



Session 6:

Navigating Compliance with Grant Assurances

W. Eric Pilsk, Kaplan Kirsch & Rockwell

Randy Fiertz, *Manager, Northwest Mountain Region, Airports Division, FAA*

Robin K. Hunt, *Deputy Division Manager, Airports Division, Western Pacific Region, FAA*



What is “Compliance”?

- Satisfying Obligations Under Sponsor Assurances and Related Federal Laws
 - Grant Assurances
 - Federal Property Conveyances
 - Other Federal Laws and Policies
- Developing Procedures To Assure Compliance
- Preserving Authority To Meet Federal Obligations



Resolving Compliance Issues

Resolution on
Airport

Resolution with
Informal FAA
Advice

Resolution with
Formal FAA
Determination
(Parts 13 & 16)

Common Compliance Issues

- Assurance 5: Preserving Rights and Powers
 - It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in the grant agreement without the written approval of the Secretary
- Assurance 22(a): Non-Discrimination
 - It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.

Common Compliance Issues

- Assurance 23: Exclusive Rights
 - It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public.
- Assurance 25: Revenue Diversion
 - All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport



Current Compliance Issues

- Non-Aeronautical Use of Hangers
 - *Policy on the Non-Aeronautical Use of Airport Hangars*
- Aviation Fuel Tax
 - *Policy and Procedures Concerning the Use of Airport Revenue; Proceeds from Taxes on Aviation Fuel*



Current Compliance Issues

- Airport Closure & Duration of Grant Obligations
 - SMO
- Rates and Charges at Smaller Airports



Recent Compliance Policy Statements

- Policy on Evaluating Disputed Changes of Sponsorship at Federally Obligated Airports
- *Interim Procedures for Review of Restrictions on Banner Towing, Powered Parachute, Gliders, Light Sport Aircraft, Parachute Operations, and Ultralights at Federally Obligated Airports*



Sponsor Best Practices

- Minimum Standards
- Airport Rules and Regulations
- Airport Leasing Policy
 - Standard Lease and Contract Forms
 - Subordination Clause
- Operational/Management Procedures
 - Pavement Condition
 - ALP Updates
 - Airport Self-Inspection Program



Compliance Resources

- FAA Compliance Handbook, Order 5190.6B
- FAA Advisory Circulars, Orders, Policies
 - Exclusive Rights, AC 5190-6
 - Policies and Procedures Concerning the Use of Airport Revenue
 - Policy Regarding Airport Rates and Charges
 - Minimum Standards for Commercial Aeronautical Activity
- Part 16 Decisions and DOT/FAA Letters

Questions?

- Text A “Friend’s” Question To:
(240) 893-3499

More Questions?

- Eric Pilsk - epilsk@kaplankirsch.com
- Randy Fiertz - Randall.Fiertz@faa.gov
- Robin K. Hunt - robin.k.hunt@faa.gov

