

**Federal-Aid Aviation State Match**

**FY2020 Request: \$12,000,000**

**Reference No: 6896**

**AP/AL:** Allocation **Project Type:** Construction  
**Category:** Transportation **House District:** Statewide (HD 1-40)  
**Location:** Statewide **Contact:** John Binder  
**Impact House District:** Statewide (HD 1-40) **Contact Phone:** (907)269-0730  
**Estimated Project Dates:** 07/01/2019 - 06/30/2024  
**Appropriation:** Federal Program Match

**Brief Summary and Statement of Need:**

State match required to pursue approximately \$140 million in federal Aviation Improvement Program funds. The match will be used for Rural Airport System airports. The non-federal match share is 6.25%. These funds may also be used for advanced acquisition of Right-of-Way (ROW) parcels for projects that are eligible for federal funding. This ROW can be used in lieu of the state matching funds on a federally funded project.

<b>Funding:</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>	<b>Total</b>
1001 CBR Fund	\$12,000,000						\$12,000,000
<b>Total:</b>	\$12,000,000	\$0	\$0	\$0	\$0	\$0	\$12,000,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<b>Amount</b>	<b>Staff</b>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Prior Funding History / Additional Information:**

- Sec1 Ch19 SLA2018 P32 L17 SB142 \$11,075,704
- Sec1 Ch1 SLA2017 P8 L21 SB23 \$10,800,000
- Sec1 Ch2 SLA2016 P7 L32 SB138 \$10,800,000
- Sec1 Ch38 SLA2015 P7 L17 SB26 \$11,700,000
- Sec1 Ch16 SLA2013 P81 L16 SB18 \$11,700,000
- Sec1 Ch17 SLA2012 P137 L29 SB160 \$11,700,000
- Sec1 Ch5 SLA2011 P102 L26 SB46 \$11,900,000
- Sec7 Ch43 SLA2010 P39 L3 SB230 \$8,600,000
- Sec1 Ch15 SLA2009 P22 L30 SB75 \$6,320,000
- Sec13 Ch29 SLA2008 P161 L23 SB221 \$9,200,000
- Sec4 Ch30 SLA2007 P105 L15 SB53 \$15,000,000

**Project Description/Justification:**

The Department provides the required match funding based on the estimated federal funding that will be available during the given fiscal year. The estimated amount needed

to fund the Federal Fiscal Year (FFY) 2020 Federal Aviation Improvement Program is based on the amount of federal funds expected to be appropriated by Congress for FFY 2020.

The requested match amount is calculated as follows:

There are uncertainties in federal aviation funding due to progress in the Housing and Urban Development (THUD) Appropriation. Both the House and Senate have retained the same \$3.35B in routing AIP grant funding from the Airport and Airways Trust Fund that has been appropriated in recent fiscal years. Both have also added additional Discretionary funding to their respective bills (House at 14.9% increase and Senate at 22.4% increase). We are using the SLA 2018 funding level of \$11,075,704 and increasing it by 35%, to account for the potential 22.4% appropriation level increase in the FFY'19 Senate THUD bill, plus 12.6% to provide additional funding for items # 1 and 2 below. This would equal \$14,951,000 -- rounded to \$15M. The bill has not yet passed through Conference Committee. Once it has passed, we will better be able to define the match needs. We are still waiting to understand the amount Congress adopts in the FFY'19 AIP bill.

Two additional factors are:

1. The additional match / non-par funding that is needed for any additional projects that are funded under the FFY'18 Supplemental Discretionary (General Fund) appropriation. This is a significant unknown. While only the Primary Airport projects funded under this \$1B in additional federal AIP funding require match funding, both Primary and Non-Primary projects may have non-participating cost that will need additional funding. If the department is successful in competing for a substantial amount of this funding, especially for Primary Airport project funding, in FFY'19 and '20, this will create the need for additional match / non-par funding relative to the funding previously appropriated to the department.
2. An additional non-quantitative consideration is FAA's recent tendency to be more restrictive in its definition of AIP eligible costs that can be included in AIP grants. This may increase the need for additional non-participating costs in the future.

**Rural Airport Program**

\$140.0 million in federal funds requires a 6.25% state match  
 \$140.0 million / 93.75% = \$149.3 (program total including match amount)  
 \$149.3 million - \$140.0 million = \$9.3 million match requirement

**Summary:**

\$ 13.5 million rural airport program state match funding (increase of 22.4%)  
 + 1.5 million funds for unforeseen federally ineligible airport projects (increase of 12.6%)  
 \$15.0 million FY2020 requirement for match and federally ineligible costs for rural aviation projects

