviation Administration under section 47103 of such title; or

(B) is normally open to the public, is located within the confines of enhanced class B airspace (as defined by the Federal Aviation Administration in Notice to Airmen FDC 1/0618), and was closed as a result of an order issued by the Federal Aviation Administration in the period beginning September 11, 2001, and ending January 1, 2002, and remained closed as a result of that order on January 1, 2002.

Such term includes fixed based operators, persons engaged in nonscheduled air taxi service or aircraft rental.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$100,000,000. Such sums shall remain available until expended.

Mr. BURNS. It has been worked on by both sides and I ask for its adoption.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment numbered 900, as modified.

The amendment (No. 900), as modified, was agreed to.

Mr. McCAIN. I move to reconsider the vote.

Mr. BURNS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 899

Mr. BURNS. The second amendment I have has to do with recommendations concerning air travel agents who have been part of a report requested of the Transportation Department. This is only language that requires the Department of Transportation to recommend the changes they see as a result of this report. I ask it be considered at this time.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. BURNS] proposes an amendment numbered 899.

Mr. BURNS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To require the Secretary of Transportation to transmit to Congress a report on any actions that should be taken with respect to recommendations made by the National Commission to Ensure Consumer Information and Choice in the Airline Industry on travel agents)

At the appropriate place, insert the following:

SEC. . RECOMMENDATIONS CONCERNING TRAVEL AGENTS.

(a) REPORT.—Not later than 6 months after the date of enactment of this Act, the Secretary of Transportation shall transmit to Congress a report on any actions that should be taken with respect to recommendations made by the National Commission to Ensure Consumer Information and Choice in the Airline Industry on—

(1) the travel agent arbiter program; and

(2) the special box on tickets for agents to include their service fee charges.

(b) CONSULTATION.—In preparing this report, the Secretary shall consult with representatives from the airline and travel agent industry.

Mr. BURNS. I ask the amendment be agreed to.

The PRESIDING OFFICER. Is there no further debate on the amendment?

Mr. BURNS. By the way, it has been cleared by both sides.

The PRESIDING OFFICER. The question is on agreeing to the amendment numbered 899.

The amendment (No. 899) was agreed to.

Mr. BURNS. I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BURNS. I appreciate the leadership on both sides of the aisle for consideration of the amendments.

I yield the floor.

Mr. STEVENS. Mr. President, sorry to interrupt. I call attention to the Senate that Special Operations is hosting a reception for Members of the Senate and staff tonight from 5:30 to 7:30 in room 106 of the Dirksen Building. General Holland would be honored if Members could stop by. My Defense Subcommittee visited General Holland and saw many of the things that are going to be on display in 106 Dirksen. There will be members of the armed services who worked with the unified commands, Marines, Army, Navy, Air Force. Individual members of the service who actually participated in Afghanistan and Iraq are there to explain to Members of the Senate and staff some of the engagements they were involved in.

I think every Member and members of the staff would find it very interesting. I hope they will stop by.

AMENDMENT NO. 916

Mr. HOLLINGS. Mr. President, I send an amendment to the desk that has been cleared which I ask the clerk to report.

It is a cap on the staffing level of the Transportation Security Administration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] proposes an amendment numbered 916.

The amendment is as follows:

(Purpose: To remove the staffing level limitation imposed on the Transportation Security Administration)

At the appropriate place, insert the following:

SEC. . REMOVAL OF CAP ON TSA STAFFING LEVEL.

The matter appearing under the heading “AVIATION SECURITY” in the appropriations for the Transportation Security Administration in the Transportation and Related Agencies Appropriate Act, 2003 (Public Law 108-7; 117 Stat. 386) is amended by striking the fifth proviso.

The PRESIDING OFFICER. The question is on agreeing to the amendment numbered 916.

The amendment (No. 916) was agreed to.

AMENDMENT NO. 917

Mr. HOLLINGS. On behalf of the distinguished Senator, Senator FEINSTEIN, I send an amendment to the desk and ask it be reported. This has to do with air quality on new aircraft.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] for Mrs. FEINSTEIN, proposes an amendment numbered 917.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide for air quality in aircraft cabins)

Strike section 664 and insert the following:
SEC. 664. AIR QUALITY IN AIRCRAFT CABINS.

(a) IN GENERAL.—The Administrator of the Federal Aviation Administration shall undertake the studies and analysis called for in the report of the National Research Council entitled “The Airliner Cabin Environment and the Health of Passengers and Crew”.

(b) REQUIRED ACTIVITIES.—In carrying out this section, the Administrator, at a minimum, shall—

(1) conduct surveillance to monitor ozone in the cabin on a representative number of flights and aircraft to determine compliance with existing Federal Aviation Regulations for ozone;

(2) collect pesticide exposure data to determine exposures of passengers and crew;

(3) analyze samples of residue from aircraft ventilation ducts and filters after air quality incidents to identify the contaminants to which passengers and crew were exposed;

(4) analyze and study cabin air pressure and altitude; and

(5) establish an air quality incident reporting system.

(c) REPORT.—Not later than 30 months after the date of enactment of this Act, the Administrator shall transmit to Congress a report on the findings of the Administrator under this section.

Mrs. FEINSTEIN. Mr. President, I rise today to introduce an amendment to improve the air quality on commercial aircraft.

In 1986, in response to a National Research Council Report, the FAA took several actions to improve aircraft cabin air quality on flights, including banning smoking on nearly all domestic flights. However, over 15 years later, many cabin air quality issues remain and new health questions have been raised by passengers and crew.

More recently, the National Research Council released a study of the air quality on commercial airline flights

that was funded by the Federal Aviation Administration. The National Research Council found that:

There is no operational standard for the ventilation of an aircraft cabin, but that such an operation standard should be established to ensure that passenger aircraft are properly ventilated;

Passengers have been exposed to airborne contaminants while onboard aircraft, and that such contaminants can originate outside and inside the aircraft, and within the aircraft's environmental control system itself;

The environmental control system on a passenger aircraft can become contaminated with engine oils, hydraulic fluids, or deicing fluids and those fluid contaminants can enter the passenger cabin through the air supply system;

Contaminants in the air of a passenger aircraft may be responsible for acute and chronic health effects in crew and passengers;

Reduced partial oxygen levels in aircraft air may adversely affect health-compromised passengers, particularly those with cardiopulmonary disease;

Aircraft passengers may be exposed to ozone during flight, and studies suggest that ozone concentrations on some flights can exceed the Federal Aviation Administration and Environmental Protection Agency ozone levels;

Air that contains elevated ozone concentrations is associated with airway irritation, decreased lung function, exacerbation of asthma, and impairments of the immune system;

Since carbon monoxide is an indicator of mechanical fluids contaminating the air supply, the FAA should require aircraft to install monitors and establish procedures for responding to elevated levels of carbon monoxide; and

The FAA should establish a passenger aircraft air quality and health surveillance program to determine compliance with existing FAA regulations and document health effects and complaints so that data is collected in a way that allows analysis of the relationship between health effects and aircraft air quality.

The amendment I rise to introduce today addresses several findings on cabin air quality. It incorporates the original House language plus two additional provisions.

The House language is as follows:

(a) **In General.**—The Administrator of the Federal Aviation Administration shall undertake the studies and analysis called for in the report of the National Research Council entitled "The Airliner Cabin Environment and the Health of Passengers and Crew."

(b) **Required Activities.**—In carrying out this section, the Administrator, at a minimum, shall—

(1) conduct surveillance to monitor ozone in the cabin on a representative number of flights and aircraft to determine compliance with existing Federal Aviation Regulations for ozone;

(2) collect pesticide exposure data to determine exposures of passengers and crew; and

(3) analyze samples of residue from aircraft ventilation ducts and filters after air quality incidents to identify the contaminants to which passengers and crew were exposed.

(c) **Report.**—Not later than 30 months after the date of enactment of this Act, the Administrator shall transmit to Congress a report on the findings of the Administrator under this section.

My amendment builds on the above language by adding the following two provisions:

Authorizes an FAA study to analyze cabin air pressure and altitude; and

Requires the FAA to establish an air quality incident reporting system.

Poor air quality in flight cabins poses a health risk for the flying public and crew members who spend most of their working hours onboard commercial aircraft. Passengers should feel confident that they are not endangering their health when they fly, and airline industry workers should not feel their health is threatened as they earn a living. I hope you will join me in supporting this legislation. And finally I want to thank Senator MCCAIN and Senator HOLLINGS for allowing me to introduce this amendment.

Mr. HOLLINGS. This has to do with air quality of new equipment that has been cleared.

I urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

The amendment (No. 917) was agreed to.

AMENDMENT NO. 918

Mr. HOLLINGS. On behalf of the distinguished Senator from West Virginia, Senator ROCKEFELLER, I send an amendment to the desk and ask the clerk to report. It has to do with the small carrier sharing and the war supplemental.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for Mr. ROCKEFELLER, proposes an amendment numbered 918.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To require air carriers that received a refund of passenger security fees under title IV of the Emergency Wartime Supplemental Appropriations Act, 2003, to pass-through to their code-share partners that portion of the refund attributable to such fees collected and paid by those partners)

At the appropriate place, insert the following:

SEC. . PASS-THROUGH OF REFUNDED PASSENGER SECURITY FEES TO CODE-SHARE PARTNERS.

(a) **IN GENERAL.**—Within 30 days after the date of enactment of this Act, each United States flag air carrier that received a payment made under the second proviso of first appropriation in title IV of the Emergency Wartime Supplemental Appropriations Act, 2003 (Pub. L. 108-011; 117 Stat. 604) shall transfer to each air carrier with which it had a code-share arrangement during the period covered by the passenger security fees remitted under that proviso an amount equal to

that portion of the remittance under the proviso that was attributable to passenger security fees paid or collected by that code-share air carrier and taken into account in determining the amount of the payment to the United States flag air carrier.

(b) **DOT INSPECTOR GENERAL OVERSIGHT.**—The Inspector General of the Department of Transportation shall review the compliance of United States flag air carriers with subsection (a), including determinations of amounts, determinations of eligibility of code-share air carriers, and transfers of funds to such air carriers under subsection (a).

(c) **CERTIFICATION.**—The chief executive officer of each United States flag air carrier to which subsection (a) applies shall certify to the Under Secretary of Homeland Security for Border and Transportation Security, under penalty of perjury, the air carrier's compliance with sub-section (a).

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 918) was agreed to.

AMENDMENT NO. 919

Mr. HOLLINGS. Mr. President, on behalf of the Senator from Hawaii, Senator INOUE, and the Senator from Ohio, Senator VOINOVICH, I send an amendment to the desk and ask it be reported. It has to do with credit cards, when one of the carriers is in default and the other carrier has to pick up or honor the tickets. Since there is a peculiar situation, this is taking care of that situation. It has been cleared on both sides.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] for Mr. INOUE and Mr. VOINOVICH, proposes an amendment numbered 919.

(Purpose: To clarify the criteria for air carriers to honor tickets for suspended service)

At the end of subtitle A of title III, insert the following:

SEC. 305. AIR CARRIERS REQUIRED TO HONOR TICKETS FOR SUSPENDED SERVICE.

(a) **IN GENERAL.**—Section 145(a) of the Aviation and Transportation Security Act of 2001 (49 U.S.C. 40101 note) is amended by adding at the end the following: "The Secretary of Transportation shall give favorable consideration to waiving the terms and conditions established by this section, including those set forth in the guidance provided by the Department in notices, dated August 8, 2002, November 14, 2002, and January 23, 2003, in cases where remaining carriers operate additional flights to accommodate passengers whose service was suspended, interrupted, or discontinued under circumstances described in the preceding sentence over routes located in isolated areas that are unusually dependent on air transportation."

(b) **EXTENSION.**—Section 145(c) of such Act (49 U.S.C. 40101 note) is amended by striking "more than" and all that follows through "after" and inserting "more than 36 months after".

The PRESIDING OFFICER. If there is no further debate on the amendment, the question is on agreeing to the amendment.

The amendment (No. 919) was agreed to.

Mr. MCCAIN. Mr. President, Senator STEVENS is here to offer an amendment.

First, before that, I ask unanimous consent that following the disposition of the previously mentioned amendments, which we will mention in a minute, the bill be read for the third time, and further, the Senate then proceed to the consideration of H.R. 2115, the House companion bill; provided further that all after the enacting clause be stricken and the text of S. 824, as amended, be inserted in lieu thereof; further, that the bill then be read the third time and the Senate proceed to a vote on passage of the bill, with no intervening action or debate. Finally, I ask unanimous consent that following that vote the Senate then insist on its amendment, request a conference with the House, and that the Chair be authorized to appoint conferees on the part of the Senate with a ratio of 5 to 4. I ask unanimous consent that following the vote, S. 824 be placed back on the calendar.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MCCAIN. It is my understanding the only amendments also remaining are an amendment by Senator STEVENS, an amendment by Senator SANTORUM, a Finance Committee amendment, and an amendment by Senator MURKOWSKI.

Mr. REID. And Senator HARKIN?

Mr. MCCAIN. An amendment by Senator HARKIN.

I ask unanimous consent that no amendments be considered other than those I just described.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, the subject matter of the amendments has been discussed on both sides so there are no surprises as to the subject matter of the amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alaska.

AMENDMENT NO. 920

(Purpose: To codify the requirement that United States air carriers be effectively controlled by United States citizens)

Mr. STEVENS. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 920:

At the end of title V, insert the following:

SEC. 521. AIR CARRIER CITIZENSHIP.

Section 40102(a)(15)(C) of title 49, United States Code is amended by inserting "which is under the actual control of citizens of the United States," before "and in which".

Mr. STEVENS. Mr. President, my amendment codifies the existing requirement that U.S. air carriers be effectively controlled by U.S. citizens. It will ensure reciprocity with countries in the European Union which codified a comparable requirement.

The United States has enforced an effective control standard for decades.

DOT's Inspector General recently identified seven factors that DOT has relied on to determine whether an airline is effectively controlled by foreign entities.

The I.G. identified "significant contracts" as one of the key factors in this process.

A DOT administrative law judge is currently considering whether this should be applied to a situation where 7 year guaranteed cost-plus contracts that provide virtually all of a carrier's business are significant contracts leading to foreign control.

Ironically, in this same proceeding one carrier has argued that the effective control test should not apply at all because it has not been codified.

My amendment will codify the existing standard. It leaves the interpretation of effective control up to DOT, but the department can draw from its decades of precedents to reach these conclusions. It is critical that DOT closely examine the effective control of this transaction.

If the present arrangement is allowed to stand, DOT will set a precedent which allows foreign governments to compete with U.S. companies for business which, by statute, is reserved to U.S. carriers.

Mr. MCCAIN. I would like to highlight some changes that Senator STEVENS made to this amendment in response to concerns expressed by the Department of Transportation.

Senator STEVENS changed the term "effective control" in his amendment to "actual control" to more accurately represent the test that DOT uses in these types of reviews.

In addition, Senator STEVENS removed the limitation of "at all times" regarding the actual control test it conform with current DOT practices.

DOT has represented to me that these changes accurately reflect the current state of law regarding citizenship and assures me that this amendment will not in any way affect their determination of what constitutes a citizen of the United States.

I would not have agreed to this amendment without these changes and an understanding that this is simply a reflection of current law. The terms that I have agreed to will not be altered in conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 920) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 907

The PRESIDING OFFICER. The Senator from Alaska.

Ms. MURKOWSKI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Ms. MURKOWSKI] proposes an amendment numbered 907.

Ms. MURKOWSKI. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To require the FAA to complete a study and report regarding the feasibility of consolidating the Anchorage Terminal Radar Approach Control and the Anchorage Air Route Traffic Control Center)

At the end of title II, add the following:

SEC. 217. ANCHORAGE AIR TRAFFIC CONTROL.

(a) IN GENERAL.—Not later than September 30, 2004, the Administrator of the Federal Aviation Administration shall complete a study and transmit a report to the appropriate committees regarding the feasibility of consolidating the Anchorage Terminal Radar Approach Control and the Anchorage Air Route Traffic Control Center at the existing Anchorage Air Route Traffic Control Center facility.

(b) APPROPRIATE COMMITTEES.—In this section, the term "appropriate committees" means the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

Ms. MURKOWSKI. Mr. President, the amendment I have sent to the desk gives the Federal Aviation Administration a year to complete the study of the consolidation of the Anchorage Terminal Approach Control, TRACON, with the Anchorage Air Route Traffic Control Center at the center's existing facility.

The current physical location will be facing significant demands this decade. In order to expand TRACON's current control room, it needs to be housed in a larger facility. What we are asking is a year to give the FAA ample time to complete this study while the Ted Stevens International Airport is undergoing expansion.

I urge the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 907) was agreed to.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, as far as I can see, we are waiting for Senator SANTORUM, who has a pending amendment, according to the unanimous consent agreement. Then there will be a Finance Committee amendment after the disposition of that amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the Santorum

amendment be withheld at this time. That will leave us with the Harkin amendment, to my understanding.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 921

Mr. HOLLINGS. Mr. President, on behalf of the distinguished Senator from Iowa, Mr. HARKIN, I send the amendment to the desk and ask it be reported.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for Mr. HARKIN, for himself, Mr. INHOFE, and Mr. GRASSLEY, proposes an amendment numbered 921.

Mr. HOLLINGS. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To impose a civil penalty for the closure of an airport without sufficient notice)

At the end of title II, insert the following:
SEC. 217. CIVIL PENALTY FOR CLOSURE OF AN AIRPORT WITHOUT PROVIDING SUFFICIENT NOTICE.

(a) IN GENERAL.—Chapter 463 is amended by adding at the end the following:

“SEC. 46319. CLOSURE OF AN AIRPORT WITHOUT PROVIDING SUFFICIENT NOTICE.

“(a) PROHIBITION.—A public agency (as defined in section 47102) may not close an airport listed in the national plan of integrated airport systems under section 47103 without providing written notice to the Administrator of the Federal Aviation Administration at least 30 days before the date of the closure.

“(b) PUBLICATION OF NOTICE.—The Administrator shall publish each notice received under subsection (a) in the Federal Register.

“(c) CIVIL PENALTY.—A public agency violating subsection (a) shall be liable for a civil penalty of \$10,000 for each day that the airport remains closed without having given the notice required by this section.”.

(b) CONFORMING AMENDMENT.—The analysis for chapter 463 is amended by adding at the end the following:

“46319. Closure of an airport without providing sufficient note.”.

Mr. HOLLINGS. Mr. President, this has to do with the notice, the 60-day notice of the closing of an airport. It has been cleared on both sides. I think.

Mr. HARKIN. Mr. President, I offer an amendment with Senators INHOFE and GRASSLEY that simply requires that an airport on the National Plan of Integrated Airport Systems, (NPIAS), cannot be closed down without giving the FAA 30 days' notice.

That list includes over 3,000 airports including all commercial airports and

many of the airports only used by general aviation, that is nonscheduled private aircraft so important to the efficient operation of businesses across our nation.

Chicago's Meigs Field was included in this integrated system of airports until it was dug up in the middle of the night with no notice on March 30, leaving a number of airplanes trapped at the unusable facility. The city government made a unilateral decision to shut down the airport by bulldozing the landing strips, runway, and taxiways. That action by the city was dangerous and at least one aircraft carrying State employees had to be turned away from the airport since notification that the airport was now closed had not been provided in advance.

I do not dispute that it is within the purview of a local government or other operator evaluate the infrastructure needs of an area and move to close an airport. But, I do believe that they need to give reasonable notice of that intention. I would also note that almost every airport on the NPIAS system has received FAA funding for facilities and equipment.

This provision is not retroactive and would not affect the city of Chicago for the closure of Meigs Field.

I urge adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 921) was agreed to.

AMENDMENT NO. 922

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I propose an amendment on behalf of Mr. GRASSLEY and Mr. BAUCUS and others. I ask for its immediate consideration. I send the amendment to the desk.

The senior assistant bill clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for Mr. GRASSLEY, for himself and Mr. BAUCUS, proposes an amendment numbered 922.

Mr. REID. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To extend the Airport and Airway Trust Fund expenditure authority)

On page 209, after line 13, add the following:

TITLE VII—EXTENSION OF AIRPORT AND AIRWAY TRUST FUND EXPENDITURE AUTHORITY

SEC. 701. EXTENSION OF EXPENDITURE AUTHORITY.

(a) IN GENERAL.—Paragraph (1) of section 9502(d) of the Internal Revenue Code of 1986 (relating to expenditures from Airport and Airway Trust Fund) is amended—

(1) by striking “October 1, 2003” and inserting “October 1, 2006”, and

(2) by inserting before the semicolon at the end of subparagraph (A) the following: “or the Aviation Investment and Revitalization Vision Act”.

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 9502(f) of the Internal Revenue

Code of 1986 is amended by striking “October 1, 2003” and inserting “October 1, 2006”.

Mr. MCCAIN. This is an amendment on behalf of the Finance Committee to make sure all authorizations here are in line with the jurisdiction and proper authorization responsibilities of the Finance Committee. I urge its adoption.

Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 922) was agreed to.

REAGAN NATIONAL AIRPORT

Mr. ALLEN. Mr. President, I rise today to speak to an issue of great importance to the people of the Commonwealth of Virginia, the operations at two airports important to all Senators, and to the issue of local control.

I support the managers' amendment and the legislation before the Senate today. This is an important bill. I was very concerned when this bill passed the Senate Commerce Committee with an amendment that increased the number of flights at Reagan National Airport by 12. Those flights were designated to fly beyond the so-called “perimeter”—a rule that restricts the length of flights at Reagan National to a maximum 1,250 miles.

Through the managers' amendment today, the language increasing flights at Reagan National has been dropped. I appreciate the chairman of the Commerce Committee's willingness to work with me to see that this provision was not included in the final bill on the Senate floor.

I have several very serious concerns about congress increasing the number of flights beyond the perimeter at National Airport, all of which were detailed in a letter I submitted to the majority leader on May 9, 2003.

There is a critical principle at stake here that cannot be overlooked by the Senate. The right of the people of Virginia to decide what is best for their communities without unwarranted Federal intrusion is at stake here. The responsibility for operating the airports at Reagan National and Dulles is up to the local and regional airport authority, not Congress. Yet each time this body considers FAA reauthorization, we must revisit attempts at Federal intrusion on an issue of local control. There is an extremely delicate balance between how Reagan National is designed to operate in conjunction with the international hub at Dulles Airport. Congressional intervention, even in the form of a few more flights, disrupts that balance and creates a slippery slope that undermines this region's ability to determine for itself what is in our own best interests.

I believe that a permanent solution to this continual Federal intrusion into local affairs needs to be found. The Senate and House of Representatives should strengthen the mandate we have already given to the local airport

authority to make decisions on whether to increase flights at Reagan National or not, especially with respect to flying beyond the perimeter.

Mr. HOLLINGS. Will the Senator yield?

Mr. ALLEN. I would be glad to yield to the Senator from South Carolina.

Mr. HOLLINGS. I thank the Senator. As you know, I voted against this amendment when it came before the Senate Commerce Committee. I agree with the Senator from Virginia that we should not change the slot rules at National whatsoever. It is foolhardy and is bad aviation policy. We should not change the rules just because of politics. They have served the local community well, enabling the expansion of Dulles while protecting those that live near the airport. Short hauls leave from National, and long hauls from Dulles. We may not like to drive all the way out to Dulles, but we built, with Federal airport grant moneys, that highway dedicated to access to Dulles. We used the law to plan for growth. We should not change it now at the behest of some. I yield back to the Senator from Virginia.

Mr. ALLEN. I thank the Senator from South Carolina.

Mr. ROCKEFELLER. Will the Senator yield time?

Mr. ALLEN. I yield time to the Senator from West Virginia.

Mr. ROCKEFELLER. I thank the Senator. Mr. President, I also rise in support of the managers' amendment, and particularly for dropping the provision on adding long-haul flights at National Airport. The current aviation system, as it has evolved, is an intricately connected web of hubs, spokes, and direct flights. Some airlines thrive on the hub and spoke network, and some derive the ability to operate by flying directly between communities. However, I want to make clear a point on why it is so important that we maintain this balance between National Airport and Dulles Airport that was maintained by Congress in 1987, when we leased the facilities to the Metropolitan Washington Airports Authority. The slot rules have been in place since 1968 and should not be changed now.

When the Interstate Highway System was developed in the 1950s, many communities located in the path of the new interstates suddenly prospered by being directly connected to the rest of the Nation. Communities that were once sound economic entities, but were left miles from any access to the interstate system suffered, shuttered their doors and many times just barely survived. The same is true in the aviation system. Not every community in this country can maintain an airport. Not every community can enjoy the economic benefits of a hub. But hub economics dictate that feed from small- and medium-sized communities is necessary for them to survive.

National Airport is an important asset for those, like my constituents in

West Virginia, who are trying to reach the capital region. Obviously, however, it can never become an international hub. The airport has only one runway and no ability to expand. National Airport serves a good and valuable purpose. My greatest concern is that by changing National Airport, Congress will hurt this area's ability to serve small- and medium-sized communities on the east coast, including my home State, West Virginia. The slot rule and perimeter rule were put in place at National Airport to maintain its important function while at the same time allowing the DC area to create a major international hub serving both Europe and South America. I would look forward to working with the chairman of the Senate Commerce Committee, the ranking member Senator HOLLINGS and Senators ALLEN and WARNER to find a permanent solution to this issue. I yield back to the Senator from Virginia.

Mr. ALLEN. I thank the Senator from West Virginia and appreciate his support.

Mr. WARNER. Will the Senator yield?

Mr. ALLEN. I yield to the senior Senator from Virginia.

Mr. WARNER. I thank the Senator. Let me just say that I associate myself with the remarks of Senator ALLEN. Three years ago, during debate over this same bill, I stood on the floor of the Senate and fought this battle. I hope that we are not doing this again a few years down the road. I understand that despite the best efforts of counterparts in the House, Congressmen WOLF, DAVIS, MORAN and Delegate NORTON, the House of Representatives has unfortunately approved an FAA reauthorization bill that would increase flights at Reagan National by 12 slots beyond the perimeter and 8 slots within the perimeter. I thank my colleague from Virginia and join him in agreeing to work with the Commerce Committee chairman and ranking member to see that this issue is resolved once and for all at Reagan National Airport. I yield back to my friend from Virginia.

Mr. ALLEN. I appreciate the Senator's comments. In sum, let me just say that this issue is very important to the people of the Commonwealth of Virginia. We have a long and proud tradition of protecting our interests and our ability to govern our own actions. I fought those battles every step of the way in my public life—from my service in the Virginia House of Delegates until now. It is my responsibility as an elected official of the Commonwealth of Virginia to adhere to principles, fight for the will of Virginia, and protect the sovereignty of our people and their rights. I yield back the remainder of my time.

Ms. CANTWELL. Mr. President, I rise this afternoon to strongly support the Aviation Investment and Revitalization Vision Act.

I want to first applaud the tremendous leadership on this bill from my

chairman on the Commerce Committee, Senator MCCAIN, and Senator HOLLINGS, the ranking member.

This legislation reaffirms our Government's critical commitment to a safe, efficient, and state-of-the-art airline system for the 21st century—a commitment that is crucially important to my home State.

The Seattle-Tacoma International Airport is the principal airport for the Northwest region, making it the Nation's 16th largest passenger airport, with over 26.5 million passengers annually on almost 40 different airlines going in and out of the Seattle-Tacoma airport.

Washington State is also the home to the ninth largest airline in the country, Alaska Airlines, which employs over 10,000 people and is one of the few airlines in the country actually posting growth rates over the last few years. In addition, Alaska is nationally recognized for its leadership to incorporate technology into its business model.

As the proud home of Boeing's commercial aviation division, Washington State leads the Nation in large civil aircraft manufacturing.

With Boeing and hundreds of smaller businesses in aerospace and aviation, we have over 75,000 workers designing and manufacturing the present and future of U.S. aircraft industry.

Obviously, a solid, well functioning, state-of-the-art national air traffic system and a strong domestic aircraft manufacturing capability are critical to my State and our Nation.

I am proud to say that this bipartisan legislation takes tremendous steps towards this goal in several ways.

First, this bill increases funding for airport infrastructure investments that will help our Nation's airports make the improvements, upgrades and expansions necessary to meet our Nation's airline demands in the 21st century.

The bill also increases the funding that will be used to upgrade the FAA air traffic control system, to ensure that our traffic controllers are given the resources they need to continue getting planes where they need to go—in the safest and most efficient manner.

In addition, this bill addresses a critical resource need facing our Nation's airports since 9/11 increased security updates. The legislation not only provides \$500 million in funding for security enhancements, but it ensures that this funding is not taken from the airport trust fund money that is already committed to make important structural upgrades and airport improvements.

Last, in what I think is one of the most important contributions of this bill, the legislation includes a dramatic expansion in our Nation's commitment to aviation research and safety.

Mr. President, a renewed commitment to research and development in the aerospace industry is absolutely necessary—and we need it now.

The Final Report of the Commission on the Future of the United States Aerospace Industry argued that current Federal aerospace R&D is “insufficient and unfocused” and recommended in the Federal Government significantly increase its investment in aerospace research to foster an efficient, secure, and safe aerospace transportation system.

We must clearly recognize that if we are not willing to make the commitments to retain leadership in this realm, our allies on the other side of the Atlantic certainly are willing to take our place—in fact, this effort has become European policy.

Indeed, the European Commission has declared in its “STAR-21” report that it is willing to explore “all available means” to ensure the competitiveness of the European aerospace sector—including Airbus.

This support to the European aerospace sector comes in the form of substantial research and development, but also in direct product development grants, concessionary financing, and other direct subsidies.

While we have chosen, as a matter of Government policy, not to pursue such direct subsidies or provide assistance for product development, we have been able to help the research and development effort through a variety of research programs that both of your agencies have pursued.

It is time for the United States to reinforce our Nation’s place as a leader in the aerospace sector—an industry is an absolutely crucial component of our domestic industrial base.

For this reason, I am very proud that this bill includes provisions originally introduced by Senator HOLLINGS, that would establish an Office of Aerospace and Aviation Liaison in the Department of Transportation that will draw upon staff from FAA, NASA, DHS, DOD, DOC, and other appropriate agencies to coordinate Federal research programs, as well as establish goals and priorities for research.

Such an office will be well equipped to meet the challenge of the Aerospace Commission and bring direction and coordination to our Federal support for long-term research and innovation.

In addition, this bill authorizes almost \$3 billion over the next 3 years for FAA and NASA research priorities. This is a dramatic expansion of the research agenda, almost five times more than previously authorized funding—previous authorization was approximately \$600 million over 3 years.

As part of these research provisions, I am particularly proud to have worked with the committee to include funding and authority for future work on the durability and maintainability of advanced materials, such as composites.

These next generation materials have been called the aluminum of the future. Indeed, given their strength, durability, lightweight and unique properties, composites are currently used in most major defense aircraft.

Composites not only make for stronger, safer materials but also lighter and more efficient aircraft.

Already, the Boeing Company has increased its use of composites in the production of the 777 and Airbus is also using composites in its planes. Additionally, Boeing has plans for even greater use in the production of the next generation of commercial airplanes.

In addition to authorizing funds for general research in advanced materials, this legislation would direct the FAA Administrator to establish a “Center for Excellence” that would harness the great engineering research in materials science at path-breaking institutions like the University of Washington, which has taken great strides in pursuing work on how to advance the maintainability and durability of advanced materials and composites in large civilian aircraft.

While we know that these materials hold tremendous potential, we need to be absolutely sure that they are safe and that we have the technologies and processes necessary to maintain the materials and ensure their durability.

Such a center, which I have drafted in partnership with the University of Washington’s Department of Engineering, would address these issues by facilitating close, working collaboration among industry, the FAA’s Transportation Division, and academic institutions, to ensure that research matches the practical manufacturing needs.

This center will advance efforts to capitalize on the potential of this field.

In closing, Mr. President, as a government, we need to step up to the plate to ensure that our aerospace industry remains competitive and capable of leading the world toward the future for aerospace.

This bill takes an important step in affirming our Nation’s leadership in the areas of safety, research, infrastructure, and security, and I am proud to support it.

Mrs. BOXER. Mr. President, I rise today in support of the FAA Authorization Act. However, I must express my serious concerns that two sections in the bill on streamlining, sections 47701 and 47703, may be interpreted in a manner that the committee never intended. The purpose of these sections is to cure delays that have occurred because of interagency wrangling and bureaucratic disputes. These sections call for the relevant agencies to undertake concurrent planning and environmental reviews for critical airport projects in order to ensure that the projects move forward expeditiously. They are not designed to circumvent NEPA and should be so used.

Ms. SNOWE. Mr. President, I rise today in support of the Senate’s Federal Aviation Administration, FAA, reauthorization bill, S. 824, the Aviation Investment and Revitalization Vision Act. Further, I share Senate Commerce Committee Chairman MCCAIN’s and Ranking Member HOLLINGS’ goal of en-

acting this legislation before the end of this fiscal year. If airports are going to plan for the future, Congress must avoid being forced into passing a series of stopgap measures that make such planning difficult.

This legislation addresses the most critical component of FAA reauthorization—how to finance the operation and development of the nearly 3,500 airports eligible for Federal assistance. S. 824 authorizes a total of \$10.5 billion over 3 years for the Airport Improvement Program, AIP, a critical program that funds airport safety and capacity projects, among other programs. Additionally, this bill authorizes \$23.2 billion for FAA operations through fiscal year 2006.

At the same time we address the overall aviation funding challenges, I am pleased that this bill takes on the individual issues that go to the heart of securing commercial aviation against another terrorist attack. Installing Explosives Detection System, EDS, machines into airports is a necessity that we must grapple with and is part of a broader debate on the appropriate level of AIP funding that should go towards security-related projects. During fiscal year 2002, airports used over \$561 million, or 17 percent of all of AIP funds, for security projects—this compared with an annual average of less than 2 percent through fiscal year 2001. As such, it is encouraging that S. 824 creates an annual \$500 million Aviation Security Capital Fund to help airports cope with post-9/11 security requirements like EDS installation. Funding for this capital fund would come out of the security fees currently levied by the Transportation Security Administration, TSA, and not AIP grant funding.

S. 824 would also extend the Government’s authority to issue war-risk insurance through fiscal year 2006, which would save the airlines more than \$800 million annually. The recently enacted fiscal year 2003 Iraq supplemental bill authorized a 1-year extension of the program—through the end of fiscal year 2004—but by extending it through 2006, we can provide a small measure of financial stability to the airlines and not have to keep coming back every 6 months to revisit the issue.

To try to improve FAA management, S. 824 establishes a committee of outside experts to oversee the operation and modernization of the air traffic control system—which has tripled in cost to an estimated \$7.6 billion since 1996. This bill also contains provisions designed to expedite the process for construction of airport capacity and safety projects, by allowing DOT to designate certain airport expansion proposals as National Capacity Projects, which would receive dedicated resources and expedited procedures for environmental reviews. This provision is intended to address the fact that, as the General Accounting Office, GAO, has reported, it takes anywhere between 10 and 14 years for new

runways to be built—and this has an adverse effect on efforts to increase the aviation system's capacity.

As we consider this bill, I want to turn to the issue of small community air service. As we work to address the larger aviation issues, we cannot forget the challenges that small communities in Maine, and throughout the Nation, face in attracting and retaining air service. I have always believed that adequate, reliable air service in our Nation's rural areas is not simply a luxury or a convenience. It is an imperative. And quite frankly, I have serious concerns about the impact deregulation of the airline industry has had on small- and medium-sized cities in rural areas, like Maine. The fact is, since deregulation, many of these communities, in Maine and elsewhere, have experienced a decrease in flights and size of aircraft while seeing an increase in fares. More than 300 have lost air service altogether.

Many air carriers are experiencing an unprecedented financial crisis, and the first routes on the chopping block will be those to small- and medium-sized communities. This will only increase demand for the two existing Federal forms of assistance, Essential Air Service and the Small Community Air Service Grant Program.

Given the challenge faced by small communities in retaining their existing air service, I was pleased that, during our May 1 markup, the Commerce Committee unanimously accepted two amendments I authored to address this issue. The first amendment would create a new Small Community Air Service Ombudsman within DOT. The ombudsman's mission would be to work with carriers and communities to develop air service. This provision is intended to give small communities a seat at the table as DOT crafts national air transportation policy.

The second amendment approved by the committee creates a National Commission on Small Community Air Service. The 9-member commission would report back to Congress after 2 years to describe the problems faced by small communities with regard to access to commercial air service and suggest legislative solutions. I believe that, given the complexity of the issue, having all of the stakeholders sit down and consider what can and can't be done will be extremely helpful as Congress exercises its aviation oversight authority.

I also wanted to address the Essential Air Service, EAS, provisions in the bill. EAS provides subsidized air service to 125 small communities in the country—including 4 in Maine—that would otherwise be cut off from the Nation's air transportation network. As approved by the committee, S. 824 reauthorized and flat-funds the program for 3 years, and includes certain changes to the program, which are drastically scaled back from what the administration proposed earlier this year for EAS "reform." The administration had called for EAS towns to

provide up to 25 percent matching contributions to keep their air service. The committee bill creates a number of new programs to help EAS communities grow their ridership, including a marketing incentive program that would financially reward EAS towns for achieving ridership goals. With regard to local cost-sharing—the centerpiece of the administration's EAS proposal—the Commerce bill would create a pilot program to allow for a 10 percent annual community match at no more than 10 airports within 100 miles of a large airport.

While the cost-sharing provisions in the committee bill are much less strict than the administration proposal, and could only be applied to an EAS community under certain specific conditions, I remain concerned about the concept of requiring EAS towns—some of which are cash strapped and economically depressed—from kicking in hundreds of thousands of dollars annually to keep their air service. For example, if Augusta or Rockland, ME, were to be chosen for the cost-sharing pilot program, they would have to come up with over \$120,000 annually to retain their air service.

As such, I strongly supported Senator BINGAMAN's amendments to strike the cost-sharing section from the bill and am pleased that it has been approved. The EAS program is not perfect, and Congress certainly need to do all we can to keep subsidy levels as low as possible. I look forward to working with members of the Commerce Committee and the Senate on the issue, but I believe that requiring cost sharing in today's aviation environment is clearly a wrong headed approach.

In short, when considering this legislation, I believe that we need do all we can to help small communities maintain their access to the national transportation system during these difficult times.

Mr. President, in conclusion, I am hopeful that my colleagues will join me in taking this step toward strengthening and improving Federal aviation policy today. S. 824 enhances the Federal investment in our Nation's aviation system, and the funding in the bill is critical to the development of America's airports, big and small. Furthermore, quick passage of this 3-year legislation is key to allow airports to plan for the future. As such, I am pleased to support it.

Mr. ROCKEFELLER. Mr. President, I am pleased to join my friend and colleague, the Senator from Arizona, to bring before you S. 824, the Aviation Investment and Revitalization Vision Act, which reauthorizes the Federal Aviation Administration (FAA) and its programs for the next 3 years.

The reauthorization of the FAA is a vitally important piece of legislation that the Senate must pass this year. It is the first real economic stimulus bill that the Senate has considered this year.

I cannot emphasize the importance of a vibrant and strong aviation industry.

It is critical to our Nation's long-term economic growth. It is also vitally important to the economic future of countless small and local communities that are linked to the rest of the nation and world through aviation.

The significance of aviation to our economy cannot be overstated. Over 10 million people are employed directly in the aviation industry. For every job in the aviation industry, 15 related jobs are produced. The aviation industry accounts for over \$800 billion of our gross domestic product.

The growth of the modern aviation system has created vast economic efficiencies such as just in time delivery, allowed the air cargo industry to grow exponentially, and has opened up the world to millions of Americans.

Just as the aviation industry is a catalyst of growth for the national economy, airports are a catalyst of growth for their local communities. Airports create over \$500 billion in economic activity and directly employ 1.9 million people. Almost 2 million people and 38,000 tons of cargo pass through our nation's airports each day. In my State of West Virginia, aviation represents \$3.4 billion of the State's gross domestic product and directly and indirectly employs over 51,000 people.

Aviation also links our Nation's small and rural citizens and communities to the national and world marketplace. My home State of West Virginia has been able to attract firms from Asia and Europe because of reliable access to their West Virginia investments.

Without access to an integrated air transportation network, small communities can not attract the investment necessary to grow or allow home grown businesses to expand. A modern and adequately funded network is fundamental to making sure that all Americans can participate in the economy.

No question exists that since the tragedy of September 11, aviation in this country has been permanently changed.

When the Senate debated the last FAA reauthorization bill, capacity and competition issues were at the forefront of that debate. We have seen a decrease in the demand for air travel, hundreds of thousand of aerospace and aviation employees have lost their jobs and the economic pain has rippled through the economy. We will not have an economic recovery in this country until we have a recovery in the aviation industry.

Even though these issues seem less important today, they will again become serious challenges for the industry. In the drive to expand our aviation infrastructure to meet future needs, the resources for aviation security will also have to increase. More passenger and cargo will add strains to aviation security.

Now is the time to make the investments in air traffic modernization and airport development and research. Aviation security must be ready to

handle the future growth that will occur. We must also continue to develop new aviation security processes and technologies to meet future challenges.

The legislation before us builds upon our commitment to improving the aviation infrastructure of the nation that started with the landmark Aviation Investment and Reform Act for the 21st Century. I believe that this legislation meets the challenges facing the FAA and the aviation industry in the years ahead.

This bill focuses on improving our nation's aviation safety and security, airport and air service development, and aeronautical research. While my distinguished colleague has provided an excellent overview of the bill, I would like to highlight some areas of the bill that I believe are particularly important.

In this bill, we have created a stable stream of funding for security upgrades at our Nation's airports. Not only will these funds allow airports to improve security they will allow airports to improve the efficiency of these security measures.

In addition, the legislation provides for increases in funding for airport safety and capacity projects, which are a true economic stimulus.

I am very proud that the bill expands upon our commitment to making sure small and rural communities have access to air transportation services.

Finally, we have authorized a significant increase in aeronautical and aviation research in order to preserve America's leadership in these industries.

No higher goal exists than the safety and security of the Nation's airports and airspace. Over the past 18 months, we have worked every day to improve security in our airports and on our airplanes. However, until this bill, we have fallen short on providing funding to make sure our Nation's airports have the resources available to make the required improvements.

Airports estimate that they have \$3 billion in unmet security infrastructure needs. The administration's Homeland Security proposal did not include any provisions to address this huge need. Airports have been forced to tap their expansion and development funds to pay for security. It makes no sense to raid funds for safety improvements for security improvements. The security of our Nation is a Federal responsibility and the Federal Government must pay for it.

One of the most important provisions in this bill is the creation of a \$500 million fund, financed by security fees established by the Aviation and Transportation Security Act to assist airports with capital security costs. This new fund will also stop the diversion of airport development funds meant for safety and capacity enhancements. We will be able to pay for new security requirements while simultaneously improving safety and expanding capacity.

Even in these difficult budgetary times, we were able to modestly increase the Airport Improvement Program funding, which will provide the economy a real stimulus through direct and indirect job creation. Airport development is economic development as airports are economic development for their local communities. It is estimated that U.S. Airports are responsible for nearly \$507 billion each year in total economic activity nationwide. Investment in airport infrastructure is a real economic stimulus that creates both immediate jobs and long-term economic development.

In order to facilitate airport development, I am pleased that this bill includes much of the text of the legislation that Senator HUTCHISON and I worked on last Congress to streamline and expedite the airport development process. This country needs to expand its airport infrastructure. Without a substantial increase in this area, aviation delays would increase resulting in billions of dollars of costs to the economy.

Today, we also meet the challenge of making sure our small and rural communities have access to the nation's air transportation network. I am very concerned that air carriers have abandoned small and rural markets disproportionately when reducing their service levels. We cannot let these communities go without adequate and affordable air service—their future depends upon it.

I am enormously pleased that the bill extends and expands the Small Community Air Service Development Program, which I fought for in AIR 21. One hundred forty communities applied for 40 available grants under this initiative. This program has assisted these 40 communities, including Charleston, WV, in attracting new air service. This program has proven an innovative and flexible tool for communities to address air service needs. Under our legislation, another 120 communities will be able to participate.

Many of our most isolated and vulnerable communities whose only service is through the Essential Air Service Program have indicated that they would like to develop innovative and flexible programs similar to those communities who received Small Community Air Service Development grants to improve the quality of their air service.

It is for this reason that I, along with Senator LOTT, developed the Small Community and Rural Air Service Revitalization Act of 2003, which has been included in this legislation. The legislation reauthorizes the Essential Air Service (EAS) program and creates a series of new innovative pilot programs for EAS communities to participate in to stimulate passenger demand for air service in their communities.

Under the bill, communities are given the option on continuing their EAS as is or they may apply to participate in new incentive programs to help

them develop new and innovative solutions to increasing local demand for air service. The EAS Marketing and Community Flexibility Programs would provide communities new resources and tools to implement locally developed plans to improve their air service. By providing communities the ability to design their own service proposals, a community has the ability to develop a plan that meets its locally determined needs, improves air service choices, and gives the community a greater stake in the EAS program.

Small and rural communities are the first to bear the brunt of bad economic times and the last to see the benefits of good times. The general economic downturn and the dire straits of the aviation industry have placed exceptional burdens on air service to our most isolated communities. The Federal Government must provide additional resources and tools for small communities to help themselves attract adequate air service. The Federal Government must make sure that our most vulnerable towns and cities are linked to the rest of the nation. This legislation authorizes the tools and resources necessary to attract air service, related economic development, and most importantly expand their connections to the national and global economy.

This bill meets the challenges facing our aviation system—increasing security, expanding airport safety and capacity, and making sure our smallest communities have access to the network. We can all be proud of this bill.

Finally, I would like to again thank Senator MCCAIN, Senator LOTT, and Senator HOLLINGS for all their hard work and commitment to developing and securing passage of this legislation.

Mr. MCCAIN. Mr. President, I understand we are waiting for the possibility of one other amendment. Other than that, we will be prepared, at the discretion of the leaders, to vote on the second-degree amendment to the Specter amendment, and then we would be prepared to go to final passage.

In anticipation of that, I would like to thank all who have been involved with this legislation, and specifically my dear friend from South Carolina. He and I have worked side by side for many years on many issues that have come before the Commerce Committee. I thank him for his usual extreme courtesy, consideration, and efficiency.

I thank the staff on both sides for their excellent work.

Also, I thank Senators LOTT and ROCKEFELLER who really did the hard labor in bringing this legislation to the floor of the Senate. Senator ROCKEFELLER and Senator LOTT worked assiduously during numerous hearings with a full appreciation and understanding of the impact this legislation has on the United States of America. I thank all of them.

Again, I thank our loyal staff for all the great work they have done.

I look forward to swift passage of this legislation.

I yield the floor.

Mr. HOLLINGS. Mr. President, let me also thank the distinguished chairman of our committee who has led the fight on the floor today. He did a most efficient job.

With respect to, of course, Senator LOTT and Senator ROCKEFELLER of the Subcommittee on Aviation of the Commerce Committee, they are the ones who did the lion's share of the work with the hearings and preparing us so that we could handle this with expedition today.

I thank staff on both sides.

Let me add this for my good friend, the Senator from Mississippi. I happen to favor the Specter amendment for the simple reason that I cannot understand the Federal Aviation Administration requiring rules of safety for repair facilities in the United States but not requiring those same rules of safety for repair facilities by the U.S. contractors for U.S. aircraft. I just can't get that separation in my mind. I have listened closely. I hate to not come down on the side of the Senator from Mississippi because he has been our chairman and has led the way all day here.

I say that publicly because, on the Democratic side of the aisle, there could be those who would favor language and the admonition of the Senator from Mississippi in the perfecting amendment.

Senator BOXER has spoken in behalf of Senator SPECTER's amendment. I happen to favor it. Usually we note at the desk the disposition on this side. I don't want to mislead.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, I ask unanimous consent, with the agreement of both sides, that Senator STEVENS be recognized to offer one final amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alaska.

AMENDMENT NO. 923

Mr. STEVENS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 923.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend section 41703 of title 49, United States Code, to support the United States presence in the global air cargo industry)

At the end of title V, add the following new section:

SEC. 521. UNITED STATES PRESENCE IN GLOBAL AIR CARGO INDUSTRY.

Section 41703 is amended by adding at the end the following new subsection:

“(e) CARGO IN ALASKA.—

“(1) IN GENERAL.—For the purposes of subsection (c), eligible cargo taken on or off any aircraft at a place in Alaska in the course of transportation of that cargo by any combination of 2 or more air carriers or foreign air carriers in either direction between a place in the United States and a place outside the United States shall not be deemed to have broken its international journey in, be taken on in, or be destined for Alaska.

“(2) ELIGIBLE CARGO.—For purposes of paragraph (1), the term ‘eligible cargo’ means cargo transported between Alaska and any other place in the United States on a foreign air carrier (having been transported from, or thereafter being transported to, a place outside the United States on a different air carrier or foreign air carrier) that is carried—

“(A) under the code of a U.S. air carrier providing air transportation to Alaska;

“(B) on an air carrier way bill of U.S. air carrier providing air transportation to Alaska; or

“(C) under a term arrangement or block space agreement with an air carrier.”.

(D) under the code of a U.S. air carrier for purposes of transportation within the U.S.

Mr. STEVENS. Mr. President, this amendment deals with protecting existing jobs and creating new jobs on the ground in Alaska in connection with the airport I am honored to have named after me.

Mr. President, as I say, this amendment is about jobs—protecting existing jobs and creating new jobs on the ground in Alaska.

Anchorage is the top-ranked cargo airport in North America: 600 wide body cargo carriers per week; 19 airlines providing all-cargo main deck freighter service through Anchorage; 9 hours by air from 95 percent of the industrialized world; 3000 miles from Tokyo; 3000 miles from New York city; 4000 miles from London; 4000 miles from Frankfurt; 4400 miles from Hong Kong.

Foreign airlines provide much of this international cargo lift to and from the U.S. through Anchorage. Federal law allows these planes to land in Alaska, creating an enormous number of jobs on the ground.

But Federal law, as currently interpreted, does not allow U.S. carriers to use excess capacity on their foreign partners to move international cargo from Anchorage to the lower 48. The foreign carrier must make the full trip by itself. It is prohibited from transferring cargo to or from a U.S. carrier flying the international leg of the journey.

Anchorage is under attack from foreign cargo hubs seeking to exploit this weakness. Cities such as Tashkent, Kharbarovsk, and Anadyr in Asia and Calgary and Vancouver in Canada are aggressively pursuing the cargo carriers that Anchorage now serves.

We are losing U.S. jobs to foreign countries because of it.

This amendment will reverse that decline.

American carriers, both cargo carriers and passenger carriers, which accept cargo will make use of this amendment in various ways: relocation of sort and transfer operations from Asia back to the United States; enhanced service to U.S., Asian, and European cities; increased opportunities for integrated logistics products sold by U.S. companies; more opportunities to strengthen U.S. carriers through international partnering.

This requires a narrow modification of title 49.

My amendment does not create more flights by foreign carriers. It does not reduce the number of flights flown by U.S. carriers. All cargo moving under this authority must be shipped on a U.S. codeshare or similar arrangement, such as a U.S. waybill.

It preserves and creates American jobs in the increasingly important global air cargo sector.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to amendment No. 923.

The amendment (No. 923) was agreed to.

Mr. REID. I move to reconsider the vote.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MCCAIN. Mr. President, I ask unanimous consent that with regard to the amendment that was proposed on behalf of Senators INOUE and VOINOVICH, that Senator VOINOVICH's name be deleted from that amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the vote on the Lott second-degree amendment take place at 5:45, immediately followed by either a voice vote or recorded vote on the underlying Specter amendment, followed by final passage.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOTE ON AMENDMENT NO. 914

Mr. REID. Mr. President, have the yeas and nays been ordered on the Lott amendment?

The PRESIDING OFFICER. They have.

Mr. REID. I thank the Chair.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Mississippi.

The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from West Virginia (Mr. BYRD), the Senator from North Carolina (Mr. EDWARDS), the Senator from Florida (Mr. GRAHAM), the Senator from Vermont (Mr. JEFFORDS), the Senator from Massachusetts (Mr. KERRY) and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from Massachusetts (Mr. KERRY) would vote "nay".

The PRESIDING OFFICE (Mr. CHAMBLISS). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 42, nays 52, as follows:

[Rollcall Vote No. 224 Leg.]

YEAS—42

Alexander	DeWine	McCain
Allard	Ensign	McConnell
Allen	Enzi	Miller
Bennett	Fitzgerald	Murkowski
Bond	Frist	Nickles
Brownback	Graham (SC)	Roberts
Bunning	Grassley	Shelby
Burns	Gregg	Smith
Chafee	Hagel	Stevens
Chambliss	Hatch	Sununu
Cochran	Inhofe	Talent
Cornyn	Kyl	Thomas
Craig	Lott	Voinovich
Crapo	Lugar	Warner

NAYS—52

Akaka	Dole	Mikulski
Baucus	Domenici	Murray
Bayh	Dorgan	Nelson (FL)
Biden	Durbin	Nelson (NE)
Bingaman	Feingold	Pryor
Boxer	Feinstein	Reed
Breaux	Harkin	Reid
Campbell	Hollings	Rockefeller
Cantwell	Hutchison	Santorum
Carper	Inouye	Sarbanes
Clinton	Johnson	Schumer
Coleman	Kennedy	Sessions
Collins	Kohl	Snowe
Conrad	Landrieu	Specter
Corzine	Lautenberg	Stabenow
Daschle	Leahy	Wyden
Dayton	Levin	
Dodd	Lincoln	

NOT VOTING—6

Byrd	Graham (FL)	Kerry
Edwards	Jeffords	Lieberman

The Amendment (No. 914) was rejected.

Mr. MCCAIN. Mr. President, I ask unanimous consent to vitiate the yeas and nays on the Specter amendment.

The PRESIDING OFFICER (Mr. CHAMBLISS). Without objection, it is so ordered.

The question is on agreeing to the amendment numbered 905.

The amendment (No. 905) was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee substitute, as amended.

The committee substitute, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. Under the previous order, the clerk will report the House companion bill.

The bill clerk read as follows:

A bill (H.R. 2115) to amend Title 49, United States Code, to reauthorize programs for the Federal Aviation Administration, and for other purposes.

The PRESIDING OFFICER. Under the previous order, the text of the Senate measure is inserted in lieu of the House language and the bill is read the third time.

The PRESIDING OFFICER. The majority leader.

Mr. FRIST. Mr. President, the next vote, final passage of the FAA reauthorization, will be the last vote of the evening. We will have a vote tomorrow morning at 10 a.m.

After that 10 a.m. we will not have further votes until Tuesday. No votes on Monday. We will be going to Medicare prescription drugs on Monday. We will come in early afternoon on Monday for opening statements. We will have no votes on Monday. I believe that is pretty much it for the schedule.

Later tonight, after talking to the Democratic leader, if there is any change in the schedule, we will let people know. The next vote is the last of the evening and we will vote at 10 a.m. tomorrow morning.

Mr. HOLLINGS. I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The bill having been read the third time, the question is, Shall the bill pass?

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from West Virginia (Mr. BYRD), the Senator from North Carolina (Mr. EDWARDS), the Senator from Florida (Mr. GRAHAM), the Senator from Vermont (Mr. JEFFORDS), the Senator from Massachusetts (Mr. KERRY), and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from Massachusetts (Mr. KERRY) would vote "yea".

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 94, nays 0, as follows:

[Rollcall Vote No. 225 Leg.]

YEAS—94

Akaka	Coleman	Grassley
Alexander	Collins	Gregg
Allard	Conrad	Hagel
Allen	Cornyn	Harkin
Baucus	Corzine	Hatch
Bayh	Craig	Hollings
Bennett	Crapo	Hutchison
Biden	Daschle	Inhofe
Bingaman	Dayton	Inouye
Bond	DeWine	Johnson
Boxer	Dodd	Kennedy
Breaux	Dole	Kohl
Brownback	Domenici	Kyl
Bunning	Dorgan	Landrieu
Burns	Durbin	Lautenberg
Campbell	Ensign	Leahy
Cantwell	Enzi	Levin
Carper	Feingold	Lincoln
Chafee	Feinstein	Lott
Chambliss	Fitzgerald	Lugar
Clinton	Frist	McCain
Cochran	Graham (SC)	McConnell

Mikulski	Roberts	Stabenow
Miller	Rockefeller	Stevens
Murkowski	Santorum	Sununu
Murray	Sarbanes	Talent
Nelson (FL)	Schumer	Thomas
Nelson (NE)	Sessions	Voinovich
Nickles	Shelby	Warner
Pryor	Smith	Wyden
Reed	Snowe	
Reid	Specter	

NOT VOTING—6

Byrd	Graham (FL)	Kerry
Edwards	Jeffords	Lieberman

The bill (H.R. 2115), as amended, was passed.

(The bill will be printed in a future edition of the RECORD.)

Ms. COLLINS. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senate insists on its amendments and requests a conference with the House.

The Presiding Officer (Mr. CHAMBLISS) appointed Mr. MCCAIN, Mr. STEVENS, Mr. BURNS, Mr. LOTT, Mrs. HUTCHISON, Mr. HOLLINGS, Mr. INOUE, Mr. ROCKEFELLER, and Mr. BREAUX conferees on the part of the Senate.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on today's Executive Calendar:

No. 223 and on the Secretary's Desk, PN443 and PN182.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATION OF JOHN W. WOODCOCK TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF MAINE

Ms. COLLINS. Mr. President, for the information of my colleagues, Executive Item No. 223 is the nomination of John Woodcock to be a District Judge for the District of Maine. I am very pleased to rise tonight to speak on his behalf. Maine's senior Senator, Olympia Snowe, and I are very proud to have recommended John for this prestigious position on the Federal bench.

I have known John Woodcock for many years. John, in fact, recruited me several years ago to serve as a trustee on the board of the Eastern Maine Medical Center, which he has chaired for 23 years. This is typical of John's service to his community. He has devoted countless hours volunteering his time and energy to his alma mater, Bowdoin College; Eastern Maine Charities; the Maine State Commission on Arts and Humanities; the Good Samaritan Agency; and the Bangor Children's Home, to name just a few.

The Woodcock family has a proud tradition of public service that spans generations. In fact, two of John's sons have served as members of my staff.