

Session 5 – Compliance with Grant Obligations and Related Federal Laws and Policies

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Desk
Reference
Chapters
10, 11

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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

Compliance Roles



Compliance Roles

- Airport Sponsor
 - Duty Of Compliance
 - Sponsor Actions And User Actions
- FAA
 - Oversight: Does Not Pre-Approve Sponsor Actions
 - Responds To Compliance Questions
 - Adjudicates Compliance Disputes

Compliance Begins At Home

- Airport Sponsor Is Responsible For Complying With Federal Obligations
 - Know Your Obligations!
 - Retain Power To Control Users
- Most Compliance Questions Resolved at Airport Level With No FAA Involvement
- FAA Is Available For Difficult Compliance Issues

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

FAA Role

- FAA Will Help Address Difficult Compliance Issues
- FAA Wants Airports To Be In Compliance
- Compliance Program Is Not Punitive
- Goal: Develop Path To Compliance Through Corrective Action

Getting The FAA Involved

- Start Local: ADO or Regional Compliance Office
 - Let ADO or Region Elevate Issue to HQ
- HQ Becomes Involved When National Policy Issues Implicated

Third Party Complaints

- Airport Users Often Claim That Sponsor Is, Or Will Be, In Violation Of Sponsor Assurances
- Most Claims Are Resolved Through Local Negotiation Or Informal Means
- If Reasonable, Good-faith Attempts At Local Resolution Fail, Airport Users Can Resort To More Formal Adjudication Procedures Before The FAA

Informal Compliance Adjudication

- 14 C.F.R. Part 13
 - Informal, Non-Binding Process
 - ADO or Region Issues Informal Opinion
 - Relatively Fast
 - No Penalty Assessed Even If Violation Indicated

Formal Compliance Adjudication

- 14 C.F.R. Part 16
 - Formal, Binding Process
 - Can Be Initiated By An Airport User Or FAA
 - Requires Factual And Legal Response From Airport Sponsor
 - Process May Take Over One Year
- Adverse Decision Results in Corrective Action Plan
- Failure To Comply Can Result In Loss of Grant Eligibility

Part 16 Issues

- Common Issues Include
 - Assurance 5: Preserving Rights and Powers
 - Assurance 22(a): Reasonable Access, Economic Discrimination,
 - Assurance 23: Exclusive Rights
 - Assurance 25: Revenue Diversion
- Common Topics: Skydiving, Leasing and Contracting, FBO Disputes

Recent Compliance Policy Statements

- Aviation Fuel Tax
- Consolidated Airport Rates and Charges Policy
- Airport Leasing Policies

Upcoming Compliance Policy Statements

- Appraisal Standards for the Sale or Disposal of Federally Obligated Property
- Hangar Use
- Flying Clubs
- Planning for Compliance Initiative
- Airport Governance
- UAVs and Airports

Compliance Questions?

- Ask The Panel A Question On Behalf Of A “Friend”
- Text A Question To: (240) 893-3499

Follow Up Questions?

- Kevin Willis – kevin.willis@faa.gov
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