SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "FAA Modernization and Reform Act of 2012".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

TITLE VIII—MISCELLANEOUS

TITLE IX—FEDERAL AVIATION RESEARCH AND DEVELOPMENT

SEC. 2. AMENDMENTS TO TITLE 49, UNITED STATES CODE.

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. 3. EFFECTIVE DATE.

Except as otherwise expressly provided, this Act and the amendments made by this Act shall take effect on the date of enactment of this Act.

TITLE I—AUTHORIZATIONS

Subtitle A—Funding of FAA Programs

SEC. 101. AIRPORT PLANNING AND DEVELOPMENT AND NOISE COMPATIBILITY PLANNING AND PROGRAMS.

(a) AUTHORIZATION.—Section 48103 is amended to read as follows:

"§ 48103. Airport planning and development and noise compatibility planning and programs

"(a) IN GENERAL.—There shall be available to the Secretary of Transportation out of the Airport and Airway Trust Fund established under section 9502 of the Internal Revenue Code of 1986 to make grants for airport planning and airport development under section 47104, airport noise compatibility planning under section 47505(a)(2), and carrying out noise compatibility programs under section 47504(c) $3,350,000,000 for each of fiscal years 2012 through 2015.

"(b) AVAILABILITY OF AMOUNTS.—Amounts made available under subsection (a) shall remain available until expended.".

(b) OBLIGATIONAL AUTHORITY.—Section 47104(c) is amended in the matter preceding paragraph (1) by striking "After" and all the follows before "the Secretary" and inserting "After September 30, 2015,".

SEC. 102. AIR NAVIGATION FACILITIES AND EQUIPMENT.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 48101(a) is amended by striking paragraphs (1) through (8) and inserting the following:

"(1) $2,731,000,000 for fiscal year 2012.

"(2) $2,715,000,000 for fiscal year 2013.

"(3) $2,730,000,000 for fiscal year 2014.

"(4) $2,730,000,000 for fiscal year 2015.".

(b) SET-ASIDES.—Section 48101 is amended—

(1) by striking subsections (c), (d), (e), (h), and (i); and

(2) by redesignating subsections (f) and (g) as subsections (c) and (d), respectively.

SEC. 103. FAA OPERATIONS.

(a) IN GENERAL.—Section 106(k)(1) is amended by striking subparagraphs (A) through (H) and inserting the following:

"(A) $9,653,000,000 for fiscal year 2012;

"(B) $9,539,000,000 for fiscal year 2013;

"(C) $9,596,000,000 for fiscal year 2014; and

"(D) $9,653,000,000 for fiscal year 2015.".

(b) AUTHORIZED EXPENDITURES.—Section 106(k)(2) is amended—

(1) by striking subparagraphs (A), (B), (C), and (D);

(2) by redesignating subparagraphs (E), (F), and (G) as subparagraphs (A), (B), and (C), respectively; and

(3) in subparagraphs (A), (B), and (C) (as so redesignated) by striking "2004 through 2007" and inserting "2012 through 2015".

(c) AUTHORITY TO TRANSFER FUNDS.—Section 106(k) is amended by adding at the end the following:

"(3) ADMINISTERING PROGRAM WITHIN AVAILABLE FUNDING.—Notwithstanding any other provision of law, in each of fiscal years 2012 through 2015, if the Secretary determines that the funds appropriated under paragraph (1) are insufficient to meet the salary, operations, and maintenance expenses of the Federal Aviation Administration, as authorized by this section, the Secretary shall reduce nonsafety-related activities of the Administration as necessary to reduce such expenses to a level that can be met by the funding available under paragraph (1).''.

SEC. 104. FUNDING FOR AVIATION PROGRAMS.

(a) AIRPORT AND AIRWAY TRUST FUND GUARANTEE.—Section 48114(a)(1)(A) is amended to read as follows:

''(A) IN GENERAL.—The total budget resources made available from the Airport and Airway Trust Fund each fiscal year pursuant to sections 48101, 48102, 48103, and 106(k) shall—

''(i) in fiscal year 2013, be equal to 90 percent of the estimated level of receipts plus interest credited to the Airport and Airway Trust Fund for that fiscal year; and

''(ii) in fiscal year 2014 and each fiscal year thereafter, be equal to the sum of—

''(I) 90 percent of the estimated level of receipts plus interest credited to the Airport and Airway Trust Fund for that fiscal year; and

"(II) the actual level of receipts plus interest credited to the Airport and Airway Trust Fund for the second preceding fiscal year minus the total amount made available for obligation from the Airport and Airway Trust Fund for the second preceding fiscal year.

Such amounts may be used only for the aviation investment programs listed in subsection (b)(1).".

(b) TECHNICAL CORRECTION.—Section 48114(a)(1)(B) is amended by striking "subsection (b)" and inserting "subsection (b)(1)".

(c) ADDITIONAL AUTHORIZATIONS OF APPROPRIATIONS FROM THE GENERAL FUND.—Section 48114(a)(2) is amended by striking "2007" and inserting "2015".

(d) ESTIMATED LEVEL OF RECEIPTS PLUS INTEREST DEFINED.—Section 48114(b)(2) is amended—

(1) in the paragraph heading by striking "LEVEL" and inserting "ESTIMATED LEVEL"; and

(2) by striking "level of receipts plus interest" and inserting "estimated level of receipts plus interest".

(e) ENFORCEMENT OF GUARANTEES.—Section 48114(c)(2) is amended by striking "2007" and inserting "2015".

SEC. 105. DELINEATION OF NEXT GENERATION AIR TRANSPORTATION SYSTEM PROJECTS.

Section 44501(b) is amended—

(1) in paragraph (3) by striking "and" after the semicolon;

(2) in paragraph (4)(B) by striking "defense." and inserting "defense; and"; and

(3) by adding at the end the following:

"(5) a list of capital projects that are part of the Next Generation Air Transportation System and funded by amounts appropriated under section 48101(a).".

Subtitle B—Passenger Facility Charges

SEC. 111. PASSENGER FACILITY CHARGES.

(a) PFC DEFINED.—Section 40117(a)(5) is amended to read as follows:

"(5) PASSENGER FACILITY CHARGE.—The term 'passenger facility charge' means a charge or fee imposed under this section.".

(b) PILOT PROGRAM FOR PFC AUTHORIZATIONS AT NONHUB AIRPORTS.—Section 40117(l) is amended—

(1) by striking paragraph (7); and

(2) by redesignating paragraph (8) as paragraph (7).

(c) CORRECTION OF REFERENCES.—

(1) SECTION 40117.—Section 40117 is amended—

(A) in the section heading by striking "**fees**" and inserting "**charges**";

(B) in the heading for subsection (e) by striking "FEES" and inserting "CHARGES";

(C) in the heading for subsection (l) by striking "FEE" and inserting "CHARGE";

(D) in the heading for paragraph (5) of subsection (l) by striking "FEE" and inserting "CHARGE";

(E) in the heading for subsection (m) by striking "FEES" and inserting "CHARGES";

(F) in the heading for paragraph (1) of subsection (m) by striking "FEES" and inserting "CHARGES";

(G) by striking "fee" each place it appears (other than the second sentence of subsection (g)(4)) and inserting "charge"; and

(H) by striking "fees" each place it appears and inserting "charges".

(2) OTHER REFERENCES.—

(A) Subtitle VII is amended by striking "fee" and inserting "charge" each place it appears in each of the following sections:

(i) Section 47106(f)(1).

(ii) Section 47110(e)(5).

(iii) Section 47114(f).

(iv) Section 47134(g)(1).

(v) Section 47139(b).

(vi) Section 47521.

(vii) Section 47524(e).

(viii) Section 47526(2).

(B) Section 47521(5) is amended by striking "fees" and inserting "charges".

(3) CLERICAL AMENDMENT.—The analysis for chapter 401 is amended by striking the item relating to section 40117 and inserting the following:

"40117. Passenger facility charges.".

SEC. 112. GAO STUDY OF ALTERNATIVE MEANS OF COLLECTING PFCS.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of alternative means of collecting passenger facility charges imposed under section 40117 of title 49, United States Code, that would permit such charges to be collected without being included in the ticket price. In conducting the study, the Comptroller General shall consider, at a minimum—

(1) collection options for arriving, connecting, and departing passengers at airports;

(2) cost sharing or allocation methods based on passenger travel to address connecting traffic; and

(3) examples of airport charges collected by domestic and international airports that are not included in ticket prices.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the study, including the Comptroller General's findings, conclusions, and recommendations.

SEC. 113. QUALIFICATIONS-BASED SELECTION.

It is the sense of Congress that airports should consider the use of qualifications-based selection in carrying out capital improvement projects funded using passenger facility charges collected under section 40117 of title 49, United States Code, with the goal of serving the needs of all stakeholders.

Subtitle C—Fees for FAA Services

SEC. 121. UPDATE ON OVERFLIGHTS.

(a) ESTABLISHMENT AND ADJUSTMENT OF FEES.—Section 45301(b) is amended to read as follows:

"(b) ESTABLISHMENT AND ADJUSTMENT OF FEES.—

"(1) IN GENERAL.—In establishing and adjusting fees under this section, the Administrator shall ensure that the fees are reasonably related to the Administration's costs, as determined by the Administrator, of providing the services rendered.

"(2) SERVICES FOR WHICH COSTS MAY BE RECOVERED.—Services for which costs may be recovered under this section include the costs of air traffic control, navigation, weather services, training, and emergency services that are available to facilitate safe transportation over the United States and the costs of other services provided by the Administrator, or by programs financed by the Administrator, to flights that neither take off nor land in the United States.

"(3) LIMITATIONS ON JUDICIAL REVIEW.—Notwithstanding section 702 of title 5 or any other provision of law, the following actions and other matters shall not be subject to judicial review:

"(A) The establishment or adjustment of a fee by the Administrator under this section.

"(B) The validity of a determination of costs by the Administrator under paragraph (1), and the processes and procedures applied by the Administrator when reaching such determination.

"(C) An allocation of costs by the Administrator under paragraph (1) to services provided, and the processes and procedures applied by the Administrator when establishing such allocation.

"(4) AIRCRAFT ALTITUDE.—Nothing in this section shall require the Administrator to take into account aircraft altitude in establishing any fee for aircraft operations in en route or oceanic airspace.

"(5) COSTS DEFINED.—In this subsection, the term 'costs' includes operation and maintenance costs, leasing costs, and overhead expenses associated with the services provided and the facilities and equipment used in providing such services.".

(b) ADJUSTMENT OF FEES.—Section 45301 is amended by adding at the end the following:

"(e) ADJUSTMENT OF FEES.—In addition to adjustments under subsection (b), the Administrator may periodically adjust the fees established under this section.".

SEC. 122. REGISTRATION FEES.

(a) IN GENERAL.—Chapter 453 is amended by adding at the end the following:

"§ 45305. Registration, certification, and related fees

"(a) GENERAL AUTHORITY AND FEES.—Subject to subsection (b), the Administrator of the Federal Aviation Administration shall establish and collect a fee for each of the following services and activities of the Administration that does not exceed the estimated costs of the service or activity:

"(1) Registering an aircraft.

"(2) Reregistering, replacing, or renewing an aircraft registration certificate.

"(3) Issuing an original dealer's aircraft registration certificate.

"(4) Issuing an additional dealer's aircraft registration certificate (other than the original).

"(5) Issuing a special registration number.

"(6) Issuing a renewal of a special registration number reservation.

"(7) Recording a security interest in an aircraft or aircraft part.

"(8) Issuing an airman certificate.

"(9) Issuing a replacement airman certificate.

"(10) Issuing an airman medical certificate.

"(11) Providing a legal opinion pertaining to aircraft registration or recordation.

"(b) LIMITATION ON COLLECTION.—No fee may be collected under this section unless the expenditure of the fee to pay the costs of activities and services for which the fee is imposed is provided for in advance in an appropriations Act.

"(c) FEES CREDITED AS OFFSETTING COLLECTIONS.—

"(1) IN GENERAL.—Notwithstanding section 3302 of title 31, any fee authorized to be collected under this section shall—

"(A) be credited as offsetting collections to the account that finances the activities and services for which the fee is imposed;

"(B) be available for expenditure only to pay the costs of activities and services for which the fee is imposed, including all costs associated with collecting the fee; and

"(C) remain available until expended.

"(2) CONTINUING APPROPRIATIONS.—The Administrator may continue to assess, collect, and spend fees established under this section during any period in which the funding for the Federal Aviation Administration is provided under an Act providing continuing appropriations in lieu of the Administration's regular appropriations.

"(3) ADJUSTMENTS.—The Administrator shall adjust a fee established under subsection (a) for a service or activity if the Administrator determines that the actual cost of the service or activity is higher or lower than was indicated by the cost data used to establish such fee.".

(b) CLERICAL AMENDMENT.—The analysis for chapter 453 is amended by adding at the end the following:

"45305. Registration, certification, and related fees.".

(c) FEES INVOLVING AIRCRAFT NOT PROVIDING AIR TRANSPORTATION.—Section 45302(e) is amended—

(1) by striking "A fee" and inserting the following:

"(1) IN GENERAL.—A fee"; and

(2) by adding at the end the following:

"(2) EFFECT OF IMPOSITION OF OTHER FEES.—A fee may not be imposed for a service or activity under this section during any period in which a fee for the same service or activity is imposed under section 45305.".

Subtitle D—Airport Improvement Program Modifications

SEC. 131. AIRPORT MASTER PLANS.

Section 47101(g)(2) is amended—

(1) in subparagraph (B) by striking "and" at the end;

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

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

"(C) consider passenger convenience, airport ground access, and access to airport facilities; and".

SEC. 132. AIP DEFINITIONS.

(a) AIRPORT DEVELOPMENT.—Section 47102(3) is amended—

(1) in subparagraph (B)(iv) by striking "20" and inserting "9";

(2) in subparagraph (G) by inserting "and including acquiring glycol recovery vehicles," after "aircraft,"; and

(3) by adding at the end the following:

"(M) construction of mobile refueler parking within a fuel farm at a nonprimary airport meeting the requirements of section 112.8 of title 40, Code of Federal Regulations.

"(N) terminal development under section 47119(a).

"(O) acquiring and installing facilities and equipment to provide air conditioning, heating, or electric power from terminal-based, nonexclusive use facilities to aircraft parked at a public use airport for the purpose of reducing energy use or harmful emissions as compared to the provision of such air conditioning, heating, or electric power from aircraft-based systems.".

(b) AIRPORT PLANNING.—Section 47102(5) is amended to read as follows:

"(5) 'airport planning' means planning as defined by regulations the Secretary prescribes and includes—

"(A) integrated airport system planning;

"(B) developing an environmental management system; and

"(C) developing a plan for recycling and minimizing the generation of airport solid waste, consistent with applicable State and local recycling laws, including the cost of a waste audit.".

(c) GENERAL AVIATION AIRPORT.—Section 47102 is amended—

(1) by redesignating paragraphs (23) through (25) as paragraphs (25) through (27), respectively;

(2) by redesignating paragraphs (8) through (22) as paragraphs (9) through (23), respectively; and

(3) by inserting after paragraph (7) the following:

"(8) 'general aviation airport' means a public airport that is located in a State and that, as determined by the Secretary—

"(A) does not have scheduled service; or

"(B) has scheduled service with less than 2,500 passenger boardings each year.".

(d) REVENUE PRODUCING AERONAUTICAL SUPPORT FACILITIES.—Section 47102 is amended by inserting after paragraph (23) (as redesignated by subsection (c)(2) of this section) the following:

"(24) 'revenue producing aeronautical support facilities' means fuel farms, hangar buildings, self-service credit card aeronautical fueling systems, airplane wash racks, major rehabilitation of a hangar owned by a sponsor, or other aeronautical support facilities that the Secretary determines will increase the revenue producing ability of the airport.''.

(e) TERMINAL DEVELOPMENT.—Section 47102 (as amended by subsection (c) of this section) is further amended by adding at the end the following:

"(28) 'terminal development' means—

"(A) development of—

"(i) an airport passenger terminal building, including terminal gates;

"(ii) access roads servicing exclusively airport traffic that leads directly to or from an airport passenger terminal building; and

"(iii) walkways that lead directly to or from an airport passenger terminal building; and

"(B) the cost of a vehicle described in section 47119(a)(1)(B).''.

SEC. 133. RECYCLING PLANS FOR AIRPORTS.

Section 47106(a) is amended—

(1) in paragraph (4) by striking "and" at the end;

(2) in paragraph (5) by striking "proposed." and inserting "proposed; and"; and

(3) by adding at the end the following:

"(6) if the project is for an airport that has an airport master plan, the master plan addresses issues relating to solid waste recycling at the airport, including—

"(A) the feasibility of solid waste recycling at the airport;

"(B) minimizing the generation of solid waste at the airport;

"(C) operation and maintenance requirements;

"(D) the review of waste management contracts; and

"(E) the potential for cost savings or the generation of revenue.".

SEC. 134. CONTENTS OF COMPETITION PLANS.

Section 47106(f)(2) is amended—

(1) by striking "patterns of air service,";

(2) by inserting "and" before "whether"; and

(3) by striking ", and airfare levels" and all that follows before the period.

SEC. 135. GRANT ASSURANCES.

(a) GENERAL WRITTEN ASSURANCES.—Section 47107(a)(16)(D)(ii) is amended by inserting before the semicolon at the end the following: ", except in the case of a relocation or replacement of an existing airport facility that meets the conditions of section 47110(d)''.

(b) WRITTEN ASSURANCES ON ACQUIRING LAND.—

(1) USE OF PROCEEDS.—Section 47107(c)(2) is amended—

(A) in subparagraph (A)—

(i) in the matter preceding clause (i) by striking ''purpose—'' and inserting ''purpose (including land serving as a noise buffer either by being undeveloped or developed in a way that is compatible with using the land for noise buffering purposes)—'';

(ii) in clause (iii) by striking ''paid to the Secretary'' and all that follows before the semicolon and inserting ''reinvested in another project at the airport or transferred to another airport as the Secretary prescribes under paragraph (4)''; and

(B) in subparagraph (B)(iii) by striking ''reinvested, on application'' and all that follows before the period at the end and inserting ''reinvested in another project at the airport or transferred to another airport as the Secretary prescribes under paragraph (4)''.

(2) ELIGIBLE PROJECTS.—Section 47107(c) is amended by adding at the end the following:

"(4) In approving the reinvestment or transfer of proceeds under paragraph (2)(A)(iii) or (2)(B)(iii), the Secretary shall give preference, in descending order, to the following actions:

"(A) Reinvestment in an approved noise compatibility project.

"(B) Reinvestment in an approved project that is eligible for funding under section 47117(e).

"(C) Reinvestment in an approved airport development project that is eligible for funding under section 47114, 47115, or 47117.

"(D) Transfer to a sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport.

"(E) Payment to the Secretary for deposit in the Airport and Airway Trust Fund established under section 9502 of the Internal Revenue Code of 1986.

"(5)(A) A lease at fair market value by an airport owner or operator of land acquired for a noise compatibility purpose using a grant provided under this subchapter shall not be considered a disposal for purposes of paragraph (2).

"(B) The airport owner or operator may use revenues from a lease described in subparagraph (A) for an approved airport development project that is eligible for funding under section 47114, 47115, or 47117.

"(C) The Secretary shall coordinate with each airport owner or operator to ensure that leases described in subparagraph (A) are consistent with noise buffering purposes.

"(D) The provisions of this paragraph apply to all land acquired before, on, or after the date of enactment of this paragraph.".

SEC. 136. AGREEMENTS GRANTING THROUGH-THE-FENCE ACCESS TO GENERAL AVIATION AIRPORTS.

(a) IN GENERAL.—Section 47107 is amended by adding at the end the following:

"(t) AGREEMENTS GRANTING THROUGH-THE-FENCE ACCESS TO GENERAL AVIATION AIRPORTS.—

"(1) IN GENERAL.—Subject to paragraph (2), a sponsor of a general aviation airport shall not be considered to be in violation of this subtitle, or to be in violation of a grant assurance made under this section or under any other provision of law as a condition for the receipt of Federal financial assistance for airport development, solely because the sponsor enters into an agreement that grants to a person that owns residential real property adjacent to or near the airport access to the airfield of the airport for the following:

"(A) Aircraft of the person.

"(B) Aircraft authorized by the person.

"(2) THROUGH-THE-FENCE AGREEMENTS.—

"(A) IN GENERAL.—An agreement described in paragraph (1) between an airport sponsor and a property owner (or an association representing such property owner) shall be a written agreement that prescribes the rights, responsibilities, charges, duration, and other terms the airport sponsor determines are necessary to establish and manage the airport sponsor's relationship with the property owner.

"(B) TERMS AND CONDITIONS.—An agreement described in paragraph (1) between an airport sponsor and a property owner (or an association representing such property owner) shall require the property owner, at minimum—

"(i) to pay airport access charges that, as determined by the airport sponsor, are comparable to those charged to tenants and operators on-airport making similar use of the airport;

"(ii) to bear the cost of building and maintaining the infrastructure that, as determined by the airport sponsor, is necessary to provide aircraft located on the property adjacent to or near the airport access to the airfield of the airport;

"(iii) to maintain the property for residential, noncommercial use for the duration of the agreement;

"(iv) to prohibit access to the airport from other properties through the property of the property owner; and

"(v) to prohibit any aircraft refueling from occurring on the property.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply to an agreement between an airport sponsor and a property owner (or an association representing such property owner) entered into before, on, or after the date of enactment of this Act.

SEC. 137. GOVERNMENT SHARE OF PROJECT COSTS.

Section 47109 is amended—

(1) in subsection (a) by striking "provided in subsection (b) or subsection (c) of this section" and inserting "otherwise provided in this section"; and

(2) by adding at the end the following:

"(e) SPECIAL RULE FOR TRANSITION FROM SMALL HUB TO MEDIUM HUB STATUS.—If the status of a small hub airport changes to a medium hub airport, the Government's share of allowable project costs for the airport may not exceed 90 percent for the first 2 fiscal years after such change in hub status.

"(f) SPECIAL RULE FOR ECONOMICALLY DISTRESSED COMMUNITIES.—The Government's share of allowable project costs shall be 95 percent for a project at an airport that—

"(1) is receiving essential air service for which compensation was provided to an air carrier under subchapter II of chapter 417; and

"(2) is located in an area that meets one or more of the criteria established in section 301(a) of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3161(a)), as determined by the Secretary of Commerce.".

SEC. 138. ALLOWABLE PROJECT COSTS.

(a) ALLOWABLE PROJECT COSTS.—Section 47110(b)(2)(D) is amended to read as follows:

"(D) if the cost is for airport development and is incurred before execution of the grant agreement, but in the same fiscal year as execution of the grant agreement, and if—

"(i) the cost was incurred before execution of the grant agreement because the airport has a shortened construction season due to climactic conditions in the vicinity of the airport;

"(ii) the cost is in accordance with an airport layout plan approved by the Secretary and with all statutory and administrative requirements that would have been applicable to the project if the project had been carried out after execution of the grant agreement, including submission of a complete grant application to the appropriate regional or district office of the Federal Aviation Administration;

"(iii) the sponsor notifies the Secretary before authorizing work to commence on the project;

"(iv) the sponsor has an alternative funding source available to fund the project; and

"(v) the sponsor's decision to proceed with the project in advance of execution of the grant agreement does not affect the priority assigned to the project by the Secretary for the allocation of discretionary funds;".

(b) INCLUSION OF MEASURES TO IMPROVE EFFICIENCY OF AIRPORT BUILDINGS IN AIRPORT IMPROVEMENT PROJECTS.—Section 47110(b) is amended—

(1) in paragraph (5) by striking "; and" and inserting a semicolon;

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

(3) by adding at the end the following:

"(7) if the cost is incurred on a measure to improve the efficiency of an airport building (such as a measure designed to meet one or more of the criteria for being considered a high-performance green building as set forth under section 401(13) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17061(13))) and—

"(A) the measure is for a project for airport development;

"(B) the measure is for an airport building that is otherwise eligible for construction assistance under this subchapter; and

"(C) if the measure results in an increase in initial project costs, the increase is justified by expected savings over the life cycle of the project.".

(c) RELOCATION OF AIRPORT-OWNED FACILITIES.—Section 47110(d) is amended to read as follows:

"(d) RELOCATION OF AIRPORT-OWNED FACILITIES.—The Secretary may determine that the costs of relocating or replacing an airport-owned facility are allowable for an airport development project at an airport only if—

"(1) the Government's share of such costs will be paid with funds apportioned to the airport sponsor under section 47114(c)(1) or 47114(d);

"(2) the Secretary determines that the relocation or replacement is required due to a change in the Secretary's design standards; and

"(3) the Secretary determines that the change is beyond the control of the airport sponsor.".

(d) NONPRIMARY AIRPORTS.—Section 47110(h) is amended—

(1) by inserting "construction" before "costs of revenue producing"; and

(2) by striking ", including fuel farms and hangars,".

(e) BIRD-DETECTING RADAR SYSTEMS.—Section 47110 is amended by adding at the end the following:

"(i) BIRD-DETECTING RADAR SYSTEMS.—The Administrator of the Federal Aviation Administration, upon the conclusion of all planned research by the Administration regarding avian radar systems, shall—

"(1) update Advisory Circular No. 150/5220–25 to specify which systems have been studied; and

"(2) within 180 days after such research is concluded, issue a final report on the use of avian radar systems in the national airspace system.".

SEC. 139. VETERANS' PREFERENCE.

Section 47112(c) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B) by striking "separated from" and inserting "discharged or released from active duty in"; and

(B) by adding at the end the following:

"(C) 'Afghanistan-Iraq war veteran' means an individual who served on active duty (as defined in section 101 of title 38) in the armed forces in support of Operation Enduring Freedom, Operation Iraqi Freedom, or Operation New Dawn for more than 180 consecutive days, any part of which occurred after September 11, 2001, and before the date prescribed by presidential proclamation or by law as the last day of Operation Enduring Freedom, Operation Iraqi Freedom, or Operation New Dawn (whichever is later), and who was discharged or released from active duty in the armed forces under honorable conditions.

"(D) 'Persian Gulf veteran' means an individual who served on active duty in the armed forces in the Southwest Asia theater of operations during the Persian Gulf War for more than 180 consecutive days, any part of which occurred after August 2, 1990, and before the date prescribed by presidential proclamation or by law, and who was discharged or released from active duty in the armed forces under honorable conditions."; and

(2) in paragraph (2) by striking "Vietnam-era veterans and disabled veterans" and inserting "Vietnam-era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns (as defined in section 3 of the Small Business Act (15 U.S.C. 632)) owned and controlled by disabled veterans".

SEC. 140. MINORITY AND DISADVANTAGED BUSINESS PARTICIPATION.

(a) FINDINGS.—Congress finds the following:

(1) While significant progress has occurred due to the establishment of the airport disadvantaged business enterprise program (49 U.S.C. 47107(e) and 47113), discrimination and related barriers con-

tinue to pose significant obstacles for minority- and women-owned businesses seeking to do business in airport-related markets across the Nation. These continuing barriers merit the continuation of the airport disadvantaged business enterprise program.

(2) Congress has received and reviewed testimony and documentation of race and gender discrimination from numerous sources, including congressional hearings and roundtables, scientific reports, reports issued by public and private agencies, news stories, reports of discrimination by organizations and individuals, and discrimination lawsuits. This testimony and documentation shows that race- and gender-neutral efforts alone are insufficient to address the problem.

(3) This testimony and documentation demonstrates that discrimination across the Nation poses a barrier to full and fair participation in airport-related businesses of women business owners and minority business owners in the racial groups detailed in parts 23 and 26 of title 49, Code of Federal Regulations, and has impacted firm development and many aspects of airport-related business in the public and private markets.

(4) This testimony and documentation provides a strong basis that there is a compelling need for the continuation of the airport disadvantaged business enterprise program and the airport concessions disadvantaged business enterprise program to address race and gender discrimination in airport-related business.

(b) STANDARDIZING CERTIFICATION OF DISADVANTAGED BUSINESS ENTERPRISES.—Section 47113 is amended by adding at the end the following:

"(e) MANDATORY TRAINING PROGRAM.—

"(1) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, the Secretary shall establish a mandatory training program for persons described in paragraph (3) to provide streamlined training on certifying whether a small business concern qualifies as a small business concern owned and controlled by socially and economically disadvantaged individuals under this section and section 47107(e).

"(2) IMPLEMENTATION.—The training program may be implemented by one or more private entities approved by the Secretary.

"(3) PARTICIPANTS.—A person referred to in paragraph (1) is an official or agent of an airport sponsor—

"(A) who is required to provide a written assurance under this section or section 47107(e) that the airport owner or operator will meet the percentage goal of subsection (b) of this section or section 47107(e)(1), as the case may be; or

"(B) who is responsible for determining whether or not a small business concern qualifies as a small business concern owned and controlled by socially and economically disadvantaged individuals under this section or section 47107(e).".

(c) INSPECTOR GENERAL REPORT ON PARTICIPATION IN FAA PROGRAMS BY DISADVANTAGED SMALL BUSINESS CONCERNS.—

(1) IN GENERAL.—For each of fiscal years 2013 through 2015, the Inspector General of the Department of Transportation shall submit to Congress a report on the number of new small business concerns owned and controlled by socially and economically disadvantaged individuals, including those owned by veterans, that participated in the pro-

grams and activities funded using the amounts made available under this Act.

(2) NEW SMALL BUSINESS CONCERNS.—For purposes of subsection (a), a new small business concern is a small business concern that did not participate in the programs and activities described in subsection (a) in a previous fiscal year.

(3) CONTENTS.—The report shall include—

(A) a list of the top 25 and bottom 25 large and medium hub airports in terms of providing opportunities for small business concerns owned and controlled by socially and economically disadvantaged individuals to participate in the programs and activities funded using the amounts made available under this Act;

(B) the results of an assessment, to be conducted by the Inspector General, on the reasons why the top airports have been successful in providing such opportunities; and

(C) recommendations to the Administrator of the Federal Aviation Administration and Congress on methods for other airports to achieve results similar to those of the top airports.

SEC. 141. SPECIAL APPORTIONMENT RULES.

(a) ELIGIBILITY TO RECEIVE PRIMARY AIRPORT MINIMUM APPORTIONMENT AMOUNT.—Section 47114(d) is amended by adding at the end the following:

"(7) ELIGIBILITY TO RECEIVE PRIMARY AIRPORT MINIMUM APPORTIONMENT AMOUNT.—Notwithstanding any other provision of this subsection, the Secretary may apportion to an airport sponsor in a fiscal year an amount equal to the minimum apportionment available under subsection (c)(1)(B) if the Secretary finds that the airport—

"(A) received scheduled or unscheduled air service from a large certificated air carrier (as defined in part 241 of title 14, Code of Federal Regulations, or such other regulations as may be issued by the Secretary under the authority of section 41709) in the calendar year used to calculate the apportionment; and

"(B) had more than 10,000 passenger boardings in the calendar year used to calculate the apportionment.".

(b) SPECIAL RULE FOR FISCAL YEARS 2012 AND 2013.—Section 47114(c)(1) is amended—

(1) by striking subparagraphs (F) and (G); and

(2) by inserting after subparagraph (E) the following:

"(F) SPECIAL RULE FOR FISCAL YEARS 2012 AND 2013.—Notwithstanding subparagraph (A), for an airport that had more than 10,000 passenger boardings and scheduled passenger aircraft service in calendar year 2007, but in either calendar year 2009 or 2010, or in both years, the number of passenger boardings decreased to a level below 10,000 boardings per year at such airport, the Secretary may apportion in each of fiscal years 2012 and 2013 to the sponsor of such airport an amount equal to the amount apportioned to that sponsor in fiscal year 2009.".

SEC. 142. UNITED STATES TERRITORIES MINIMUM GUARANTEE.

Section 47114 is amended by adding at the end the following:

"(g) SUPPLEMENTAL APPORTIONMENT FOR PUERTO RICO AND UNITED STATES TERRITORIES.—The Secretary shall apportion amounts for airports in Puerto Rico and all other United States territories in accordance with this section. This subsection does not prohibit the Secretary from making project grants for airports in Puerto Rico or other United States territories from the discretionary fund under section 47115.".

SEC. 143. REDUCING APPORTIONMENTS.

Section 47114(f)(1) is amended by striking subparagraphs (A) and (B) and inserting the following:

"(A) in the case of a charge of $3.00 or less—

"(i) except as provided in clause (ii), 50 percent of the projected revenues from the charge in the fiscal year but not by more than 50 percent of the amount that otherwise would be apportioned under this section; or

"(ii) with respect to an airport in Hawaii, 50 percent of the projected revenues from the charge in the fiscal year but not by more than 50 percent of the excess of—

"(I) the amount that otherwise would be apportioned under this section; over

"(II) the amount equal to the amount specified in subclause (I) multiplied by the percentage of the total passenger boardings at the applicable airport that are comprised of inter-island passengers; and

"(B) in the case of a charge of more than $3.00—

"(i) except as provided in clause (ii), 75 percent of the projected revenues from the charge in the fiscal year but not by more than 75 percent of the amount that otherwise would be apportioned under this section; or

"(ii) with respect to an airport in Hawaii, 75 percent of the projected revenues from the charge in the fiscal year but not by more than 75 percent of the excess of—

"(I) the amount that otherwise would be apportioned under this section; over

"(II) the amount equal to the amount specified in subclause (I) multiplied by the percentage of the total passenger boardings at the applicable airport that are comprised of interisland passengers.".

SEC. 144. MARSHALL ISLANDS, MICRONESIA, AND PALAU.

Section 47115(j) is amended by striking "For fiscal years" and all that follows before "the sponsors" and inserting "For fiscal years 2012 through 2015,".

SEC. 145. USE OF APPORTIONED AMOUNTS.

Section 47117(e)(1)(A) is amended—

(1) by striking "35 percent" in the first sentence and inserting "35 percent, but not more than $300,000,000,";

(2) by striking "and" after "47141,";

(3) by striking "et seq.)." and inserting "et seq.), and for water quality mitigation projects to comply with the Act of June 30, 1948 (33 U.S.C. 1251 et seq.), approved in an environmental record of decision for an airport development project under this title."; and

(4) by striking "such 35 percent requirement is" in the second sentence and inserting "the requirements of the preceding sentence are".

SEC. 146. DESIGNATING CURRENT AND FORMER MILITARY AIRPORTS.

(a) CONSIDERATIONS.—Section 47118(c) is amended—

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

(2) in paragraph (2) by striking "delays." and inserting "delays; or"; and

(3) by adding at the end the following:

"(3) preserve or enhance minimum airfield infrastructure facilities at former military airports to support emergency diversionary operations for transoceanic flights in locations—

"(A) within United States jurisdiction or control; and

"(B) where there is a demonstrable lack of diversionary airports within the distance or flight-time required by regulations governing transoceanic flights.".

(b) DESIGNATION OF GENERAL AVIATION AIRPORTS.—Section 47118(g) is amended—

(1) in the subsection heading by striking "AIRPORT" and inserting "AIRPORTS"; and

(2) by striking "one of the airports bearing a designation under subsection (a) may be a general aviation airport that was a former military installation" and inserting "3 of the airports bearing designations under subsection (a) may be general aviation airports that were former military installations".

(c) SAFETY-CRITICAL AIRPORTS.—Section 47118 is amended by adding at the end the following:

"(h) SAFETY-CRITICAL AIRPORTS.—Notwithstanding any other provision of this chapter, a grant under section 47117(e)(1)(B) may be made for a federally owned airport designated under subsection (a) if the grant is for a project that is—

"(1) to preserve or enhance minimum airfield infrastructure facilities described in subsection (c)(3); and

"(2) necessary to meet the minimum safety and emergency operational requirements established under part 139 of title 14, Code of Federal Regulations.".

SEC. 147. CONTRACT TOWER PROGRAM.

(a) COST-BENEFIT REQUIREMENT.—Section 47124(b) is amended—

(1) in paragraph (1)—

(A) by striking "(1) The Secretary" and inserting the following:

"(1) CONTRACT TOWER PROGRAM.—

"(A) CONTINUATION.—The Secretary"; and

(B) by adding at the end the following:

"(B) SPECIAL RULE.—If the Secretary determines that a tower already operating under the program continued under this paragraph has a benefit-to-cost ratio of less than 1.0, the airport sponsor or State or local government having jurisdiction over the airport shall not be required to pay the portion of the costs that exceeds the benefit for a period of 18 months after such determination is made.

"(C) USE OF EXCESS FUNDS.—If the Secretary finds that all or part of an amount made available to carry out the program continued under this paragraph is not required during a fiscal year, the Secretary may use, during such fiscal year, the amount not so required to carry out the program established under paragraph (3)."; and

(2) in paragraph (2) by striking "(2) The Secretary" and inserting the following:

"(2) GENERAL AUTHORITY.—The Secretary".

(b) FUNDING; USE OF EXCESS FUNDS.—Section 47124(b)(3) is amended by striking subparagraph (E) and inserting the following:

"(E) FUNDING.—Of the amounts appropriated pursuant to section 106(k)(1), not more than $10,350,000 for each of fiscal years 2012 through 2015 may be used to carry out this paragraph.

"(F) USE OF EXCESS FUNDS.—If the Secretary finds that all or part of an amount made available under this paragraph is not required during a fiscal year, the Secretary may use, during such fiscal year, the amount not so required to carry out the program continued under paragraph (1).''.

(c) FEDERAL SHARE.—Section 47124(b)(4)(C) is amended by striking ''$1,500,000'' and inserting ''$2,000,000''.

(d) SAFETY AUDITS.—Section 47124 is amended by adding at the end the following:

''(c) SAFETY AUDITS.—The Secretary shall establish uniform standards and requirements for regular safety assessments of air traffic control towers that receive funding under this section.''.

SEC. 148. RESOLUTION OF DISPUTES CONCERNING AIRPORT FEES.

(a) IN GENERAL.—Section 47129 is amended—

(1) by striking the section heading and inserting the following:

''§ 47129. Resolution of disputes concerning airport fees'';

(2) by inserting ''AND FOREIGN AIR CARRIER'' after ''CARRIER'' in the heading for subsection (d);

(3) by inserting ''AND FOREIGN AIR CARRIER'' after ''CARRIER'' in the heading for subsection (d)(2);

(4) by striking "air carrier" each place it appears and inserting "air carrier or foreign air carrier";

(5) by striking "air carrier's" each place it appears and inserting "air carrier's or foreign air carrier's";

(6) by striking "air carriers" and inserting "air carriers or foreign air carriers"; and

(7) by striking "(as defined in section 40102 of this title)" in subsection (a) and inserting "(as those terms are defined in section 40102)".

(b) CONFORMING AMENDMENT.—The analysis for chapter 471 is amended by striking the item relating to section 47129 and inserting the following:

"47129. Resolution of disputes concerning airport fees.".

SEC. 149. SALE OF PRIVATE AIRPORTS TO PUBLIC SPONSORS.

(a) IN GENERAL.—Section 47133(b) is amended—

(1) by striking "Subsection (a) shall not apply if" and inserting the following:

"(1) PRIOR LAWS AND AGREEMENTS.—Subsection (a) shall not apply if"; and

(2) by adding at the end the following:

"(2) SALE OF PRIVATE AIRPORT TO PUBLIC SPONSOR.—In the case of a privately owned airport, subsection (a) shall not apply to the proceeds from the sale of the airport to a public sponsor if—

"(A) the sale is approved by the Secretary;

"(B) funding is provided under this subchapter for any portion of the public sponsor's acquisition of airport land; and

"(C) an amount equal to the remaining unamortized portion of any airport improvement grant made to that airport for purposes other than land acquisition, amortized over a 20-year period, plus an amount equal to the Federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996, is repaid to the Secretary by the private owner.

"(3) TREATMENT OF REPAYMENTS.—Repayments referred to in paragraph (2)(C) shall be treated as a recovery of prior year obligations.".

(b) APPLICABILITY TO GRANTS.—The amendments made by subsection (a) shall apply to grants issued on or after October 1, 1996.

SEC. 150. REPEAL OF CERTAIN LIMITATIONS ON METROPOLITAN WASHINGTON AIRPORTS AUTHORITY.

Section 49108, and the item relating to section 49108 in the analysis for chapter 491, are repealed.

SEC. 151. MIDWAY ISLAND AIRPORT.

Section 186(d) of the Vision 100—Century of Aviation Reauthorization Act (117 Stat. 2518) is amended by striking "for fiscal years" and all that follows before "from amounts" and inserting "for fiscal years 2012 through 2015".

SEC. 152. MISCELLANEOUS AMENDMENTS.

(a) TECHNICAL CHANGES TO NATIONAL PLAN OF INTEGRATED AIRPORT SYSTEMS.—Section 47103 is amended—

(1) in subsection (a)—

(A) by striking "each airport to—" and inserting "the airport system to—";

(B) in paragraph (1) by striking "system in the particular area;" and inserting "system, including connection to the surface transportation network; and";

(C) in paragraph (2) by striking "; and" and inserting a period; and

(D) by striking paragraph (3);

(2) in subsection (b)—

(A) in paragraph (1) by striking the semicolon and inserting "; and";

(B) by striking paragraph (2) and redesignating paragraph (3) as paragraph (2); and

(C) in paragraph (2) (as so redesignated) by striking ", Short Takeoff and Landing/Very Short Takeoff and Landing aircraft operations,"; and

(3) in subsection (d) by striking "status of the".

(b) CONSOLIDATION OF TERMINAL DEVELOPMENT PROVISIONS.—Section 47119 is amended—

(1) by redesignating subsections (a), (b), (c), and (d) as subsections (b), (c), (d), and (e), respectively;

(2) by inserting before subsection (b) (as so redesignated) the following:

"(a) TERMINAL DEVELOPMENT PROJECTS.—

"(1) IN GENERAL.—The Secretary of Transportation may approve a project for terminal development (including multimodal terminal development) in a nonrevenue-producing public-use area of a commercial service airport—

"(A) if the sponsor certifies that the airport, on the date the grant application is submitted to the Secretary, has—

"(i) all the safety equipment required for certification of the airport under section 44706;

"(ii) all the security equipment required by regulation; and

"(iii) provided for access by passengers to the area of the airport for boarding or exiting aircraft that are not air carrier aircraft;

"(B) if the cost is directly related to moving passengers and baggage in air commerce within the airport, including vehicles for moving passengers between terminal facilities and between terminal facilities and aircraft; and

"(C) under terms necessary to protect the interests of the Government.

"(2) PROJECT IN REVENUE-PRODUCING AREAS AND NONREVENUE-PRODUCING PARKING LOTS.—In making a decision under paragraph (1), the Secretary may approve as allowable costs the expenses of terminal development in a revenue-producing area and construction, reconstruction, repair, and improvement in a nonrevenue-producing parking lot if—

"(A) except as provided in section 47108(e)(3), the airport does not have more than .05 percent of the total annual passenger boardings in the United States; and

"(B) the sponsor certifies that any needed airport development project affecting safety, security, or capacity will not be deferred because of the Secretary's approval.";

(3) in subsection (b)(4)(B) (as redesignated by paragraph (1) of this subsection) by striking "Secretary of Transportation" and inserting "Secretary";

(4) in subsections (b)(3) and (b)(4)(A) (as redesignated by paragraph (1) of this subsection) by striking "section 47110(d)" and inserting "subsection (a)";

(5) in subsection (b)(5) (as redesignated by paragraph (1) of this subsection) by striking "subsection (b)(1) and (2)" and inserting "subsections (c)(1) and (c)(2)";

(6) in subsections (c)(1), (c)(2)(A), (c)(3), and (c)(4) (as redesignated by paragraph (1) of this subsection) by striking "section 47110(d) of this title" and inserting "subsection (a)";

(7) in subsections (c)(2)(B) and (c)(5) (as redesignated by paragraph (1) of this subsection) by striking "section 47110(d)" and inserting "subsection (a)"; and

(8) by adding at the end the following:

"(f) LIMITATION ON DISCRETIONARY FUNDS.—The Secretary may distribute not more than $20,000,000 from the discretionary fund established under section 47115 for terminal development projects at a nonhub airport or a small hub airport that is eligible to receive discretionary funds under section 47108(e)(3).".

(c) ANNUAL REPORT.—Section 47131(a) is amended—

(1) by striking "April 1" and inserting "June 1"; and

(2) by striking paragraphs (1), (2), (3), and (4) and inserting the following:

"(1) a summary of airport development and planning completed;

"(2) a summary of individual grants issued;

"(3) an accounting of discretionary and apportioned funds allocated;

"(4) the allocation of appropriations; and".

(d) CORRECTION TO EMISSION CREDITS PROVISION.—Section 47139 is amended—

(1) in subsection (a) by striking "47102(3)(F),"; and

(2) in subsection (b)—

(A) by striking "47102(3)(F),"; and

(B) by striking "47103(3)(F),".

(e) CONFORMING AMENDMENTS.—

(1) Section 40117(a)(3)(B) is amended by striking "section 47110(d)" and inserting "section 47119(a)".

(2) Section 47108(e)(3) is amended—

(A) by striking "section 47110(d)(2)" and inserting "section 47119(a)"; and

(B) by striking "section 47110(d)" and inserting "section 47119(a)".

(f) CORRECTION TO SURPLUS PROPERTY AUTHORITY.—Section 47151(e) is amended by striking "(other than real property" and all that follows through "(10 U.S.C. 2687 note))".

(g) DEFINITIONS.—

(1) CONGESTED AIRPORT.—Section 47175(2) is amended by striking "2001" and inserting "2004 or any successor report".

(2) JOINT USE AIRPORT.—Section 47175 is amended by adding at the end the following:

"(7) JOINT USE AIRPORT.—The term 'joint use airport' means an airport owned by the Department of Defense, at which both military and civilian aircraft make shared use of the airfield.".

SEC. 153. EXTENSION OF GRANT AUTHORITY FOR COMPATIBLE LAND USE PLANNING AND PROJECTS BY STATE AND LOCAL GOVERNMENTS.

Section 47141(f) is amended to read as follows:

"(f) SUNSET.—This section shall not be in effect after September 30, 2015.".

SEC. 154. PRIORITY REVIEW OF CONSTRUCTION PROJECTS IN COLD WEATHER STATES.

The Administrator of the Federal Aviation Administration, to the extent practicable, shall schedule the Administrator's review of construction projects so that projects to be carried out in States in which the weather during a typical calendar year prevents major construction projects from being carried out before May 1 are reviewed as early as possible.

SEC. 155. STUDY ON NATIONAL PLAN OF INTEGRATED AIRPORT SYSTEMS.

(a) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Secretary of Transportation shall begin a study to evaluate the formulation of the national plan of integrated airport systems (in this section referred to as the ''plan'') under section 47103 of title 49, United States Code.

(b) CONTENTS OF STUDY.—The study shall include a review of the following:

(1) The criteria used for including airports in the plan and the application of such criteria in the most recently published version of the plan.

(2) The changes in airport capital needs as shown in the 2005–2009 and 2007–2011 plans, compared with the amounts apportioned or otherwise made available to individual airports between 2005 and 2010.

(3) A comparison of the amounts received by airports under the airport improvement program in airport apportionments, State apportionments, and discretionary grants during such fiscal years with capital needs as reported in the plan.

(4) The effect of transfers of airport apportionments under title 49, United States Code.

(5) An analysis on the feasibility and advisability of apportioning amounts under section 47114(c)(1) of title 49, United States Code, to the sponsor of each primary airport for each fiscal year an amount that bears the same ratio to the amount subject to the apportionment for fiscal year 2009 as

the number of passenger boardings at the airport during the prior calendar year bears to the aggregate of all passenger boardings at all primary airports during that calendar year.

(6) A documentation and review of the methods used by airports to reach the 10,000 passenger enplanement threshold, including whether such airports subsidize commercial flights to reach such threshold, at every airport in the United States that reported between 10,000 and 15,000 passenger enplanements during each of the 2 most recent calendar years for which such data is available.

(7) Any other matters pertaining to the plan that the Secretary determines appropriate.

(c) REPORT TO CONGRESS.—

(1) SUBMISSION.—Not later than 36 months after the date that the Secretary begins the study under this section, the Secretary shall submit 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 results of the study.

(2) CONTENTS.—The report shall include—

(A) the findings of the Secretary on each of the issues described in subsection (b);

(B) recommendations for any changes to policies and procedures for formulating the plan; and

(C) recommendations for any changes to the methods of determining the amounts to be apportioned or otherwise made available to individual airports.

SEC. 156. AIRPORT PRIVATIZATION PROGRAM.

Section 47134(b) is amended in the matter preceding paragraph (1) by striking ‘‘5 airports’’ and inserting ‘‘10 airports’’.

TITLE II—NEXTGEN AIR TRANSPORTATION SYSTEM AND AIR TRAFFIC CONTROL MODERNIZATION

SEC. 201. DEFINITIONS.

In this title, the following definitions apply:

(1) NEXTGEN.—The term ‘‘NextGen’’ means the Next Generation Air Transportation System.

(2) ADS–B.—The term ‘‘ADS–B’’ means automatic dependent surveillance-broadcast.

(3) ADS–B OUT.—The term ‘‘ADS–B Out’’ means automatic dependent surveillance-broadcast with the ability to transmit information from the

aircraft to ground stations and to other equipped aircraft.

(4) ADS–B IN.—The term ''ADS–B In'' means automatic dependent surveillance-broadcast with the ability to transmit information from the aircraft to ground stations and to other equipped aircraft as well as the ability of the aircraft to receive information from other transmitting aircraft and the ground infrastructure.

(5) RNAV.—The term ''RNAV'' means area navigation.

(6) RNP.—The term ''RNP'' means required navigation performance.

SEC. 202. NEXTGEN DEMONSTRATIONS AND CONCEPTS.

In allocating amounts appropriated pursuant to section 48101(a) of title 49, United States Code, the Secretary of Transportation shall give priority to the following NextGen activities:

(1) Next Generation Transportation System—Demonstrations and Infrastructure Development.

(2) Next Generation Transportation System—Trajectory Based Operations.

(3) Next Generation Transportation System—Reduce Weather Impact.

(4) Next Generation Transportation System—Arrivals/Departures at High Density Airports.

(5) Next Generation Transportation System—Collaborative ATM.

(6) Next Generation Transportation System—Flexible Terminals and Airports.

(7) Next Generation Transportation System—Safety, Security, and Environment.

(8) Next Generation Transportation System—Systems Network Facilities.

(9) Center for Advanced Aviation System Development.

(10) Next Generation Transportation System—System Development.

(11) Data Communications in support of Next Generation Air Transportation System.

(12) ADS–B NAS-Wide Implementation.

(13) System-Wide Information Management.

(14) Next Generation Transportation System—Facility Consolidation and Realignment.

(15) En Route Modernization—D-Position Upgrade and System Enhancements.

(16) National Airspace System Voice System.

(17) Next Generation Network Enabled Weather.

(18) NextGen Performance Based Navigation Metroplex Area Navigation/Required Navigation Performance.

SEC. 203. CLARIFICATION OF AUTHORITY TO ENTER INTO REIMBURSABLE AGREEMENTS.

Section 106(m) is amended in the last sentence by inserting ''with or'' before ''without reimbursement''.

SEC. 204. CHIEF NEXTGEN OFFICER.

Section 106 is amended by adding at the end the following:

''(s) CHIEF NEXTGEN OFFICER.—

''(1) IN GENERAL.—

''(A) APPOINTMENT.—There shall be a Chief NextGen Officer appointed by the Administrator, with the approval of the Secretary. The Chief NextGen Officer shall report directly to the Administrator and shall be subject to the authority of the Administrator.

''(B) QUALIFICATIONS.—The Chief NextGen Officer shall have a demonstrated ability in management and knowledge of or experience in aviation and systems engineering.

''(C) TERM.—The Chief NextGen Officer shall be appointed for a term of 5 years.

"(D) REMOVAL.—The Chief NextGen Officer shall serve at the pleasure of the Administrator, except that the Administrator shall make every effort to ensure stability and continuity in the leadership of the implementation of NextGen.

"(E) VACANCY.—Any individual appointed to fill a vacancy in the position of Chief NextGen Officer occurring before the expiration of the term for which the individual's predecessor was appointed shall be appointed for the remainder of that term.

"(2) COMPENSATION.—

"(A) IN GENERAL.—The Chief NextGen Officer shall be paid at an annual rate of basic pay to be determined by the Administrator. The annual rate may not exceed the annual compensation paid under section 102 of title 3. The Chief NextGen Officer shall be subject to the postemployment provisions of section 207 of title 18 as if the position of Chief NextGen Officer were described in section 207(c)(2)(A)(i) of that title.

"(B) BONUS.—In addition to the annual rate of basic pay authorized by subparagraph

(A), the Chief NextGen Officer may receive a bonus for any calendar year not to exceed 30 percent of the annual rate of basic pay, based upon the Administrator's evaluation of the Chief NextGen Officer's performance in relation to the performance goals set forth in the performance agreement described in paragraph (3).

"(3) ANNUAL PERFORMANCE AGREEMENT.—The Administrator and the Chief NextGen Officer, in consultation with the Federal Aviation Management Advisory Council, shall enter into an annual performance agreement that sets forth measurable organization and individual goals for the Chief NextGen Officer in key operational areas. The agreement shall be subject to review and renegotiation on an annual basis.

"(4) ANNUAL PERFORMANCE REPORT.—The Chief NextGen Officer shall prepare and transmit to the Secretary of Transportation, the Committee on Transportation and Infrastructure of the House of Representatives, the Committee on Science, Space, and Technology of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate an annual management report containing such information as may be prescribed by the Secretary.

"(5) RESPONSIBILITIES.—The responsibilities of the Chief NextGen Officer include the following:

"(A) Implementing NextGen activities and budgets across all program offices of the Federal Aviation Administration.

"(B) Coordinating the implementation of NextGen activities with the Office of Management and Budget.

"(C) Reviewing and providing advice on the Administration's modernization programs, budget, and cost accounting system with respect to NextGen.

"(D) With respect to the budget of the Administration—

"(i) developing a budget request of the Administration related to the implementation of NextGen;

"(ii) submitting such budget request to the Administrator; and

"(iii) ensuring that the budget request supports the annual and long-range strategic plans of the Administration with respect to NextGen.

"(E) Consulting with the Administrator on the Capital Investment Plan of the Administration prior to its submission to Congress.

"(F) Developing an annual NextGen implementation plan.

"(G) Ensuring that NextGen implementation activities are planned in such a manner as to require that system architecture is designed to allow for the incorporation of novel and currently unknown technologies into NextGen in the future and that current decisions do not bias future decisions unfairly in favor of existing technology at the expense of innovation.

"(H) Coordinating with the NextGen Joint Planning and Development Office with respect to facilitating cooperation among all Federal agencies whose operations and interests are affected by the implementation of NextGen.

"(6) EXCEPTION.—If the Administrator appoints as the Chief NextGen Officer, pursuant to paragraph (1)(A), an Executive Schedule employee covered by section 5315 of title 5, then paragraphs (1)(B), (1)(C), (2), and (3) of this subsection shall not apply to such employee.

"(7) NEXTGEN DEFINED.—For purposes of this subsection, the term 'NextGen' means the Next Generation Air Transportation System.".

SEC. 205. DEFINITION OF AIR NAVIGATION FACILITY.

Section 40102(a)(4) is amended—

(1) by redesignating subparagraph (D) as subparagraph (E);

(2) by striking subparagraphs (B) and (C); and

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

"(B) runway lighting and airport surface visual and other navigation aids;

"(C) apparatus, equipment, software, or service for distributing aeronautical and meteorological information to air traffic control facilities or aircraft;

"(D) communication, navigation, or surveillance equipment for air-to-ground or air-to-air applications;";

(4) in subparagraph (E) (as redesignated by paragraph (1) of this section)—

(A) by striking "another structure" and inserting "any structure, equipment,"; and

(B) by striking the period at the end and inserting "; and"; and

(5) by adding at the end the following:

"(F) buildings, equipment, and systems dedicated to the national airspace system.".

SEC. 206. CLARIFICATION TO ACQUISITION REFORM AUTHORITY.

Section 40110(c) is amended—

(1) by inserting "and" after the semicolon in paragraph (3);

(2) by striking paragraph (4); and

(3) by redesignating paragraph (5) as paragraph (4).

SEC. 207. ASSISTANCE TO FOREIGN AVIATION AUTHORITIES.

Section 40113(e) is amended—

(1) in paragraph (1)—

(A) by inserting "(whether public or private)" after "authorities"; and

(B) by striking "safety." and inserting "safety or efficiency. The Administrator is authorized to participate in, and submit offers in response to, competitions to provide these services, and to contract with foreign aviation authorities to provide these services consistent with section 106(l)(6).";

(2) in paragraph (2) by adding at the end the following: "The Administrator is authorized, notwithstanding any other provision of law or policy, to accept payments for services provided under this subsection in arrears."; and

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

"(3) CREDITING APPROPRIATIONS.—Funds received by the Administrator pursuant to this section shall—

"(A) be credited to the appropriation current when the amount is received;

"(B) be merged with and available for the purposes of such appropriation; and

"(C) remain available until expended.".

SEC. 208. NEXT GENERATION AIR TRANSPORTATION SYSTEM JOINT PLANNING AND DEVELOPMENT OFFICE.

(a) REDESIGNATION OF JPDO DIRECTOR TO ASSOCIATE ADMINISTRATOR.—

(1) ASSOCIATE ADMINISTRATOR FOR NEXT GENERATION AIR TRANSPORTATION SYSTEM PLANNING, DEVELOPMENT, AND INTERAGENCY COORDINATION.—Section 709(a) of the Vision 100—Cen-

tury of Aviation Reauthorization Act (49 U.S.C. 40101 note; 117 Stat. 2582) is amended—

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

(B) by inserting after paragraph (1) the following:

"(2) The head of the Office shall be the Associate Administrator for Next Generation Air Transportation System Planning, Development, and Interagency Coordination, who shall be appointed by the Administrator of the Federal Aviation Administration, with the approval of the Secretary. The Administrator shall appoint the Associate Administrator after consulting with the Chairman of the Next Generation Senior Policy Committee and providing advanced notice to the other members of that Committee.".

(2) RESPONSIBILITIES.—Section 709(a)(3) of such Act (as redesignated by paragraph (1) of this subsection) is amended—

(A) in subparagraph (G) by striking "; and" and inserting a semicolon;

(B) in subparagraph (H) by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

"(I) establishing specific quantitative goals for the safety, capacity, efficiency, performance, and environmental impacts of each phase of Next Generation Air Transportation System planning and development activities and measuring actual operational experience against those goals, taking into account noise pollution reduction concerns of affected communities to the extent practicable in establishing the environmental goals;

"(J) working to ensure global interoperability of the Next Generation Air Transportation System;

"(K) working to ensure the use of weather information and space weather information in the Next Generation Air Transportation System as soon as possible;

"(L) overseeing, with the Administrator and in consultation with the Chief NextGen Officer, the selection of products or outcomes of research and development activities that should be moved to a demonstration phase; and

"(M) maintaining a baseline modeling and simulation environment for testing and evaluating alternative concepts to satisfy Next Generation Air

Transportation System enterprise architecture requirements.''.

(3) COOPERATION WITH OTHER FEDERAL AGENCIES.—Section 709(a)(4) of such Act (as redesignated by paragraph (1) of this subsection) is amended—

(A) by striking ''(4)'' and inserting ''(4)(A)''; and

(B) by adding at the end the following:

''(B) The Secretary of Defense, the Administrator of the National Aeronautics and Space Administration, the Secretary of Commerce, the Secretary of Homeland Security, and the head of any other Federal agency from which the Secretary of Transportation requests assistance under subparagraph (A) shall designate a senior official in the agency to be responsible for—

''(i) carrying out the activities of the agency relating to the Next Generation Air Transportation System in coordination with the Office, including the execution of all aspects of the work of the agency in developing and implementing the integrated work plan described in subsection (b)(5);

''(ii) serving as a liaison for the agency in activities of the agency relating to the Next Generation Air Transportation System and coordinating with other Federal agencies involved in activities relating to the System; and

"(iii) ensuring that the agency meets its obligations as set forth in any memorandum of understanding executed by or on behalf of the agency relating to the Next Generation Air Transportation System.

"(C) The head of a Federal agency referred to in subparagraph (B) shall—

"(i) ensure that the responsibilities of the agency relating to the Next Generation Air Transportation System are clearly communicated to the senior official of the agency designated under subparagraph (B);

"(ii) ensure that the performance of the senior official in carrying out the responsibilities of the agency relating to the Next Generation Air Transportation System is reflected in the official's annual performance evaluations and compensation;

"(iii) establish or designate an office within the agency to carry out its responsibilities under the memorandum of understanding under the supervision of the designated official; and

"(iv) ensure that the designated official has sufficient budgetary authority and staff resources to carry out the agency's Next Generation Air Transportation System responsibilities as set forth in the integrated plan under subsection (b).

"(D) Not later than 6 months after the date of enactment of this subparagraph, the head of each Federal agency that has responsibility for carrying out any activity under the integrated plan under subsection (b) shall execute a memorandum of understanding with the Office obligating that agency to carry out the activity.".

(4) COORDINATION WITH OMB.—Section 709(a) of such Act (117 Stat. 2582) is further amended by adding at the end the following:

"(6)(A) The Office shall work with the Director of the Office of Management and Budget to develop a process whereby the Director will identify projects related to the Next Generation Air Transportation System across the agencies referred to in paragraph (4)(A) and consider the Next Generation Air Transportation System as a unified, cross-agency program.

"(B) The Director of the Office of Management and Budget, to the extent practicable, shall—

"(i) ensure that—

"(I) each Federal agency covered by the plan has sufficient funds requested in the President's budget, as submitted under section

1105(a) of title 31, United States Code, for each fiscal year covered by the plan to carry out its responsibilities under the plan; and

"(II) the development and implementation of the Next Generation Air Transportation System remains on schedule;

"(ii) include, in the President's budget, a statement of the portion of the estimated budget of each Federal agency covered by the plan that relates to the activities of the agency under the Next Generation Air Transportation System; and

"(iii) identify and justify as part of the President's budget submission any inconsistencies between the plan and amounts requested in the budget.

"(7) The Associate Administrator for Next Generation Air Transportation System Planning, Development, and Interagency Coordination shall be a voting member of the Joint Resources Council of the Federal Aviation Administration.".

(b) INTEGRATED PLAN.—Section 709(b) of such Act (117 Stat. 2583) is amended—

(1) in the matter preceding paragraph (1)—

(A) by striking "meets air" and inserting "meets anticipated future air"; and

(B) by striking "beyond those currently included in the Federal Aviation Administration's operational evolution plan";

(2) at the end of paragraph (3) by striking "and";

(3) at the end of paragraph (4) by striking the period and inserting "; and"; and

(4) by adding at the end the following:

"(5) a multiagency integrated work plan for the Next Generation Air Transportation System that includes—

"(A) an outline of the activities required to achieve the end-state architecture, as expressed in the concept of operations and enterprise architecture documents, that identifies each Federal agency or other entity responsible for each activity in the outline;

"(B) details on a year-by-year basis of specific accomplishments, activities, research requirements, rulemakings, policy decisions, and other milestones of progress for each Federal agency or entity conducting activities relating to the Next Generation Air Transportation System;

"(C) for each element of the Next Generation Air Transportation System, an outline, on a year-by-year basis, of what is to be accomplished in that year toward meeting the Next Generation Air Transportation System's end-state architecture, as expressed in the concept of operations and enterprise architecture documents, as well as identifying each Federal agency or other entity that will be responsible for each component of any research, development, or implementation program;

"(D) an estimate of all necessary expenditures on a year-by-year basis, including a statement of each Federal agency or entity's responsibility for costs and available resources, for each stage of development from the basic research stage through the demonstration and implementation phase;

"(E) a clear explanation of how each step in the development of the Next Generation Air Transportation System will lead to the following step and of the implications of not successfully completing a step in the time period described in the integrated work plan;

"(F) a transition plan for the implementation of the Next Generation Air Transportation System that includes date-specific milestones for the implementation of new capabilities into the national airspace system;

"(G) date-specific timetables for meeting the environmental goals identified in subsection (a)(3)(I); and

"(H) a description of potentially significant operational or workforce changes resulting from deployment of the Next Generation Air Transportation System.".

(c) NEXTGEN IMPLEMENTATION PLAN.—Section 709(d) of such Act (117 Stat. 2584) is amended to read as follows:

"(d) NEXTGEN IMPLEMENTATION PLAN.—The Administrator shall develop and publish annually the document known as the NextGen Implementation Plan, or any successor document, that provides a detailed description of how the agency is implementing the Next Generation Air Transportation System.".

(d) CONTINGENCY PLANNING.—The Associate Administrator for Next Generation Air Transportation System Planning, Development, and Interagency Coordination shall, as part of the design of the System, develop contingency plans for dealing with the degradation of the System in the event of a natural disaster, major equipment failure, or act of terrorism.

SEC. 209. NEXT GENERATION AIR TRANSPORTATION SENIOR POLICY COMMITTEE.

(a) MEETINGS.—Section 710(a) of the Vision 100—Century of Aviation Reauthorization Act (49 U.S.C. 40101 note; 117 Stat. 2584) is amended by inserting before the period at the end the following ''and shall meet at least twice each year''.

(b) ANNUAL REPORT.—Section 710 of such Act (117 Stat. 2584) is amended by adding at the end the following:

''(e) ANNUAL REPORT.—

''(1) SUBMISSION TO CONGRESS.—Not later than 1 year after the date of enactment of this subsection, and annually thereafter on the date of submission of the President's budget request to Congress under section 1105(a) of title 31, United States Code, the Secretary shall submit to Congress a report summarizing the progress made in carrying out the integrated work plan required by section 709(b)(5) and any changes in that plan.

''(2) CONTENTS.—The report shall include—

''(A) a copy of the updated integrated work plan;

"(B) a description of the progress made in carrying out the integrated work plan and any changes in that plan, including any changes based on funding shortfalls and limitations set by the Office of Management and Budget;

"(C) a detailed description of—

"(i) the success or failure of each item of the integrated work plan for the previous year and relevant information as to why any milestone was not met; and

"(ii) the impact of not meeting the milestone and what actions will be taken in the future to account for the failure to complete the milestone;

"(D) an explanation of any change to future years in the integrated work plan and the reasons for such change; and

"(E) an identification of the levels of funding for each agency participating in the integrated work plan devoted to programs and activities under the plan for the previous fiscal year and in the President's budget request.".

SEC. 210. IMPROVED MANAGEMENT OF PROPERTY INVENTORY.

Section 40110(a) is amended by striking paragraphs (2) and (3) and inserting the following:

"(2) may construct and improve laboratories and other test facilities; and

"(3) may dispose of any interest in property for adequate compensation, and the amount so received shall—

"(A) be credited to the appropriation current when the amount is received;

"(B) be merged with and available for the purposes of such appropriation; and

"(C) remain available until expended.".

SEC. 211. AUTOMATIC DEPENDENT SURVEILLANCE-BROADCAST SERVICES.

(a) REVIEW BY DOT INSPECTOR GENERAL.—

(1) IN GENERAL.—The Inspector General of the Department of Transportation shall conduct a review concerning the Federal Aviation Administration's award and oversight of any contracts entered into by the Administration to provide ADS–B services for the national airspace system.

(2) CONTENTS.—The review shall include, at a minimum—

(A) an examination of how the Administration manages program risks;

(B) an assessment of expected benefits attributable to the deployment of ADS–B services, including the Administration's plans for implementation of advanced operational procedures and air-to-air applications, as well as the extent to which ground radar will be retained;

(C) an assessment of the Administration's analysis of specific operational benefits, and benefit/costs analyses of planned operational benefits conducted by the Administration, for ADS–B In and ADS–B Out avionics equipage for airspace users;

(D) a determination of whether the Administration has established sufficient mechanisms to ensure that all design, acquisition, operation, and maintenance requirements have been met by the contractor;

(E) an assessment of whether the Administration and any contractors are meeting cost, schedule, and performance milestones, as measured against the original baseline of the Administration's program for providing ADS–B services;

(F) an assessment of how security issues are being addressed in the overall design and implementation of the ADS–B system;

(G) identification of any potential operational or workforce changes resulting from deployment of ADS–B; and

(H) any other matters or aspects relating to contract implementation and oversight that the Inspector General determines merit attention.

(3) REPORTS TO CONGRESS.—The Inspector General shall submit, periodically (and on at least an annual basis), 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 results of the review conducted under this subsection.

(b) RULEMAKING.—

(1) ADS–B IN.—Not later than 1 year after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall initiate a rulemaking proceeding to issue guidelines and regulations relating to ADS–B In technology that—

(A) identify the ADS–B In technology that will be required under NextGen;

(B) subject to paragraph (2), require all aircraft operating in capacity constrained airspace, at capacity constrained airports, or in any other airspace deemed appropriate by the Administrator to be equipped with ADS–B In technology by 2020; and

(C) identify—

(i) the type of avionics required of aircraft for all classes of airspace;

(ii) the expected costs associated with the avionics; and

(iii) the expected uses and benefits of the avionics.

(2) READINESS VERIFICATION.—Before the Administrator completes an ADS–B In equipage rulemaking proceeding or issues an interim or final rule pursuant to paragraph (1), the Chief NextGen Officer shall verify that—

(A) the necessary ground infrastructure is installed and functioning properly;

(B) certification standards have been approved; and

(C) appropriate operational platforms interface safely and efficiently.

(c) USE OF ADS–B TECHNOLOGY.—

(1) PLANS.—Not later than 18 months after the date of enactment of this Act, the Administrator shall develop, in consultation with appropriate employee and industry groups, a plan for the use of ADS–B technology for surveillance and active air traffic control.

(2) CONTENTS.—The plan shall—

(A) include provisions to test the use of ADS–B technology for surveillance and active air traffic control in specific regions of the United States with the most congested airspace;

(B) identify the equipment required at air traffic control facilities and the training required for air traffic controllers;

(C) identify procedures, to be developed in consultation with appropriate employee and industry groups, to conduct air traffic management in mixed equipage environments; and

(D) establish a policy in test regions referred to in subparagraph (A), in consultation with appropriate employee and industry groups, to provide incentives for equipage with ADS–B technology, including giving priority to aircraft equipped with such technology before the 2020 equipage deadline.

SEC. 212. EXPERT REVIEW OF ENTERPRISE ARCHITECTURE FOR NEXTGEN.

(a) REVIEW.—The Administrator of the Federal Aviation Administration shall enter into an arrangement with the National Research Council to review the enterprise architecture for the NextGen.

(b) CONTENTS.—At a minimum, the review to be conducted under subsection (a) shall—

(1) highlight the technical activities, including human-system design, organizational design, and other safety and human factor aspects of the system, that will be necessary to successfully transition current and planned modernization programs to the future system envisioned by the Joint Planning and Development Office of the Administration;

(2) assess technical, cost, and schedule risk for the software development that will be necessary to achieve the expected benefits from a highly automated air traffic management system and the implications for ongoing modernization projects; and

(3) determine how risks with automation efforts for the NextGen can be mitigated based on the experiences of other public or private entities in developing complex, software-intensive systems.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Administrator shall submit 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 the results of the review conducted pursuant to subsection (a).

SEC. 213. ACCELERATION OF NEXTGEN TECHNOLOGIES.

(a) OPERATIONAL EVOLUTION PARTNERSHIP (OEP) AIRPORT PROCEDURES.—

(1) OEP AIRPORTS REPORT.—Not later than 6 months after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall publish a report, after consultation with representatives of appropriate Administration employee groups, airport operators, air carriers, general aviation representatives, aircraft and avionics manufacturers, and third parties that have received letters of qualification from the Administration to design and validate required navigation performance flight paths for public use (in this section referred to as ''qualified third parties'') that includes the following:

(A) RNP/RNAV OPERATIONS FOR OEP AIRPORTS.—The required navigation performance and area navigation operations, including the procedures to be developed, certified, and published and the air traffic control operational changes, to maximize the fuel efficiency and airspace capacity of NextGen commercial operations at each of the 35 operational evolution partnership airports identified by the Administration and any medium or small hub airport located within the same metroplex area considered appropriate by the Administrator. The Administrator shall, to the maximum extent practicable, avoid overlays of existing flight procedures, but if unavoidable, the Administrator shall clearly identify each required navigation performance and area navigation procedure that is an overlay of an existing instrument flight procedure and the reason why such an overlay was used.

(B) COORDINATION AND IMPLEMENTATION ACTIVITIES FOR OEP AIRPORTS.—A description of the activities and operational changes and approvals required to coordinate and utilize the procedures at OEP airports.

(C) IMPLEMENTATION PLAN FOR OEP AIRPORTS.—A plan for implementing the procedures for OEP airports under subparagraph (A) that establishes—

(i) clearly defined budget, schedule, project organization, and leadership requirements;

(ii) specific implementation and transition steps;

(iii) baseline and performance metrics for—

(I) measuring the Administration's progress in implementing the plan, including the percentage utilization of required navigation performance in the national airspace system; and

(II) achieving measurable fuel burn and carbon dioxide emissions reductions compared to current performance;

(iv) expedited environmental review procedures and processes for timely environmental approval of area navigation and required navigation performance that offer significant efficiency improvements as determined by baseline and performance metrics under clause (iii);

(v) coordination and communication mechanisms with qualified third parties, if applicable;

(vi) plans to address human factors, training, and other issues for air traffic controllers surrounding the adoption of RNP procedures in the en route and terminal environments, including in a mixed operational environment; and

(vii) a lifecycle management strategy for RNP procedures to be developed by qualified third parties, if applicable.

(D) ADDITIONAL PROCEDURES FOR OEP AIRPORTS.—A process for the identification, certification, and publication of additional required navigation performance and area navigation procedures that may provide operational benefits at OEP airports, and any medium or small hub airport located within the same metroplex area as the OEP airport, in the future.

(2) IMPLEMENTATION SCHEDULE FOR OEP AIRPORTS.—The Administrator shall certify, publish, and implement—

(A) not later than 18 months after the date of enactment of this Act, 30 percent of the required procedures at OEP airports;

(B) not later than 36 months after the date of enactment of this Act, 60 percent of the required procedures at OEP airports; and

(C) before June 30, 2015, 100 percent of the required procedures at OEP airports.

(b) NON-OEP AIRPORTS.—

(1) NON-OEP AIRPORTS REPORT.—Not later than 6 months after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall publish a report, after consultation with representatives of appropriate Administration employee groups, airport operators, air carriers, general aviation representatives, aircraft and avionics manufacturers, and third parties that have received letters of qualification from the Administration to design and validate required navigation performance flight paths for public use (in this section referred to as "qualified third parties") that includes the following:

(A) RNP OPERATIONS FOR NON-OEP AIRPORTS.—A list of required navigation performance procedures (as defined in FAA order

8260.52(d)) to be developed, certified, and published, and the air traffic control operational changes, to maximize the fuel efficiency and airspace capacity of NextGen commercial operations at 35 non-OEP small, medium, and large hub airports other than those referred to in subsection (a)(1). The Administrator shall choose such non-OEP airports considered appropriate by the Administrator to produce maximum operational benefits, including improved fuel efficiency and emissions reductions that do not have public RNP procedures that produce such benefits on the date of enactment of this Act. The Administrator shall, to the maximum extent practicable, avoid overlays of existing flight procedures, but if unavoidable, the Administrator shall clearly identify each required navigation performance procedure that is an overlay of an existing instrument flight procedure and the reason why such an overlay was used.

(B) COORDINATION AND IMPLEMENTATION ACTIVITIES FOR NON-OEP AIRPORTS.—A description of the activities and operational changes and approvals required to coordinate and to utilize the procedures required by subparagraph (A) at each of the airports described in such subparagraph.

(C) IMPLEMENTATION PLAN FOR NON-OEP AIRPORTS.—A plan for implementation of the procedures required by subparagraph (A) that establishes—

(i) clearly defined budget, schedule, project organization, and leadership requirements;

(ii) specific implementation and transition steps;

(iii) coordination and communications mechanisms with qualified third parties;

(iv) plans to address human factors, training, and other issues for air traffic controllers surrounding the adoption of RNP procedures in the en route and terminal environments, including in a mixed operational environment;

(v) baseline and performance metrics for—

(I) measuring the Administration's progress in implementing the plan, including the percentage utilization of required navigation performance in the national airspace system; and

(II) achieving measurable fuel burn and carbon dioxide emissions reduction compared to current performance;

(vi) expedited environmental review procedures and processes for timely environmental approval of area navigation and required navigation performance that offer significant efficiency improvements as determined by baseline and performance metrics established under clause (v);

(vii) a description of the software and database information, such as a current version of the Noise Integrated Routing System or the Integrated Noise Model that the Administration will need to make available to qualified third parties to enable those third parties to design procedures that will meet the broad range of requirements of the Administration; and

(viii) lifecycle management strategy for RNP procedures to be developed by qualified third parties, if applicable.

(D) ADDITIONAL PROCEDURES FOR NON-OEP AIRPORTS.—A process for the identification, certification, and publication of additional required navigation performance procedures that may provide operational benefits at non-OEP airports in the future.

(2) IMPLEMENTATION SCHEDULE FOR NON-OEP AIRPORTS.—The Administrator shall certify, publish, and implement—

(A) not later than 18 months after the date of enactment of this Act, 25 percent of the required procedures for non-OEP airports;

(B) not later than 36 months after the date of enactment of this Act, 50 percent of the required procedures for non-OEP airports; and

(C) before June 30, 2016, 100 percent of the required procedures for non-OEP airports.

(c) COORDINATED AND EXPEDITED REVIEW.—

(1) IN GENERAL.—Navigation performance and area navigation procedures developed, certified, published, or implemented under this section shall be presumed to be covered by a categorical exclusion

(as defined in section 1508.4 of title 40, Code of Federal Regulations) under chapter 3 of FAA Order 1050.1E unless the Administrator determines that extraordinary circumstances exist with respect to the procedure.

(2) NEXTGEN PROCEDURES.—Any navigation performance or other performance based navigation procedure developed, certified, published, or implemented that, in the determination of the Administrator, would result in measurable reductions in fuel consumption, carbon dioxide emissions, and noise, on a per flight basis, as compared to aircraft operations that follow existing instrument flight rules procedures in the same airspace, shall be presumed to have no significant affect on the quality of the human environment and the Administrator shall issue and file a categorical exclusion for the new procedure.

(d) DEPLOYMENT PLAN FOR NATIONWIDE DATA COMMUNICATIONS SYSTEM.—Not later than 1 year after the date of enactment of this Act, the Administrator shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a plan for implementation of a nationwide data communications system. The plan shall include—

(1) clearly defined budget, schedule, project organization, and leadership requirements;

(2) specific implementation and transition steps; and

(3) baseline and performance metrics for measuring the Administration's progress in implementing the plan.

(e) IMPROVED PERFORMANCE STANDARDS.—

(1) ASSESSMENT OF WORK BEING PERFORMED UNDER NEXTGEN IMPLEMENTATION PLAN.—The Administrator shall clearly outline in the NextGen Implementation Plan document of the Administration the work being performed under the plan to determine—

(A) whether utilization of ADS–B, RNP, and other technologies as part of NextGen implementation will display the position of aircraft more accurately and frequently to enable a more efficient use of existing airspace and result in reduced consumption of aviation fuel and aircraft engine emissions; and

(B) the feasibility of reducing aircraft separation standards in a safe manner as a result of the implementation of such technologies.

(2) AIRCRAFT SEPARATION STANDARDS.—If the Administrator determines that the standards referred to in paragraph (1)(B) can be reduced safely, the Administrator shall include in the NextGen Implementation Plan a timetable for implementation of such reduced standards.

(f) THIRD-PARTY USAGE.—The Administration shall establish a program under which the Administrator is authorized to use qualified third parties in the development, testing, and maintenance of flight procedures.

SEC. 214. PERFORMANCE METRICS.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall establish and begin tracking national airspace system performance metrics, including, at a minimum, metrics with respect to—

(1) actual arrival and departure rates per hour measured against the currently published aircraft arrival rate and aircraft departure rate for the 35 operational evolution partnership airports;

(2) average gate-to-gate times;

(3) fuel burned between key city pairs;

(4) operations using the advanced navigation procedures, including performance based navigation procedures;

(5) the average distance flown between key city pairs;

(6) the time between pushing back from the gate and taking off;

(7) continuous climb or descent;

(8) average gate arrival delay for all arrivals;

(9) flown versus filed flight times for key city pairs;

(10) implementation of NextGen Implementation Plan, or any successor document, capabilities designed to reduce emissions and fuel consumption;

(11) the Administration's unit cost of providing air traffic control services; and

(12) runway safety, including runway incursions, operational errors, and loss of standard separation events.

(b) BASELINES.—The Administrator, in consultation with aviation industry stakeholders, shall identify baselines for each of the metrics established under subsection (a) and appropriate methods to measure deviations from the baselines.

(c) PUBLICATION.—The Administrator shall make data obtained under subsection (a) available to the public in a searchable, sortable, and downloadable format through the Web site of the Administration and other appropriate media.

(d) REPORT.—Not later than 180 days after the date of enactment of this Act, the Administrator shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report that contains—

(1) a description of the metrics that will be used to measure the Administration's progress in implementing NextGen capabilities and operational results;

(2) information on any additional metrics developed; and

(3) a process for holding the Administration accountable for meeting or exceeding the metrics baselines identified in subsection (b).

SEC. 215. CERTIFICATION STANDARDS AND RESOURCES.

(a) PROCESS FOR CERTIFICATION.—Not later than 180 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall develop a plan to accelerate and streamline the process for certification of NextGen technologies, including—

(1) establishment of updated project plans and timelines;

(2) identification of the specific activities needed to certify NextGen technologies, including the establishment of NextGen technical requirements for the manufacture of equipage, installation of equipage, airline operational procedures, pilot training standards, air traffic control procedures, and air traffic controller training;

(3) identification of staffing requirements for the Air Certification Service and the Flight Standards Service, taking into consideration the leveraging of assistance from third parties and designees;

(4) establishment of a program under which the Administration will use third parties in the certification process; and

(5) establishment of performance metrics to measure the Administration's progress.

(b) CERTIFICATION INTEGRITY.—The Administrator shall ensure that equipment, systems, or services used in the national airspace system meet appropriate certification requirements regardless of whether the equipment, system, or service is publically or privately owned.

SEC. 216. SURFACE SYSTEMS ACCELERATION.

(a) IN GENERAL.—The Chief Operating Officer of the Air Traffic Organization shall—

(1) evaluate the Airport Surface Detection Equipment-Model X program for its potential contribution to implementation of the NextGen initiative;

(2) evaluate airport surveillance technologies and associated collaborative surface management software for potential contributions to implementation of NextGen surface management;

(3) accelerate implementation of the program referred to in paragraph (1); and

(4) carry out such additional duties as the Administrator of the Federal Aviation Administration may require.

(b) EXPEDITED CERTIFICATION AND UTILIZATION.—The Administrator shall—

(1) consider options for expediting the certification of Ground-Based Augmentation System technology; and

(2) develop a plan to utilize such a system at the 35 operational evolution partnership airports by December 31, 2012.

SEC. 217. INCLUSION OF STAKEHOLDERS IN AIR TRAFFIC CONTROL MODERNIZATION PROJECTS.

(a) PROCESS FOR EMPLOYEE INCLUSION.—Notwithstanding any other law or agreement, the Administrator of the Federal Aviation Administration shall establish a process or processes for including qualified employees selected by each exclusive collective bargaining representative of employees of the Administration impacted by the air traffic control modernization process to serve in a collaborative and expert capacity in the planning and development of air traffic control modernization projects, including NextGen.

(b) ADHERENCE TO DEADLINES.—Participants in these processes shall adhere, to the greatest extent possible, to all deadlines and milestones established pursuant to this title.

(c) NO CHANGE IN EMPLOYEE STATUS.—Participation in these processes by an employee shall not—

(1) serve as a waiver of any bargaining obligations or rights;

(2) entitle the employee to any additional compensation or benefits with the exception of a per diem, if appropriate; or

(3) entitle the employee to prevent or unduly delay the exercise of management prerogatives.

(d) WORKING GROUPS.—Except in extraordinary circumstances, the Administrator shall not pay overtime related to work group participation.

(e) REPORT.—Not later than 1 year after the date of enactment of this Act, the Administrator shall report to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate on the implementation of this section.

SEC. 218. AIRSPACE REDESIGN.

(a) FINDINGS.—Congress finds the following:

(1) The airspace redesign efforts of the Federal Aviation Administration will play a critical near-term role in enhancing capacity, reducing delays, transitioning to more flexible routing, and ultimately saving money in fuel costs for airlines and airspace users.

(2) The critical importance of airspace redesign efforts is underscored by the fact that they are highlighted in strategic plans of the Administration, including Flight Plan 2009–2013 and the NextGen Implementation Plan.

(3) Funding cuts have led to delays and deferrals of critical capacity enhancing airspace redesign efforts.

(4) New runways planned for the period of fiscal years 2011 and 2012 will not provide estimated capacity benefits without additional funds.

(b) NOISE IMPACTS OF NEW YORK/NEW JERSEY/PHILADELPHIA METROPOLITAN AREA AIRSPACE REDESIGN.—

(1) MONITORING.—The Administrator of the Federal Aviation Administration, in conjunction with the Port Authority of New York and New Jersey and the Philadelphia International Airport, shall monitor the noise impacts of the New York/New Jersey/Philadelphia Metropolitan Area Airspace Redesign.

(2) REPORT.—Not later than 1 year following the first day of completion of the New York/New Jersey/Philadelphia Metropolitan Area Airspace Redesign, the Administrator shall submit to Congress a report on the findings of the Administrator with respect to monitoring conducted under paragraph (1).

SEC. 219. STUDY ON FEASIBILITY OF DEVELOPMENT OF A PUBLIC INTERNET WEB-BASED RESOURCE ON LOCATIONS OF POTENTIAL AVIATION OBSTRUCTIONS.

(a) STUDY.—The Administrator of the Federal Aviation Administration shall carry out a study on the feasibility of developing a publicly searchable, Internet Web-based resource that provides information regarding the height and latitudinal and longitudinal locations of guy-wire and free-standing tower obstructions.

(b) CONSIDERATIONS.—In conducting the study, the Administrator shall consult with affected industries and appropriate Federal agencies.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Administrator shall submit a report to the appropriate committees of Congress on the results of the study.

SEC. 220. NEXTGEN RESEARCH AND DEVELOPMENT CENTER OF EXCELLENCE.

(a) IN GENERAL.—The Administrator of the Federal Aviation Administration may enter into an agreement, on a competitive basis, to assist in the establishment of a center of excellence for the research and development of NextGen technologies.

(b) FUNCTIONS.—The Administrator shall ensure that the center established under subsection (a)—

(1) leverages resources and partnerships, including appropriate programs of the Administration, to enhance the research and development of NextGen technologies by academia and industry; and

(2) provides educational, technical, and analytical assistance to the Administration and other Federal departments and agencies with responsibilities to research and develop NextGen technologies.

SEC. 221. PUBLIC-PRIVATE PARTNERSHIPS.

(a) IN GENERAL.—The Secretary may establish an avionics equipage incentive program for the purpose of equipping general aviation and commercial aircraft with communications, surveillance, navigation, and other avionics equipment as determined by the Secretary to be in the interest of achieving NextGen capabilities for such aircraft.

(b) NEXTGEN PUBLIC-PRIVATE PARTNERSHIPS.—The incentive program established under subsection (a) shall, at a minimum—

(1) be based on public-private partnership principles; and

(2) leverage and maximize the use of private sector capital.

(c) FINANCIAL INSTRUMENTS.—Subject to the availability of appropriated funds, the Secretary may use financial instruments to facilitate public-private financing for the equipage of general aviation and commercial aircraft registered under section 44103 of title 49, United States Code. To the extent appropriations are not made available, the Secretary may establish the program, provided the costs are covered by the fees and premiums authorized by subsection (d)(2). For purposes of this section, the term ''financial instruments'' means loan guarantees and other credit assistance designed to leverage and maximize private sector capital.

(d) PROTECTION OF THE TAXPAYER.—

(1) LIMITATION ON PRINCIPAL.— The amount of any guarantee under this program shall be limited to 90 percent of the principal amount of the underlying loan.

(2) COLLATERAL, FEES, AND PREMIUMS.—The Secretary shall require applicants for the incentive program to post collateral and pay such fees and premiums if feasible, as determined by the Secretary, to offset costs to the Government of potential defaults, and agree to performance measures that the Secretary considers necessary and in the best interest of implementing the NextGen program.

(3) USE OF FUNDS.—Applications for this program shall be limited to equipment that is installed

on general aviation or commercial aircraft and is necessary for communications, surveillance, navigation, or other purposes determined by the Secretary to be in the interests of achieving NextGen capabilities for commercial and general aviation.

(e) TERMINATION OF AUTHORITY.—The authority of the Secretary to issue such financial instruments under this section shall terminate 5 years after the date of the establishment of the incentive program.

SEC. 222. OPERATIONAL INCENTIVES.

(a) IN GENERAL.—The Administrator of the Federal Aviation Administration shall issue a report that—

(1) identifies incentive options to encourage the equipage of aircraft with NextGen technologies, including a policy that gives priority to aircraft equipped with ADS–B technology;

(2) identifies the costs and benefits of each option; and

(3) includes input from industry stakeholders, including passenger and cargo air carriers, aerospace manufacturers, and general aviation aircraft operators.

(b) DEADLINE.—The Administrator shall issue the report before the earlier of—

(1) the date that is 6 months after the date of enactment of this Act; or

(2) the date on which aircraft are required to be equipped with ADS–B technology pursuant to the rulemaking under section 211(b).

SEC. 223. EDUCATIONAL REQUIREMENTS.

The Administrator of the Federal Aviation Administration shall make payments to the Department of Defense for the education of dependent children of those Administration employees in Puerto Rico and Guam as they are subject to transfer by policy and practice and meet the eligibility requirements of section 2164(c) of title 10, United States Code.

SEC. 224. AIR TRAFFIC CONTROLLER STAFFING INITIATIVES AND ANALYSIS.

As soon as practicable, and not later than 1 year after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall—

(1) ensure, to the extent practicable, a sufficient number of contract instructors, classroom space (including off-site locations as needed), and simulators to allow for an increase in the number of air traffic controllers at air traffic control facilities;

(2) distribute, to the extent practicable, the placement of certified professional air traffic control-

lers-in-training and developmental air traffic controllers at facilities evenly across the calendar year in order to avoid training bottlenecks;

(3) initiate an analysis, to be conducted in consultation with the exclusive bargaining representative of air traffic controllers certified under section 7111 of title 5, United States Code, of scheduling processes and practices, including overtime scheduling practices at those facilities;

(4) provide, to the extent practicable and where appropriate, priority to certified professional air traffic controllers-in-training when filling staffing vacancies at facilities;

(5) assess training programs at air traffic control facilities with below-average success rates to determine if training is being carried out in accordance with Administration standards, and conduct exit interview analyses with all candidates to determine potential weaknesses in training protocols, or in the execution of such training protocols; and

(6) prioritize, to the extent practicable, such efforts to address the recommendations for the facilities identified in the Department of Transportation's Office of the Inspector General Report Number: AV-2009-047.

SEC. 225. REPORTS ON STATUS OF GREENER SKIES PROJECT.

(a) INITIAL REPORT.—Not later than 180 days after the date of the enactment of this Act, the Administrator of the Federal Aviation Administration shall submit to Congress a report on the strategy of the Administrator for implementing, on an accelerated basis, the NextGen operational capabilities produced by the Greener Skies project, as recommended in the final report of the RTCA NextGen Mid-Term Implementation Task Force that was issued on September 9, 2009.

(b) SUBSEQUENT REPORTS.—

(1) IN GENERAL.—Not later than 180 days after the Administrator submits to Congress the report required by subsection (a) and annually thereafter until the pilot program terminates, the Administrator shall submit to the Committee on Commerce, Science, and Transportation of the Senate and to the Committee on Transportation and Infrastructure of the House of Representatives a report on the progress of the Administrator in carrying out the strategy described in the report submitted under subsection (a).

(2) CONTENTS.—Each report submitted under paragraph (1) shall include the following:

(A) A timeline for full implementation of the strategy described in the report submitted under subsection (a).

(B) A description of the progress made in carrying out such strategy.

(C) A description of the challenges, if any, encountered by the Administrator in carrying out such strategy.

TITLE III—SAFETY

Subtitle A—General Provisions

SEC. 301. JUDICIAL REVIEW OF DENIAL OF AIRMAN CERTIFICATES.

(a) JUDICIAL REVIEW OF NTSB DECISIONS.—Section 44703(d) is amended by adding at the end the following:

"(3) A person who is substantially affected by an order of the Board under this subsection, or the Administrator if the Administrator decides that an order of the Board will have a significant adverse impact on carrying out this subtitle, may seek judicial review of the order under section 46110. The Administrator shall be made a party to the judicial review proceedings. The findings of fact of the Board in any such case are conclusive if supported by substantial evidence.".

(b) CONFORMING AMENDMENT.—Section 1153(c) is amended by striking “section 44709 or” and inserting “section 44703(d), 44709, or”.

SEC. 302. RELEASE OF DATA RELATING TO ABANDONED TYPE CERTIFICATES AND SUPPLEMENTAL TYPE CERTIFICATES.

Section 44704(a) is amended by adding at the end the following:

“(5) RELEASE OF DATA.—

“(A) IN GENERAL.—Notwithstanding any other provision of law, the Administrator may make available upon request, to a person seeking to maintain the airworthiness or develop product improvements of an aircraft, engine, propeller, or appliance, engineering data in the possession of the Administration relating to a type certificate or a supplemental type certificate for such aircraft, engine, propeller, or appliance, without the consent of the owner of record, if the Administrator determines that—

“(i) the certificate containing the requested data has been inactive for 3 or more years, except that the Administrator may reduce this time if required to address an unsafe condition associated with the product;

"(ii) after using due diligence, the Administrator is unable to find the owner of record, or the owner of record's heir, of the type certificate or supplemental type certificate; and

"(iii) making such data available will enhance aviation safety.

"(B) ENGINEERING DATA DEFINED.—In this section, the term 'engineering data' as used with respect to an aircraft, engine, propeller, or appliance means type design drawing and specifications for the entire aircraft, engine, propeller, or appliance or change to the aircraft, engine, propeller, or appliance, including the original design data, and any associated supplier data for individual parts or components approved as part of the particular certificate for the aircraft, engine, propeller, or appliance.

"(C) REQUIREMENT TO MAINTAIN DATA.—The Administrator shall maintain engineering data in the possession of the Administration relating to a type certificate or a supplemental type certificate that has been inactive for 3 or more years.''.

SEC. 303. DESIGN AND PRODUCTION ORGANIZATION CERTIFICATES.

(a) IN GENERAL.—Section 44704(e) is amended to read as follows:

''(e) DESIGN AND PRODUCTION ORGANIZATION CERTIFICATES.—

''(1) ISSUANCE.—Beginning January 1, 2013, the Administrator may issue a certificate to a design organization, production organization, or design and production organization to authorize the organization to certify compliance of aircraft, aircraft engines, propellers, and appliances with the requirements and minimum standards prescribed under section 44701(a). An organization holding a certificate issued under this subsection shall be known as a certified design and production organization (in this subsection referred to as a 'CDPO').

''(2) APPLICATIONS.—On receiving an application for a CDPO certificate, the Administrator shall examine and rate the organization submitting the application, in accordance with regulations to be prescribed by the Administrator, to determine whether the organization has adequate engineering, design, and production capabilities, standards, and safeguards to make certifications of compliance as described in paragraph (1).

"(3) ISSUANCE OF CERTIFICATES BASED ON CDPO FINDINGS.—The Administrator may rely on certifications of compliance by a CDPO when making determinations under this section.

"(4) PUBLIC SAFETY.—The Administrator shall include in a CDPO certificate terms required in the interest of safety.

"(5) NO EFFECT ON POWER OF REVOCATION.—Nothing in this subsection affects the authority of the Secretary of Transportation to revoke a certificate.".

(b) APPLICABILITY.—Before January 1, 2013, the Administrator of the Federal Aviation Administration may continue to issue certificates under section 44704(e) of title 49, United States Code, as in effect on the day before the date of enactment of this Act.

(c) CLERICAL AMENDMENTS.—Chapter 447 is amended—

(1) in the heading for section 44704 by striking "**and design organization certificates**" and inserting "**, and design and production organization certificates**"; and

(2) in the analysis for such chapter by striking the item relating to section 44704 and inserting the following:

"44704. Type certificates, production certificates, airworthiness certificates, and design and production organization certificates.".

SEC. 304. CABIN CREW COMMUNICATION.

(a) IN GENERAL.—Section 44728 is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following:

"(f) MINIMUM LANGUAGE SKILLS.—

"(1) IN GENERAL.—No person may serve as a flight attendant aboard an aircraft of an air carrier, unless that person has demonstrated to an individual qualified to determine proficiency the ability to read, speak, and write English well enough to—

"(A) read material written in English and comprehend the information;

"(B) speak and understand English sufficiently to provide direction to, and understand and answer questions from, English-speaking individuals;

"(C) write incident reports and statements and log entries and statements; and

"(D) carry out written and oral instructions regarding the proper performance of their duties.

"(2) FOREIGN FLIGHTS.—The requirements of paragraph (1) do not apply to a flight attendant serving solely between points outside the United States.".

(b) FACILITATION.—The Administrator of the Federal Aviation Administration shall work with air carriers to facilitate compliance with the requirements of section 44728(f) of title 49, United States Code (as amended by this section).

SEC. 305. LINE CHECK EVALUATIONS.

Section 44729(h) is amended—

(1) by striking paragraph (2); and

(2) by redesignating paragraph (3) as paragraph (2).

SEC. 306. SAFETY OF AIR AMBULANCE OPERATIONS.

(a) IN GENERAL.—Chapter 447 is amended by adding at the end the following:

"§ 44730. Helicopter air ambulance operations

"(a) COMPLIANCE REGULATIONS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), not later than 180 days after the date of enactment of this section, a part 135 certificate holder providing air ambulance services shall comply, whenever medical personnel are onboard the aircraft, with regulations pertaining to weather minimums and flight and duty time under part 135.

"(2) EXCEPTION.—If a certificate holder described in paragraph (1) is operating, or carrying out training, under instrument flight rules, the weather reporting requirement at the destination shall not apply if authorized by the Administrator of the Federal Aviation Administration.

"(b) FINAL RULE.—Not later than June 1, 2012, the Administrator shall issue a final rule, with respect to the notice of proposed rulemaking published in the Federal Register on October 12, 2010 (75 Fed. Reg. 62640), to improve the safety of flight crewmembers, medical personnel, and passengers onboard helicopters providing air ambulance services under part 135.

"(c) MATTERS TO BE ADDRESSED.—In conducting the rulemaking proceeding under subsection (b), the Administrator shall address the following:

"(1) Flight request and dispatch procedures, including performance-based flight dispatch procedures.

"(2) Pilot training standards, including establishment of training standards in—

"(A) preventing controlled flight into terrain; and

"(B) recovery from inadvertent flight into instrument meteorological conditions.

"(3) Safety-enhancing technology and equipment, including—

"(A) helicopter terrain awareness and warning systems;

"(B) radar altimeters; and

"(C) devices that perform the function of flight data recorders and cockpit voice recorders, to the extent feasible.

"(4) Such other matters as the Administrator considers appropriate.

"(d) MINIMUM REQUIREMENTS.—In issuing a final rule under subsection (b), the Administrator, at a minimum, shall provide for the following:

"(1) FLIGHT RISK EVALUATION PROGRAM.—The Administrator shall ensure that a part 135 certificate holder providing helicopter air ambulance services—

"(A) establishes a flight risk evaluation program, based on FAA Notice 8000.301 issued by the Administration on August 1, 2005, including any updates thereto;

"(B) as part of the flight risk evaluation program, develops a checklist for use by pilots in determining whether a flight request should be accepted; and

"(C) requires the pilots of the certificate holder to use the checklist.

"(2) OPERATIONAL CONTROL CENTER.—The Administrator shall ensure that a part 135 certificate holder providing helicopter air ambulance services using 10 or more helicopters has an operational control center that meets such requirements as the Administrator may prescribe.

"(e) SUBSEQUENT RULEMAKING.—

"(1) IN GENERAL.—Upon completion of the rulemaking required under subsection (b), the Administrator shall conduct a follow-on rulemaking to address the following:

"(A) Pilot training standards, including—

"(i) mandatory training requirements, including a minimum time for completing the training requirements;

"(ii) training subject areas, such as communications procedures and appropriate technology use; and ''(iii) establishment of training standards in—

''(I) crew resource management;

''(II) flight risk evaluation;

''(III) operational control of the pilot in command; and

''(IV) use of flight simulation training devices and line-oriented flight training.

''(B) Use of safety equipment that should be worn or used by flight crewmembers and medical personnel on a flight, including the possible use of shoulder harnesses, helmets, seatbelts, and fire resistant clothing to enhance crash survivability.

''(2) DEADLINES.—Not later than 180 days after the date of issuance of a final rule under subsection (b), the Administrator shall initiate the rulemaking under this subsection.

''(3) LIMITATION ON CONSTRUCTION.—Nothing in this subsection shall be construed to require the Administrator to propose or finalize any rule that would derogate or supersede the rule required to be finalized under subsection (b).

"(f) DEFINITIONS.—In this section, the following definitions apply:

"(1) PART 135.—The term 'part 135' means part 135 of title 14, Code of Federal Regulations.

"(2) PART 135 CERTIFICATE HOLDER.—The term 'part 135 certificate holder' means a person holding an operating certificate issued under part 119 of title 14, Code of Federal Regulations, that is authorized to conduct civil helicopter air ambulance operations under part 135.

"§ 44731. Collection of data on helicopter air ambulance operations

"(a) IN GENERAL.—The Administrator of the Federal Aviation Administration shall require a part 135 certificate holder providing helicopter air ambulance services to submit to the Administrator, not later than 1 year after the date of enactment of this section, and annually thereafter, a report containing, at a minimum, the following data:

"(1) The number of helicopters that the certificate holder uses to provide helicopter air ambulance services and the base locations of the helicopters.

"(2) The number of flights and hours flown, by registration number, during which helicopters operated by the certificate holder were providing helicopter air ambulance services.

"(3) The number of flight requests for a helicopter providing air ambulance services that were accepted or declined by the certificate holder and the type of each such flight request (such as scene response, interfacility transport, organ transport, or ferry or repositioning flight).

"(4) The number of accidents, if any, involving helicopters operated by the certificate holder while providing air ambulance services and a description of the accidents.

"(5) The number of flights and hours flown under instrument flight rules by helicopters operated by the certificate holder while providing air ambulance services.

"(6) The time of day of each flight flown by helicopters operated by the certificate holder while providing air ambulance services.

"(7) The number of incidents, if any, in which a helicopter was not directly dispatched and arrived to transport patients but was not utilized for patient transport.

"(b) Reporting Period.—Data contained in a report submitted by a part 135 certificate holder under subsection (a) shall relate to such reporting period as the Administrator determines appropriate.

"(c) DATABASE.—Not later than 180 days after the date of enactment of this section, the Administrator shall develop a method to collect and store the data collected under subsection (a), including a method to protect the confidentiality of any trade secret or proprietary information provided in response to this section.

"(d) REPORT TO CONGRESS.—Not later than 2 years after the date of enactment of this section, and annually thereafter, the Administrator shall submit 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 a summary of the data collected under subsection (a).

"(e) DEFINITIONS.—In this section, the terms 'part 135' and 'part 135 certificate holder' have the meanings given such terms in section 44730.".

(b) AUTHORIZED EXPENDITURES.—Section 106(k)(2)(C) (as redesignated by this Act) is amended by inserting before the period the following: "and the development and maintenance of helicopter approach procedures".

(c) CLERICAL AMENDMENT.—The analysis for chapter 447 is amended by adding at the end the following:

"44730. Helicopter air ambulance operations.
"44731. Collection of data on helicopter air ambulance operations.".

SEC. 307. PROHIBITION ON PERSONAL USE OF ELECTRONIC DEVICES ON FLIGHT DECK.

(a) IN GENERAL.—Chapter 447 (as amended by this Act) is further amended by adding at the end the following:

"§ 44732. Prohibition on personal use of electronic devices on flight deck

"(a) IN GENERAL.—It is unlawful for a flight crewmember of an aircraft used to provide air transportation under part 121 of title 14, Code of Federal Regulations, to use a personal wireless communications device or laptop computer while at the flight crewmember's duty station on the flight deck of such an aircraft while the aircraft is being operated.

"(b) EXCEPTIONS.—Subsection (a) shall not apply to the use of a personal wireless communications device or laptop computer for a purpose directly related to operation of the aircraft, or for emergency, safety-related, or employment-related communications, in accordance with procedures established by the air carrier and the Administrator of the Federal Aviation Administration.

"(c) ENFORCEMENT.—In addition to the penalties provided under section 46301 applicable to any violation of this section, the Administrator of the Federal Aviation Administration may enforce compliance with this section under section 44709 by amending, modifying, suspending, or revoking a certificate under this chapter.

"(d) PERSONAL WIRELESS COMMUNICATIONS DEVICE DEFINED.—In this section, the term 'personal wireless communications device' means a device through which personal wireless services (as defined in section 332(c)(7)(C)(i) of the Communications Act of 1934 (47 U.S.C. 332(c)(7)(C)(i))) are transmitted.".

(b) PENALTY.—Section 44711(a) is amended—

(1) by striking "or" after the semicolon in paragraph (8);

(2) by striking "title." in paragraph (9) and inserting "title; or"; and

(3) by adding at the end the following:

"(10) violate section 44732 or any regulation issued thereunder.".

(c) CONFORMING AMENDMENT.—The analysis for chapter 447 (as amended by this Act) is further amended by adding at the end the following:

"44732. Prohibition on personal use of electronic devices on flight deck.".

(d) REGULATIONS.—Not later than 90 days after the date of enactment of this Act, the Administrator of the

Federal Aviation Administration shall initiate a rulemaking procedure for regulations to carry out section 44732 of title 49, United States Code (as added by this section), and shall issue a final rule thereunder not later than 2 years after the date of enactment of this Act.

(e) STUDY.—

(1) IN GENERAL.—The Administrator of the Federal Aviation Administration shall review relevant air carrier data and carry out a study—

(A) to identify common sources of distraction for the flight crewmembers on the flight deck of a commercial aircraft; and

(B) to determine the safety impacts of such distractions.

(2) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Administrator shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report that contains—

(A) the findings of the study conducted under paragraph (1); and

(B) recommendations regarding how to reduce distractions for flight crewmembers on the flight deck of a commercial aircraft.

SEC. 308. INSPECTION OF REPAIR STATIONS LOCATED OUTSIDE THE UNITED STATES.

(a) IN GENERAL.—Chapter 447 (as amended by this Act) is further amended by adding at the end the following:

"§ 44733. Inspection of repair stations located outside the United States

"(a) IN GENERAL.—Not later than 1 year after the date of enactment of this section, the Administrator of the Federal Aviation Administration shall establish and implement a safety assessment system for all part 145 repair stations based on the type, scope, and complexity of work being performed. The system shall—

"(1) ensure that repair stations located outside the United States are subject to appropriate inspections based on identified risks and consistent with existing United States requirements;

"(2) consider inspection results and findings submitted by foreign civil aviation authorities operating under a maintenance safety or maintenance implementation agreement with the United States; and

"(3) require all maintenance safety or maintenance implementation agreements to provide an opportunity for the Administration to conduct independent inspections of covered part 145 repair stations when safety concerns warrant such inspections.

"(b) NOTICE TO CONGRESS OF NEGOTIATIONS.—The Administrator shall notify the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives not later than 30 days after initiating formal negotiations with foreign aviation authorities or other appropriate foreign government agencies on a new maintenance safety or maintenance implementation agreement.

"(c) ANNUAL REPORT.—The Administrator shall publish an annual report on the Administration's oversight of part 145 repair stations and implementation of the safety assessment system required under subsection (a). The report shall—

"(1) describe in detail any improvements in the Administration's ability to identify and track where part 121 air carrier repair work is performed;

"(2) include a staffing model to determine the best placement of inspectors and the number of inspectors needed;

"(3) describe the training provided to inspectors; and

"(4) include an assessment of the quality of monitoring and surveillance by the Administration of work performed by its inspectors and the inspectors of foreign authorities operating under a maintenance safety or maintenance implementation agreement.

"(d) ALCOHOL AND CONTROLLED SUBSTANCES TESTING PROGRAM REQUIREMENTS.—

"(1) IN GENERAL.—The Secretary of State and the Secretary of Transportation, acting jointly, shall request the governments of foreign countries that are members of the International Civil Aviation Organization to establish international standards for alcohol and controlled substances testing of persons that perform safety-sensitive maintenance functions on commercial air carrier aircraft.

"(2) APPLICATION TO PART 121 AIRCRAFT WORK.—Not later than 1 year after the date of enactment of this section, the Administrator shall promulgate a proposed rule requiring that all part 145 repair station employees responsible for safety-sensitive maintenance functions on part 121 air carrier aircraft are subject to an alcohol and controlled substances testing program determined acceptable by the Administrator and consistent with the applicable laws of the country in which the repair station is located.

"(e) ANNUAL INSPECTIONS.—The Administrator shall ensure that part 145 repair stations located outside the United States are inspected annually by Federal Aviation Administration safety inspectors, without regard to where the station is located, in a manner consistent with United States obligations under international agreements. The Administrator may carry out inspections in addition to the annual inspection required under this subsection based on identified risks.

"(f) DEFINITIONS.—In this section, the following definitions apply:

"(1) PART 121 AIR CARRIER.—The term 'part 121 air carrier' means an air carrier that holds a certificate issued under part 121 of title 14, Code of Federal Regulations.

"(2) PART 145 REPAIR STATION.—The term 'part 145 repair station' means a repair station that holds a certificate issued under part 145 of title 14, Code of Federal Regulations.".

(b) CONFORMING AMENDMENT.—The analysis for chapter 447 (as amended by this Act) is further amended by adding at the end the following:

"44733. Inspection of repair stations located outside the United States.".

SEC. 309. ENHANCED TRAINING FOR FLIGHT ATTENDANTS.

(a) IN GENERAL.—Chapter 447 (as amended by this Act) is further amended by adding at the end the following:

"§ 44734. Training of flight attendants

"(a) TRAINING REQUIRED.—In addition to other training required under this chapter, each air carrier shall provide to flight attendants employed or contracted by such air carrier initial and annual training regarding—

"(1) serving alcohol to passengers;

"(2) recognizing intoxicated passengers; and

"(3) dealing with disruptive passengers.

"(b) SITUATIONAL TRAINING.—In carrying out the training required under subsection (a), each air carrier shall provide to flight attendants situational training on the proper method for dealing with intoxicated passengers who act in a belligerent manner.

"(c) DEFINITIONS.—In this section, the following definitions apply:

"(1) AIR CARRIER.—The term 'air carrier' means a person, including a commercial enterprise, that has been issued an air carrier operating certificate under section 44705.

"(2) FLIGHT ATTENDANT.—The term 'flight attendant' has the meaning given that term in section 44728(g).".

(b) CLERICAL AMENDMENT.—The analysis for chapter 447 (as amended by this Act) is further amended by adding at the end the following:

"44734. Training of flight attendants.".

SEC. 310. LIMITATION ON DISCLOSURE OF SAFETY INFORMATION.

(a) IN GENERAL.—Chapter 447 (as amended by this Act) is further amended by adding at the end the following:

"§ 44735. Limitation on disclosure of safety information

"(a) IN GENERAL.—Except as provided by subsection (c), a report, data, or other information described in subsection (b) shall not be disclosed to the public by the Administrator of the Federal Aviation Administration pursuant to section 552(b)(3)(B) of title 5 if the report, data, or other information is submitted to the Federal Aviation Administration voluntarily and is not required to be submitted to the Administrator under any other provision of law.

"(b) APPLICABILITY.—The limitation established by subsection (a) shall apply to the following:

"(1) Reports, data, or other information developed under the Aviation Safety Action Program.

"(2) Reports, data, or other information produced or collected under the Flight Operational Quality Assurance Program.

"(3) Reports, data, or other information developed under the Line Operations Safety Audit Program.

"(4) Reports, data, or other information produced or collected for purposes of developing and implementing a safety management system acceptable to the Administrator.

"(5) Reports, analyses, and directed studies, based in whole or in part on reports, data, or other information described in paragraphs (1) through (4), including those prepared under the Aviation Safety Information Analysis and Sharing Program (or any successor program).

"(c) EXCEPTION FOR DE-IDENTIFIED INFORMATION.—

"(1) IN GENERAL.—The limitation established by subsection (a) shall not apply to a report, data, or other information if the information contained in the report, data, or other information has been de-identified.

"(2) DE-IDENTIFIED DEFINED.—In this subsection, the term 'de-identified' means the process by which all information that is likely to establish the identity of the specific persons or entities submitting reports, data, or other information is removed from the reports, data, or other information.''.

(b) CLERICAL AMENDMENT.—The analysis for such chapter (as amended by this Act) is further amended by adding at the end the following:

''44735. Limitation on disclosure of safety information.''.

(c) TECHNICAL CORRECTION.—Section 44703(i)(9)(B)(i) is amended by striking ''section 552 of title 5'' and inserting ''section 552(b)(3)(B) of title 5''.

SEC. 311. PROHIBITION AGAINST AIMING A LASER POINTER AT AN AIRCRAFT.

(a) OFFENSE.—Chapter 2 of title 18, United States Code, is amended by inserting after section 39 the following:

''§ 39A. Aiming a laser pointer at an aircraft

''(a) OFFENSE.—Whoever knowingly aims the beam of a laser pointer at an aircraft in the special aircraft jurisdiction of the United States, or at the flight path of such an aircraft, shall be fined under this title or imprisoned not more than 5 years, or both.

''(b) LASER POINTER DEFINED.—As used in this section, the term 'laser pointer' means any device designed or used to amplify electromagnetic radiation by stimulated emission that emits a beam designed to be used by the operator as a pointer or highlighter to indicate, mark, or identify a specific position, place, item, or object.

"(c) EXCEPTIONS.—This section does not prohibit aiming a beam of a laser pointer at an aircraft, or the flight path of such an aircraft, by—

"(1) an authorized individual in the conduct of research and development or flight test operations conducted by an aircraft manufacturer, the Federal Aviation Administration, or any other person authorized by the Federal Aviation Administration to conduct such research and development or flight test operations;

"(2) members or elements of the Department of Defense or Department of Homeland Security acting in an official capacity for the purpose of research, development, operations, testing, or training; or

"(3) by an individual using a laser emergency signaling device to send an emergency distress signal.

"(d) AUTHORITY TO ESTABLISH ADDITIONAL EXCEPTIONS BY REGULATION.—The Attorney General, in consultation with the Secretary of Transportation, may provide by regulation, after public notice and comment, such additional exceptions to this section as may be necessary and appropriate. The Attorney General shall provide written notification of any proposed regulations under this section to the Committees on the Judiciary of the Senate and the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Transportation and Infrastructure of the House of Representatives, not less than 90 days before such regulations become final.''.

(b) CLERICAL AMENDMENT.—The analysis for such chapter is amended—

(1) by moving the item relating to section 39 after the item relating to section 38; and

(2) by inserting after the item relating to section 39 the following:

``39A. Aiming a laser pointer at an aircraft''.

SEC. 312. AIRCRAFT CERTIFICATION PROCESS REVIEW AND REFORM.

(a) IN GENERAL.—The Administrator of the Federal Aviation Administration, in consultation with representatives of the aviation industry, shall conduct an assessment of the certification and approval process under section 44704 of title 49, United States Code.

(b) CONTENTS.—In conducting the assessment, the Administrator shall consider—

(1) the expected number of applications for product certifications and approvals the Administrator will receive under section 44704 of such title

in the 1-year, 5-year, and 10-year periods following the date of enactment of this Act;

(2) process reforms and improvements necessary to allow the Administrator to review and approve the applications in a fair and timely fashion;

(3) the status of recommendations made in previous reports on the Administration's certification process;

(4) methods for enhancing the effective use of delegation systems, including organizational designation authorization;

(5) methods for training the Administration's field office employees in the safety management system and auditing; and

(6) the status of updating airworthiness requirements, including implementing recommendations in the Administration's report entitled ''Part 23—Small Airplane Certification Process Study'' (OK–09–3468, dated July 2009).

(c) RECOMMENDATIONS.—In conducting the assessment, the Administrator shall make recommendations to improve efficiency and reduce costs through streamlining and reengineering the certification process under section 44704 of such title to ensure that the Administrator can conduct certifications and approvals under such section in a manner that supports and enables the development of new products and technologies and the global competitiveness of the United States aviation industry.

(d) REPORT TO CONGRESS.—Not later than 180 days after the date of enactment of this Act, the Administrator shall submit 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 results of the assessment, together with an explanation of how the Administrator will implement recommendations made under subsection (c) and measure the effectiveness of the recommendations.

(e) IMPLEMENTATION OF RECOMMENDATIONS.—Not later than 1 year after the date of enactment of this Act, the Administrator shall begin to implement the recommendations made under subsection (c).

SEC. 313. CONSISTENCY OF REGULATORY INTERPRETATION.

(a) ESTABLISHMENT OF ADVISORY PANEL.—Not later than 90 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall establish an advisory panel comprised of both Government and industry representatives to—

(1) review the October 2010 report by the Government Accountability Office on certification and approval processes (GAO–11–14); and

(2) develop recommendations to address the findings in the report and other concerns raised by interested parties, including representatives of the aviation industry.

(b) MATTERS TO BE CONSIDERED.—The advisory panel shall—

(1) determine the root causes of inconsistent interpretation of regulations by the Administration's Flight Standards Service and Aircraft Certification Service;

(2) develop recommendations to improve the consistency of interpreting regulations by the Administration's Flight Standards Service and Aircraft Certification Service; and

(3) develop recommendations to improve communications between the Administration's Flight Standards Service and Aircraft Certification Service and applicants and certificate and approval holders for the identification and resolution of potentially adverse issues in an expeditious and fair manner.

(c) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Administrator 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 findings of the advisory panel, together with an explanation of how the Administrator will implement the recommendations of the advisory panel and measure the effectiveness of the recommendations.

SEC. 314. RUNWAY SAFETY.

(a) STRATEGIC RUNWAY SAFETY PLAN.—

(1) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall develop and submit to Congress a report containing a strategic runway safety plan.

(2) CONTENTS OF PLAN.—The strategic runway safety plan—

(A) shall include, at a minimum—

(i) goals to improve runway safety;

(ii) near- and long-term actions designed to reduce the severity, number, and rate of runway incursions, losses of standard separation, and operational errors;

(iii) time frames and resources needed for the actions described in clause (ii);

(iv) a continuous evaluative process to track performance toward the goals referred to in clause (i); and

(v) a review with respect to runway safety of every commercial service airport (as defined in section 47102 of title 49, United States Code) in the United States and proposed action to improve airport lighting, provide better signs, and improve runway and taxiway markings at those airports; and

(B) shall address the increased runway safety risk associated with the expected increased volume of air traffic.

(b) PROCESS.—Not later than 6 months after the date of enactment of this Act, the Administrator shall develop a process for tracking and investigating operational errors, losses of standard separation, and runway incursions that includes procedures for—

(1) identifying who is responsible for tracking operational errors, losses of standard separation, and runway incursions, including a process for lower level employees to report to higher supervisory levels and for frontline managers to receive the information in a timely manner;

(2) conducting periodic random audits of the oversight process; and

(3) ensuring proper accountability.

(c) PLAN FOR INSTALLATION AND DEPLOYMENT OF SYSTEMS TO PROVIDE ALERTS OF POTENTIAL RUNWAY INCURSIONS.—Not later than June 30, 2012, the Administrator shall submit to Congress a report containing a plan for the installation and deployment of systems to alert air traffic controllers or flight crewmembers, or both, of potential runway incursions. The plan shall be integrated into the annual NextGen Implementation Plan of the Administration or any successor document.

SEC. 315. FLIGHT STANDARDS EVALUATION PROGRAM.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall modify the Flight Standards Evaluation Program—

(1) to include periodic and random reviews as part of the Administration's oversight of air carriers; and

(2) to prohibit an individual from participating in a review or audit of an office with responsibility for an air carrier under the program if the individual, at any time in the 5-year period preceding the date of the review or audit, had responsibility for

inspecting, or overseeing the inspection of, the operations of that carrier.

(b) ANNUAL REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Administrator shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the Flight Standards Evaluation Program, including the Administrator's findings and recommendations with respect to the program.

(c) FLIGHT STANDARDS EVALUATION PROGRAM DEFINED.—In this section, the term ''Flight Standards Evaluation Program'' means the program established by the Federal Aviation Administration in FS 1100.1B CHG3, including any subsequent revisions thereto.

SEC. 316. COCKPIT SMOKE.

(a) STUDY.—The Comptroller General of the United States shall conduct a study on the effectiveness of oversight activities of the Federal Aviation Administration relating to the use of new technologies to prevent or mitigate the effects of dense, continuous smoke in the cockpit of a commercial aircraft.

(b) REPORT TO CONGRESS.—Not later than 18 months after the date of enactment of this Act, the Comptroller General shall submit to Congress a report on the results of the study.

SEC. 317. OFF-AIRPORT, LOW-ALTITUDE AIRCRAFT WEATHER OBSERVATION TECHNOLOGY.

(a) STUDY.—The Administrator of the Federal Aviation Administration shall conduct a review of off-airport, low-altitude aircraft weather observation technologies.

(b) SPECIFIC REVIEW.—The review shall include, at a minimum, an examination of off-airport, low-altitude weather reporting needs, an assessment of technical alternatives (including automated weather observation stations), an investment analysis, and recommendations for improving weather reporting.

(c) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Administrator shall submit to Congress a report containing the results of the review.

SEC. 318. FEASIBILITY OF REQUIRING HELICOPTER PILOTS TO USE NIGHT VISION GOGGLES.

(a) STUDY.—The Administrator of the Federal Aviation Administration shall carry out a study on the feasibility of requiring pilots of helicopters providing air ambulance services under part 135 of title 14, Code of Federal Regulations, to use night vision goggles during nighttime operations.

(b) CONSIDERATIONS.—In conducting the study, the Administrator shall consult with owners and operators of helicopters providing air ambulance services under such part 135 and aviation safety professionals to determine the benefits, financial considerations, and risks associated with requiring the use of night vision goggles.

(c) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Administrator shall submit 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 results of the study.

SEC. 319. MAINTENANCE PROVIDERS.

(a) REGULATIONS.—Not later than 3 years after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall issue regulations requiring that covered work on an aircraft used to provide air transportation under part 121 of title 14, Code of Federal Regulations, be performed by persons in accordance with subsection (b).

(b) PERSONS AUTHORIZED TO PERFORM CERTAIN WORK.—A person may perform covered work on aircraft used to provide air transportation under part 121 of title 14, Code of Federal Regulations, only if the person is employed by—

(1) a part 121 air carrier;

(2) a part 145 repair station or a person authorized under section 43.17 of title 14, Code of Federal Regulations (or any successor regulation); or

(3) subject to subsection (c), a person that—

(A) provides contract maintenance workers, services, or maintenance functions to a part 121 air carrier or part 145 repair station; and

(B) meets the requirements of the part 121 air carrier or the part 145 repair station, as appropriate.

(c) TERMS AND CONDITIONS.—Covered work performed by a person who is employed by a person described in subsection (b)(3) shall be subject to the following terms and conditions:

(1) The applicable part 121 air carrier shall be directly in charge of the covered work being performed.

(2) The covered work shall be carried out in accordance with the part 121 air carrier's maintenance manual.

(3) The person shall carry out the covered work under the supervision and control of the part 121

air carrier directly in charge of the covered work being performed on its aircraft.

(d) DEFINITIONS.—In this section, the following definitions apply:

(1) COVERED WORK.—The term "covered work" means any of the following:

(A) Essential maintenance that could result in a failure, malfunction, or defect endangering the safe operation of an aircraft if not performed properly or if improper parts or materials are used.

(B) Regularly scheduled maintenance.

(C) A required inspection item (as defined by the Administrator).

(2) PART 121 AIR CARRIER.—The term "part 121 air carrier" means an air carrier that holds a certificate issued under part 121 of title 14, Code of Federal Regulations.

(3) PART 145 REPAIR STATION.—The term "part 145 repair station" means a repair station that holds a certificate issued under part 145 of title 14, Code of Federal Regulations.

(4) PERSON.—The term "person" means an individual, firm, partnership, corporation, company, or

association that performs maintenance, preventative maintenance, or alterations.

SEC. 320. STUDY OF AIR QUALITY IN AIRCRAFT CABINS.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall initiate a study of air quality in aircraft cabins to—

(1) assess bleed air quality on the full range of commercial aircraft operating in the United States;

(2) identify oil-based contaminants, hydraulic fluid toxins, and other air toxins that appear in cabin air and measure the quantity and prevalence, or absence, of those toxins through a comprehensive sampling program;

(3) determine the specific amount and duration of toxic fumes present in aircraft cabins that constitutes a health risk to passengers;

(4) develop a systematic reporting standard for smoke and fume events in aircraft cabins; and

(5) identify the potential health risks to individuals exposed to toxic fumes during flight.

(b) AUTHORITY TO MONITOR AIR IN AIRCRAFT CABINS.—For purposes of conducting the study required by subsection (a), the Administrator of the Federal Aviation Administration shall require domestic air carriers to allow air quality monitoring on their aircraft in a manner that imposes no significant costs on the air carrier and does not interfere with the normal operation of the aircraft.

SEC. 321. IMPROVED PILOT LICENSES.

(a) IN GENERAL.—The Administrator of the Federal Aviation Administration shall issue improved pilot licenses consistent with requirements under this section.

(b) TIMING.—Not later than 270 days after the date of enactment of this Act, the Administrator shall—

(1) provide 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—

(A) a timeline for the phased issuance of improved pilot licenses under this section that ensures all pilots are issued such licenses not later than 2 years after the initial issuance of such licenses under paragraph (2); and

(B) recommendations for the Federal installation of infrastructure necessary to take advantage of information contained on improved pilot licenses issued under this section, which identify the necessary infrastructure, indicate the Federal entity that should be responsible for installing, funding, and operating the infrastructure at airport sterile areas, and provide an estimate of the costs of the infrastructure; and

(2) begin to issue improved pilot licenses consistent with the requirements of title 49, United States Code, and title 14, Code of Federal Regulations.

(c) REQUIREMENTS.—Improved pilot licenses issued under this section shall—

(1) be resistant to tampering, alteration, and counterfeiting;

(2) include a photograph of the individual to whom the license is issued for identification purposes; and

(3) be smart cards that—

(A) accommodate iris and fingerprint biometric identifiers; and

(B) are compliant with Federal Information Processing Standards-201 (FIPS–201) or Personal Identity Verification-Interoperability Standards (PIV–I) for processing through security checkpoints into airport sterile areas.

(d) TAMPERING.—To the extent practicable, the Administrator shall develop methods to determine or reveal whether any component or security feature of an improved pilot license issued under this section has been tampered with, altered, or counterfeited.

(e) USE OF DESIGNEES.—The Administrator may use designees to carry out subsection (a) to the extent practicable in order to minimize the burdens on pilots.

(f) REPORT TO CONGRESS.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Administrator shall submit 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 issuance of improved pilot licenses under this section.

(2) EXPIRATION.—The Administrator shall not be required to submit annual reports under this subsection after the date on which the Administrator has issued improved pilot licenses under this section to all pilots.

Subtitle B—Unmanned Aircraft Systems

SEC. 331. DEFINITIONS.

In this subtitle, the following definitions apply:

(1) ARCTIC.—The term ''Arctic'' means the United States zone of the Chukchi Sea, Beaufort Sea, and Bering Sea north of the Aleutian chain.

(2) CERTIFICATE OF WAIVER; CERTIFICATE OF AUTHORIZATION.—The terms ''certificate of waiver'' and ''certificate of authorization'' mean a Federal Aviation Administration grant of approval for a specific flight operation.

(3) PERMANENT AREAS.—The term ''permanent areas'' means areas on land or water that provide for launch, recovery, and operation of small unmanned aircraft.

(4) PUBLIC UNMANNED AIRCRAFT SYSTEM.—The term ''public unmanned aircraft system'' means an unmanned aircraft system that meets the qualifications and conditions required for operation of a public aircraft (as defined in section 40102 of title 49, United States Code).

(5) SENSE AND AVOID CAPABILITY.—The term ''sense and avoid capability'' means the capability of an unmanned aircraft to remain a safe distance from and to avoid collisions with other airborne aircraft.

(6) SMALL UNMANNED AIRCRAFT.—The term ''small unmanned aircraft'' means an unmanned aircraft weighing less than 55 pounds.

(7) TEST RANGE.—The term ''test range'' means a defined geographic area where research and development are conducted.

(8) UNMANNED AIRCRAFT.—The term ''unmanned aircraft'' means an aircraft that is operated without the possibility of direct human intervention from within or on the aircraft.

(9) UNMANNED AIRCRAFT SYSTEM.—The term ''unmanned aircraft system'' means an unmanned aircraft and associated elements (including communication links and the components that control the unmanned aircraft) that are required for the pilot in command to operate safely and efficiently in the national airspace system.

SEC. 332. INTEGRATION OF CIVIL UNMANNED AIRCRAFT SYSTEMS INTO NATIONAL AIRSPACE SYSTEM.

(a) REQUIRED PLANNING FOR INTEGRATION.—

(1) COMPREHENSIVE PLAN.—Not later than 270 days after the date of enactment of this Act, the Secretary of Transportation, in consultation with representatives of the aviation industry, Federal agencies that employ unmanned aircraft systems

technology in the national airspace system, and the unmanned aircraft systems industry, shall develop a comprehensive plan to safely accelerate the integration of civil unmanned aircraft systems into the national airspace system.

(2) CONTENTS OF PLAN.—The plan required under paragraph (1) shall contain, at a minimum, recommendations or projections on—

(A) the rulemaking to be conducted under subsection (b), with specific recommendations on how the rulemaking will—

(i) define the acceptable standards for operation and certification of civil unmanned aircraft systems;

(ii) ensure that any civil unmanned aircraft system includes a sense and avoid capability; and

(iii) establish standards and requirements for the operator and pilot of a civil unmanned aircraft system, including standards and requirements for registration and licensing;

(B) the best methods to enhance the technologies and subsystems necessary to achieve the safe and routine operation of civil unmanned aircraft systems in the national airspace system;

(C) a phased-in approach to the integration of civil unmanned aircraft systems into the national airspace system;

(D) a timeline for the phased-in approach described under subparagraph (C);

(E) creation of a safe

(F) airspace designation for cooperative manned and unmanned flight operations in the national airspace system;

(G) establishment of a process to develop certification, flight standards, and air traffic requirements for civil unmanned aircraft systems at test ranges where such systems are subject to testing;

(H) the best methods to ensure the safe operation of civil unmanned aircraft systems and public unmanned aircraft systems simultaneously in the national airspace system; and

(I) incorporation of the plan into the annual NextGen Implementation Plan document (or any successor document) of the Federal Aviation Administration.

(3) DEADLINE.—The plan required under paragraph (1) shall provide for the safe integration of civil unmanned aircraft systems into the national airspace system as soon as practicable, but not later than September 30, 2015.

(4) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a copy of the plan required under paragraph (1).

(5) ROADMAP.—Not later than 1 year after the date of enactment of this Act, the Secretary shall approve and make available in print and on the Administration's Internet Web site a 5-year roadmap for the introduction of civil unmanned aircraft systems into the national airspace system, as coordinated by the Unmanned Aircraft Program Office of the Administration. The Secretary shall update the roadmap annually.

(b) RULEMAKING.—Not later than 18 months after the date on which the plan required under subsection (a)(1) is submitted to Congress under subsection (a)(4), the Secretary shall publish in the Federal Register—

(1) a final rule on small unmanned aircraft systems that will allow for civil operation of such systems in the national airspace system, to the extent

the systems do not meet the requirements for expedited operational authorization under section 333 of this Act;

(2) a notice of proposed rulemaking to implement the recommendations of the plan required under subsection (a)(1), with the final rule to be published not later than 16 months after the date of publication of the notice; and

(3) an update to the Administration's most recent policy statement on unmanned aircraft systems, contained in Docket No. FAA–2006–25714.

(c) PILOT PROJECTS.—

(1) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this Act, the Administrator shall establish a program to integrate unmanned aircraft systems into the national airspace system at 6 test ranges. The program shall terminate 5 years after the date of enactment of this Act.

(2) PROGRAM REQUIREMENTS.—In establishing the program under paragraph (1), the Administrator shall—

(A) safely designate airspace for integrated manned and unmanned flight operations in the national airspace system;

(B) develop certification standards and air traffic requirements for unmanned flight operations at test ranges;

(C) coordinate with and leverage the resources of the National Aeronautics and Space Administration and the Department of Defense;

(D) address both civil and public unmanned aircraft systems;

(E) ensure that the program is coordinated with the Next Generation Air Transportation System; and

(F) provide for verification of the safety of unmanned aircraft systems and related navigation procedures before integration into the national airspace system.

(3) TEST RANGE LOCATIONS.—In determining the location of the 6 test ranges of the program under paragraph (1), the Administrator shall—

(A) take into consideration geographic and climatic diversity;

(B) take into consideration the location of ground infrastructure and research needs; and

(C) consult with the National Aeronautics and Space Administration and the Department of Defense.

(4) TEST RANGE OPERATION.—A project at a test range shall be operational not later than 180 days after the date on which the project is established.

(5) REPORT TO CONGRESS.—

(A) IN GENERAL.—Not later than 90 days after the date of the termination of the program under paragraph (1), the Administrator shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure and the Committee on Science, Space, and Technology of the House of Representatives a report setting forth the Administrator's findings and conclusions concerning the projects.

(B) ADDITIONAL CONTENTS.—The report under subparagraph (A) shall include a description and assessment of the progress being made in establishing special use airspace to fill the immediate need of the Department of Defense—

(i) to develop detection techniques for small unmanned aircraft systems; and

(ii) to validate the sense and avoid capability and operation of unmanned aircraft systems.

(d) EXPANDING USE OF UNMANNED AIRCRAFT SYSTEMS IN ARCTIC.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall develop a plan and initiate a process to work with relevant Federal agencies and national and international communities to designate permanent areas in the Arctic where small unmanned aircraft may operate 24 hours per day for research and commercial purposes. The plan for operations in these permanent areas shall include the development of processes to facilitate the safe operation of unmanned aircraft beyond line of sight. Such areas shall enable over-water flights from the surface to at least 2,000 feet in altitude, with ingress and egress routes from selected coastal launch sites.

(2) AGREEMENTS.—To implement the plan under paragraph (1), the Secretary may enter into an agreement with relevant national and international communities.

(3) AIRCRAFT APPROVAL.—Not later than 1 year after the entry into force of an agreement nec-

essary to effectuate the purposes of this subsection, the Secretary shall work with relevant national and international communities to establish and implement a process, or may apply an applicable process already established, for approving the use of unmanned aircraft in the designated permanent areas in the Arctic without regard to whether an unmanned aircraft is used as a public aircraft, a civil aircraft, or a model aircraft.

SEC. 333. SPECIAL RULES FOR CERTAIN UNMANNED AIRCRAFT SYSTEMS.

(a) IN GENERAL.—Notwithstanding any other requirement of this subtitle, and not later than 180 days after the date of enactment of this Act, the Secretary of Transportation shall determine if certain unmanned aircraft systems may operate safely in the national airspace system before completion of the plan and rulemaking required by section 332 of this Act or the guidance required by section 334 of this Act.

(b) ASSESSMENT OF UNMANNED AIRCRAFT SYSTEMS.—In making the determination under subsection (a), the Secretary shall determine, at a minimum—

(1) which types of unmanned aircraft systems, if any, as a result of their size, weight, speed, operational capability, proximity to airports and popu-

lated areas, and operation within visual line of sight do not create a hazard to users of the national airspace system or the public or pose a threat to national security; and

(2) whether a certificate of waiver, certificate of authorization, or airworthiness certification under section 44704 of title 49, United States Code, is required for the operation of unmanned aircraft systems identified under paragraph (1).

(c) REQUIREMENTS FOR SAFE OPERATION.—If the Secretary determines under this section that certain unmanned aircraft systems may operate safely in the national airspace system, the Secretary shall establish requirements for the safe operation of such aircraft systems in the national airspace system.

SEC. 334. PUBLIC UNMANNED AIRCRAFT SYSTEMS.

(a) GUIDANCE.—Not later than 270 days after the date of enactment of this Act, the Secretary of Transportation shall issue guidance regarding the operation of public unmanned aircraft systems to—

(1) expedite the issuance of a certificate of authorization process;

(2) provide for a collaborative process with public agencies to allow for an incremental expansion of access to the national airspace system as technology

matures and the necessary safety analysis and data become available, and until standards are completed and technology issues are resolved;

(3) facilitate the capability of public agencies to develop and use test ranges, subject to operating restrictions required by the Federal Aviation Administration, to test and operate unmanned aircraft systems; and

(4) provide guidance on a public entity's responsibility when operating an unmanned aircraft without a civil airworthiness certificate issued by the Administration.

(b) STANDARDS FOR OPERATION AND CERTIFICATION.—Not later than December 31, 2015, the Administrator shall develop and implement operational and certification requirements for the operation of public unmanned aircraft systems in the national airspace system.

(c) AGREEMENTS WITH GOVERNMENT AGENCIES.—

(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Secretary shall enter into agreements with appropriate government agencies to simplify the process for issuing certificates of waiver or authorization with respect to applications seeking authorization to operate public

unmanned aircraft systems in the national airspace system.

(2) CONTENTS.—The agreements shall—

(A) with respect to an application described in paragraph (1)—

(i) provide for an expedited review of the application;

(ii) require a decision by the Administrator on approval or disapproval within 60 business days of the date of submission of the application; and

(iii) allow for an expedited appeal if the application is disapproved;

(B) allow for a one-time approval of similar operations carried out during a fixed period of time; and

(C) allow a government public safety agency to operate unmanned aircraft weighing 4.4 pounds or less, if operated—

(i) within the line of sight of the operator;

(ii) less than 400 feet above the ground;

(iii) during daylight conditions;

(iv) within Class G airspace; and

(v) outside of 5 statute miles from any airport, heliport, seaplane base, spaceport, or other location with aviation activities.

SEC. 335. SAFETY STUDIES.

The Administrator of the Federal Aviation Administration shall carry out all safety studies necessary to support the integration of unmanned aircraft systems into the national airspace system.

SEC. 336. SPECIAL RULE FOR MODEL AIRCRAFT.

(a) IN GENERAL.—Notwithstanding any other provision of law relating to the incorporation of unmanned aircraft systems into Federal Aviation Administration plans and policies, including this subtitle, the Administrator of the Federal Aviation Administration may not promulgate any rule or regulation regarding a model aircraft, or an aircraft being developed as a model aircraft, if—

(1) the aircraft is flown strictly for hobby or recreational use;

(2) the aircraft is operated in accordance with a community-based set of safety guidelines and within the programming of a nationwide community-based organization;

(3) the aircraft is limited to not more than 55 pounds unless otherwise certified through a design,

construction, inspection, flight test, and operational safety program administered by a community-based organization;

(4) the aircraft is operated in a manner that does not interfere with and gives way to any manned aircraft; and

(5) when flown within 5 miles of an airport, the operator of the aircraft provides the airport operator and the airport air traffic control tower (when an air traffic facility is located at the airport) with prior notice of the operation (model aircraft operators flying from a permanent location within 5 miles of an airport should establish a mutually-agreed upon operating procedure with the airport operator and the airport air traffic control tower (when an air traffic facility is located at the airport)).

(b) STATUTORY CONSTRUCTION.—Nothing in this section shall be construed to limit the authority of the Administrator to pursue enforcement action against persons operating model aircraft who endanger the safety of the national airspace system.

(c) MODEL AIRCRAFT DEFINED.—In this section, the term ''model aircraft'' means an unmanned aircraft that is—

(1) capable of sustained flight in the atmosphere;

(2) flown within visual line of sight of the person operating the aircraft; and

(3) flown for hobby or recreational purposes.

Subtitle C—Safety and Protections

SEC. 341. AVIATION SAFETY WHISTLEBLOWER INVESTIGATION OFFICE.

Section 106 (as amended by this Act) is further amended by adding at the end the following:

"(t) AVIATION SAFETY WHISTLEBLOWER INVESTIGATION OFFICE.—

"(1) ESTABLISHMENT.—There is established in the Federal Aviation Administration (in this subsection referred to as the 'Agency') an Aviation Safety Whistleblower Investigation Office (in this subsection referred to as the 'Office').

"(2) DIRECTOR.—

"(A) APPOINTMENT.—The head of the Office shall be the Director, who shall be appointed by the Secretary of Transportation.

"(B) QUALIFICATIONS.—The Director shall have a demonstrated ability in investigations and knowledge of or experience in aviation.

"(C) TERM.—The Director shall be appointed for a term of 5 years.

"(D) VACANCIES.—Any individual appointed to fill a vacancy in the position of the Director occurring before the expiration of the term for which the individual's predecessor was appointed shall be appointed for the remainder of that term.

"(3) COMPLAINTS AND INVESTIGATIONS.—

"(A) AUTHORITY OF DIRECTOR.—The Director shall—

"(i) receive complaints and information submitted by employees of persons holding certificates issued under title 14, Code of Federal Regulations (if the certificate holder does not have a similar in-house whistleblower or safety and regulatory noncompliance reporting process) and employees of the Agency concerning the possible existence of an activity relating to a violation of an order, a regulation, or any other provision of Federal law relating to aviation safety;

"(ii) assess complaints and information submitted under clause (i) and determine whether a substantial likelihood exists that a violation of an order, a regulation, or any other provision of Federal law relating to aviation safety has occurred; and

"(iii) based on findings of the assessment conducted under clause (ii), make recommendations to the Administrator of the Agency, in writing, regarding further investigation or corrective actions.

"(B) DISCLOSURE OF IDENTITIES.—The Director shall not disclose the identity of an individual who submits a complaint or information under subparagraph (A)(i) unless—

"(i) the individual consents to the disclosure in writing; or

"(ii) the Director determines, in the course of an investigation, that the disclosure is required by regulation, statute, or court order, or is otherwise unavoidable, in which case the Director shall provide the individual reasonable advanced notice of the disclosure.

"(C) INDEPENDENCE OF DIRECTOR.—The Secretary, the Administrator, or any officer or employee of the Agency may not prevent or prohibit the Director from initiating, carrying out, or completing any assessment of a complaint or information submitted under subparagraph (A)(i) or from reporting to Congress on any such assessment.

"(D) ACCESS TO INFORMATION.—In conducting an assessment of a complaint or information submitted under subparagraph (A)(i), the Director shall have access to all records, reports, audits, reviews, documents, papers, recommendations, and other material of the Agency necessary to determine whether a substantial likelihood exists that a violation of an order, a regulation, or any other provision of Federal law relating to aviation safety may have occurred.

"(4) RESPONSES TO RECOMMENDATIONS.—Not later than 60 days after the date on which the Administrator receives a report with respect to an investigation, the Administrator shall respond to a recommendation made by the Director under paragraph (3)(A)(iii) in writing and retain records related to any further investigations or corrective actions taken in response to the recommendation.

"(5) INCIDENT REPORTS.—If the Director determines there is a substantial likelihood that a violation of an order, a regulation, or any other provision of Federal law relating to aviation safety has occurred that requires immediate corrective action, the Director shall report the potential violation expeditiously to the Administrator and the Inspector General of the Department of Transportation.

"(6) REPORTING OF CRIMINAL VIOLATIONS TO INSPECTOR GENERAL.—If the Director has reasonable grounds to believe that there has been a violation of Federal criminal law, the Director shall report the violation expeditiously to the Inspector General.

"(7) ANNUAL REPORTS TO CONGRESS.—Not later than October 1 of each year, the Director shall submit to Congress a report containing—

"(A) information on the number of submissions of complaints and information received by the Director under paragraph (3)(A)(i) in the preceding 12-month period;

"(B) summaries of those submissions;

"(C) summaries of further investigations and corrective actions recommended in response to the submissions; and

"(D) summaries of the responses of the Administrator to such recommendations.".

SEC. 342. POSTEMPLOYMENT RESTRICTIONS FOR FLIGHT STANDARDS INSPECTORS.

(a) IN GENERAL.—Section 44711 is amended by adding at the end the following:

"(d) POSTEMPLOYMENT RESTRICTIONS FOR FLIGHT STANDARDS INSPECTORS.—

"(1) PROHIBITION.—A person holding an operating certificate issued under title 14, Code of Federal Regulations, may not knowingly employ, or make a contractual arrangement that permits, an individual to act as an agent or representative of the certificate holder in any matter before the Federal Aviation Administration if the individual, in the preceding 2-year period—

"(A) served as, or was responsible for oversight of, a flight standards inspector of the Administration; and

"(B) had responsibility to inspect, or oversee inspection of, the operations of the certificate holder.

"(2) WRITTEN AND ORAL COMMUNICATIONS.—For purposes of paragraph (1), an individual shall be considered to be acting as an agent or representative of a certificate holder in a matter before the Administration if the individual makes any written or oral communication on behalf of the certificate holder to the Administration (or any of its officers or employees) in connection with a particular matter, whether or not involving a specific party and without regard to whether the individual has participated in, or had responsibility for, the particular matter while serving as a flight standards inspector of the Administration.''.

(b) APPLICABILITY.—The amendment made by subsection (a) shall not apply to an individual employed by a certificate holder as of the date of enactment of this Act.

SEC. 343. REVIEW OF AIR TRANSPORTATION OVERSIGHT SYSTEM DATABASE.

(a) REVIEWS.—The Administrator of the Federal Aviation Administration shall establish a process by which the air transportation oversight system database of the Administration is reviewed by regional teams of employees of the Administration, including at least one employee on each team representing aviation safety inspectors, on a monthly basis to ensure that—

(1) any trends in regulatory compliance are identified; and

(2) appropriate corrective actions are taken in accordance with Administration regulations, advisory directives, policies, and procedures.

(b) MONTHLY TEAM REPORTS.—

(1) IN GENERAL.—A regional team of employees conducting a monthly review of the air transportation oversight system database under subsection (a) shall submit to the Administrator, the Associate Administrator for Aviation Safety, and the Director of Flight Standards Service a report each month on the results of the review.

(2) CONTENTS.—A report submitted under paragraph (1) shall identify—

(A) any trends in regulatory compliance discovered by the team of employees in conducting the monthly review; and

(B) any corrective actions taken or proposed to be taken in response to the trends.

(c) BIANNUAL REPORTS TO CONGRESS.—The Administrator, on a biannual basis, shall submit 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 results of the reviews of the air transportation oversight system database conducted under this section, including copies of reports received under subsection (b).

SEC. 344. IMPROVED VOLUNTARY DISCLOSURE REPORTING SYSTEM.

(a) VOLUNTARY DISCLOSURE REPORTING PROGRAM DEFINED.—In this section, the term ''Voluntary Disclosure Reporting Program'' means the program established by the Federal Aviation Administration through Advisory Circular 00–58A, dated September 8, 2006, including any subsequent revisions thereto.

(b) VERIFICATION.—The Administrator of the Federal Aviation Administration shall modify the Voluntary Disclosure Reporting Program to require inspectors to—

(1) verify that air carriers are implementing comprehensive solutions to correct the underlying causes of the violations voluntarily disclosed by such air carriers; and

(2) confirm, before approving a final report of a violation, that a violation with the same root causes, has not been previously discovered by an inspector or self-disclosed by the air carrier.

(c) SUPERVISORY REVIEW OF VOLUNTARY SELF-DISCLOSURES.—The Administrator shall establish a process by which voluntary self-disclosures received from air carriers are reviewed and approved by a supervisor after the initial review by an inspector.

(d) INSPECTOR GENERAL STUDY.—

(1) IN GENERAL.—The Inspector General of the Department of Transportation shall conduct a study of the Voluntary Disclosure Reporting Program.

(2) REVIEW.—In conducting the study, the Inspector General shall examine, at a minimum, if the Administration—

(A) conducts comprehensive reviews of voluntary disclosure reports before closing a voluntary disclosure report under the provisions of the program;

(B) evaluates the effectiveness of corrective actions taken by air carriers; and

(C) effectively prevents abuse of the voluntary disclosure reporting program through its secondary review of self-disclosures before they are accepted and closed by the Administration.

(3) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Inspector General shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and Committee on Commerce,

Science, and Transportation of the Senate a report on the results of the study conducted under this section.

SEC. 345. DUTY PERIODS AND FLIGHT TIME LIMITATIONS APPLICABLE TO FLIGHT CREWMEMBERS.

(a) RULEMAKING ON APPLICABILITY OF PART 121 DUTY PERIODS AND FLIGHT TIME LIMITATIONS TO PART 91 OPERATIONS.—Not later than 180 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall initiate a rulemaking proceeding, if such a proceeding has not already been initiated, to require a flight crewmember who is employed by an air carrier conducting operations under part 121 of title 14, Code of Federal Regulations, and who accepts an additional assignment for flying under part 91 of such title from the air carrier or from any other air carrier conducting operations under part 121 or 135 of such title, to apply the period of the additional assignment (regardless of whether the assignment is performed by the flight crewmember before or after an assignment to fly under part 121 of such title) toward any limitation applicable to the flight crewmember relating to duty periods or flight times under part 121 of such title.

(b) RULEMAKING ON APPLICABILITY OF PART 135 DUTY PERIODS AND FLIGHT TIME LIMITATIONS TO PART

91 OPERATIONS.—Not later than 1 year after the date of enactment of this Act, the Administrator shall initiate a rulemaking proceeding to require a flight crewmember who is employed by an air carrier conducting operations under part 135 of title 14, Code of Federal Regulations, and who accepts an additional assignment for flying under part 91 of such title from the air carrier or any other air carrier conducting operations under part 121 or 135 of such title, to apply the period of the additional assignment (regardless of whether the assignment is performed by the flight crewmember before or after an assignment to fly under part 135 of such title) toward any limitation applicable to the flight crewmember relating to duty periods or flight times under part 135 of such title.

(c) SEPARATE RULEMAKING PROCEEDINGS REQUIRED.—The rulemaking proceeding required under subsection (b) shall be separate from the rulemaking proceeding required under subsection (a).

SEC. 346. CERTAIN EXISTING FLIGHT TIME LIMITATIONS AND REST REQUIREMENTS.

The Administrator of the Federal Aviation Administration may not finalize the interpretation proposed in Docket No. FAA–2010–1259, relating to rest requirements, and published in the Federal Register on December 23, 2010.

SEC. 347. EMERGENCY LOCATOR TRANSMITTERS ON GENERAL AVIATION AIRCRAFT.

(a) INSPECTION.—As part of the annual inspection of general aviation aircraft, the Administrator of the Federal Aviation Administration shall require a detailed inspection of each emergency locator transmitter (in this section referred to as an "ELT") installed in general aviation aircraft operating in the United States to ensure that the ELT is mounted and retained in accordance with the manufacturer's specifications.

(b) MOUNTING AND RETENTION.—

(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Administrator shall determine if the ELT mounting requirements and retention tests specified by Technical Standard Orders C91a and C126 are adequate to assess retention capabilities in ELT designs.

(2) REVISION.—Based on the determination under paragraph (1), the Administrator shall make any necessary revisions to the requirements and retention tests referred to in paragraph (1) to ensure that ELTs are properly retained in the event of an aircraft accident.

(c) REPORT.—Upon the completion of any revisions under subsection (b)(2), the Administrator shall submit a report on the implementation of this section to—

(1) the Committee on Commerce, Science, and Transportation of the Senate; and

(2) the Committee on Transportation and Infrastructure of the House of Representatives.

TITLE IV—AIR SERVICE IMPROVEMENTS

Subtitle A—Passenger Air Service Improvements

SEC. 401. SMOKING PROHIBITION.

(a) IN GENERAL.—Section 41706 is amended—

(1) in the section heading by striking "**scheduled**" and inserting "**passenger**"; and

(2) by striking subsections (a) and (b) and inserting the following:

"(a) SMOKING PROHIBITION IN INTERSTATE AND INTRASTATE AIR TRANSPORTATION.—An individual may not smoke—

"(1) in an aircraft in scheduled passenger interstate or intrastate air transportation; or

"(2) in an aircraft in nonscheduled passenger interstate or intrastate air transportation, if a flight attendant is a required crewmember on the aircraft (as determined by the Administrator of the Federal Aviation Administration).

"(b) SMOKING PROHIBITION IN FOREIGN AIR TRANSPORTATION.—The Secretary of Transportation shall require all air carriers and foreign air carriers to prohibit smoking—

"(1) in an aircraft in scheduled passenger foreign air transportation; and

"(2) in an aircraft in nonscheduled passenger foreign air transportation, if a flight attendant is a required crewmember on the aircraft (as determined by the Administrator or a foreign government).".

(b) CLERICAL AMENDMENT.—The analysis for chapter 417 is amended by striking the item relating to section 41706 and inserting the following:

"41706. Prohibitions against smoking on passenger flights.".

SEC. 402. MONTHLY AIR CARRIER REPORTS.

(a) IN GENERAL.—Section 41708 is amended by adding at the end the following:

"(c) DIVERTED AND CANCELLED FLIGHTS.—

"(1) MONTHLY REPORTS.—The Secretary shall require an air carrier referred to in paragraph (2) to file with the Secretary a monthly report on each flight of the air carrier that is diverted from its scheduled destination to another airport and each flight of the air carrier that departs the gate at the airport at which the flight originates but is cancelled before wheels-off time.

"(2) APPLICABILITY.—An air carrier that is required to file a monthly airline service quality performance report pursuant to part 234 of title 14, Code of Federal Regulations, shall be subject to the requirement of paragraph (1).

"(3) CONTENTS.—A monthly report filed by an air carrier under paragraph (1) shall include, at a minimum, the following information:

"(A) For a diverted flight—

"(i) the flight number of the diverted flight;

"(ii) the scheduled destination of the flight;

"(iii) the date and time of the flight;

"(iv) the airport to which the flight was diverted;

"(v) wheels-on time at the diverted airport;

"(vi) the time, if any, passengers deplaned the aircraft at the diverted airport; and

"(vii) if the flight arrives at the scheduled destination airport—

"(I) the gate-departure time at the diverted airport;

"(II) the wheels-off time at the diverted airport;

"(III) the wheels-on time at the scheduled arrival airport; and

"(IV) the gate-arrival time at the scheduled arrival airport.

"(B) For flights cancelled after gate departure—

"(i) the flight number of the cancelled flight;

"(ii) the scheduled origin and destination airports of the cancelled flight;

"(iii) the date and time of the cancelled flight;

"(iv) the gate-departure time of the cancelled flight; and

"(v) the time the aircraft returned to the gate.

"(4) PUBLICATION.—The Secretary shall compile the information provided in the monthly reports filed pursuant to paragraph (1) in a single monthly report and publish such report on the Internet Web site of the Department of Transportation.".

(b) EFFECTIVE DATE.—Beginning not later than 90 days after the date of enactment of this Act, the Secretary of Transportation shall require monthly reports pursuant to the amendment made by subsection (a).

SEC. 403. MUSICAL INSTRUMENTS.

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

"§ 41724. Musical instruments

"(a) IN GENERAL.—

"(1) SMALL INSTRUMENTS AS CARRY-ON BAGGAGE.—An air carrier providing air transportation shall permit a passenger to carry a violin, guitar, or other musical instrument in the aircraft cabin, without charging the passenger a fee in addition to any standard fee that carrier may require for comparable carry-on baggage, if—

"(A) the instrument can be stowed safely in a suitable baggage compartment in the aircraft cabin or under a passenger seat, in accordance with the requirements for carriage of carry-on baggage or cargo established by the Administrator; and

"(B) there is space for such stowage at the time the passenger boards the aircraft.

"(2) LARGER INSTRUMENTS AS CARRY-ON BAGGAGE.—An air carrier providing air transportation shall permit a passenger to carry a musical instrument that is too large to meet the requirements of paragraph (1) in the aircraft cabin, without charging the passenger a fee in addition to the cost of the additional ticket described in subparagraph (E), if—

"(A) the instrument is contained in a case or covered so as to avoid injury to other passengers;

"(B) the weight of the instrument, including the case or covering, does not exceed 165 pounds or the applicable weight restrictions for the aircraft;

"(C) the instrument can be stowed in accordance with the requirements for carriage of carry-on baggage or cargo established by the Administrator;

"(D) neither the instrument nor the case contains any object not otherwise permitted to be carried in an aircraft cabin because of a law or regulation of the United States; and

"(E) the passenger wishing to carry the instrument in the aircraft cabin has purchased an additional seat to accommodate the instrument.

"(3) LARGE INSTRUMENTS AS CHECKED BAGGAGE.—An air carrier shall transport as baggage a musical instrument that is the property of a passenger traveling in air transportation that may not be carried in the aircraft cabin if—

"(A) the sum of the length, width, and height measured in inches of the outside linear dimensions of the instrument (including the case) does not exceed 150 inches or the applicable size restrictions for the aircraft;

"(B) the weight of the instrument does not exceed 165 pounds or the applicable weight restrictions for the aircraft; and

"(C) the instrument can be stowed in accordance with the requirements for carriage of carry-on baggage or cargo established by the Administrator.

"(b) REGULATIONS.—Not later than 2 years after the date of enactment of this section, the Secretary shall issue final regulations to carry out subsection (a).

"(c) EFFECTIVE DATE.—The requirements of this section shall become effective on the date of issuance of the final regulations under subsection (b).".

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

"41724. Musical instruments.".

SEC. 404. EXTENSION OF COMPETITIVE ACCESS REPORTS.

Section 47107(s)(3) is amended to read as follows:

"(3) SUNSET PROVISION.—This subsection shall cease to be effective beginning October 1, 2015.".

SEC. 405. AIRFARES FOR MEMBERS OF THE ARMED FORCES.

(a) FINDINGS.—Congress finds that—

(1) the Armed Forces is comprised of approximately 1,450,000 members who are stationed on active duty at more than 6,000 military bases in 146 different countries;

(2) the United States is indebted to the members of the Armed Forces, many of whom are in grave danger due to their engagement in, or exposure to, combat;

(3) military service, especially in the current war against terrorism, often requires members of the Armed Forces to be separated from their families on short notice, for long periods of time, and under very stressful conditions;

(4) the unique demands of military service often preclude members of the Armed Forces from purchasing discounted advance airline tickets in order to visit their loved ones at home; and

(5) it is the patriotic duty of the people of the United States to support the members of the Armed

Forces who are defending the Nation's interests around the world at great personal sacrifice.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) all United States commercial air carriers should seek to lend their support with flexible, generous policies applicable to members of the Armed Forces who are traveling on leave or liberty at their own expense; and

(2) each United States air carrier, for all members of the Armed Forces who have been granted leave or liberty and who are traveling by air at their own expense, should—

(A) seek to provide reduced air fares that are comparable to the lowest airfare for ticketed flights and that eliminate to the maximum extent possible advance purchase requirements;

(B) seek to eliminate change fees or charges and any penalties;

(C) seek to eliminate or reduce baggage and excess weight fees;

(D) offer flexible terms that allow members to purchase, modify, or cancel tickets without time restrictions, and to waive fees (including baggage fees), ancillary costs, or penalties; and

(E) seek to take proactive measures to ensure that all airline employees, particularly those who issue tickets and respond to members of the Armed Forces and their family members, are trained in the policies of the airline aimed at benefitting members of the Armed Forces who are on leave or liberty.

SEC. 406. REVIEW OF AIR CARRIER FLIGHT DELAYS, CANCELLATIONS, AND ASSOCIATED CAUSES.

(a) REVIEW.—The Inspector General of the Department of Transportation shall conduct a review regarding air carrier flight delays, cancellations, and associated causes to update the 2000 report numbered CR–2000–112 and titled ‘‘Audit of Air Carrier Flight Delays and Cancellations’’.

(b) ASSESSMENTS.—In conducting the review under subsection (a), the Inspector General shall assess—

(1) the need for an update on delay and cancellation statistics, including with respect to the number of chronically delayed flights and taxi-in and taxi-out times;

(2) air carriers' scheduling practices;

(3) the need for a reexamination of capacity benchmarks at the Nation's busiest airports;

(4) the impact of flight delays and cancellations on air travelers, including recommendations for programs that could be implemented to address the impact of flight delays on air travelers;

(5) the effect that limited air carrier service options on routes have on the frequency of delays and cancellations on such routes;

(6) the effect of the rules and regulations of the Department of Transportation on the decisions of air carriers to delay or cancel flights; and

(7) the impact of flight delays and cancellations on the airline industry.

(c) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Inspector General shall submit 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 results of the review conducted under this section, including the assessments described in subsection (b).

SEC. 407. COMPENSATION FOR DELAYED BAGGAGE.

(a) STUDY.—The Comptroller General of the United States shall conduct a study to—

(1) examine delays in the delivery of checked baggage to passengers of air carriers; and

(2) assess the options for and examine the impact of establishing minimum standards to compensate a passenger in the case of an unreasonable delay in the delivery of checked baggage.

(b) CONSIDERATION.—In conducting the study, the Comptroller General shall take into account the additional fees for checked baggage that are imposed by many air carriers and how the additional fees should improve an air carrier's baggage performance.

(c) REPORT TO CONGRESS.—Not later than 180 days after the date of enactment of this Act, the Comptroller General shall transmit to Congress a report on the results of the study.

SEC. 408. DOT AIRLINE CONSUMER COMPLAINT INVESTIGATIONS.

The Secretary of Transportation may investigate consumer complaints regarding—

(1) flight cancellations;

(2) compliance with Federal regulations concerning overbooking seats on flights;

(3) lost, damaged, or delayed baggage, and difficulties with related airline claims procedures;

(4) problems in obtaining refunds for unused or lost tickets or fare adjustments;

(5) incorrect or incomplete information about fares, discount fare conditions and availability, overcharges, and fare increases;

(6) the rights of passengers who hold frequent flyer miles or equivalent redeemable awards earned through customer-loyalty programs; and

(7) deceptive or misleading advertising.

SEC. 409. STUDY OF OPERATORS REGULATED UNDER PART 135.

(a) STUDY REQUIRED.—The Administrator of the Federal Aviation Administration, in consultation with interested parties, shall conduct a study of operators regulated under part 135 of title 14, Code of Federal Regulations.

(b) CONTENTS.—In conducting the study under subsection (a), the Administrator shall analyze the part 135 fleet in the United States, which shall include analysis of—

(1) the size and type of aircraft in the fleet;

(2) the equipment utilized by the fleet;

(3) the hours flown each year by the fleet;

(4) the utilization rates with respect to the fleet;

(5) the safety record of various categories of use and aircraft types with respect to the fleet,

through a review of the database of the National Transportation Safety Board;

(6) the sales revenues of the fleet; and

(7) the number of passengers and airports served by the fleet.

(c) REPORT TO CONGRESS.—Not later than 18 months after the date of enactment of this Act, the Administrator shall submit 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 results of the study conducted under subsection (a).

SEC. 410. USE OF CELL PHONES ON PASSENGER AIRCRAFT.

(a) CELL PHONE STUDY.—Not later than 120 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall conduct a study on the impact of the use of cell phones for voice communications in an aircraft during a flight in scheduled passenger air transportation where currently permitted by foreign governments in foreign air transportation.

(b) CONTENTS.—The study shall include—

(1) a review of foreign government and air carrier policies on the use of cell phones during flight;

(2) a review of the extent to which passengers use cell phones for voice communications during flight; and

(3) a summary of any impacts of cell phone use during flight on safety, the quality of the flight experience of passengers, and flight attendants.

(c) COMMENT PERIOD.—Not later than 180 days after the date of enactment of this Act, the Administrator shall publish in the Federal Register the results of the study and allow 60 days for public comment.

(d) CELL PHONE REPORT.—Not later than 270 days after the date of enactment of this Act, the Administrator shall submit 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 results of the study.

SEC. 411. ESTABLISHMENT OF ADVISORY COMMITTEE FOR AVIATION CONSUMER PROTECTION.

(a) IN GENERAL.—The Secretary of Transportation shall establish an advisory committee for aviation consumer protection to advise the Secretary in carrying out activities relating to airline customer service improvements.

(b) MEMBERSHIP.—The Secretary shall appoint the members of the advisory committee, which shall be comprised of one representative each of—

(1) air carriers;

(2) airport operators;

(3) State or local governments with expertise in consumer protection matters; and

(4) nonprofit public interest groups with expertise in consumer protection matters.

(c) VACANCIES.—A vacancy in the advisory committee shall be filled in the manner in which the original appointment was made.

(d) TRAVEL EXPENSES.—Members of the advisory committee 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.

(e) CHAIRPERSON.—The Secretary shall designate, from among the individuals appointed under subsection (b), an individual to serve as chairperson of the advisory committee.

(f) DUTIES.—The duties of the advisory committee shall include—

(1) evaluating existing aviation consumer protection programs and providing recommendations for the improvement of such programs, if needed; and

(2) providing recommendations for establishing additional aviation consumer protection programs, if needed.

(g) REPORT TO CONGRESS.—Not later than February 1 of each of the first 2 calendar years beginning after the date of enactment of this Act, the Secretary shall transmit to Congress a report containing—

(1) the recommendations made by the advisory committee during the preceding calendar year; and

(2) an explanation of how the Secretary has implemented each recommendation and, for each recommendation not implemented, the Secretary's reason for not implementing the recommendation.

(h) TERMINATION.—The advisory committee established under this section shall terminate on September 30, 2015.

SEC. 412. DISCLOSURE OF SEAT DIMENSIONS TO FACILITATE THE USE OF CHILD SAFETY SEATS ON AIRCRAFT.

Not later than 1 year after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall initiate a rulemaking to require each air carrier operating under part 121 of title 14, Code of Federal Regulations, to post on the Internet Web site of the air carrier the maximum dimensions of a child safety seat that can be used on each aircraft operated by the air carrier to enable passengers to determine which child safety seats can be used on those aircraft.

SEC. 413. SCHEDULE REDUCTION.

(a) IN GENERAL.—If the Administrator of the Federal Aviation Administration determines that—

(1) the aircraft operations of air carriers during any hour at an airport exceed the hourly maximum departure and arrival rate established by the Administrator for such operations; and

(2) the operations in excess of the maximum departure and arrival rate for such hour at such airport are likely to have a significant adverse effect on the safe and efficient use of navigable airspace,

the Administrator shall convene a meeting of such carriers to reduce pursuant to section 41722 of title 49, United States Code, on a voluntary basis, the number of such operations so as not to exceed the maximum departure and arrival rate.

(b) NO AGREEMENT.—If the air carriers participating in a meeting with respect to an airport under subsection (a) are not able to agree to a reduction in the number of flights to and from the airport so as not to exceed the maximum departure and arrival rate, the Administrator shall take such action as is necessary to ensure such reduction is implemented.

(c) SUBSEQUENT SCHEDULE INCREASES.—Subsequent to any reduction in operations under subsection (a) or (b) at an airport, if the Administrator determines that the hourly number of aircraft operations at that airport is less than the amount that can be handled safely and efficiently, the Administrator shall ensure that priority is given to United States air carriers in permitting additional aircraft operations with respect to that hour.

SEC. 414. RONALD REAGAN WASHINGTON NATIONAL AIRPORT SLOT EXEMPTIONS.

(a) INCREASE IN NUMBER OF SLOT EXEMPTIONS.—Section 41718 is amended by adding at the end the following:

"(g) ADDITIONAL SLOT EXEMPTIONS.—

"(1) INCREASE IN SLOT EXEMPTIONS.—Not later than 90 days after the date of enactment of the FAA Modernization and Reform Act of 2012, the Secretary shall grant, by order 16 exemptions from—

"(A) the application of sections 49104(a)(5), 49109, and 41714 to air carriers to operate limited frequencies and aircraft on routes between Ronald Reagan Washington National Airport and airports located beyond the perimeter described in section 49109; and

"(B) the requirements of subparts K and S of part 93, Code of Federal Regulations.

"(2) NEW ENTRANTS AND LIMITED INCUMBENTS.—Of the slot exemptions made available under paragraph (1), the Secretary shall make 8 available to limited incumbent air carriers or new entrant air carriers (as such terms are defined in section 41714(h)). Such exemptions shall be allocated pursuant to the application process established by the Secretary under subsection (d). The Secretary shall consider the extent to which the exemptions will—

"(A) provide air transportation with domestic network benefits in areas beyond the perimeter described in section 49109;

"(B) increase competition in multiple markets;

"(C) not reduce travel options for communities served by small hub airports and medium hub airports within the perimeter described in section 49109;

"(D) not result in meaningfully increased travel delays;

"(E) enhance options for nonstop travel to and from the beyond-perimeter airports that will be served as a result of those exemptions;

"(F) have a positive impact on the overall level of competition in the markets that will be served as a result of those exemptions; or

"(G) produce public benefits, including the likelihood that the service to airports located beyond the perimeter described in section 49109 will result in lower fares, higher capacity, and a variety of service options.

"(3) IMPROVED NETWORK SLOTS.—Of the slot exemptions made available under paragraph (1), the Secretary shall make 8 available to incumbent air carriers qualifying for status as a non-limited incumbent carrier at Ronald Reagan Washington National Airport as of the date of enactment of the FAA Modernization and Reform Act of 2012. Each such non-limited incumbent air carrier—

"(A) may operate up to a maximum of 2 of the newly authorized slot exemptions;

"(B) prior to exercising an exemption made available under paragraph (1), shall discontinue the use of a slot for service between Ronald Reagan Washington National Airport and a large hub airport within the perimeter as described in section 49109, and operate, in place of such service, service between Ronald Reagan Washington National Airport and an airport located beyond the perimeter described in section 49109;

"(C) shall be entitled to return of the slot by the Secretary if use of the exemption made available to the carrier under paragraph (1) is discontinued;

"(D) shall have sole discretion concerning the use of an exemption made available under paragraph (1), including the initial or any subsequent beyond perimeter destinations to be served; and

"(E) shall file a notice of intent with the Secretary and subsequent notices of intent, when appropriate, to inform the Secretary of any change in circumstances concerning the use of any exemption made available under paragraph (1).

"(4) NOTICES OF INTENT.—Notices of intent under paragraph (3)(E) shall specify the beyond perimeter destination to be served and the slots the carrier shall discontinue using to serve a large hub airport located within the perimeter.

"(5) CONDITIONS.—Beyond-perimeter flight operations carried out by an air carrier using an exemption granted under this subsection shall be subject to the following conditions:

"(A) An air carrier may not operate a multi-aisle or widebody aircraft in conducting such operations.

"(B) An air carrier granted an exemption under this subsection is prohibited from transferring the rights to its beyond-perimeter exemptions pursuant to section 41714(j).

"(h) SCHEDULING PRIORITY.—In administering this section, the Secretary shall—

"(1) afford a scheduling priority to operations conducted by new entrant air carriers and limited incumbent air carriers over operations conducted by other air carriers granted additional slot exemptions under subsection (g) for service to airports located beyond the perimeter described in section 49109;

"(2) afford a scheduling priority to slot exemptions currently held by new entrant air carriers and limited incumbent air carriers for service to airports located beyond the perimeter described in section 49109, to the extent necessary to protect viability of such service; and

"(3) consider applications from foreign air carriers that are certificated by the government of Canada if such consideration is required by the bilateral aviation agreement between the United States and Canada and so long as the conditions and limitations under this section apply to such foreign air carriers.".

(b) HOURLY LIMITATION.—Section 41718(c)(2) is amended to read as follows:

"(2) GENERAL EXEMPTIONS.—

"(A) HOURLY LIMITATION.—The exemptions granted—

"(i) under subsections (a) and (b) and departures authorized under subsection (g)(2) may not be for operations between the hours of 10:00 p.m. and 7:00 a.m.; and

"(ii) under subsections (a), (b), and (g) may not increase the number of operations at Ronald Reagan Washington National Airport in any 1-hour period during the hours between 7:00 a.m. and 9:59 p.m. by more than 5 operations.

"(B) USE OF EXISTING SLOTS.—A non-limited incumbent air carrier utilizing an exemption authorized under subsection (g)(3) for an arrival permitted between the hours of 10:01 p.m. and 11:00 p.m. under this section shall discontinue use of an existing slot during the same time period the arrival exemption is operated.".

(c) LIMITED INCUMBENT DEFINITION.—Section 41714(h)(5) is amended—

(1) in subparagraph (A) by striking "20" and inserting "40";

(2) by amending subparagraph (B) to read as follows:

"(B) for purposes of such sections, the term 'slot' shall not include—

"(i) 'slot exemptions';

"(ii) slots operated by an air carrier under a fee-for-service arrangement for another air carrier, if the air carrier operating such slots does not sell flights in its own name, and is under common ownership with an air carrier that seeks to qualify as a limited incumbent and that sells flights in its own name; or "(iii) slots held under a sale and license-back financing arrangement with another air carrier, where the slots are under the marketing control of the other air carrier; and".

(d) TRANSFER OF EXEMPTIONS.—Section 41714(j) is amended by striking the period at the end and inserting ", except through an air carrier merger or acquisition.".

(e) DEFINITION OF AIRPORT PURPOSES.—Section 49104(a)(2)(A) is amended—

(1) in clause (ii) by striking "or" at the end;

(2) in clause (iii) by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(iv) a business or activity not inconsistent with the needs of aviation that has been approved by the Secretary.".

SEC. 415. PASSENGER AIR SERVICE IMPROVEMENTS.

(a) IN GENERAL.—Subtitle VII is amended by inserting after chapter 421 the following:

"CHAPTER 423—PASSENGER AIR SERVICE IMPROVEMENTS

"§ 42301. Emergency contingency plans

"(a) SUBMISSION OF AIR CARRIER AND AIRPORT PLANS.—Not later than 90 days after the date of enactment of this section, each of the following air carriers and airport operators shall submit to the Secretary of Transportation for review and approval an emergency contingency plan in accordance with the requirements of this section:

"(1) An air carrier providing covered air transportation at a commercial airport.

"(2) An operator of a commercial airport.

"(3) An operator of an airport used by an air carrier described in paragraph (1) for diversions.

"(b) AIR CARRIER PLANS.—

"(1) PLANS FOR INDIVIDUAL AIRPORTS.—An air carrier shall submit an emergency contingency plan under subsection (a) for—

"(A) each airport at which the carrier provides covered air transportation; and

"(B) each airport at which the carrier has flights for which the carrier has primary responsibility for inventory control.

"(2) CONTENTS.—An emergency contingency plan submitted by an air carrier for an airport under subsection (a) shall contain a description of how the carrier will—

"(A) provide adequate food, potable water, restroom facilities, comfortable cabin temperatures, and access to medical treatment for passengers onboard an aircraft at the airport when the departure of a flight is delayed or the disembarkation of passengers is delayed;

"(B) share facilities and make gates available at the airport in an emergency; and

"(C) allow passengers to deplane following an excessive tarmac delay in accordance with paragraph (3).

"(3) DEPLANING FOLLOWING AN EXCESSIVE TARMAC DELAY.—For purposes of paragraph (2)(C), an emergency contingency plan submitted by an air carrier under subsection (a) shall incorporate the following requirements:

"(A) A passenger shall have the option to deplane an aircraft and return to the airport terminal when there is an excessive tarmac delay.

"(B) The option described in subparagraph (A) shall be offered to a passenger even if a flight in covered air transportation is diverted to a commercial airport other than the originally scheduled airport.

"(C) Notwithstanding the requirements described in subparagraphs (A) and (B), a passenger shall not have an option to deplane an aircraft and return to the airport terminal in the case of an excessive tarmac delay if—

"(i) an air traffic controller with authority over the aircraft advises the pilot in command that permitting a passenger to deplane would significantly disrupt airport operations; or

"(ii) the pilot in command determines that permitting a passenger to deplane would jeopardize passenger safety or security.

"(c) AIRPORT PLANS.—An emergency contingency plan submitted by an airport operator under subsection (a) shall contain a description of how the operator, to the maximum extent practicable, will—

"(1) provide for the deplanement of passengers following excessive tarmac delays;

"(2) provide for the sharing of facilities and make gates available at the airport in an emergency; and

"(3) provide a sterile area following excessive tarmac delays for passengers who have not yet cleared United States Customs and Border Protection.

"(d) UPDATES.—

"(1) AIR CARRIERS.—An air carrier shall update each emergency contingency plan submitted by the carrier under subsection (a) every 3 years and submit the update to the Secretary for review and approval.

"(2) AIRPORTS.—An airport operator shall update each emergency contingency plan submitted by the operator under subsection (a) every 5 years and submit the update to the Secretary for review and approval.

"(e) APPROVAL.—

"(1) IN GENERAL.—Not later than 60 days after the date of the receipt of an emergency contingency plan submitted under subsection (a) or an update submitted under subsection (d), the Secretary shall review and approve or, if necessary, require modifications to the plan or update to ensure that the plan or update will effectively address emergencies and provide for the health and safety of passengers.

"(2) FAILURE TO APPROVE OR REQUIRE MODIFICATIONS.—If the Secretary fails to approve or require modifications to a plan or update under paragraph (1) within the timeframe specified in that paragraph, the plan or update shall be deemed to be approved.

"(3) ADHERENCE REQUIRED.—An air carrier or airport operator shall adhere to an emergency contingency plan of the carrier or operator approved under this section.

"(f) MINIMUM STANDARDS.—The Secretary shall establish, as necessary or desirable, minimum standards for elements in an emergency contingency plan required to be submitted under this section.

"(g) PUBLIC ACCESS.—An air carrier or airport operator required to submit an emergency contingency plan under this section shall ensure public access to the plan after its approval under this section on the Internet Web site of the carrier or operator or by such other means as determined by the Secretary.

"(h) REPORTS.—Not later than 30 days after any flight experiences an excessive tarmac delay, the air carrier responsible for such flight shall submit a written description of the incident and its resolution to the Aviation Consumer Protection Division of the Department of Transportation.

"(i) DEFINITIONS.—In this section, the following definitions apply:

"(1) COMMERCIAL AIRPORT.—The term 'commercial airport' means a large hub, medium hub, small hub, or nonhub airport.

"(2) COVERED AIR TRANSPORTATION.—The term 'covered air transportation' means scheduled or public charter passenger air transportation provided by an air carrier that operates an aircraft that as originally designed has a passenger capacity of 30 or more seats.

"(3) TARMAC DELAY.—The term 'tarmac delay' means the period during which passengers are on board an aircraft on the tarmac—

"(A) awaiting takeoff after the aircraft doors have been closed or after passengers have been boarded if the passengers have not been advised they are free to deplane; or

"(B) awaiting deplaning after the aircraft has landed.

"(4) EXCESSIVE TARMAC DELAY.—The term 'excessive tarmac delay' means a tarmac delay that lasts for a length of time, as determined by the Secretary.

"§ 42302. Consumer complaints

"(a) IN GENERAL.—The Secretary of Transportation shall establish a consumer complaints toll-free hotline telephone number for the use of passengers in air transportation and shall take actions to notify the public of—

"(1) that telephone number; and

"(2) the Internet Web site of the Aviation Consumer Protection Division of the Department of Transportation.

"(b) NOTICE TO PASSENGERS ON THE INTERNET.—An air carrier or foreign air carrier providing scheduled air transportation using any aircraft that as originally designed has a passenger capacity of 30 or more passenger seats shall include on the Internet Web site of the carrier—

"(1) the hotline telephone number established under subsection (a);

"(2) the e-mail address, telephone number, and mailing address of the air carrier for the submission of complaints by passengers about air travel service problems; and

"(3) the Internet Web site and mailing address of the Aviation Consumer Protection Division of the Department of Transportation for the submission of complaints by passengers about air travel service problems.

"(c) NOTICE TO PASSENGERS ON BOARDING DOCUMENTATION.—An air carrier or foreign air carrier providing scheduled air transportation using any aircraft that as originally designed has a passenger capacity of 30 or more passenger seats shall include the hotline telephone number established under subsection (a) on—

"(1) prominently displayed signs of the carrier at the airport ticket counters in the United States where the air carrier operates; and

"(2) any electronic confirmation of the purchase of a passenger ticket for air transportation issued by the air carrier.

"§ 42303. Use of insecticides in passenger aircraft

"(a) INFORMATION TO BE PROVIDED ON THE INTERNET.—The Secretary of Transportation shall establish, and make available to the general public, an Internet Web site that contains a listing of countries that may require an air carrier or foreign air carrier to treat an aircraft passenger cabin with insecticides prior to a flight in foreign air transportation to that country or to apply an aerosol insecticide in an aircraft cabin used for such a flight when the cabin is occupied with passengers.

"(b) REQUIRED DISCLOSURES.—An air carrier, foreign air carrier, or ticket agent selling, in the United States, a ticket for a flight in foreign air transportation to a country listed on the Internet Web site established under subsection (a) shall refer the purchaser of the ticket to the Internet Web site established under subsection (a) for additional information.''.

(b) PENALTIES.—Section 46301 is amended in subsections (a)(1)(A) and (c)(1)(A) by inserting ''chapter 423,'' after ''chapter 421,''.

(c) APPLICABILITY OF REQUIREMENTS.—Except as otherwise provided, the requirements of chapter 423 of title 49, United States Code, as added by this section, shall begin to apply 60 days after the date of enactment of this Act.

(d) CLERICAL AMENDMENT.—The analysis for subtitle VII is amended by inserting after the item relating to chapter 421 the following:

''423. Passenger Air Service Improvements .... 42301''.

Subtitle B—Essential Air Service

SEC. 421. LIMITATION ON ESSENTIAL AIR SERVICE TO LOCATIONS THAT AVERAGE FEWER THAN 10 ENPLANEMENTS PER DAY.

Section 41731 is amended—

(1) in subsection (a)(1) by amending subparagraph (B) to read as follows:

''(B) had an average of 10 enplanements per service day or more, as determined by the Secretary, during the most recent fiscal year beginning after September 30, 2012;'';

(2) by amending subsection (c) to read as follows:

"(c) EXCEPTION FOR LOCATIONS IN ALASKA AND HAWAII.—Subparagraphs (B), (C), and (D) of subsection (a)(1) shall not apply with respect to locations in the State of Alaska or the State of Hawaii.'';

(3) by amending subsection (d) to read as follows:

"(d) EXCEPTIONS FOR LOCATIONS MORE THAN 175 DRIVING MILES FROM THE NEAREST LARGE OR MEDIUM HUB AIRPORT.—Subsection (a)(1)(B) shall not apply with respect to locations that are more than 175 driving miles from the nearest large or medium hub airport.''; and

(4) by adding at the end the following:

"(e) WAIVERS.—For fiscal year 2013 and each fiscal year thereafter, the Secretary may waive, on an annual basis, subsection (a)(1)(B) with respect to a location if the location demonstrates to the Secretary's satisfaction that the reason the location averages fewer than 10 enplanements per day is due to a temporary decline in enplanements.

"(f) DEFINITION.—For purposes of subsection (a)(1)(B), the term 'enplanements' means the number of passengers enplaning, at an eligible place, on flights operated by the subsidized essential air service carrier.''.

SEC. 422. ESSENTIAL AIR SERVICE ELIGIBILITY.

Section 41731(a)(1) is further amended—

(1) in subparagraph (C) by striking the period at the end and inserting ''; and''; and

(2) by adding at the end the following:

''(D) is a community that, at any time during the period between September 30, 2010, and September 30, 2011, inclusive—

''(i) received essential air service for which compensation was provided to an air carrier under this subchapter; or

''(ii) received a 90-day notice of intent to terminate essential air service and the Secretary required the air carrier to continue to provide such service to the community.''.

SEC. 423. ESSENTIAL AIR SERVICE MARKETING.

Section 41733(c)(1) is amended—

(1) by redesignating subparagraph (E) as subparagraph (F);

(2) by striking ''and'' at the end of subparagraph (D); and

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

"(E) whether the air carrier has included a plan in its proposal to market its services to the community; and".

SEC. 424. NOTICE TO COMMUNITIES PRIOR TO TERMINATION OF ELIGIBILITY FOR SUBSIDIZED ESSENTIAL AIR SERVICE.

Section 41733 is amended by adding at the end the following:

"(f) NOTICE TO COMMUNITIES PRIOR TO TERMINATION OF ELIGIBILITY.—

"(1) IN GENERAL.—The Secretary shall notify each community receiving basic essential air service for which compensation is being paid under this subchapter on or before the 45th day before issuing any final decision to end the payment of such compensation due to a determination by the Secretary that providing such service requires a rate of subsidy per passenger in excess of the subsidy cap.

"(2) PROCEDURES TO AVOID TERMINATION.—The Secretary shall establish, by order, procedures by which each community notified of an impending loss of subsidy under paragraph (1) may work directly with an air carrier to ensure that the air carrier is able to submit a proposal to the Secretary to provide essential air service to such community for an amount of compensation that would not exceed the subsidy cap.

"(3) ASSISTANCE PROVIDED.—The Secretary shall provide, by order, information to each community notified under paragraph (1) regarding—

"(A) the procedures established pursuant to paragraph (2); and

"(B) the maximum amount of compensation that could be provided under this subchapter to an air carrier serving such community that would comply with basic essential air service and the subsidy cap.".

SEC. 425. RESTORATION OF ELIGIBILITY TO A PLACE DETERMINED TO BE INELIGIBLE FOR SUBSIDIZED ESSENTIAL AIR SERVICE.

Section 41733 is further amended by adding at the end the following:

"(g) PROPOSALS OF STATE AND LOCAL GOVERNMENTS TO RESTORE ELIGIBILITY.—

"(1) IN GENERAL.—If the Secretary, after the date of enactment of this subsection, ends payment of compensation to an air carrier for providing basic essential air service to an eligible place because the

Secretary has determined that providing such service requires a rate of subsidy per passenger in excess of the subsidy cap or that the place is no longer an eligible place pursuant to section 41731(a)(1)(B), a State or local government may submit to the Secretary a proposal for restoring compensation for such service. Such proposal shall be a joint proposal of the State or local government and an air carrier.

"(2) DETERMINATION BY SECRETARY.—The Secretary shall issue an order restoring the eligibility of the otherwise eligible place to receive basic essential air service by an air carrier for compensation under subsection (c) if—

"(A) a State or local government submits to the Secretary a proposal under paragraph (1); and

"(B) the Secretary determines that—

"(i) the rate of subsidy per passenger under the proposal does not exceed the subsidy cap;

"(ii) the proposal is likely to result in an average number of enplanements per day that will satisfy the requirement in section 41731(a)(1)(B); and "(iii) the proposal is consistent with the legal and regulatory requirements of the essential air service program.

"(h) SUBSIDY CAP DEFINED.—In this section, the term 'subsidy cap' means the subsidy-per-passenger cap established by section 332 of the Department of Transportation and Related Agencies Appropriations Act, 2000 (Public Law 106–69; 113 Stat. 1022).".

SEC. 426. ADJUSTMENTS TO COMPENSATION FOR SIGNIFICANTLY INCREASED COSTS.

(a) EMERGENCY ACROSS-THE-BOARD ADJUSTMENT.—Subject to the availability of funds, the Secretary may increase the rates of compensation payable to air carriers under subchapter II of chapter 417 of title 49, United States Code, to compensate such carriers for increased aviation fuel costs without regard to any agreement or requirement relating to the renegotiation of contracts or any notice requirement under section 41734 of such title.

(b) EXPEDITED PROCESS FOR ADJUSTMENTS TO INDIVIDUAL CONTRACTS.—

(1) IN GENERAL.—Section 41734(d) is amended by striking "continue to pay" and all that follows through "compensation sufficient—" and inserting

"provide the carrier with compensation sufficient— ".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to compensation to air carriers for air service provided after the 30th day following the date of enactment of this Act.

(c) SUBSIDY CAP.—Subject to the availability of funds, the Secretary may waive, on a case-by-case basis, the subsidy-per-passenger cap established by section 332 of the Department of Transportation and Related Agencies Appropriations Act, 2000 (Public Law 106–69; 113 Stat. 1022). A waiver issued under this subsection shall remain in effect for a limited period of time, as determined by the Secretary.

SEC. 427. ESSENTIAL AIR SERVICE CONTRACT GUIDELINES.

(a) COMPENSATION GUIDELINES.—Section 41737(a)(1) is amended—

(1) by striking "and" at the end of subparagraph (B);

(2) in subparagraph (C) by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

"(D) include provisions under which the Secretary may encourage an air carrier to improve air service for which compensation is being paid under this subchapter by incorporating financial incentives in an essential air service contract based on specified performance goals, including goals related to improving on-time performance, reducing the number of flight cancellations, establishing reasonable fares (including joint fares beyond the hub airport), establishing convenient connections to flights providing service beyond hub airports, and increasing marketing efforts; and

"(E) include provisions under which the Secretary may execute a long-term essential air service contract to encourage an air carrier to provide air service to an eligible place if it would be in the public interest to do so.".

(b) DEADLINE FOR ISSUANCE OF REVISED GUIDANCE.—Not later than 1 year after the date of enactment of this Act, the Secretary of Transportation shall issue revised guidelines governing the rate of compensation payable under subchapter II of chapter 417 that incorporate the amendments made by this section.

(c) UPDATE.—Not later than 2 years after the date of issuance of revised guidelines pursuant to subsection (b), the Secretary shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate an update of the extent to which the revised guidelines have been implemented and the impact, if any, such implementation has had on air carrier performance and community satisfaction with air service for which compensation is being paid under subchapter II of chapter 417.

SEC. 428. ESSENTIAL AIR SERVICE REFORM.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 41742(a) is amended—

(1) in paragraph (1)—

(A) by inserting ''for each fiscal year'' before ''is authorized''; and

(B) by striking ''under this subchapter for each fiscal year'' and inserting ''under this subchapter''; and

(2) in paragraph (2) by striking ''and $54,699,454 for the period beginning on October 1, 2011, and ending on February 17, 2012,'' and inserting '', $143,000,000 for fiscal year 2012, $118,000,000 for fiscal year 2013, $107,000,000 for fiscal year 2014, and $93,000,000 for fiscal year 2015''.

(b) DISTRIBUTION OF ADDITIONAL FUNDS.—Section 41742(b) is amended to read as follows:

"(b) DISTRIBUTION OF ADDITIONAL FUNDS.—Notwithstanding any other provision of law, in any fiscal year in which funds credited to the account established under section 45303, including the funds derived from fees imposed under the authority contained in section 45301(a), exceed the $50,000,000 made available under subsection (a)(1), such funds shall be made available immediately for obligation and expenditure to carry out the essential air service program under this subchapter.".

(c) AVAILABILITY OF FUNDS.—Section 41742 is amended by adding at the end the following:

"(c) AVAILABILITY OF FUNDS.—The funds made available under this section shall remain available until expended.".

SEC. 429. SMALL COMMUNITY AIR SERVICE.

(a) PRIORITIES.—Section 41743(c)(5) is amended—

(1) by striking "and" at the end of subparagraph (D);

(2) in subparagraph (E) by striking "fashion." and inserting "fashion; and"; and

(3) by adding at the end the following:

"(F) multiple communities cooperate to submit a regional or multistate application to consolidate air service into one regional airport.".

(b) EXTENSION OF AUTHORIZATION.—Section 41743(e)(2) is amended to read as follows:

"(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary $6,000,000 for each of fiscal years 2012 through 2015 to carry out this section. Such sums shall remain available until expended.".

SEC. 430. REPEAL OF ESSENTIAL AIR SERVICE LOCAL PARTICIPATION PROGRAM.

Section 41747, and the item relating to section 41747 in the analysis for chapter 417, are repealed.

SEC. 431. EXTENSION OF FINAL ORDER ESTABLISHING MILEAGE ADJUSTMENT ELIGIBILITY.

Section 409(d) of the Vision 100—Century of Aviation Reauthorization Act (49 U.S.C. 41731 note) is amended by striking "February 17, 2012." and inserting "September 30, 2015.".

TITLE V—ENVIRONMENTAL STREAMLINING

SEC. 501. OVERFLIGHTS OF NATIONAL PARKS.

(a) GENERAL REQUIREMENTS.—Section 40128(a)(1)(C) is amended by inserting "or voluntary agreement under subsection (b)(7)" before "for the park".

(b) EXEMPTION FOR NATIONAL PARKS WITH 50 OR FEWER FLIGHTS EACH YEAR.—Section 40128(a) is amended by adding at the end the following:

"(5) EXEMPTION FOR NATIONAL PARKS WITH 50 OR FEWER FLIGHTS EACH YEAR.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), a national park that has 50 or fewer commercial air tour operations over the park each year shall be exempt from the requirements of this section, except as provided in subparagraph (B).

"(B) WITHDRAWAL OF EXEMPTION.—If the Director determines that an air tour management plan or voluntary agreement is necessary to protect park resources and values or park visitor use and enjoyment, the Director shall withdraw the exemption of a park under subparagraph (A).

"(C) LIST OF PARKS.—

"(i) IN GENERAL.—The Director and Administrator shall jointly publish a list each year of national parks that are covered by the exemption provided under this paragraph.

"(ii) NOTIFICATION OF WITHDRAWAL OF EXEMPTION.—The Director shall inform the Administrator, in writing, of each determination to withdraw an exemption under subparagraph (B).

"(D) ANNUAL REPORT.—A commercial air tour operator conducting commercial air tour operations over a national park that is exempt from the requirements of this section shall submit to the Administrator and the Director a report each year that includes the number of commercial air tour operations the operator conducted during the preceding 1-year period over such park.".

(c) AIR TOUR MANAGEMENT PLANS.—Section 40128(b) is amended—

(1) in paragraph (1) by adding at the end the following:

"(C) EXCEPTION.—An application to begin commercial air tour operations at Crater Lake National Park may be denied without the establishment of an air tour management plan by the Director of the National Park Service if the Director determines that such operations would adversely affect park resources or visitor experiences.''; and

(2) by adding at the end the following:

''(7) VOLUNTARY AGREEMENTS.—

''(A) IN GENERAL.—As an alternative to an air tour management plan, the Director and the Administrator may enter into a voluntary agreement with a commercial air tour operator (including a new entrant commercial air tour operator and an operator that has interim operating authority) that has applied to conduct commercial air tour operations over a national park to manage commercial air tour operations over such national park.

''(B) PARK PROTECTION.—A voluntary agreement under this paragraph with respect to commercial air tour operations over a national park shall address the management issues necessary to protect the resources of such park and visitor use of such park without compromising aviation safety or the air traffic control system and may—

''(i) include provisions such as those described in subparagraphs (B) through (E) of paragraph (3);

"(ii) include provisions to ensure the stability of, and compliance with, the voluntary agreement; and

"(iii) provide for fees for such operations.

"(C) PUBLIC REVIEW.—The Director and the Administrator shall provide an opportunity for public review of a proposed voluntary agreement under this paragraph and shall consult with any Indian tribe whose tribal lands are, or may be, flown over by a commercial air tour operator under a voluntary agreement under this paragraph. After such opportunity for public review and consultation, the voluntary agreement may be implemented without further administrative or environmental process beyond that described in this subsection.

"(D) TERMINATION.—

"(i) IN GENERAL.—A voluntary agreement under this paragraph may be terminated at any time at the discretion of—

"(I) the Director, if the Director determines that the agreement is not adequately protecting park resources or visitor experiences; or

"(II) the Administrator, if the Administrator determines that the agreement is adversely affecting aviation safety or the national aviation system.

"(ii) EFFECT OF TERMINATION.—If a voluntary agreement with respect to a national park is terminated under this subparagraph, the operators shall conform to the requirements for interim operating authority under subsection (c) until an air tour management plan for the park is in effect.".

(d) INTERIM OPERATING AUTHORITY.—Section 40128(c) is amended—

(1) by striking paragraph (2)(I) and inserting the following:

"(I) may allow for modifications of the interim operating authority without further environmental review beyond that described in this subsection, if—

"(i) adequate information regarding the existing and proposed operations of the operator under the interim operating authority is provided to the Administrator and the Director;

"(ii) the Administrator determines that there would be no adverse impact on aviation safety or the air traffic control system; and

"(iii) the Director agrees with the modification, based on the professional expertise of the Director regarding the protection of the resources, values, and visitor use and enjoyment of the park."; and

(2) in paragraph (3)(A) by striking "if the Administrator determines" and all that follows through the period at the end and inserting "without further environmental process beyond that described in this paragraph, if—

"(i) adequate information on the proposed operations of the operator is provided to the Administrator and the Director by the operator making the request;

"(ii) the Administrator agrees that there would be no adverse impact on aviation safety or the air traffic control system; and "(iii) the Director agrees, based on the Director's professional expertise regarding the protection of park resources and values and visitor use and enjoyment.".

(e) OPERATOR REPORTS.—Section 40128 is amended—

(1) by redesignating subsections (d), (e), and (f) as subsections (e), (f), and (g), respectively; and

(2) by inserting after subsection (c) the following:

"(d) COMMERCIAL AIR TOUR OPERATOR REPORTS.—

"(1) REPORT.—Each commercial air tour operator conducting a commercial air tour operation over a national park under interim operating authority granted under subsection (c) or in accordance with an air tour management plan or voluntary agreement under subsection (b) shall submit to the Administrator and the Director a report regarding the number of commercial air tour operations over each national park that are conducted by the operator and such other information as the Administrator and Director may request in order to facilitate administering the provisions of this section.

"(2) REPORT SUBMISSION.—Not later than 90 days after the date of enactment of the FAA Modernization and Reform Act of 2012, the Administrator and the Director shall jointly issue an initial request for reports under this subsection. The reports shall be submitted to the Administrator and the Director with a frequency and in a format prescribed by the Administrator and the Director.".

SEC. 502. STATE BLOCK GRANT PROGRAM.

(a) GENERAL REQUIREMENTS.—Section 47128(a) is amended—

(1) in the first sentence by striking "prescribe regulations" and inserting "issue guidance"; and

(2) in the second sentence by striking "regulations" and inserting "guidance".

(b) APPLICATIONS AND SELECTION.—Section 47128(b)(4) is amended by inserting before the semicolon the following: ", including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), State and local environmental policy acts, Executive orders, agency regulations and guidance, and other Federal environmental requirements".

(c) ENVIRONMENTAL ANALYSIS AND COORDINATION REQUIREMENTS.—Section 47128 is amended by adding at the end the following:

"(d) Environmental Analysis and Coordination Requirements.—A Federal agency, other than the Federal Aviation Administration, that is responsible for issuing an approval, license, or permit to ensure compliance with a Federal environmental requirement applicable to a project or activity to be carried out by a State using amounts from a block grant made under this section shall—

"(1) coordinate and consult with the State;

"(2) use the environmental analysis prepared by the State for the project or activity if such analysis is adequate; and

"(3) as necessary, consult with the State to describe the supplemental analysis the State must provide to meet applicable Federal requirements.".

SEC. 503. AIRPORT FUNDING OF SPECIAL STUDIES OR REVIEWS.

Section 47173(a) is amended by striking "services of consultants in order to" and all that follows through the period at the end and inserting "services of consultants—

"(1) to facilitate the timely processing, review, and completion of environmental activities associated with an airport development project;

"(2) to conduct special environmental studies related to an airport project funded with Federal funds;

"(3) to conduct special studies or reviews to support approved noise compatibility measures described in part 150 of title 14, Code of Federal Regulations;

"(4) to conduct special studies or reviews to support environmental mitigation in a record of decision or finding of no significant impact by the Federal Aviation Administration; and

"(5) to facilitate the timely processing, review, and completion of environmental activities associated with new or amended flight procedures, including performance-based navigation procedures, such as required navigation performance procedures and area navigation procedures.".

SEC. 504. GRANT ELIGIBILITY FOR ASSESSMENT OF FLIGHT PROCEDURES.

Section 47504 is amended by adding at the end the following:

"(e) GRANTS FOR ASSESSMENT OF FLIGHT PROCEDURES.—

"(1) IN GENERAL.—In accordance with subsection (c)(1), the Secretary may make a grant to an airport operator to assist in completing environmental review and assessment activities for proposals to implement flight procedures at such airport that have been approved as part of an airport noise compatibility program under subsection (b).

"(2) ADDITIONAL STAFF.—The Administrator may accept funds from an airport operator, including funds provided to the operator under paragraph (1), to hire additional staff or obtain the services of consultants in order to facilitate the timely processing, review, and completion of environmental activities associated with proposals to implement flight procedures at such airport that have been approved as part of an airport noise compatibility program under subsection (b).

"(3) RECEIPTS CREDITED AS OFFSETTING COLLECTIONS.—Notwithstanding section 3302 of title 31, any funds accepted under this section—

"(A) shall be credited as offsetting collections to the account that finances the activities and services for which the funds are accepted;

"(B) shall be available for expenditure only to pay the costs of activities and services for which the funds are accepted; and

"(C) shall remain available until expended.".

SEC. 505. DETERMINATION OF FAIR MARKET VALUE OF RESIDENTIAL PROPERTIES.

Section 47504 (as amended by this Act) is further amended by adding at the end the following:

"(f) DETERMINATION OF FAIR MARKET VALUE OF RESIDENTIAL PROPERTIES.—In approving a project to acquire residential real property using financial assistance made available under this section or chapter 471, the Secretary shall ensure that the appraisal of the property to be acquired disregards any decrease or increase in the fair market value of the real property caused by the project for which the property is to be acquired, or by the likelihood that the property would be acquired for the project, other than that due to physical deterioration within the reasonable control of the owner.".

SEC. 506. PROHIBITION ON OPERATING CERTAIN AIRCRAFT WEIGHING 75,000 POUNDS OR LESS NOT COMPLYING WITH STAGE 3 NOISE LEVELS.

(a) IN GENERAL.—Subchapter II of chapter 475 is amended by adding at the end the following:

"§ 47534. Prohibition on operating certain aircraft weighing 75,000 pounds or less not complying with stage 3 noise levels

"(a) PROHIBITION.—Except as otherwise provided by this section, after December 31, 2015, a person may not operate a civil subsonic jet airplane with a maximum weight of 75,000 pounds or less, and for which an airworthiness certificate (other than an experimental certificate) has been issued, to or from an airport in the United States unless the Secretary of Transportation finds that the aircraft complies with stage 3 noise levels.

"(b) AIRCRAFT OPERATIONS OUTSIDE 48 CONTIGUOUS STATES.—Subsection (a) shall not apply to aircraft operated only outside the 48 contiguous States.

"(c) TEMPORARY OPERATIONS.—The Secretary may allow temporary operation of an aircraft otherwise prohibited from operation under subsection (a) to or from an airport in the contiguous United States by granting a special flight authorization for one or more of the following circumstances:

"(1) To sell, lease, or use the aircraft outside the 48 contiguous States.

"(2) To scrap the aircraft.

"(3) To obtain modifications to the aircraft to meet stage 3 noise levels.

"(4) To perform scheduled heavy maintenance or significant modifications on the aircraft at a maintenance facility located in the contiguous 48 States.

"(5) To deliver the aircraft to an operator leasing the aircraft from the owner or return the aircraft to the lessor.

"(6) To prepare, park, or store the aircraft in anticipation of any of the activities described in paragraphs (1) through (5).

"(7) To provide transport of persons and goods in the relief of an emergency situation.

"(8) To divert the aircraft to an alternative airport in the 48 contiguous States on account of weather, mechanical, fuel, air traffic control, or other safety reasons while conducting a flight in order to perform any of the activities described in paragraphs (1) through (7).

"(d) REGULATIONS.—The Secretary may prescribe such regulations or other guidance as may be necessary for the implementation of this section.

"(e) STATUTORY CONSTRUCTION.—

"(1) AIP GRANT ASSURANCES.—Noncompliance with subsection (a) shall not be construed as a violation of section 47107 or any regulations prescribed thereunder.

"(2) PENDING APPLICATIONS.—Nothing in this section may be construed as interfering with, nullifying, or otherwise affecting determinations made by the Federal Aviation Administration, or to be made by the Administration, with respect to applications under part 161 of title 14, Code of Federal Regulations, that were pending on the date of enactment of this section.".

(b) CONFORMING AMENDMENTS.—

(1) PENALTIES.—Section 47531 is amended—

(A) in the section heading by striking "**for violating sections 47528–47530**"; and

(B) by striking "47529, or 47530" and inserting "47529, 47530, or 47534".

(2) JUDICIAL REVIEW.—Section 47532 is amended by inserting "or 47534" after "47528–47531".

(3) ANALYSIS.—The analysis for subchapter II of chapter 475 is amended—

(A) by striking the item relating to section 47531 and inserting the following:

"47531. Penalties."; and

(B) by adding at the end the following:

"47534. Prohibition on operating certain aircraft weighing 75,000 pounds or less not complying with stage 3 noise levels.".

SEC. 507. AIRCRAFT DEPARTURE QUEUE MANAGEMENT PILOT PROGRAM.

(a) IN GENERAL.—The Secretary of Transportation shall carry out a pilot program at not more than 5 public-use airports under which the Federal Aviation Administration shall use funds made available under section 48101(a) to test air traffic flow management tools, methodologies, and procedures that will allow air traffic controllers of the Administration to better manage the flow of aircraft on the ground and reduce the length of ground holds and idling time for aircraft.

(b) SELECTION CRITERIA.—In selecting from among airports at which to conduct the pilot program, the Secretary shall give priority consideration to airports at which improvements in ground control efficiencies are likely to achieve the greatest fuel savings or air quality or other environmental benefits, as measured by the amount of reduced fuel, reduced emissions, or other environmental benefits per dollar of funds expended under the pilot program.

(c) MAXIMUM AMOUNT.—Not more than a total of $2,500,000 may be expended under the pilot program at any single public-use airport.

SEC. 508. HIGH PERFORMANCE, SUSTAINABLE, AND COST-EFFECTIVE AIR TRAFFIC CONTROL FACILITIES.

The Administrator of the Federal Aviation Administration may implement, to the extent practicable, sustainable practices for the incorporation of energy-efficient design, equipment, systems, and other measures in the construction and major renovation of air traffic control facilities of the Administration in order to reduce energy consumption at, improve the environmental performance of, and reduce the cost of maintenance for such facilities.

SEC. 509. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) the European Union directive extending the European Union's emissions trading proposal to international civil aviation without working through the International Civil Aviation Organization (in this section referred to as the ''ICAO'') in a consensus-based fashion is inconsistent with the Convention on International Civil Aviation, completed in Chicago on December 7, 1944 (TIAS 1591; commonly known as the ''Chicago Convention''), and other relevant air services agreements and antithetical to building international cooperation to address effectively the problem of greenhouse gas emissions by aircraft engaged in international civil aviation;

(2) the European Union and its member states should instead work with other contracting states of ICAO to develop a consensual approach to addressing aircraft greenhouse gas emissions through ICAO; and

(3) officials of the United States Government, and particularly the Secretary of Transportation and the Administrator of the Federal Aviation Administration, should use all political, diplomatic, and legal tools at the disposal of the United States to ensure that the European Union's emissions trading scheme is not applied to aircraft registered by the United States or the operators of those aircraft, including the mandates that United States carriers provide emissions data to and purchase emissions allowances from or surrender emissions allowances to the European Union Member States.

SEC. 510. AVIATION NOISE COMPLAINTS.

Not later than 90 days after the date of enactment of this Act, each owner or operator of a large hub airport (as defined in section 40102(a) of title 49, United States Code) shall publish on an Internet Web site of the airport a telephone number to receive aviation noise complaints related to the airport.

SEC. 511. PILOT PROGRAM FOR ZERO-EMISSION AIRPORT VEHICLES.

(a) IN GENERAL.—Chapter 471 is amended by inserting after section 47136 the following:

"§ 47136a. Zero-emission airport vehicles and infrastructure

"(a) IN GENERAL.—The Secretary of Transportation may establish a pilot program under which the sponsor of a public-use airport may use funds made available under section 47117 or section 48103 for use at such airport to carry out activities associated with the acquisition and operation of zero-emission vehicles (as defined in section 88.102–94 of title 40, Code of Federal Regulations), including the construction or modification of infrastructure to facilitate the delivery of fuel and services necessary for the use of such vehicles.

"(b) LOCATION IN AIR QUALITY NONATTAINMENT AREAS.—

"(1) IN GENERAL.—A public-use airport may be eligible for participation in the program only if the airport is located in a nonattainment area (as defined in section 171 of the Clean Air Act (42 U.S.C. 7501)).

"(2) SHORTAGE OF APPLICANTS.—If the Secretary receives an insufficient number of applications from public-use airports located in such areas, the

Secretary may permit public-use airports that are not located in such areas to participate in the program.

"(c) SELECTION CRITERIA.—In selecting from among applicants for participation in the 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 program.

"(d) FEDERAL SHARE.—Notwithstanding any other provision of this subchapter, the Federal share of the costs of a project carried out under the program shall be 50 percent.

"(e) TECHNICAL ASSISTANCE.—

"(1) IN GENERAL.—The sponsor of a public-use airport carrying out activities funded under the program may not use more than 10 percent of the amounts made available under the program in any fiscal year for technical assistance in carrying out such activities.

"(2) USE OF UNIVERSITY TRANSPORTATION CENTER.—Participants in the program may use a university transportation center receiving grants under section 5506 in the region of the airport to receive the technical assistance described in paragraph (1).

"(f) MATERIALS IDENTIFYING BEST PRACTICES.—The Secretary may develop and make available materials identifying best practices for carrying out activities funded under the program based on projects carried out under section 47136 and other sources.".

(b) REPORT ON EFFECTIVENESS OF PROGRAM.—Not later than 18 months after the date of enactment of this Act, the Secretary of Transportation shall submit to the Committee on Science, Space, and Technology and 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—

(1) an evaluation of the effectiveness of the program established by section 47136a of title 49, United States Code (as added by this section);

(2) the performance measures used to measure such effectiveness, such as the goals for the projects implemented and the amount of emissions reduction achieved through these projects;

(3) an assessment of the sufficiency of the data collected during the program to make a decision on whether or not to implement the program;

(4) an identification of all public-use airports that expressed an interest in participating in the program; and

(5) a description of the mechanisms used by the Secretary to ensure that the information and expertise gained by participants in the program is transferred among the participants and to other interested parties, including other public-use airports.

(c) CONFORMING AMENDMENT.—The analysis for such chapter is amended by inserting after the item relating to section 47136 the following:

"47136a. Zero-emission airport vehicles and infrastructure.".

(d) TECHNICAL AMENDMENT.—Section 47136(f)(2) is amended—

(1) in the paragraph heading by striking "ELIGIBLE CONSORTIUM" and inserting "UNIVERSITY TRANSPORTATION CENTER"; and

(2) by striking "an eligible consortium" and inserting "a university transportation center".

SEC. 512. INCREASING THE ENERGY EFFICIENCY OF AIRPORT POWER SOURCES.

(a) IN GENERAL.—Chapter 471 is amended by inserting after section 47140 the following:

"§ 47140a. Increasing the energy efficiency of airport power sources

"(a) IN GENERAL.—The Secretary of Transportation shall establish a program under which the Secretary shall encourage the sponsor of each public-use airport to assess the airport's energy requirements, including heating and cooling, base load, back-up power, and power for on-road airport vehicles and ground support equipment, in order to identify opportunities to increase energy efficiency at the airport.

"(b) GRANTS.—

"(1) IN GENERAL.—The Secretary may make grants from amounts made available under section 48103 to assist airport sponsors that have completed the assessment described in subsection (a) to acquire or construct equipment, including hydrogen equipment and related infrastructure, that will increase energy efficiency at the airport.

"(2) APPLICATION.—To be eligible for a grant under paragraph (1), the sponsor of a public-use airport shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.".

(b) CONFORMING AMENDMENT.—The analysis for such chapter is amended by inserting after the item relating to section 47140 the following:

"47140a. Increasing the energy efficiency of airport power sources.".

TITLE VI—FAA EMPLOYEES AND ORGANIZATION

SEC. 601. FEDERAL AVIATION ADMINISTRATION PERSONNEL MANAGEMENT SYSTEM.

Section 40122(a) is amended—

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

(2) by striking paragraph (2) and inserting the following:

"(2) DISPUTE RESOLUTION.—

"(A) MEDIATION.—If the Administrator does not reach an agreement under paragraph (1) or the provisions referred to in subsection (g)(2)(C) with the exclusive bargaining representative of the employees, the Administrator and the bargaining representative—

"(i) shall use the services of the Federal Mediation and Conciliation Service to attempt to reach such agreement in accordance with part 1425 of title 29, Code of Federal Regulations (as in effect on the date of enactment of the FAA Modernization and Reform Act of 2012); or

"(ii) may by mutual agreement adopt alternative procedures for the resolution of disputes or impasses arising in the negotiation of the collective-bargaining agreement.

"(B) MID-TERM BARGAINING.—If the services of the Federal Mediation and Conciliation Service under subparagraph (A)(i) do not lead to the resolution of issues in controversy arising from the negotiation of a mid-term collective-bargaining agreement, the Federal Service Impasses Panel shall assist the parties in resolving the impasse in accordance with section 7119 of title 5.

"(C) BINDING ARBITRATION FOR TERM BARGAINING.—

"(i) ASSISTANCE FROM FEDERAL SERVICE IMPASSES PANEL.—If the services of the Federal Mediation and Conciliation Service under subparagraph (A)(i) do not lead to the resolution of issues in controversy arising from the negotiation of a term collective-bargaining agreement, the Administrator and the exclusive bargaining representative of the employees (in this subparagraph referred to as the 'parties') shall submit their issues in controversy to the Federal Service Impasses Panel. The Panel shall assist the parties in resolving the impasse by asserting jurisdiction and ordering binding arbitration by a private arbitration board consisting of 3 members.

"(ii) APPOINTMENT OF ARBITRATION BOARD.—The Executive Director of the Panel shall provide for the appointment of the 3 members of a private arbitration board under clause (i) by requesting the Director of the Federal Mediation and Conciliation Service to prepare a list of not less than 15 names of arbitrators with Federal sector experience and by providing the list to the parties. Not later than 10 days after receiving the list, the parties shall each select one person from the list. The 2 arbitrators selected by the parties shall then select a third person from the list not later than 7 days after being selected. If either of the parties fails to select a person or if the 2 arbitrators are unable to agree on the third person in 7 days, the parties shall make the selection by alternately striking names on the list until one arbitrator remains.

"(iii) FRAMING ISSUES IN CONTROVERSY.—If the parties do not agree on the framing of the issues to be submitted for arbitration, the arbitration board shall frame the issues.

"(iv) HEARINGS.—The arbitration board shall give the parties a full and fair hearing, including an opportunity to present evidence in support of their claims and an opportunity to present their case in person, by counsel, or by other representative as they may elect.

"(v) DECISIONS.—The arbitration board shall render its decision within 90 days after the date of its appointment. Decisions of the arbitration board shall be conclusive and binding upon the parties.

"(vi) MATTERS FOR CONSIDERATION.—The arbitration board shall take into consideration such factors as—

"(I) the effect of its arbitration decisions on the Federal Aviation Administration's ability to attract and retain a qualified workforce;

"(II) the effect of its arbitration decisions on the Federal Aviation Administration's budget; and

"(III) any other factors whose consideration would assist the board in fashioning a fair and equitable award.

"(vii) COSTS.—The parties shall share costs of the arbitration equally.

"(3) RATIFICATION OF AGREEMENTS.—Upon reaching a voluntary agreement or at the conclusion of the binding arbitration under paragraph (2)(C), the final agreement, except for those matters decided by an arbitration board, shall be subject to ratification by the exclusive bargaining representative of the employees, if so requested by the bargaining representative, and the final agreement shall be subject to approval by the head of the agency in accordance with the provisions referred to in subsection (g)(2)(C).".

SEC. 602. PRESIDENTIAL RANK AWARD PROGRAM.

Section 40122(g)(2) is amended—

(1) in subparagraph (G) by striking ''and'' after the semicolon;

(2) in subparagraph (H) by striking ''Board.'' and inserting ''Board; and''; and

(3) by adding at the end the following:

''(I) subsections (b), (c), and (d) of section 4507 (relating to Meritorious Executive or Distinguished Executive rank awards) and subsections (b) and (c) of section 4507a (relating to Meritorious Senior Professional or Distinguished Senior Professional rank awards), except that—

''(i) for purposes of applying such provisions to the personnel management system—

''(I) the term 'agency' means the Department of Transportation;

''(II) the term 'senior executive' means a Federal Aviation Administration executive;

''(III) the term 'career appointee' means a Federal Aviation Administration career executive; and

"(IV) the term 'senior career employee' means a Federal Aviation Administration career senior professional;

"(ii) receipt by a career appointee or a senior career employee of the rank of Meritorious Executive or Meritorious Senior Professional entitles the individual to a lump-sum payment of an amount equal to 20 percent of annual basic pay, which shall be in addition to the basic pay paid under the Federal Aviation Administration Executive Compensation Plan; and

"(iii) receipt by a career appointee or a senior career employee of the rank of Distinguished Executive or Distinguished Senior Professional entitles the individual to a lump-sum payment of an amount equal to 35 percent of annual basic pay, which shall be in addition to the basic pay paid under the Federal Aviation Administration Executive Compensation Plan.".

SEC. 603. COLLEGIATE TRAINING INITIATIVE STUDY.

(a) STUDY.—The Comptroller General of the United States shall conduct a study on training options for graduates of the Collegiate Training Initiative program (in this section referred to as "CTI" programs) conducted under section 44506(c) of title 49, United States Code.

(b) CONTENTS.—The study shall analyze the impact of providing as an alternative to the current training provided at the Mike Monroney Aeronautical Center of the Federal Aviation Administration a new air traffic controller orientation session at such Center for graduates of CTI programs followed by on-the-job training for such new air traffic controllers who are graduates of CTI programs and shall include an analysis of—

(1) the cost effectiveness of such an alternative training approach; and

(2) the effect that such an alternative training approach would have on the overall quality of training received by graduates of CTI programs.

(c) REPORT.—Not later than 180 days after the date of enactment of this Act, the Comptroller General shall submit 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 results of the study.

SEC. 604. FRONTLINE MANAGER STAFFING.

(a) STUDY.—Not later than 45 days after the date of enactment of this Act, the Administrator of the Federal

Aviation Administration shall commission an independent study on frontline manager staffing requirements in air traffic control facilities.

(b) CONSIDERATIONS.—In conducting the study, the Administrator may take into consideration—

(1) the managerial tasks expected to be performed by frontline managers, including employee development, management, and counseling;

(2) the number of supervisory positions of operation requiring watch coverage in each air traffic control facility;

(3) coverage requirements in relation to traffic demand;

(4) facility type;

(5) complexity of traffic and managerial responsibilities;

(6) proficiency and training requirements; and

(7) such other factors as the Administrator considers appropriate.

(c) PARTICIPATION.—The Administrator shall ensure the participation of frontline managers who currently work in safety-related operational areas of the Administration.

(d) DETERMINATIONS.—The Administrator shall transmit any determinations made as a result of the study to the heads of the appropriate lines of business within the Administration, including the Chief Operating Officer of the Air Traffic Organization.

(e) REPORT.—Not later than 9 months after the date of enactment of this Act, the Administrator shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the results of the study and a description of any determinations submitted to the Chief Operating Officer under subsection (d).

(f) DEFINITION.—In this section, the term ''frontline manager'' means first-level, operational supervisors and managers who work in safety-related operational areas of the Administration.

SEC. 605. FAA TECHNICAL TRAINING AND STAFFING.

(a) STUDY.—

(1) IN GENERAL.—The Administrator of the Federal Aviation Administration shall conduct a study to assess the adequacy of the Administrator's technical training strategy and improvement plan for airway transportation systems specialists (in this section referred to as ''FAA systems specialists'').

(2) CONTENTS.—The study shall include—

(A) a review of the current technical training strategy and improvement plan for FAA systems specialists;

(B) recommendations to improve the technical training strategy and improvement plan needed by FAA systems specialists to be proficient in the maintenance of the latest technologies;

(C) a description of actions that the Administration has undertaken to ensure that FAA systems specialists receive up-to-date training on the latest technologies; and

(D) a recommendation regarding the most cost-effective approach to provide training to FAA systems specialists.

(3) REPORT.—Not later than 1 year after the date of enactment of this Act, the Administrator shall submit 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 results of the study.

(b) WORKLOAD OF SYSTEMS SPECIALISTS.—

(1) STUDY BY NATIONAL ACADEMY OF SCIENCES.—Not later than 90 days after the date of

enactment of this Act, the Administrator of the Federal Aviation Administration shall make appropriate arrangements for the National Academy of Sciences to conduct a study of the assumptions and methods used by the Federal Aviation Administration to estimate staffing needs for FAA systems specialists to ensure proper maintenance and certification of the national airspace system.

(2) CONSULTATION.—In conducting the study, the National Academy of Sciences shall—

(A) consult with the exclusive bargaining representative certified under section 7111 of title 5, United States Code; and

(B) include recommendations for objective staffing standards that maintain the safety of the national airspace system.

(3) REPORT.—Not later than 1 year after the initiation of the arrangements under paragraph (1), the National Academy of Sciences shall submit to Congress a report on the results of the study.

SEC. 606. SAFETY CRITICAL STAFFING.

(a) IN GENERAL.—Not later than October 1, 2012, the Administrator of the Federal Aviation Administration shall implement, in as cost-effective a manner as possible, the staffing model for aviation safety inspectors developed pursuant to the National Academy of Sciences study entitled ‘‘Staffing Standards for Aviation Safety Inspectors’’. In doing so, the Administrator shall consult with interested persons, including the exclusive bargaining representative for aviation safety inspectors certified under section 7111 of title 5, United States Code.

(b) REPORT.—Not later than January 1 of each year beginning after September 30, 2012, the Administrator shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate, the staffing model described in subsection (a).

SEC. 607. AIR TRAFFIC CONTROL SPECIALIST QUALIFICATION TRAINING.

Section 44506 is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following:

‘‘(d) AIR TRAFFIC CONTROL SPECIALIST QUALIFICATION TRAINING.—

‘‘(1) APPOINTMENT OF AIR TRAFFIC CONTROL SPECIALISTS.—The Administrator is authorized to appoint a qualified air traffic control specialist candidate for placement in an airport traffic control facility if the candidate has—

"(A) received a control tower operator certification (referred to in this subsection as a 'CTO' certificate); and

"(B) satisfied all other applicable qualification requirements for an air traffic control specialist position, including successful completion of orientation training at the Federal Aviation Administration Academy.

"(2) COMPENSATION AND BENEFITS.—An individual appointed under paragraph (1) shall receive the same compensation and benefits, and be treated in the same manner as, any other individual appointed as a developmental air traffic controller.

"(3) REPORT.—Not later than 2 years after the date of enactment of the FAA Modernization and Reform Act of 2012, the Administrator shall submit to Congress a report that evaluates the effectiveness of the air traffic control specialist qualification training provided pursuant to this section, including the graduation rates of candidates who received a CTO certificate and are working in airport traffic control facilities.

"(4) ADDITIONAL APPOINTMENTS.—If the Administrator determines that air traffic control specialists appointed pursuant to this subsection are more successful in carrying out the duties of an air traffic controller than air traffic control specialists hired from the general public without any such certification, the Administrator shall increase, to the maximum extent practicable, the number of appointments of candidates who possess such certification.

"(5) REIMBURSEMENT FOR TRAVEL EXPENSES ASSOCIATED WITH CERTIFICATIONS.—

"(A) IN GENERAL.—Subject to subparagraph (B), the Administrator may accept reimbursement from an educational entity that provides training to an air traffic control specialist candidate to cover reasonable travel expenses of the Administrator associated with issuing certifications to such candidates.

"(B) TREATMENT OF REIMBURSEMENTS.—Notwithstanding section 3302 of title 31, any reimbursement authorized to be collected under subparagraph (A) shall—

"(i) be credited as offsetting collections to the account that finances the activities and services for which the reimbursement is accepted;

"(ii) be available for expenditure only to pay the costs of activities and services for which the reimbursement is accepted, including all costs associated with collecting such reimbursement; and

"(iii) remain available until expended.".

SEC. 608. FAA AIR TRAFFIC CONTROLLER STAFFING.

(a) STUDY BY NATIONAL ACADEMY OF SCIENCES.—Not later than 90 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall enter into appropriate arrangements with the National Academy of Sciences to conduct a study of the air traffic controller standards used by the Federal Aviation Administration (in this section referred to as the "FAA") to estimate staffing needs for FAA air traffic controllers to ensure the safe operation of the national airspace system in the most cost effective manner.

(b) CONSULTATION.—In conducting the study, the National Academy of Sciences shall consult with the exclusive bargaining representative of employees of the FAA certified under section 7111 of title 5, United States Code, and other interested parties, including Government and industry representatives.

(c) CONTENTS.—The study shall include—

(1) an examination of representative information on productivity, human factors, traffic activity, and improved technology and equipment used in air traffic control;

(2) an examination of recent National Academy of Sciences reviews of the complexity model performed by MITRE Corporation that support the staffing standards models for the en route air traffic control environment; and

(3) consideration of the Administration's current and estimated budgets and the most cost-effective staffing model to best leverage available funding.

(d) REPORT.—Not later than 2 years after the date of enactment of this Act, the National Academy of Sciences shall submit 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 results of the study.

SEC. 609. AIR TRAFFIC CONTROLLER TRAINING AND SCHEDULING.

(a) TRAINING STRATEGY AND IMPROVEMENT PLAN.—The Administrator of the Federal Aviation Administration shall conduct a study to assess the adequacy of training programs for air traffic controllers, including the Administrator's technical training strategy and improvement plan for air traffic controllers.

(1) CONTENTS.—The study shall include—

(A) a review of the current training system for air traffic controllers, including the technical training strategy and improvement plan;

(B) an analysis of the competencies required of air traffic controllers for successful performance in the current and future projected air traffic control environment;

(C) an analysis of the competencies projected to be required of air traffic controllers as the Federal Aviation Administration transitions to the Next Generation Air Transportation System;

(D) an analysis of various training approaches available to satisfy the air traffic controller competencies identified under subparagraphs (B) and (C);

(E) recommendations to improve the current training system for air traffic controllers, including the technical training strategy and improvement plan; and

(F) the most cost-effective approach to provide training to air traffic controllers.

(2) REPORT.—Not later than 270 days after the date of enactment of this Act, the Administrator shall submit 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 results of the study.

(b) FACILITY TRAINING PROGRAM.—Not later than 1 year after the date of enactment of this Act, the Administrator shall conduct a comprehensive review and evaluation of its Academy and facility training efforts. The Administrator shall—

(1) clarify responsibility for oversight and direction of the Academy's facility training program at the national level;

(2) communicate information concerning that responsibility to facility managers; and

(3) establish standards to identify the number of developmental air traffic controllers that can be accommodated at each facility, based on—

(A) the number of available on-the-job training instructors;

(B) available classroom space;

(C) the number of available simulators;

(D) training requirements; and

(E) the number of recently placed new personnel already in training.

(c) AIR TRAFFIC CONTROLLER SCHEDULING.—Not later than 60 days after the date of enactment of this Act, the Inspector General of the Department of Transportation shall conduct an assessment of the Federal Aviation Administration's air traffic controller scheduling practices.

(1) CONTENTS.—The assessment shall include, at a minimum—

(A) an analysis of how air traffic controller schedules are determined;

(B) an evaluation of how safety is taken into consideration when schedules are being developed and adopted;

(C) an evaluation of scheduling practices that are cost effective to the Government;

(D) an examination of how scheduling practices impact air traffic controller performance; and

(E) any recommendations the Inspector General may have related to air traffic controller scheduling practices.

(2) REPORT.—Not later than 120 days after the date of enactment of this Act, the Inspector General shall submit 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 results of the assessment conducted under this subsection.

SEC. 610. FAA FACILITY CONDITIONS.

(a) STUDY.—The Comptroller General of the United States shall conduct a study of and review—

(1) the conditions of a sampling of Federal Aviation Administration facilities across the United States, including offices, towers, centers, and terminal radar air control;

(2) reports from employees of the Administration relating to respiratory ailments and other health conditions resulting from exposure to mold, asbestos,

poor air quality, radiation, and facility-related hazards in facilities of the Administration;

(3) conditions of such facilities that could interfere with such employees' ability to effectively and safely perform their duties;

(4) the ability of managers and supervisors of such employees to promptly document and seek remediation for unsafe facility conditions;

(5) whether employees of the Administration who report facility-related illnesses are treated appropriately;

(6) utilization of scientifically approved remediation techniques to mitigate hazardous conditions in accordance with applicable State and local regulations and Occupational Safety and Health Administration practices by the Administration; and

(7) resources allocated to facility maintenance and renovation by the Administration.

(b) FACILITY CONDITION INDICES.—The Comptroller General shall review the facility condition indices of the Administration for inclusion in the recommendations under subsection (c).

(c) RECOMMENDATIONS.—Based on the results of the study and review of facility condition indices under subsection (a), the Comptroller General shall make such recommendations as the Comptroller General considers necessary—

(1) to prioritize those facilities needing the most immediate attention based on risks to employee health and safety;

(2) to ensure that the Administration is using scientifically approved remediation techniques in all facilities; and

(3) to assist the Administration in making programmatic changes so that aging facilities do not deteriorate to unsafe levels.

(d) REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall submit to the Administrator, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Transportation and Infrastructure of the House of Representatives a report on results of the study, including the recommendations under subsection (c).

SEC. 611. TECHNICAL CORRECTION.

Section 40122(g)(3) is amended by adding at the end the following: ''Notwithstanding any other provision of law, retroactive to April 1, 1996, the Board shall have the same remedial authority over such employee appeals that it had as of March 31, 1996.''.

TITLE VII—AVIATION INSURANCE

SEC. 701. GENERAL AUTHORITY.

Section 44302(f)(1) is amended by striking ‘‘shall extend through’’ and all that follows through ‘‘the termination date’’ and inserting ‘‘shall extend through September 30, 2013, and may extend through December 31, 2013, the termination date’’.

SEC. 702. EXTENSION OF AUTHORITY TO LIMIT THIRD-PARTY LIABILITY OF AIR CARRIERS ARISING OUT OF ACTS OF TERRORISM.

The first sentence of section 44303(b) is amended by striking ‘‘ending on’’ and all that follows through ‘‘the Secretary may certify’’ and inserting ‘‘ending on December 31, 2013, the Secretary may certify’’.

SEC. 703. CLARIFICATION OF REINSURANCE AUTHORITY.

The second sentence of section 44304 is amended by striking ‘‘the carrier’’ and inserting ‘‘any insurance carrier’’.

SEC. 704. USE OF INDEPENDENT CLAIMS ADJUSTERS.

The second sentence of section 44308(c)(1) is amended by striking ‘‘agent’’ and inserting ‘‘agent, or a claims adjuster who is independent of the underwriting agent,’’.

TITLE VIII—MISCELLANEOUS

SEC. 801. DISCLOSURE OF DATA TO FEDERAL AGENCIES IN INTEREST OF NATIONAL SECURITY.

Section 40119(b) is amended by adding at the end the following:

"(4) Section 552a of title 5 shall not apply to disclosures that the Administrator may make from the systems of records of the Administration to any Federal law enforcement, intelligence, protective service, immigration, or national security official in order to assist the official receiving the information in the performance of official duties.".

SEC. 802. FAA AUTHORITY TO CONDUCT CRIMINAL HISTORY RECORD CHECKS.

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

"§ 40130. FAA authority to conduct criminal history record checks

"(a) CRIMINAL HISTORY BACKGROUND CHECKS.—

"(1) ACCESS TO INFORMATION.—The Administrator of the Federal Aviation Administration, for certification purposes of the Administration only, is authorized—

"(A) to conduct, in accordance with the established request process, a criminal history background check of an airman in the criminal repositories of the Federal Bureau of Investigation and States by submitting positive identification of the airman to a fingerprint-based repository in compliance with section 217 of the National Crime Prevention and Privacy Compact Act of 1998 (42 U.S.C. 14616); and

"(B) to receive relevant criminal history record information regarding the airman checked.

"(2) RELEASE OF INFORMATION.—In accessing a repository referred to in paragraph (1), the Administrator shall be subject to the conditions and procedures established by the Department of Justice or the State, as appropriate, for other governmental agencies conducting background checks for noncriminal justice purposes.

"(3) LIMITATION.—The Administrator may not use the authority under paragraph (1) to conduct criminal investigations.

"(4) REIMBURSEMENT.—The Administrator may collect reimbursement to process the fingerprint-based checks under this subsection, to be used for expenses incurred, including Federal Bureau of Investigation fees, in providing these services.

"(b) DESIGNATED EMPLOYEES.—The Administrator shall designate, by order, employees of the Administration who may carry out the authority described in subsection (a).".

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

"40130. FAA authority to conduct criminal history record checks.".

SEC. 803. CIVIL PENALTIES TECHNICAL AMENDMENTS.

Section 46301 of title 49, United States Code, is amended—

(1) in subsection (a)(1)(A) by inserting "chapter 451," before "section 47107(b)";

(2) in subsection (a)(5)(A)(i)—

(A) by striking "or chapter 449" and inserting "chapter 449"; and

(B) by inserting after "44909)" the following: ", or chapter 451";

(3) in subsection (d)(2)—

(A) in the first sentence—

(i) by striking "44723) or" and inserting the following: "44723), chapter 451,";

(ii) by striking "46302" and inserting "section 46302"; and

(iii) by striking “46318, or 47107(b)” and inserting “section 46318, section 46319, or section 47107(b)”; and

(B) in the second sentence—

(i) by striking “46302” and inserting “section 46302”;

(ii) by striking “46303,” and inserting “or section 46303 of this title”; and

(iii) by striking “such chapter 449” and inserting “any of those provisions”; and

(4) in subsection (f)(1)(A)(i)—

(A) by striking “or chapter 449” and inserting “chapter 449”; and

(B) by inserting after “44909)” the following: “, or chapter 451”.

SEC. 804. CONSOLIDATION AND REALIGNMENT OF FAA SERVICES AND FACILITIES.

(a) NATIONAL FACILITIES REALIGNMENT AND CONSOLIDATION REPORT.—

(1) IN GENERAL.—The Administrator of the Federal Aviation Administration shall develop a report, to be known as the National Facilities Realignment and Consolidation Report, in accordance with the requirements of this subsection.

(2) PURPOSE.—The purpose of the report shall be—

(A) to support the transition to the Next Generation Air Transportation System; and

(B) to reduce capital, operating, maintenance, and administrative costs of the FAA where such cost reductions can be implemented without adversely affecting safety.

(3) CONTENTS.—The report shall include—

(A) recommendations of the Administrator on realignment and consolidation of services and facilities (including regional offices) of the FAA; and

(B) for each of the recommendations, a description of—

(i) the Administrator's justification;

(ii) the projected costs and savings; and

(iii) the proposed timing for implementation.

(4) INPUT.—The report shall be developed by the Administrator (or the Administrator's designee)—

(A) in coordination with the Chief NextGen Officer and the Chief Operating Officer of the Air Traffic Organization of the FAA; and

(B) with the participation of—

(i) representatives of labor organizations representing operations and maintenance employees of the air traffic control system; and

(ii) industry stakeholders.

(5) SUBMISSION TO CONGRESS.—Not later than 120 days after the date of enactment of this Act, the Administrator shall submit the report to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.

(6) PUBLIC NOTICE AND COMMENT.—The Administrator shall publish the report in the Federal Register and allow 45 days for the submission of public comments.

(b) REPORT TO CONGRESS CONTAINING RECOMMENDATIONS OF ADMINISTRATOR.—Not later than 60 days after the last day of the period for public comment under subsection (a)(6), the Administrator shall submit to the committees specified in subsection (a)(5)—

(1) a report containing the recommendations of the Administrator on realignment and consolidation of services and facilities (including regional offices) of the FAA; and

(2) copies of any public comments received by the Administrator under subsection (a)(6).

(c) REALIGNMENT AND CONSOLIDATION OF FAA SERVICES AND FACILITIES.—Except as provided in subsection (d), the Administrator shall realign and consolidate the services and facilities of the FAA in accordance with the recommendations included in the report submitted under subsection (b).

(d) CONGRESSIONAL DISAPPROVAL.—

(1) IN GENERAL.—The Administrator may not carry out a recommendation for realignment or consolidation of services or facilities of the FAA that is included in the report submitted under subsection (b) if a joint resolution of disapproval is enacted disapproving such recommendation before the earlier of—

(A) the last day of the 30-day period beginning on the date of submission of the report; or

(B) the adjournment of Congress sine die for the session during which the report is transmitted.

(2) COMPUTATION OF 30-DAY PERIOD.—For purposes of paragraph (1)(A), the days on which either house of Congress is not in session because of an adjournment of more than 3 days to a day certain shall be excluded in computation of the 30-day period.

(e) DEFINITIONS.—In this section, the following definitions apply:

(1) FAA.—The term ''FAA'' means the Federal Aviation Administration.

(2) REALIGNMENT; CONSOLIDATION.—

(A) IN GENERAL.—The terms ''realignment'' and ''consolidation'' include any action that—

(i) relocates functions, services, or personnel positions;

(ii) discontinues or severs existing facility functions or services; or

(iii) combines the results described in clauses (i) and (ii).

(B) EXCLUSION.—The terms do not include a reduction in personnel resulting from workload adjustments.

SEC. 805. LIMITING ACCESS TO FLIGHT DECKS OF ALL-CARGO AIRCRAFT.

(a) STUDY.—Not later than 180 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration, in consultation with appropriate air carriers, aircraft manufacturers, and air carrier labor representatives, shall conduct a study to assess the feasibility of developing a physical means, or a combination of physical and procedural means, to prohibit individuals other than authorized flight crewmembers from accessing the flight deck of an all-cargo aircraft.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Administrator shall submit 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 results of the study.

SEC. 806. CONSOLIDATION OR ELIMINATION OF OBSOLETE, REDUNDANT, OR OTHERWISE UNNECESSARY REPORTS; USE OF ELECTRONIC MEDIA FORMAT.

(a) CONSOLIDATION OR ELIMINATION OF REPORTS.—Not later than 2 years after the date of enactment of this Act, and every 2 years thereafter, the Administrator of the Federal Aviation Administration shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report containing—

(1) a list of obsolete, redundant, or otherwise unnecessary reports the Administration is required by law to submit to Congress or publish that the Administrator recommends eliminating or consolidating with other reports; and

(2) an estimate of the cost savings that would result from the elimination or consolidation of those reports.

(b) USE OF ELECTRONIC MEDIA FOR REPORTS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the Administration—

(A) may not publish any report required or authorized by law in a printed format; and

(B) shall publish any such report by posting it on the Administration's Internet Web site in an easily accessible and downloadable electronic format.

(2) EXCEPTION.—Paragraph (1) does not apply to any report with respect to which the Administrator determines that—

(A) its publication in a printed format is essential to the mission of the Administration; or

(B) its publication in accordance with the requirements of paragraph (1) would disclose matter—

(i) described in section 552(b) of title 5, United States Code; or

(ii) the disclosure of which would have an adverse impact on aviation safety or security, as determined by the Administrator.

SEC. 807. PROHIBITION ON USE OF CERTAIN FUNDS.

The Secretary of Transportation may not use any funds made available pursuant to this Act (including any amendment made by this Act) to name, rename, designate, or redesignate any project or program authorized by this Act (including any amendment made by this Act) for an individual then serving in Congress as a Member, Delegate, Resident Commissioner, or Senator.

SEC. 808. STUDY ON AVIATION FUEL PRICES.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study and report to Congress on the impact of increases in aviation fuel prices on the Airport and Airway Trust Fund and the aviation industry in general.

(b) CONTENTS.—The study shall include an assessment of the impact of increases in aviation fuel prices on—

(1) general aviation;

(2) commercial passenger aviation;

(3) piston aircraft purchase and use;

(4) the aviation services industry, including repair and maintenance services;

(5) aviation manufacturing;

(6) aviation exports; and

(7) the use of small airport installations.

(c) ASSUMPTIONS ABOUT AVIATION FUEL PRICES.—In conducting the study required by subsection (a), the Comptroller General shall use the average aviation fuel price for fiscal year 2010 as a baseline and measure the impact of increases in aviation fuel prices that range from 5 percent to 200 percent over the 2010 baseline.

SEC. 809. WIND TURBINE LIGHTING.

(a) STUDY.—The Administrator of the Federal Aviation Administration shall conduct a study on wind turbine lighting systems.

(b) CONTENTS.—In conducting the study, the Administrator shall examine the following:

(1) The aviation safety issues associated with alternative lighting strategies, technologies, and regulations.

(2) The feasibility of implementing alternative lighting strategies or technologies to improve aviation safety.

(3) Any other issue relating to wind turbine lighting.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Administrator shall submit to Congress a report on the results of the study, including information and recommendations concerning the issues examined under subsection (b).

SEC. 810. AIR-RAIL CODE SHARING STUDY.

(a) CODE SHARE STUDY.—Not later than 180 days after the date of enactment of this Act, the Comptroller

General of the United States shall initiate a study regarding—

(1) existing airline and intercity passenger rail code sharing arrangements; and

(2) the feasibility, costs to taxpayers and other parties, and benefits of increasing the intermodal connectivity of airline and intercity passenger rail facilities and systems to improve passenger travel.

(b) CONSIDERATIONS.—In conducting the study, the Comptroller General shall consider—

(1) the potential costs to taxpayers and other parties and benefits of the implementation of more integrated scheduling between airlines and Amtrak or other intercity passenger rail carriers achieved through code sharing arrangements;

(2) airport and intercity passenger rail operations that can improve connectivity between airports and intercity passenger rail facilities and stations;

(3) the experience of other countries with respect to airport and intercity passenger rail connectivity; and

(4) such other issues the Comptroller General considers appropriate.

(c) REPORT.—Not later than 1 year after initiating the study required by subsection (a), the Comptroller General shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the results of the study, including any conclusions of the Comptroller General resulting from the study.

SEC. 811. D.C. METROPOLITAN AREA SPECIAL FLIGHT RULES AREA.

(a) SUBMISSION OF PLAN TO CONGRESS.—Not later than 180 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration, in consultation with the Secretary of Homeland Security and the Secretary of Defense, shall submit to the Committee on Transportation and Infrastructure and the Committee on Homeland Security of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a plan for the D.C. Metropolitan Area Special Flight Rules Area.

(b) CONTENTS OF PLAN.—The plan shall outline specific changes to the D.C. Metropolitan Area Special Flight Rules Area that will decrease operational impacts and improve general aviation access to airports in the National Capital Region that are currently impacted by the zone.

SEC. 812. FAA REVIEW AND REFORM.

(a) AGENCY REVIEW.—Not later than 60 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall undertake a thorough review of each program, office, and organization within the Administration, including the Air Traffic Organization, to identify—

(1) duplicative positions, programs, roles, or offices;

(2) wasteful practices;

(3) redundant, obsolete, or unnecessary functions;

(4) inefficient processes; and

(5) ineffectual or outdated policies.

(b) ACTIONS TO STREAMLINE AND REFORM FAA.—Not later than 120 days after the date of enactment of this Act, the Administrator shall undertake such actions as may be necessary to address the Administrator's findings under subsection (a), including—

(1) consolidating, phasing-out, or eliminating duplicative positions, programs, roles, or offices;

(2) eliminating or streamlining wasteful practices;

(3) eliminating or phasing-out redundant, obsolete, or unnecessary functions;

(4) reforming and streamlining inefficient processes so that the activities of the Administration are completed in an expedited and efficient manner; and

(5) reforming or eliminating ineffectual or outdated policies.

(c) AUTHORITY.—Notwithstanding any other provision of law, the Administrator shall have the authority to undertake the actions required under subsection (b).

(d) REPORT TO CONGRESS.—Not later than 150 days after the date of enactment of this Act, the Administrator shall submit to Congress a report on the actions taken by the Administrator under this section, including any recommendations for legislative or administrative actions.

SEC. 813. USE OF MINERAL REVENUE AT CERTAIN AIRPORTS.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Administrator of the Federal Aviation Administration may declare certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport to be revenue greater than the amount needed to carry out the 5-year projected maintenance needs of the airport in order to comply with the applicable design and safety standards of the Administration.

(b) USE OF REVENUE.—An airport sponsor that is in compliance with the conditions under subsection (c) may allocate revenue identified by the Administrator under subsection (a) for Federal, State, or local transportation infrastructure projects carried out by the airport sponsor or by a governing body within the geographical limits of the airport sponsor's jurisdiction.

(c) CONDITIONS.—An airport sponsor may not allocate revenue identified by the Administrator under subsection (a) unless the airport sponsor—

(1) enters into a written agreement with the Administrator that sets forth a 5-year capital improvement program for the airport, which—

(A) includes the projected costs for the operation, maintenance, and capacity needs of the airport in order to comply with applicable design and safety standards of the Administration; and

(B) appropriately adjusts such costs to account for inflation;

(2) agrees in writing—

(A) to waive all rights to receive entitlement funds or discretionary funds to be used at the airport under section 47114 or 47115 of title 49, United States Code, during the 5-year period of the capital improvement plan described in paragraph (1);

(B) to perpetually comply with sections 47107(b) and 47133 of such title, unless granted specific exceptions by the Administrator in accordance with this section; and

(C) to operate the airport as a public-use airport, unless the Administrator specifically grants a request to allow the airport to close; and

(3) complies with all grant assurance obligations in effect as of the date of the enactment of this Act during the 20-year period beginning on the date of enactment of this Act.

(d) COMPLETION OF DETERMINATION.—Not later than 90 days after receiving an airport sponsor's application and requisite supporting documentation to declare that certain mineral revenue is not needed to carry out the 5-year capital improvement program at such airport, the Administrator shall determine whether the airport sponsor's request should be granted. The Administrator may not unreasonably deny an application under this subsection.

(e) RULEMAKING.—Not later than 90 days after the date of enactment of this Act, the Administrator shall promulgate regulations to carry out this section.

(f) GENERAL AVIATION AIRPORT DEFINED.—In this section, the term ''general aviation airport'' has the meaning given that term in section 47102 of title 49, United States Code, as amended by this Act.

SEC. 814. CONTRACTING.

When drafting contract proposals for training facilities under the general contracting authority of the Federal Aviation Administration, the Administrator of the Federal Aviation Administration shall ensure—

(1) the proposal is drafted so that all parties can fairly compete; and

(2) the proposal takes into consideration the most cost-effective location, accessibility, and services options.

SEC. 815. FLOOD PLANNING.

(a) STUDY.—The Administrator of the Federal Aviation Administration, in consultation with the Administrator of the Federal Emergency Management Agency, shall conduct a review and submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the state of preparedness and response capability for airports located in flood plains to respond to and seek assistance in rebuilding after catastrophic flooding.

(b) ELIGIBILITY OF DEMOLITION AND REBUILDING OF PROPERTIES.—Section 1366(e) of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c(e)) is amended by adding at the end the following:

"(6) ELIGIBILITY OF DEMOLITION AND REBUILDING OF PROPERTIES.—The Director shall consider as an eligible activity the demolition and rebuilding of properties to at least base flood levels or higher, if required by the Director or if required by any State or local ordinance, and in accordance with project implementation criteria established by the Director.".

SEC. 816. HISTORICAL AIRCRAFT DOCUMENTS.

(a) PRESERVATION OF DOCUMENTS.—

(1) IN GENERAL.—The Administrator of the Federal Aviation Administration shall take such actions as the Administrator determines necessary to preserve original aircraft type certificate engineering and technical data in the possession of the Federal Aviation Administration related to—

(A) approved aircraft type certificate numbers ATC 1 through ATC 713; and

(B) Group-2 approved aircraft type certificate numbers 2–1 through 2–544.

(2) REVISION OF ORDER.—Not later than 3 years after the date of enactment of this Act, the Administrator shall revise FAA Order 1350.15C, Item Number 8110. Such revision shall prohibit the destruction of the historical aircraft documents identified in paragraph (1).

(3) CONSULTATION.—The Administrator may carry out paragraph (1) in consultation with the Archivist of the United States and the Administrator of General Services.

(b) AVAILABILITY OF DOCUMENTS.—

(1) FREEDOM OF INFORMATION ACT REQUESTS.—The Administrator shall make the documents to be preserved under subsection (a)(1) available to a person—

(A) upon receipt of a request made by the person pursuant to section 552 of title 5, United States Code; and

(B) subject to a prohibition on use of the documents for commercial purposes.

(2) TRADE SECRETS, COMMERCIAL, AND FINANCIAL INFORMATION.—Section 552(b)(4) of such title

shall not apply to requests for documents to be made available pursuant to paragraph (1).

(c) HOLDER OF TYPE CERTIFICATE.—

(1) RIGHTS OF HOLDER.—Nothing in this section shall affect the rights of a holder or owner of a type certificate identified in subsection (a)(1), nor require the holder or owner to provide, surrender, or preserve any original or duplicate engineering or technical data to or for the Federal Aviation Administration, a person, or the public.

(2) LIABILITY.—There shall be no liability on the part of, and no cause of action of any nature shall arise against, a holder of a type certificate, its authorized representative, its agents, or its employees, or any firm, person, corporation, or insurer related to the type certificate data and documents identified in subsection (a)(1).

(3) AIRWORTHINESS.—Notwithstanding any other provision of law, the holder of a type certificate identified in subsection (a)(1) shall only be responsible for Federal Aviation Administration regulation requirements related to type certificate data and documents identified in subsection (a)(1) for aircraft having a standard airworthiness certificate issued prior to the date the documents are released

to a person by the Federal Aviation Administration under subsection (b)(1).

SEC. 817. RELEASE FROM RESTRICTIONS.

(a) IN GENERAL.—Subject to subsection (b), the Secretary of Transportation is authorized to grant to an airport, city, or county a release from any of the terms, conditions, reservations, or restrictions contained in a deed under which the United States conveyed to the airport, city, or county an interest in real property for airport purposes pursuant to section 16 of the Federal Airport Act (60 Stat. 179) or section 23 of the Airport and Airway Development Act of 1970 (84 Stat. 232).

(b) CONDITION.—Any release granted by the Secretary pursuant to subsection (a) shall be subject to the following conditions:

(1) The applicable airport, city, or county shall agree that in conveying any interest in the real property which the United States conveyed to the airport, city, or county, the airport, city, or county will receive consideration for such interest that is equal to its fair market value.

(2) Any consideration received by the airport, city, or county under paragraph (1) shall be used exclusively for the development, improvement, oper-

ation, or maintenance of a public airport by the airport, city, or county.

(3) Any other conditions required by the Secretary.

SEC. 818. SENSE OF CONGRESS.

It is the sense of Congress that Los Angeles World Airports, the operator of Los Angeles International Airport (LAX)—

(1) should consult on a regular basis with representatives of the community surrounding the airport regarding—

(A) the ongoing operations of LAX; and

(B) plans to expand, modify, or realign LAX facilities; and

(2) should include in such consultations any organization, the membership of which includes at least 100 individuals who reside within 10 miles of the airport, that notifies Los Angeles World Airports of its desire to be included in such consultations.

SEC. 819. HUMAN INTERVENTION MOTIVATION STUDY.

Not later than 180 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall develop a Human Intervention Motivation Study program for cabin crew members employed by commercial air carriers in the United States.

SEC. 820. STUDY OF AERONAUTICAL MOBILE TELEMETRY.

Not later than 180 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration, in consultation with other Federal agencies, shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology and the Committee on Energy and Commerce of the House of Representatives a report that identifies—

(1) the current and anticipated, with respect to the next decade, need by civil aviation, including equipment manufacturers, for aeronautical mobile telemetry services; and

(2) the potential impact to the aerospace industry of the introduction of a new radio service that operates in the same spectrum allocated to the aeronautical mobile telemetry service.

SEC. 821. CLARIFICATION OF REQUIREMENTS FOR VOLUNTEER PILOTS OPERATING CHARITABLE MEDICAL FLIGHTS.

(a) REIMBURSEMENT OF FUEL COSTS.—Notwithstanding any other law or regulation, in administering section 61.113(c) of title 14, Code of Federal Regulations (or any successor regulation), the Administrator of the Federal Aviation Administration shall allow an aircraft owner or operator to accept reimbursement from a volunteer pilot organization for the fuel costs associated with a flight operation to provide transportation for an individual or organ for medical purposes (and for other associated individuals), if the aircraft owner or operator has—

(1) volunteered to provide such transportation; and

(2) notified any individual that will be on the flight, at the time of inquiry about the flight, that the flight operation is for charitable purposes and is not subject to the same requirements as a commercial flight.

(b) CONDITIONS TO ENSURE SAFETY.—The Administrator may impose minimum standards with respect to training and flight hours for single-engine, multi-engine, and turbine-engine operations conducted by an aircraft owner or operator that is being reimbursed for fuel costs by a volunteer pilot organization, including mandating that the pilot in command of such aircraft hold an instrument rating and be current and qualified for the aircraft being flown to ensure the safety of flight operations described in subsection (a).

(c) VOLUNTEER PILOT ORGANIZATION.—In this section, the term ''volunteer pilot organization'' means an organization that—

(1) is described in section 501(c)(3) of the Internal Revenue Code of 1986 and is exempt from taxation under section 501(a) of such Code; and

(2) is organized for the primary purpose of providing, arranging, or otherwise fostering charitable medical transportation.

SEC. 822. PILOT PROGRAM FOR REDEVELOPMENT OF AIRPORT PROPERTIES.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall establish a pilot program under which operators of up to 4 public-use airports may receive grants for activities related to the redevelopment of airport properties in accordance with the requirements of this section.

(b) GRANTS.—Under the pilot program, the Administrator may make a grant in a fiscal year, from funds made available for grants under section 47117(e)(1)(A) of title 49, United States Code, to an airport operator for a project—

(1) to support joint planning, engineering, design, and environmental permitting of projects, including the assembly and redevelopment of property purchased with noise mitigation funds made available under section 48103 of such title or passenger

facility revenue collected under section 40117 of such title; and

(2) to encourage airport-compatible land uses and generate economic benefits to the local airport authority and adjacent community.

(c) ELIGIBILITY.—An airport operator shall be eligible to participate in the pilot program if—

(1) the operator has received approval for a noise compatibility program under section 47504 of such title; and

(2) the operator demonstrates, as determined by the Administrator—

(A) a readiness to implement cooperative land use management and redevelopment plans with neighboring local jurisdictions; and

(B) the probability of a clear economic benefit to neighboring local jurisdictions and financial return to the airport through the implementation of those plans.

(d) DISTRIBUTION.—The Administrator shall seek to award grants under the pilot program to airport operators representing different geographic areas of the United States.

(e) PARTNERSHIP WITH NEIGHBORING LOCAL JURISDICTIONS.—An airport operator shall use grant funds made available under the pilot program only in partnership with neighboring local jurisdictions.

(f) GRANT REQUIREMENTS.—The Administrator may not make a grant to an airport operator under the pilot program unless the grant is—

(1) made to enable the airport operator and local jurisdictions undertaking community redevelopment efforts to expedite those efforts;

(2) subject to a requirement that the local jurisdiction governing the property interests subject to the redevelopment efforts has adopted and will continue in effect zoning regulations that permit airport-compatible redevelopment; and

(3) subject to a requirement that, in determining the part of the proceeds from disposing of land that is subject to repayment and reinvestment requirements under section 47107(c)(2)(A) of such title, the total amount of a grant issued under the pilot program that is attributable to the redevelopment of such land shall be added to other amounts that must be repaid or reinvested under that section upon disposal of such land by the airport operator.

(g) EXCEPTIONS TO REPAYMENT AND REINVESTMENT REQUIREMENTS.—Amounts paid to the Secretary of Transportation under subsection (f)(3)—

(1) shall be available to the Secretary for, giving preference to the actions in descending order—

(A) reinvestment in an approved noise compatibility project at the applicable airport;

(B) reinvestment in another approved project at the airport that is eligible for funding under section 47117(e) of such title;

(C) reinvestment in an approved airport development project at the airport that is eligible for funding under section 47114, 47115, or 47117 of such title;

(D) transfer to an operator of another public airport to be reinvested in an approved noise compatibility project at such airport; and

(E) deposit in the Airport and Airway Trust Fund established under section 9502 of the Internal Revenue Code of 1986 (26 U.S.C. 9502);

(2) shall be available in addition to amounts authorized under section 48103 of such title;

(3) shall not be subject to any limitation on grant obligations for any fiscal year; and

(4) shall remain available until expended.

(h) FEDERAL SHARE.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the Federal share of the allowable costs of a project carried out under the pilot program shall be 80 percent.

(2) ALLOWABLE COSTS.—In determining the allowable costs, the Administrator shall deduct from the total costs of the activities described in subsection (b) that portion of the costs which is equal to that portion of the total property to be redeveloped under this section that is not owned or to be acquired by the airport operator pursuant to the noise compatibility program or that is not owned by the affected neighboring local jurisdictions or other public entities.

(i) MAXIMUM AMOUNT.—Not more than $5,000,000 of the funds made available for grants under section 47117(e)(1)(A) of such title may be expended under the pilot program for any single public-use airport.

(j) USE OF PASSENGER REVENUE.—An airport operator participating in the pilot program may use passenger facility revenue collected under section 40117 of such title to pay any project cost described in subsection (b) that is not financed by a grant under the pilot program.

(k) SUNSET.—This section shall not be in effect after September 30, 2015.

SEC. 823. REPORT ON NEW YORK CITY AND NEWARK AIR TRAFFIC CONTROL FACILITIES.

Under previous agreements, the Federal Aviation Administration negotiated staffing levels at the air traffic control facilities in the Newark and New York City areas. Not later than 90 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the Federal Aviation Administration's staffing and scheduling plans for air traffic control facilities in the New York City and Newark Region for the 1-year period beginning on such date of enactment.

SEC. 824. CYLINDERS OF COMPRESSED OXYGEN OR OTHER OXIDIZING GASES.

(a) IN GENERAL.—Subject to subsections (b) and (c), entities transporting, in the State of Alaska, cylinders of compressed oxygen or other oxidizing gases aboard aircraft shall be exempt from compliance with the regulations described in subsection (d), to the extent that the regulations require that oxidizing gases transported aboard aircraft be enclosed in outer packaging capable of passing the flame penetration resistance test and the thermal resistance test, without regard to the end use of the cylinders.

(b) APPLICABILITY OF EXEMPTION.—The exemption provided under subsection (a) shall apply only if—

(1) transportation of the cylinders by a ground-based or water-based mode of transportation is unavailable and transportation by aircraft is the only practical means for transporting the cylinders to their destination;

(2) each cylinder is fully covered with a fire- or flame-resistant blanket that is secured in place; and

(3) the operator of the aircraft complies with the applicable notification procedures under section 175.33 of title 49, Code of Federal Regulations.

(c) AIRCRAFT RESTRICTION.—The exemption provided under subsection (a) shall apply only to the following types of aircraft:

(1) Cargo-only aircraft transporting the cylinders to a delivery destination that receives cargo-only service at least once a week.

(2) Passenger and cargo-only aircraft transporting the cylinders to a delivery destination that does not receive cargo-only service at least once a week.

(d) DESCRIPTION OF REGULATORY REQUIREMENTS.—The regulations described in this subsection are the regulations of the Pipeline and Hazardous Materials

Safety Administration contained in sections 173.302(f)(3), 173.302(f)(4), 173.302(f)(5), 173.304(f)(3), 173.304(f)(4), and 173.304(f)(5) of title 49, Code of Federal Regulations.

SEC. 825. ORPHAN AVIATION EARMARKS.

(a) EARMARK DEFINED.—In this section, the term ''earmark'' means a statutory provision or report language included primarily at the request of a Senator or a Member, Delegate, or Resident Commissioner of the House of Representatives providing, authorizing, or recommending a specific amount of discretionary budget authority, credit authority, or other spending authority for a contract, loan, loan guarantee, grant, or other expenditure with or to an entity or a specific State, locality, or Congressional district, other than through a statutory or administrative formula-driven or competitive award process.

(b) RESCISSION.—If any earmark relating to the Federal Aviation Administration has more than 90 percent of applicable appropriated amounts remaining available for obligation at the end of the 9th fiscal year beginning after the fiscal year in which those amounts were appropriated, the unobligated portion of those amounts is rescinded effective at the end of that 9th fiscal year, except that the Administrator of the Federal Aviation Administration may delay any such rescission if the Administrator determines that an obligation with respect to those amounts is likely to occur during the 12-month period beginning on the last day of that 9th fiscal year.

(c) IDENTIFICATION AND REPORT.—

(1) AGENCY IDENTIFICATION.—At the end of each fiscal year, the Administrator shall identify and report to the Director of the Office of Management and Budget every earmark related to the Administration and with respect to which there is an unobligated balance of appropriated amounts.

(2) ANNUAL REPORT.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Director shall submit to Congress and make available to the public on the Internet Web site of the Office a report that includes—

(A) a listing of each earmark related to the Administration and with respect to which there is an unobligated balance of appropriated amounts, which shall include the amount of the original earmark, the amount of the unobligated balance related to that earmark, and the date on which the funding expires, if applicable;

(B) the number of rescissions under subsection (b) and the savings resulting from those rescissions for the previous fiscal year; and

(C) a listing of earmarks related to the Administration with amounts scheduled for rescission at the end of the current fiscal year.

SEC. 826. PRIVACY PROTECTIONS FOR AIR PASSENGER SCREENING WITH ADVANCED IMAGING TECHNOLOGY.

Section 44901 is amended by adding at the end the following:

''(l) LIMITATIONS ON USE OF ADVANCED IMAGING TECHNOLOGY FOR SCREENING PASSENGERS.—

''(1) DEFINITIONS.—In this subsection, the following definitions apply:

''(A) ADVANCED IMAGING TECHNOLOGY.—The term 'advanced imaging technology'—

''(i) means a device used in the screening of passengers that creates a visual image of an individual showing the surface of the skin and revealing other objects on the body; and

''(ii) may include devices using backscatter x-rays or millimeter waves and devices referred to as 'whole-body imaging technology' or 'body scanning machines'.

"(B) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term 'appropriate congressional committees' means—

"(i) the Committee on Commerce, Science, and Transportation and the Committee on Homeland Security and Governmental Affairs of the Senate; and

"(ii) the Committee on Homeland Security of the House of Representatives.

"(C) AUTOMATIC TARGET RECOGNITION SOFTWARE.—The term 'automatic target recognition software' means software installed on an advanced imaging technology that produces a generic image of the individual being screened that is the same as the images produced for all other screened individuals.

"(2) USE OF ADVANCED IMAGING TECHNOLOGY.—Beginning June 1, 2012, the Assistant Secretary of Homeland Security (Transportation Security Administration) shall ensure that any advanced imaging technology used for the screening of passengers under this section—

"(A) is equipped with and employs automatic target recognition software; and

"(B) complies with such other requirements as the Assistant Secretary determines necessary to address privacy considerations.

"(3) EXTENSION.—

"(A) IN GENERAL.—The Assistant Secretary may extend the deadline specified in paragraph (2), if the Assistant Secretary determines that—

"(i) an advanced imaging technology equipped with automatic target recognition software is not substantially as effective at screening passengers as an advanced imaging technology without such software; or

"(ii) additional testing of such software is necessary.

"(B) DURATION OF EXTENSIONS.—The Assistant Secretary may issue one or more extensions under subparagraph (A). The duration of each extension may not exceed one year.

"(4) REPORTS.—

"(A) IN GENERAL.—Not later than 60 days after the deadline specified in paragraph (2), and not later than 60 days after the date on which the Assistant Secretary issues any extension under paragraph (3), the Assistant Secretary shall submit to the appropriate congressional committees a report on the implementation of this subsection.

"(B) ELEMENTS.—A report submitted under subparagraph (A) shall include the following:

"(i) A description of all matters the Assistant Secretary considers relevant to the implementation of the requirements of this subsection.

"(ii) The status of compliance by the Transportation Security Administration with such requirements.

"(iii) If the Administration is not in full compliance with such requirements—

"(I) the reasons for the noncompliance; and

"(II) a timeline depicting when the Assistant Secretary expects the Administration to achieve full compliance.

"(C) SECURITY CLASSIFICATION.—To the greatest extent practicable, a report prepared under subparagraph (A) shall be submitted in an unclassified format. If necessary, the report may include a classified annex.''.

SEC. 827. COMMERCIAL SPACE LAUNCH LICENSE REQUIREMENTS.

Section 50905(c)(3) of title 51, United States Code, is amended by striking ''Beginning 8 years after the date of enactment of the Commercial Space Launch Amendments Act of 2004,'' and inserting ''Beginning on October 1, 2015,''.

SEC. 828. AIR TRANSPORTATION OF LITHIUM CELLS AND BATTERIES.

(a) IN GENERAL.—The Secretary of Transportation, including a designee of the Secretary, may not issue or enforce any regulation or other requirement regarding the transportation by aircraft of lithium metal cells or batteries or lithium ion cells or batteries, whether transported separately or packed with or contained in equipment, if the requirement is more stringent than the requirements of the ICAO Technical Instructions.

(b) EXCEPTIONS.—

(1) PASSENGER CARRYING AIRCRAFT.—Notwithstanding subsection (a), the Secretary may enforce the prohibition on transporting primary (non-rechargeable) lithium batteries and cells aboard passenger carrying aircraft set forth in special provision

A100 under section 172.102(c)(2) of title 49, Code of Federal Regulations (as in effect on the date of enactment of this Act).

(2) CREDIBLE REPORTS.—Notwithstanding subsection (a), if the Secretary obtains a credible report with respect to a safety incident from a national or international governmental regulatory or investigating body that demonstrates that the presence of lithium metal cells or batteries or lithium ion cells or batteries on an aircraft, whether transported separately or packed with or contained in equipment, in accordance with the requirements of the ICAO Technical Instructions, has substantially contributed to the initiation or propagation of an onboard fire, the Secretary—

(A) may issue and enforce an emergency regulation, more stringent than the requirements of the ICAO Technical Instructions, that governs the transportation by aircraft of such cells or batteries, if that regulation—

(i) addresses solely deficiencies referenced in the report; and

(ii) is effective for not more than 1 year; and

(B) may adopt and enforce a permanent regulation, more stringent than the requirements of the ICAO Technical Instructions, that governs the transportation by aircraft of such cells or batteries, if—

(i) the Secretary bases the regulation upon substantial credible evidence that the otherwise permissible presence of such cells or batteries would substantially contribute to the initiation or propagation of an onboard fire;

(ii) the regulation addresses solely the deficiencies in existing regulations; and

(iii) the regulation imposes the least disruptive and least expensive variation from existing requirements while adequately addressing identified deficiencies.

(c) ICAO TECHNICAL INSTRUCTIONS DEFINED.—In this section, the term ''ICAO Technical Instructions'' means the International Civil Aviation Organization Technical Instructions for the Safe Transport of Dangerous Goods by Air (as amended, including amendments adopted after the date of enactment of this Act).

SEC. 829. CLARIFICATION OF MEMORANDUM OF UNDERSTANDING WITH OSHA.

Not later than 6 months after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall—

(1) establish milestones, in consultation with the Occupational Safety and Health Administration, in a report to Congress—

(A) for the completion of work begun under the August 2000 memorandum of understanding between the Administrations; and

(B) to address issues that need further action, as set forth in the December 2000 joint report of the Administrations; and

(2) initiate development of a policy statement to set forth the circumstances in which requirements of the Occupational Safety and Health Administration may be applied to crewmembers while working in an aircraft.

SEC. 830. APPROVAL OF APPLICATIONS FOR THE AIRPORT SECURITY SCREENING OPT-OUT PROGRAM.

(a) IN GENERAL.—Section 44920(b) is amended to read as follows:

"(b) APPROVAL OF APPLICATIONS.—

"(1) IN GENERAL.—Not later than 120 days after the date of receipt of an application submitted by an airport operator under subsection (a), the Under Secretary shall approve or deny the application.

"(2) STANDARDS.—The Under Secretary shall approve an application submitted by an airport operator under subsection (a) if the Under Secretary determines that the approval would not compromise security or detrimentally affect the cost-efficiency or the effectiveness of the screening of passengers or property at the airport.

"(3) REPORTS ON DENIALS OF APPLICATIONS.—

"(A) IN GENERAL.—If the Under Secretary denies an application submitted by an airport operator under subsection (a), the Under Secretary shall provide to the airport operator, not later than 60 days following the date of the denial, a written report that sets forth—

"(i) the findings that served as the basis for the denial;

"(ii) the results of any cost or security analysis conducted in considering the application; and "(iii) recommendations on how the airport operator can address the reasons for the denial.

"(B) SUBMISSION TO CONGRESS.—The Under Secretary shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Homeland Security of the House of Representatives a copy of any report provided to an airport operator under subparagraph (A).".

(b) WAIVERS.—Section 44920(d) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and moving the subparagraphs 2 ems to the right;

(2) by striking "The Under Secretary" and inserting the following:

"(1) IN GENERAL.—The Under Secretary"; and

(3) by adding at the end the following:

"(2) WAIVERS.—The Under Secretary may waive the requirement of paragraph (1)(B) for any company that is a United States subsidiary with a parent company that has implemented a foreign ownership, control, or influence mitigation plan that has been approved by the Defense Security Service of the Department of Defense prior to the submission of the application. The Under Secretary has complete discretion to reject any application from a private screening company to provide screening services at an airport that requires a waiver under this paragraph.''.

(c) RECOMMENDATIONS OF AIRPORT OPERATOR.—Section 44920 is amended by adding at the end the following:

''(h) RECOMMENDATIONS OF AIRPORT OPERATOR.—As part of any submission of an application for a private screening company to provide screening services at an airport, the airport operator shall provide to the Under Secretary a recommendation as to which company would best serve the security screening and passenger needs of the airport, along with a statement explaining the basis of the operator's recommendation.''.

(d) RECONSIDERATION OF APPLICATIONS PENDING AS OF JANUARY 1, 2011.—

(1) IN GENERAL.—Upon the request of an airport operator, the Secretary of Homeland Security shall reconsider any application for the screening of passengers and property that—

(A) was submitted by the operator of an airport pursuant to section 44920(a) of title 49, United States Code;

(B) was pending for final decision by the Secretary on any day between January 1, 2011, and February 3, 2011, and was resubmitted by the applicant in accordance with new guidelines provided by the Secretary after February 3, 2011; and

(C) has not been approved by the Secretary on or before the date of enactment of this Act.

(2) NOTICE TO AIRPORT OPERATORS.—In reconsidering an application submitted under paragraph (1), the Secretary shall—

(A) notify the airport operator that submitted the application that the Secretary will reconsider the application;

(B) if the application was initially denied, advise the operator of the findings that served as the basis for the denial; and

(C) request the operator to provide the Secretary with such additional information as the Secretary determines necessary to reconsider the application.

(3) DEADLINE; STANDARDS.—The Secretary shall approve or deny an application to be reconsidered under paragraph (1) not later than the 120th

day following the date of the request for reconsideration from the airport operator. The Secretary shall apply the standards set forth in section 44920(b) of title 49, United States Code (as amended by this section), in approving and denying such application.

(4) REPORTS ON DENIALS OF APPLICATIONS.—

(A) IN GENERAL.—If the Secretary denies an application of an airport operator following reconsideration under this subsection, the Secretary shall provide to the airport operator a written report that sets forth—

(i) the findings that served as the basis for the denial; and

(ii) the results of any cost or security analysis conducted in considering the application.

(B) SUBMISSION TO CONGRESS.—The Secretary shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Homeland Security of the House of Representatives a copy of any report provided to an airport operator under subparagraph (A).

TITLE IX—FEDERAL AVIATION RESEARCH AND DEVELOPMENT

SEC. 901. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Section 48102(a) is amended—

(1) in the matter before paragraph (1) by striking ‘‘of this title’’ and inserting ‘‘of this title and, for each of fiscal years 2012 through 2015, under subsection (g)’’;

(2) by striking paragraphs (1) through (8);

(3) by redesignating paragraphs (9) through (15) as paragraphs (1) through (7), respectively;

(4) in paragraph (3) (as so redesignated)—

(A) in subparagraph (K) by adding ‘‘and’’ at the end; and

(B) in subparagraph (L) by striking ‘‘and’’ at the end; and

(5) by striking paragraph (16) and inserting the following:

‘‘(8) $168,000,000 for each of fiscal years 2012 through 2015.’’.

(b) SPECIFIC PROGRAM LIMITATIONS.—Section 48102 is amended by inserting after subsection (f) the following:

‘‘(g) SPECIFIC AUTHORIZATIONS.—The following programs described in the research, engineering, and development account of the national aviation research plan required under section 44501(c) are authorized:

"(1) Fire Research and Safety.

"(2) Propulsion and Fuel Systems.

"(3) Advanced Materials/Structural Safety.

"(4) Atmospheric Hazards—Aircraft Icing/Digital System Safety.

"(5) Continued Airworthiness.

"(6) Aircraft Catastrophic Failure Prevention Research.

"(7) Flightdeck/Maintenance/System Integration Human Factors.

"(8) System Safety Management.

"(9) Air Traffic Control/Technical Operations Human Factors.

"(10) Aeromedical Research.

"(11) Weather Program.

"(12) Unmanned Aircraft Systems Research.

"(13) NextGen—Alternative Fuels for General Aviation.

"(14) Joint Planning and Development Office.

"(15) NextGen—Wake Turbulence Research.

"(16) NextGen—Air Ground Integration Human Factors.

"(17) NextGen—Self Separation Human Factors.

"(18) NextGen—Weather Technology in the Cockpit.

"(19) Environment and Energy Research.

"(20) NextGen Environmental Research—Aircraft Technologies, Fuels, and Metrics.

"(21) System Planning and Resource Management.

"(22) The William J. Hughes Technical Center Laboratory Facility.".

(c) PROGRAM AUTHORIZATIONS.—From the other accounts described in the national aviation research plan required under section 44501(c) of title 49, United States Code, the following research and development activities are authorized:

(1) Runway Incursion Reduction.

(2) System Capacity, Planning, and Improvement.

(3) Operations Concept Validation.

(4) NAS Weather Requirements.

(5) Airspace Management Program.

(6) NextGen—Air Traffic Control/Technical Operations Human Factors.

(7) NextGen—Environment and Energy—Environmental Management System and Advanced Noise and Emissions Reduction.

(8) NextGen—New Air Traffic Management Requirements.

(9) NextGen—Operations Concept Validation—Validation Modeling.

(10) NextGen—System Safety Management Transformation.

(11) NextGen—Wake Turbulence—Recategorization.

(12) NextGen—Operational Assessments.

(13) NextGen—Staffed NextGen Towers.

(14) Center for Advanced Aviation System Development.

(15) Airports Technology Research Program—Capacity.

(16) Airports Technology Research Program—Safety.

(17) Airports Technology Research Program—Environment.

(18) Airport Cooperative Research—Capacity.

(19) Airport Cooperative Research—Environment.

(20) Airport Cooperative Research—Safety.

SEC. 902. DEFINITIONS.

In this title, the following definitions apply:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the FAA.

(2) FAA.—The term ''FAA'' means the Federal Aviation Administration.

(3) INSTITUTION OF HIGHER EDUCATION.—The term ''institution of higher education'' has the same meaning given the term in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)).

(4) NASA.—The term ''NASA'' means the National Aeronautics and Space Administration.

(5) NOAA.—The term ''NOAA'' means the National Oceanic and Atmospheric Administration.

SEC. 903. UNMANNED AIRCRAFT SYSTEMS.

(a) RESEARCH INITIATIVE.—Section 44504(b) is amended—

(1) in paragraph (6) by striking ''and'' after the semicolon;

(2) in paragraph (7) by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(8) in conjunction with other Federal agencies, as appropriate, to develop technologies and methods to assess the risk of and prevent defects, failures, and malfunctions of products, parts, and processes for use in all classes of unmanned aircraft systems that could result in a catastrophic failure of the unmanned aircraft that would endanger other aircraft in the national airspace system.''.

(b) SYSTEMS, PROCEDURES, FACILITIES, AND DEVICES.—Section 44505(b) is amended—

(1) in paragraph (4) by striking ''and'' after the semicolon;

(2) in paragraph (5)(C) by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

''(6) to develop a better understanding of the relationship between human factors and unmanned aircraft system safety; and

''(7) to develop dynamic simulation models for integrating all classes of unmanned aircraft systems into the national airspace system without any degradation of existing levels of safety for all national airspace system users.''.

SEC. 904. RESEARCH PROGRAM ON RUNWAYS.

Using amounts made available under section 48102(a) of title 49, United States Code, the Administrator shall continue to carry out a research program under which the Administrator may make grants to and enter into cooperative agreements with institutions of higher education and pavement research organizations for research and technology demonstrations related to—

(1) the design, construction, rehabilitation, and repair of airfield pavements to aid in the development of safer, more cost effective, and more durable airfield pavements; and

(2) engineered material restraining systems for runways at both general aviation airports and airports with commercial air carrier operations.

SEC. 905. RESEARCH ON DESIGN FOR CERTIFICATION.

Section 44505 is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following:

"(d) RESEARCH ON DESIGN FOR CERTIFICATION.—

"(1) RESEARCH.—Not later than 1 year after the date of enactment of the FAA Modernization and Reform Act of 2012, the Administrator shall conduct research on methods and procedures to improve both confidence in and the timeliness of certification of new technologies for their introduction into the national airspace system.

"(2) RESEARCH PLAN.—Not later than 6 months after the date of enactment of the FAA

Modernization and Reform Act of 2012, the Administrator shall develop a plan for the research under paragraph (1) that contains objectives, proposed tasks, milestones, and a 5-year budgetary profile.

"(3) REVIEW.—The Administrator shall enter into an arrangement with the National Research Council to conduct an independent review of the plan developed under paragraph (2) and shall provide the results of that review to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate not later than 18 months after the date of enactment of the FAA Modernization and Reform Act of 2012.".

SEC. 906. AIRPORT COOPERATIVE RESEARCH PROGRAM.

Section 44511(f) is amended—

(1) in paragraph (1) by striking "establish a 4-year pilot" and inserting "maintain an"; and

(2) in paragraph (4)—

(A) by striking "Not later than 6 months after the expiration of the program under this subsection," and inserting "Not later than September 30, 2012,"; and

(B) by striking "program, including recommendations as to the need for establishing a permanent airport cooperative research program'' and inserting ''program''.

SEC. 907. CENTERS OF EXCELLENCE.

(a) GOVERNMENT'S SHARE OF COSTS.—Section 44513(f) is amended to read as follows:

''(f) GOVERNMENT'S SHARE OF COSTS.—The United States Government's share of establishing and operating a center and all related research activities that grant recipients carry out shall not exceed 50 percent of the costs, except that the Administrator may increase such share to a maximum of 75 percent of the costs for a fiscal year if the Administrator determines that a center would be unable to carry out the authorized activities described in this section without additional funds.''.

(b) ANNUAL REPORT.—Section 44513 is amended by adding at the end the following:

''(h) ANNUAL REPORT.—The Administrator shall transmit annually to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate at the time of the President's budget request a report that lists—

''(1) the research projects that have been initiated by each center in the preceding year;

"(2) the amount of funding for each research project and the funding source;

"(3) the institutions participating in each research project and their shares of the overall funding for each research project; and

"(4) the level of cost-sharing for each research project.".

SEC. 908. CENTER OF EXCELLENCE FOR AVIATION HUMAN RESOURCE RESEARCH.

(a) ESTABLISHMENT.—Using amounts made available under section 48102(a) of title 49, United States Code, the Administrator may establish a center of excellence to conduct research on—

(1) human performance in the air transportation environment, including among air transportation personnel such as air traffic controllers, pilots, and technicians; and

(2) any other aviation human resource issue pertinent to developing and maintaining a safe and efficient air transportation system.

(b) ACTIVITIES.—Activities conducted under this section may include the following:

(1) Research, development, and evaluation of training programs for air traffic controllers, aviation

safety inspectors, airway transportation safety specialists, and engineers.

(2) Research and development of best practices for recruitment of individuals into the aviation field for mission critical positions.

(3) Research, in consultation with other relevant Federal agencies, to develop a baseline of general aviation employment statistics and an analysis of future needs in the aviation field.

(4) Research and the development of a comprehensive assessment of the airframe and power plant technician certification process and its effect on employment trends.

(5) Evaluation of aviation maintenance technician school environments.

(6) Research and an assessment of the ability to develop training programs to allow for the transition of recently unemployed and highly skilled mechanics into the aviation field.

SEC. 909. INTERAGENCY RESEARCH ON AVIATION AND THE ENVIRONMENT.

(a) IN GENERAL.—Using amounts made available under section 48102(a) of title 49, United States Code, the Administrator, in coordination with NASA and after consultation with other relevant agencies, may maintain a research program to assess the potential effect of aviation activities on the environment and, if warranted, to evaluate approaches to address any such effect.

(b) RESEARCH PLAN.—

(1) IN GENERAL.—The Administrator, in coordination with NASA and after consultation with other relevant agencies, shall jointly develop a plan to carry out the research under subsection (a).

(2) CONTENTS.—The plan shall contain an inventory of current interagency research being undertaken in this area, future research objectives, proposed tasks, milestones, and a 5-year budgetary profile.

(3) REQUIREMENTS.—The plan—

(A) shall be completed not later than 1 year after the date of enactment of this Act;

(B) shall be submitted to Congress for review; and

(C) shall be updated, as appropriate, every 3 years after the initial submission.

SEC. 910. AVIATION FUEL RESEARCH AND DEVELOPMENT PROGRAM.

(a) IN GENERAL.—Using amounts made available under section 48102(a) of title 49, United States Code, the Administrator, in coordination with the Administrator of NASA, shall continue research and development activities into the qualification of an unleaded aviation fuel and safe transition to this fuel for the fleet of piston engine aircraft.

(b) REQUIREMENTS.—In carrying out the program under subsection (a), the Administrator shall, at a minimum—

(1) not later than 120 days after the date of enactment of this Act, develop a research and development plan containing the specific research and development objectives, including consideration of aviation safety, technical feasibility, and other relevant factors, and the anticipated timetable for achieving the objectives;

(2) assess the methods and processes by which the FAA and industry may expeditiously certify and approve new aircraft and recertify existing aircraft with respect to unleaded aviation fuel;

(3) assess technologies that modify existing piston engine aircraft to enable safe operation of the aircraft using unleaded aviation fuel and determine the resources necessary to certify those technologies; and

(4) develop recommendations for appropriate policies and guidelines to facilitate a transition to unleaded aviation fuel for piston engine aircraft.

(c) COLLABORATION.—In carrying out the program under subsection (a), the Administrator shall collaborate with—

(1) industry groups representing aviation consumers, manufacturers, and fuel producers and distributors; and

(2) other appropriate Federal agencies.

(d) REPORT.—Not later than 270 days after the date of enactment of this Act, the Administrator shall provide to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report on the plan, information obtained, and policies and guidelines developed pursuant to subsection (b).

SEC. 911. RESEARCH PROGRAM ON ALTERNATIVE JET FUEL TECHNOLOGY FOR CIVIL AIRCRAFT.

(a) IN GENERAL.—Using amounts made available under section 48102(a) of title 49, United States Code, the Administrator shall establish a research program to assist in the development and qualification of jet fuel from alternative sources (such as natural gas, biomass, ethanol, butanol, and hydrogen) and other renewable sources.

(b) AUTHORITY TO MAKE GRANTS.—The Administrator shall carry out the program through the use of grants or other measures authorized under section 106(l)(6) of such title, including reimbursable agreements with other Federal agencies.

(c) PARTICIPATION IN PROGRAM.—

(1) PARTICIPATION OF EDUCATIONAL AND RESEARCH INSTITUTIONS.—In carrying out the program, the Administrator shall include participation by—

(A) educational and research institutions that have existing facilities and leverage private sector partnerships; and

(B) consortia with experience across the supply chain, including with research, feedstock development and production, small-scale development, testing, and technology evaluation related to the creation, processing, production, and transportation of alternative aviation fuel.

(2) USE OF NASA FACILITIES.—In carrying out the program, the Administrator shall consider utilizing the existing capacity in aeronautics research at Langley Research Center, Glenn Research Center, and other appropriate facilities of NASA.

(d) DESIGNATION OF INSTITUTION AS A CENTER OF EXCELLENCE.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Administrator may designate an institution described in subsection (c)(1)(A) as a Center of Excellence for Alternative Jet-Fuel Research in Civil Aircraft.

(2) EFFECT OF DESIGNATION.—The center designated under paragraph (1) shall become, upon its designation—

(A) a member of the Consortium for Continuous Low Energy, Emissions, and Noise of the FAA; and

(B) part of a Joint Center of Excellence with the Partnership for Air Transportation Noise and Emission Reduction FAA Center of Excellence.

SEC. 912. REVIEW OF FAA'S ENERGY-RELATED AND ENVIRONMENT-RELATED RESEARCH PROGRAMS.

(a) REVIEW.—Using amounts made available under section 48102(a) of title 49, United States Code, the Administrator shall enter into an arrangement for an independent external review of FAA energy-related and environment-related research programs. The review shall assess whether—

(1) the programs have well-defined, prioritized, and appropriate research objectives;

(2) the programs are properly coordinated with the energy-related and environment-related research programs at NASA, NOAA, and other relevant agencies;

(3) the programs have allocated appropriate resources to each of the research objectives; and

(4) there exist suitable mechanisms for transitioning the research results into the FAA's operational technologies and procedures and certification activities.

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, the Administrator shall submit a report to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate containing the results of the review.

SEC. 913. REVIEW OF FAA'S AVIATION SAFETY-RELATED RESEARCH PROGRAMS.

(a) REVIEW.—Using amounts made available under section 48102(a) of title 49, United States Code, the Administrator shall enter into an arrangement for an independent external review of the FAA's aviation safety-related research programs. The review shall assess whether—

(1) the programs have well-defined, prioritized, and appropriate research objectives;

(2) the programs are properly coordinated with the safety research programs of NASA and other relevant Federal agencies;

(3) the programs have allocated appropriate resources to each of the research objectives;

(4) the programs should include a determination about whether a survey of participants across the air transportation system is an appropriate way to study safety risks within such system; and

(5) there exist suitable mechanisms for transitioning the research results from the programs into the FAA's operational technologies and procedures and certification activities in a timely manner.

(b) Aviation Safety-Related Research Programs To Be Assessed.—The FAA aviation safety-related research programs to be assessed under the review shall include, at a minimum, the following:

(1) Air traffic control/technical operations human factors.

(2) Runway incursion reduction.

(3) Flightdeck/maintenance system integration human factors.

(4) Airports technology research—safety.

(5) Airport Cooperative Research Program—safety.

(6) Weather Program.

(7) Atmospheric hazards/digital system safety.

(8) Fire research and safety.

(9) Propulsion and fuel systems.

(10) Advanced materials/structural safety.

(11) Aging aircraft.

(12) Aircraft catastrophic failure prevention research.

(13) Aeromedical research.

(14) Aviation safety risk analysis.

(15) Unmanned aircraft systems research.

(c) REPORT.—Not later than 14 months after the date of enactment of this Act, the Administrator shall submit to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report on the results of the review.

SEC. 914. PRODUCTION OF CLEAN COAL FUEL TECHNOLOGY FOR CIVILIAN AIRCRAFT.

(a) ESTABLISHMENT OF RESEARCH PROGRAM.—Using amounts made available under section 48102(a) of title 49, United States Code, the Administrator shall establish a research program related to developing jet fuel from clean coal.

(b) AUTHORITY TO MAKE GRANTS.—The Administrator shall carry out the program through grants or other measures authorized under section 106(l)(6) of such title, including reimbursable agreements with other Federal agencies.

(c) PARTICIPATION IN PROGRAM.—In carrying out the program, the Administrator shall include participation by educational and research institutions that have existing facilities and experience in the development and deployment of technology that processes coal into aviation fuel.

(d) DESIGNATION OF INSTITUTION AS A CENTER OF EXCELLENCE.—Not later than 180 days after the date of enactment of this Act, the Administrator may designate an institution described in subsection (c) as a Center of Excellence for Coal-to-Jet-Fuel Research.

SEC. 915. WAKE TURBULENCE, VOLCANIC ASH, AND WEATHER RESEARCH.

Not later than 60 days after the date of enactment of this Act, the Administrator shall—

(1) initiate an evaluation of proposals related to research on the nature of wake vortexes that would increase national airspace system capacity by reducing existing spacing requirements between aircraft of all sizes;

(2) begin implementation of a system to improve volcanic ash avoidance options for aircraft, including the development of a volcanic ash warning and notification system for aviation; and

(3) coordinate with NOAA, NASA, and other appropriate Federal agencies to conduct research to reduce the hazards presented to commercial aviation related to—

(A) ground de-icing and anti-icing, ice pellets, and freezing drizzle;

(B) oceanic weather, including convective weather;

(C) en route turbulence prediction and detection; and

(D) all hazards during oceanic operations, where commercial traffic is high and only rudimentary satellite sensing is available.

SEC. 916. REAUTHORIZATION OF CENTER OF EXCELLENCE IN APPLIED RESEARCH AND TRAINING IN THE USE OF ADVANCED MATERIALS IN TRANSPORT AIRCRAFT.

Section 708(b) of the Vision 100—Century of Aviation Reauthorization Act (49 U.S.C. 44504 note) is amended by striking ''for fiscal year 2004'' and inserting ''for each of fiscal years 2012 through 2015''.

SEC. 917. RESEARCH AND DEVELOPMENT OF EQUIPMENT TO CLEAN AND MONITOR THE ENGINE AND APU BLEED AIR SUPPLIED ON PRESSURIZED AIRCRAFT.

(a) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Administrator, to the extent practicable, shall implement a research program for the identification or development of appropriate and effective air cleaning technology and sensor technology for the engine and auxiliary power unit bleed air supplied to the passenger cabin and flight deck of a pressurized aircraft.

(b) TECHNOLOGY REQUIREMENTS.—The technology referred to in subsection (a) shall have the capacity, at a minimum—

(1) to remove oil-based contaminants from the bleed air supplied to the passenger cabin and flight deck; and

(2) to detect and record oil-based contaminants in the portion of the total air supplied to the passenger cabin and flight deck from bleed air.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Administrator shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure and the Committee on Science, Space, and Technology of the House of Representatives a report on the results of the research and development work carried out under this section.

SEC. 918. EXPERT REVIEW OF ENTERPRISE ARCHITECTURE FOR NEXTGEN.

(a) REVIEW.—The Administrator shall enter into an arrangement for an independent external review of the enterprise architecture for the Next Generation Air Transportation System.

(b) CONTENTS.—At a minimum, the review to be conducted under subsection (a) shall—

(1) highlight the technical activities, including human-system design, organizational design, and other safety and human factor aspects of the system, that will be necessary to successfully transition current and planned modernization programs to the fu-

ture system envisioned by the Joint Planning and Development Office of the FAA;

(2) assess technical, cost, and schedule risk for the software development that will be necessary to achieve the expected benefits from a highly automated air traffic management system and the implications for ongoing modernization projects; and

(3) determine how risks with automation efforts for the Next Generation Air Transportation System can be mitigated based on the experiences of other public or private entities in developing complex, software-intensive systems.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Administrator shall submit to the Committee on Transportation and Infrastructure and the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report containing the results of the review conducted pursuant to subsection (a).

SEC. 919. AIRPORT SUSTAINABILITY PLANNING WORKING GROUP.

(a) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Administrator shall prepare and submit a problem statement to the Transportation Research Board for the purpose of initiating a study under the Airport Cooperative Research Program on airport sustainability practices.

(b) FUNCTIONS.—The purpose of the study shall be—

(1) to examine and develop best airport practices and metrics for the sustainable design, construction, planning, maintenance, and operation of an airport;

(2) to examine potential standards for a rating system based on the best sustainable practices and metrics;

(3) to examine potential standards for a voluntary airport rating process based on the best sustainable practices, metrics, and ratings; and

(4) to examine and develop recommendations for future actions with regard to sustainability.

(c) REPORT.—Not later than 18 months after the date of initiation of the study, a report on the study shall be submitted to the Administrator and the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.

TITLE X—NATIONAL MEDIATION BOARD

SEC. 1001. RULEMAKING AUTHORITY.

Title I of the Railway Labor Act (45 U.S.C. 151 et seq.) is amended by inserting after section 10 the following:

"SEC. 10A. RULES AND REGULATIONS.

"(a) IN GENERAL.—The Mediation Board shall have the authority from time to time to make, amend, and rescind, in the manner prescribed by section 553 of title 5, United States Code, and after opportunity for a public hearing, such rules and regulations as may be necessary to carry out the provisions of this Act.

"(b) APPLICATION.—The requirements of subsection (a) shall not apply to any rule or proposed rule to which the third sentence of section 553(b) of title 5, United States Code, applies.".

SEC. 1002. RUNOFF ELECTION RULES.

Paragraph Ninth of section 2 of the Railway Labor Act (45 U.S.C. 152) is amended by inserting after the fourth sentence the following: "In any such election for which there are 3 or more options (including the option of not being represented by any labor organization) on the ballot and no such option receives a majority of the valid votes cast, the Mediation Board shall arrange for a second election between the options receiving the largest and the second largest number of votes.''.

SEC. 1003. BARGAINING REPRESENTATIVE CERTIFICATION.

Section 2 of the Railway Labor Act (45 U.S.C. 152) is amended by adding at the end the following:

''Twelfth. Showing of interest for representation elections. The Mediation Board, upon receipt of an application requesting that an organization or individual be certified as the representative of any craft or class of employees, shall not direct an election or use any other method to determine who shall be the representative of such craft or class unless the Mediation Board determines that the application is supported by a showing of interest from not less than 50 percent of the employees in the craft or class.''.

SEC. 1004. OVERSIGHT.

Title I of the Railway Labor Act (45 U.S.C. 151 et seq.) is amended by adding at the end the following:

''SEC. 15. EVALUATION AND AUDIT OF MEDIATION BOARD.

''(a) EVALUATION AND AUDIT OF MEDIATION BOARD.—

''(1) IN GENERAL.—In order to promote economy, efficiency, and effectiveness in the administration of the programs, operations, and activities of the Mediation Board, the Comptroller General of the

United States shall evaluate and audit the programs and expenditures of the Mediation Board. Such an evaluation and audit shall be conducted not less frequently than every 2 years, but may be conducted as determined necessary by the Comptroller General or the appropriate congressional committees.

"(2) RESPONSIBILITY OF COMPTROLLER GENERAL.—In carrying out the evaluation and audit required under paragraph (1), the Comptroller General shall evaluate and audit the programs, operations, and activities of the Mediation Board, including, at a minimum—

"(A) information management and security, including privacy protection of personally identifiable information;

"(B) resource management;

"(C) workforce development;

"(D) procurement and contracting planning, practices, and policies;

"(E) the extent to which the Mediation Board follows leading practices in selected management areas; and

"(F) the processes the Mediation Board follows to address challenges in—

"(i) initial investigations of applications requesting that an organization or individual be certified as the representative of any craft or class of employees;

"(ii) determining and certifying representatives of employees; and

"(iii) ensuring that the process occurs without interference, influence, or coercion.

"(b) IMMEDIATE REVIEW OF CERTIFICATION PROCEDURES.—Not later than 180 days after the date of enactment of this section, the Comptroller General shall review the processes applied by the Mediation Board to certify or decertify representation of employees by a labor organization and make recommendations to the Board and appropriate congressional committees regarding actions that may be taken by the Board or Congress to ensure that the processes are fair and reasonable for all parties. Such review shall be conducted separately from any evaluation and audit under subsection (a) and shall include, at a minimum—

"(1) an evaluation of the existing processes and changes to such processes that have occurred since the establishment of the Mediation Board and whether those changes are consistent with congressional intent; and

"(2) a description of the extent to which such processes are consistent with similar processes applied to other Federal or State agencies with jurisdiction over labor relations, and an evaluation of any justifications for any discrepancies between the processes of the Mediation Board and such similar Federal or State processes.

"(c) APPROPRIATE CONGRESSIONAL COMMITTEE DEFINED.—In this section, the term 'appropriate congressional committees' means the Committee on Transportation and Infrastructure of the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Health, Education, Labor, and Pensions of the Senate.".

TITLE XI—AIRPORT AND AIRWAY TRUST FUND PROVISIONS AND RELATED TAXES

SEC. 1100. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 1101. EXTENSION OF TAXES FUNDING AIRPORT AND AIRWAY TRUST FUND.

(a) FUEL TAXES.—Subparagraph (B) of section 4081(d)(2) is amended by striking ‘‘February 17, 2012’’ and inserting ‘‘September 30, 2015’’.

(b) TICKET TAXES.—

(1) PERSONS.—Clause (ii) of section 4261(j)(1)(A) is amended by striking ‘‘February 17, 2012’’ and inserting ‘‘September 30, 2015’’.

(2) PROPERTY.—Clause (ii) of section 4271(d)(1)(A) is amended by striking ‘‘February 17, 2012’’ and inserting ‘‘September 30, 2015’’.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on February 18, 2012.

SEC. 1102. EXTENSION OF AIRPORT AND AIRWAY TRUST FUND EXPENDITURE AUTHORITY.

(a) IN GENERAL.—Paragraph (1) of section 9502(d) is amended—

(1) by striking ‘‘February 18, 2012’’ in the matter preceding subparagraph (A) and inserting ‘‘October 1, 2015’’, and

(2) by striking the semicolon at the end of subparagraph (A) and inserting ‘‘or the FAA Modernization and Reform Act of 2012;’’.

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 9502(e) is amended by striking ''February 18, 2012'' and inserting ''October 1, 2015''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on February 18, 2012.

SEC. 1103. TREATMENT OF FRACTIONAL AIRCRAFT OWNERSHIP PROGRAMS.

(a) FUEL SURTAX.—

(1) IN GENERAL.—Subchapter B of chapter 31 is amended by adding at the end the following new section:

''SEC. 4043. SURTAX ON FUEL USED IN AIRCRAFT PART OF A FRACTIONAL OWNERSHIP PROGRAM.

''(a) IN GENERAL.—There is hereby imposed a tax on any liquid used (during any calendar quarter by any person) in a fractional program aircraft as fuel—

''(1) for the transportation of a qualified fractional owner with respect to the fractional ownership aircraft program of which such aircraft is a part, or

''(2) with respect to the use of such aircraft on account of such a qualified fractional owner, including use in deadhead service.

''(b) AMOUNT OF TAX.—The rate of tax imposed by subsection (a) is 14.1 cents per gallon.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) FRACTIONAL PROGRAM AIRCRAFT.—The term 'fractional program aircraft' means, with respect to any fractional ownership aircraft program, any aircraft which—

"(A) is listed as a fractional program aircraft in the management specifications issued to the manager of such program by the Federal Aviation Administration under subpart K of part 91 of title 14, Code of Federal Regulations, and

"(B) is registered in the United States.

"(2) FRACTIONAL OWNERSHIP AIRCRAFT PROGRAM.—The term 'fractional ownership aircraft program' means a program under which—

"(A) a single fractional ownership program manager provides fractional ownership program management services on behalf of the fractional owners,

"(B) there are 1 or more fractional owners per fractional program aircraft, with at least 1 fractional program aircraft having more than 1 owner, "(C) with respect to at least 2 fractional program aircraft, none of the ownership interests in such aircraft are—

"(i) less than the minimum fractional ownership interest, or

"(ii) held by the program manager referred to in subparagraph (A),

"(D) there exists a dry-lease aircraft exchange arrangement among all of the fractional owners, and

"(E) there are multi-year program agreements covering the fractional ownership, fractional ownership program management services, and dry-lease aircraft exchange aspects of the program.

"(3) DEFINITIONS RELATED TO FRACTIONAL OWNERSHIP INTERESTS.—

"(A) QUALIFIED FRACTIONAL OWNER.— The term 'qualified fractional owner' means any fractional owner which has a minimum fractional ownership interest in at least one fractional program aircraft.

"(B) MINIMUM FRACTIONAL OWNERSHIP INTEREST.—The term 'minimum fractional ownership interest' means, with respect to each type of aircraft—

"(i) a fractional ownership interest equal to or greater than 1/16 of at least 1 subsonic, fixed wing, or powered lift aircraft, or

"(ii) a fractional ownership interest equal to or greater than 1/32 of at least 1 rotorcraft aircraft.

"(C) FRACTIONAL OWNERSHIP INTEREST.—The term 'fractional ownership interest' means—

"(i) the ownership of an interest in a fractional program aircraft,

"(ii) the holding of a multi-year leasehold interest in a fractional program aircraft, or

"(iii) the holding of a multi-year leasehold interest which is convertible into an ownership interest in a fractional program aircraft.

"(D) FRACTIONAL OWNER.—The term 'fractional owner' means any person owning any interest (including the entire interest) in a fractional program aircraft.

"(4) DRY-LEASE AIRCRAFT EXCHANGE.—The term 'dry-lease aircraft exchange' means an agreement, documented by the written program agreements, under which the fractional program aircraft are available, on an as needed basis without crew, to each fractional owner.

"(5) SPECIAL RULE RELATING TO USE OF FRACTIONAL PROGRAM AIRCRAFT FOR FLIGHT DEMONSTRATION, MAINTENANCE, OR TRAINING.—For purposes of subsection (a), a fractional program aircraft shall not be considered to be used for the transportation of a qualified fractional owner, or on account of such qualified fractional owner, when it is used for flight demonstration, maintenance, or crew training.

"(6) SPECIAL RULE RELATING TO DEADHEAD SERVICE.—A fractional program aircraft shall not be considered to be used on account of a qualified fractional owner when it is used in deadhead service and a person other than a qualified fractional owner is separately charged for such service.

"(d) TERMINATION.—This section shall not apply to liquids used as a fuel in an aircraft after September 30, 2021.".

(2) CONFORMING AMENDMENT.—Subsection (e) of section 4082 is amended by inserting "(other than kerosene with respect to which tax is imposed under section 4043)" after "In the case of kerosene".

(3) TRANSFER OF REVENUES TO AIRPORT AND AIRWAY TRUST FUND.—Paragraph (1) of section 9502(b) is amended by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively, and by inserting after subparagraph (A) the following new subparagraph:

"(B) section 4043 (relating to surtax on fuel used in aircraft part of a fractional ownership program),".

(4) CLERICAL AMENDMENT.—The table of sections for subchapter B of chapter 31 is amended by adding at the end the following new item:

"Sec. 4043. Surtax on fuel used in aircraft part of a fractional ownership program.".

(b) FRACTIONAL OWNERSHIP PROGRAMS TREATED AS NON-COMMERCIAL AVIATION.—Subsection (b) of section 4083 is amended by adding at the end the following new sentence: "Such term shall not include the use of any aircraft before October 1, 2015, if tax is imposed under section 4043 with respect to the fuel consumed in such use or if no tax is imposed on such use under section 4043 by reason of subsection (c)(5) thereof.''.

(c) EXEMPTION FROM TAX ON TRANSPORTATION OF PERSONS.—Section 4261, as amended by this Act, is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

''(j) EXEMPTION FOR AIRCRAFT IN FRACTIONAL OWNERSHIP AIRCRAFT PROGRAMS.—No tax shall be imposed by this section or section 4271 on any air transportation if tax is imposed under section 4043 with respect to the fuel used in such transportation. This subsection shall not apply after September 30, 2015.''.

(d) EFFECTIVE DATES.—

(1) SUBSECTION (a).—The amendments made by subsection (a) shall apply to fuel used after March 31, 2012.

(2) SUBSECTION (b).—The amendment made by subsection (b) shall apply to uses of aircraft after March 31, 2012.

(3) SUBSECTION (c).—The amendments made by subsection (c) shall apply to taxable transportation provided after March 31, 2012.

SEC. 1104. TRANSPARENCY IN PASSENGER TAX DISCLOSURES.

(a) IN GENERAL.—Section 7275 is amended—

(1) by redesignating subsection (c) as subsection (d),

(2) by striking ''subsection (a) or (b)'' in subsection (d), as so redesignated, and inserting ''subsection (a), (b), or (c)'', and

(3) by inserting after subsection (b) the following new subsection:

''(c) NON-TAX CHARGES.—

''(1) IN GENERAL.—In the case of transportation by air for which disclosure on the ticket or advertising for such transportation of the amounts paid for passenger taxes is required by subsection (a)(2) or (b)(1)(B), if such amounts are separately disclosed, it shall be unlawful for the disclosure of such amounts to include any amounts not attributable to such taxes.

''(2) INCLUSION IN TRANSPORTATION COST.—Nothing in this subsection shall prohibit the inclusion of amounts not attributable to the taxes imposed by subsection (a), (b), or (c) of section 4261 in the disclosure of the amount paid for transportation as required by subsection (a)(1) or (b)(1)(A), or in a separate disclosure of amounts not attributable to such taxes.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable transportation provided after March 31, 2012.

SEC. 1105. TAX-EXEMPT BOND FINANCING FOR FIXED-WING EMERGENCY MEDICAL AIRCRAFT.

(a) IN GENERAL.—Subsection (e) of section 147 is amended by adding at the end the following new sentence: ''The preceding sentence shall not apply to any fixed-wing aircraft equipped for, and exclusively dedicated to providing, acute care emergency medical services (within the meaning of section 4261(g)(2)).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to obligations issued after the date of the enactment of this Act.

SEC. 1106. ROLLOVER OF AMOUNTS RECEIVED IN AIRLINE CARRIER BANKRUPTCY.

(a) GENERAL RULES.—

(1) ROLLOVER OF AIRLINE PAYMENT AMOUNT.—If a qualified airline employee receives any airline payment amount and transfers any portion of such amount to a traditional IRA within 180 days of receipt of such amount (or, if later, within 180 days of the date of the enactment of this Act),

then such amount (to the extent so transferred) shall be treated as a rollover contribution described in section 402(c) of the Internal Revenue Code of 1986. A qualified airline employee making such a transfer may exclude from gross income the amount transferred, in the taxable year in which the airline payment amount was paid to the qualified airline employee by the commercial passenger airline carrier.

(2) TRANSFER OF AMOUNTS ATTRIBUTABLE TO AIRLINE PAYMENT AMOUNT FOLLOWING ROLLOVER TO ROTH IRA.—A qualified airline employee who has contributed an airline payment amount to a Roth IRA that is treated as a qualified rollover contribution pursuant to section 125 of the Worker, Retiree, and Employer Recovery Act of 2008, may transfer to a traditional IRA, in a trustee-to-trustee transfer, all or any part of the contribution (together with any net income allocable to such contribution), and the transfer to the traditional IRA will be deemed to have been made at the time of the rollover to the Roth IRA, if such transfer is made within 180 days of the date of the enactment of this Act. A qualified airline employee making such a transfer may exclude from gross income the airline payment amount pre-

viously rolled over to the Roth IRA, to the extent an amount attributable to the previous rollover was transferred to a traditional IRA, in the taxable year in which the airline payment amount was paid to the qualified airline employee by the commercial passenger airline carrier. No amount so transferred to a traditional IRA may be treated as a qualified rollover contribution with respect to a Roth IRA within the 5-taxable year period beginning with the taxable year in which such transfer was made.

(3) EXTENSION OF TIME TO FILE CLAIM FOR REFUND.—A qualified airline employee who excludes an amount from gross income in a prior taxable year under paragraph (1) or (2) may reflect such exclusion in a claim for refund filed within the period of limitation under section 6511(a) of such Code (or, if later, April 15, 2013).

(4) OVERALL LIMITATION ON AMOUNTS TRANSFERRED TO TRADITIONAL IRAS.—

(A) IN GENERAL.—The aggregate amount of airline payment amounts which may be transferred to 1 or more traditional IRAs under paragraphs (1) and (2) with respect to any qualified employee for any taxable year shall not exceed the excess (if any) of—

(i) 90 percent of the aggregate airline payment amounts received by the qualified airline employee during the taxable year and all preceding taxable years, over

(ii) the aggregate amount of such transfers to which paragraphs (1) and (2) applied for all preceding taxable years.

(B) SPECIAL RULES.—For purposes of applying the limitation under subparagraph (A)—

(i) any airline payment amount received by the surviving spouse of any qualified employee, and any amount transferred to a traditional IRA by such spouse under subsection (d), shall be treated as an amount received or transferred by the qualified employee, and

(ii) any amount transferred to a traditional IRA which is attributable to net income described in paragraph (2) shall not be taken into account.

(5) COVERED EXECUTIVES NOT ELIGIBLE TO MAKE TRANSFERS.—Paragraphs (1) and (2) shall not apply to any transfer by a qualified airline employee (or any transfer authorized under subsection (d) by a surviving spouse of the qualified airline em-

ployee) if at any time during the taxable year of the transfer or any preceding taxable year the qualified airline employee held a position described in subparagraph (A) or (B) of section 162(m)(3) with the commercial passenger airline carrier from whom the airline payment amount was received.

(b) TREATMENT OF AIRLINE PAYMENT AMOUNTS AND TRANSFERS FOR EMPLOYMENT TAXES.—For purposes of chapter 21 of the Internal Revenue Code of 1986 and section 209 of the Social Security Act, an airline payment amount shall not fail to be treated as a payment of wages by the commercial passenger airline carrier to the qualified airline employee in the taxable year of payment because such amount is excluded from the qualified airline employee's gross income under subsection (a).

(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

(1) AIRLINE PAYMENT AMOUNT.—

(A) IN GENERAL.—The term ''airline payment amount'' means any payment of any money or other property which is payable by a commercial passenger airline carrier to a qualified airline employee—

(i) under the approval of an order of a Federal bankruptcy court in a case filed after September 11, 2001, and before January 1, 2007, and

(ii) in respect of the qualified airline employee's interest in a bankruptcy claim against the carrier, any note of the carrier (or amount paid in lieu of a note being issued), or any other fixed obligation of the carrier to pay a lump sum amount.

The amount of such payment shall be determined without regard to any requirement to deduct and withhold tax from such payment under sections 3102(a) of the Internal Revenue Code of 1986 and 3402(a) of such Code.

(B) EXCEPTION.—An airline payment amount shall not include any amount payable on the basis of the carrier's future earnings or profits.

(2) QUALIFIED AIRLINE EMPLOYEE.—The term "qualified airline employee" means an employee or former employee of a commercial passenger airline carrier who was a participant in a defined benefit plan maintained by the carrier which—

(A) is a plan described in section 401(a) of the Internal Revenue Code of 1986 which includes a trust exempt from tax under section 501(a) of such Code, and

(B) was terminated or became subject to the restrictions contained in paragraphs (2) and (3) of section 402(b) of the Pension Protection Act of 2006.

(3) TRADITIONAL IRA.—The term ''traditional IRA'' means an individual retirement plan (as defined in section 7701(a)(37) of the Internal Revenue Code of 1986) which is not a Roth IRA.

(4) ROTH IRA.—The term ''Roth IRA'' has the meaning given such term by section 408A(b) of such Code.

(d) SURVIVING SPOUSE.—If a qualified airline employee died after receiving an airline payment amount, or if an airline payment amount was paid to the surviving spouse of a qualified airline employee in respect of the qualified airline employee, the surviving spouse of the qualified airline employee may take all actions permitted under section 125 of the Worker, Retiree and Employer Recovery Act of 2008, or under this section, to the same extent that the qualified airline employee could have done had the qualified airline employee survived.

(e) EFFECTIVE DATE.—This section shall apply to transfers made after the date of the enactment of this Act with respect to airline payment amounts paid before, on, or after such date.

SEC. 1107. TERMINATION OF EXEMPTION FOR SMALL JET AIRCRAFT ON NONESTABLISHED LINES.

(a) IN GENERAL.—The first sentence of section 4281 is amended by inserting ‘‘or when such aircraft is a jet aircraft’’ after ‘‘an established line’’.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable transportation provided after March 31, 2012.

SEC. 1108. MODIFICATION OF CONTROL DEFINITION FOR PURPOSES OF SECTION 249.

(a) IN GENERAL.—Section 249(a) is amended by striking ‘‘, or a corporation in control of, or controlled by,’’ and inserting ‘‘, or a corporation in the same parent-subsidiary controlled group (within the meaning of section 1563(a)(1) as’’.

(b) CONFORMING AMENDMENT.—Section 249(b) is amended—

(1) by striking all that precedes ‘‘is the issue price’’ and inserting:

‘‘(b) ADJUSTED ISSUE PRICE.—For purposes of subsection (a), the adjusted issue price’’, and

(2) by striking paragraph (2).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to repurchases after the date of the enactment of this Act.

TITLE XII—COMPLIANCE WITH STATUTORY PAY-AS-YOU-GO-ACT OF 2010

SEC. 1201. COMPLIANCE PROVISION.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go-Act of 2010, shall be determined by reference to the latest statement titled ''Budgetary Effects of PAYGO Legislation'' for this Act, jointly submitted for printing in the Congressional Record by the Chairmen of the House and Senate Budget Committees, provided that such statement has been submitted prior to the vote on passage in the House acting first on this conference report or amendment between the Houses.