

# Federal AIP Funding

## For Iowa's NPIAS Airports 2004-2007

Vision 100, the Century of Aviation Reauthorization Act, reauthorizes federal aviation programs through fiscal year 2007 and sets spending levels for the Airport Improvement Program (AIP), Essential Air Service, Small Community Development Grants, and other programs that develop and maintain facilities at airports around the country.

A major component of the bill is the Airport Improvement Plan (AIP) program, which provides funding for airport rehabilitation and development projects.

### AIP Funding Levels Authorized Under Vision 100

FY 2004: \$3.4 billion

FY 2005: \$3.5 billion

FY 2006: \$3.6 billion

FY 2007: \$3.7 billion

AIP funding is provided nationwide to airports that are part of the National Plan of Integrated Airport Systems and are commonly referred to as NPIAS airports.

In Iowa, 69 general aviation airports and eight commercial service airports are part of the NPIAS system. (See map on back.)

## Changes in the AIP Program

Vision 100 provides significant changes to the AIP funding program. Some of the changes include:

- Non-primary entitlement funds can be accumulated for up to four years.
- The federal portion of AIP grants increases to 95 percent for all NPIAS airports in Iowa. Airport sponsors only need to provide a 5 percent local match, providing incentive for communities to continue investing in airport improvement projects.
- If an airport has no airside improvement needs, entitlement funds can be used for certain landside airport projects. The following list outlines eligible and ineligible projects:

### Eligible AIP Projects

#### Airside Projects

Runway construction/rehabilitation

Taxiway construction/rehabilitation

Apron construction/rehabilitation

Airfield lighting

Airfield signage

Airfield drainage

Land acquisition

Weather observation stations (AWOS)

Nav aids such as REILs & PAPIs

Planning studies

Environmental studies

Safety area improvements

Snow removal equipment

Snow removal equipment storage

#### The following items are allowed if airside needs are met:

Fuel farms

Aircraft hangars

General aviation terminal buildings

Parking lots

Approaches to hangars

### Ineligible AIP Projects

Mowing equipment and vehicles

Office and office equipment

Landscaping

Artworks

Industrial park development

Marketing plans

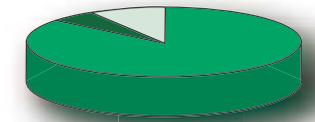
Training

Improvements for commercial enterprises

## How is the AIP Program Funded?

The AIP program is funded by the Airport and Airway Trust Fund, which receives 100 percent of its funding from aviation generated user fees.

### Funding for Airport and Airway Trust Fund



- Passenger and Facility Fees
- Cargo Taxes
- Fuel Taxes

## How Entitlement Funding Works

Entitlements are not guaranteed to the maximum level. They are determined by the capital improvement projects in the NPIAS plan, which is updated every two years by the Federal Aviation Administration (FAA). To be eligible for entitlements, an airport must have a justified need for capital improvement projects.

Under Vision 100, an airport can use its entitlement in the current year, or it may allow the entitlement to be carried over for an additional three years. If not used, the entitlement may become available to other airports within Iowa or the region.

**Example:** If a general aviation NPIAS airport does not use an annual entitlement of \$150,000 for 2004 and 2005, those funds can be added to the 2006 entitlement for a total funding level of \$450,000. If all of those funds are used on a project in 2006, the airport will then start over with \$150,000 in 2007. If the airport chooses not to use the entitlement, it will then be redistributed to projects at other airports. By signing a waiver, the airport would ensure that the money would stay in the state or region, rather than being distributed nationally.

## AIP Entitlements

AIP funding provides both discretionary and entitlement funds.

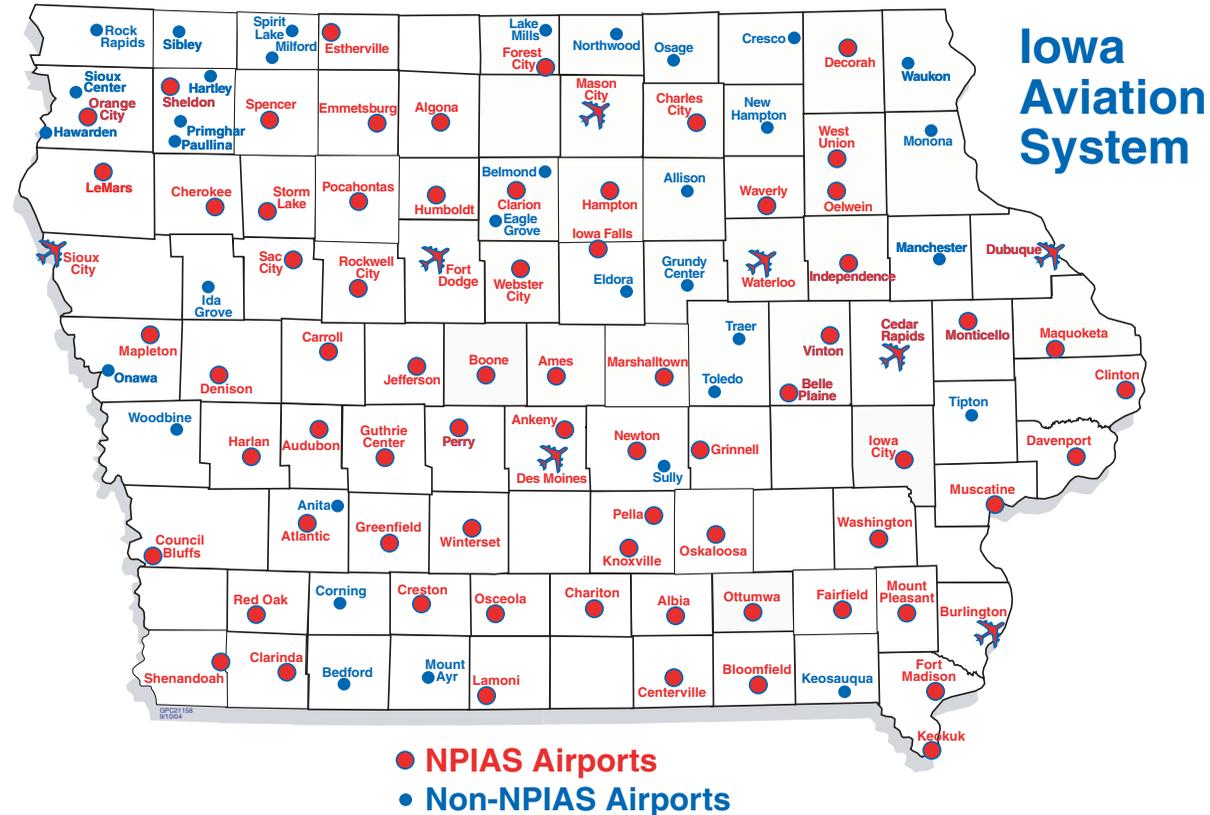
Primary airports receive entitlements based on the number of enplaning passengers and landed cargo weights.

Non-primary airports receive entitlements and may also receive state apportionments. The total amount of state apportionment is based on an area/population formula for the state. The amount of non-primary entitlements is computed from the needs list for the particular airport in the published NPIAS. Funding of costs exceeding entitlements depends on available state apportionment and discretionary funding ranked by the relative priority of a project.

Airport Type	Annual Entitlement
Primary NPIAS airports	\$1 million or more
Non-primary NPIAS airports	Up to \$150,000
Non-NPIAS airports	\$0

**Primary airports** are generally defined as those airports offering commercial service with annual enplanements of 10,000 or more. Primary airports will receive a base entitlement of \$1 million per year, with additional funds being allocated by the total number of annual enplanements. Some airports have retained special primary status through 2005 due to post 9/11 service reductions allowed by Congress.

**Non-primary airports** include all NPIAS general aviation airports and commercial service airports that do not meet primary airport status.



More information on state and federal funding programs is available on the Iowa DOT Office of Aviation web site at [iawings.com](http://iawings.com). You may also contact the Iowa DOT Office of Aviation at 515-239-1875 or the FAA airport planner for Iowa at 816-329-2640 for application and program information.



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2004 - 2007

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Office of Aviation  
Iowa Department of Transportation