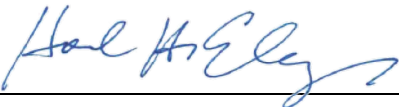
	<b>Policy Number : 170-02</b>
<b>DEPARTMENTAL POLICY</b> <b>State of Tennessee</b> <b>Department of Transportation</b>	<b>Effective Date:</b> <b>October 1, 2023</b>
<b>Approved By:</b> 	<b>Supersedes:</b> <b>July 1, 2022</b>
<b>SUBJECT: Direction of the Tennessee Aeronautics Commission</b>	

**RESPONSIBLE OFFICE:** Aeronautics Division.

**AUTHORITY:** [T.C.A. § 4-3-2303](#) and [§ 42-2-209](#). If any portion of this policy conflicts with applicable State or Federal laws or regulations, that portion shall be considered void. The remainder of this policy shall not be affected thereby and shall remain in full force and effect.

[T.C.A. § 42-2-301](#) provides that the Tennessee Aeronautics Commission (TAC) shall serve in an advisory capacity to the Commissioner of Transportation (Commissioner) and shall have the duty and responsibility to assist in the formulation of relevant policy planning.

**RELATED POLICY:** TDOT Policy 170-01, Tennessee Aeronautics Commission Members’ Status.

**PURPOSE:** The purpose of this policy is to establish guidelines for rendering financial assistance to airports in Tennessee under State and Federal funding programs, in accordance with Title 42, Chapter 2, Part 2, of the Tennessee Code.

**APPLICATION:** This policy shall be followed by the Aeronautics Division in administering State and Federal funding programs for airports and by the Tennessee Aeronautics Commission in making recommendations to the Commissioner regarding the funding of airport projects in Tennessee.

**DEFINITIONS:**

“Airport Capital Improvement Plan (ACIP)” is a Department of Transportation document that serves as the primary planning tool for identifying and prioritizing critical airport development and associated capital needs for Tennessee Airports by programming State and Federal funds for projects based on statewide priorities, State and Federal airport classifications, and the Division’s annual budget. This document is reviewed by the Tennessee Aeronautics Commission annually.

“Air Carrier Airport” means a public airport that has at least ten thousand (10,000) passenger boardings each calendar year and receives scheduled passenger service.

“Airport Improvement” means acquisition, construction, or improvement of any airport, air navigation facility, aviation easement or the acquisition, lighting, marking or elimination of any airport hazard.

“Airport Layout Plan” means a drawing depicting all existing and future airport facilities and design standards such as runways, taxiways, ramps, imaginary surfaces, and runway and taxiway safety areas.

“Airport Sponsor” means the public agency owning a public use airport.

“Approach Surface” means an imaginary surface longitudinally centered on the extended runway centerline and extending outward and upward from each end of the Primary Surface. An approach surface is applied to each end of each runway.

“Federal Share” means the United States Government’s share of project costs on an Airport Improvement Program (AIP) grant and is defined in 49 USC § 47109.

“Final Project Formulation” means Project Formulation activities (e.g., final design and bidding, land appraisals, obstruction and hazard mitigation design and bidding) which subsequently lead to the intended Airport Improvement project.

“General Aviation Airports” means airports that do not have scheduled passenger service.

“Operation Data Counter” means a data collection system installed at an airport that captures signals broadcasted by an aircraft to count the number of operations by the aircraft at the airport, such as the number of landings and takeoffs conducted by the aircraft.

“Preliminary Project Formulation” means activities such as studies, surveys, schematic or conceptual design, and airport layout plan updates, or other planning documents necessary for the development of an Airport Improvement project, but do not subsequently lead to the intended Airport Improvement without Final Project Formulation.

“Primary Surface” means an imaginary surface longitudinally centered on a runway. When the runway has a specially prepared hard surface, the primary surface extends 200 feet beyond each end of that runway; but when the runway has no specially prepared hard surface, or planned hard surface, the primary surface ends at each end of that runway. The elevation of any point on the primary surface is the same as the elevation of the nearest point on the runway centerline.

“Project Formulation” means activities directly related to the development of a project. These are activities that are normally conducted before the project starts and would not have been conducted otherwise. Examples of project formulation activities include, but are not limited to: field surveys, soil borings, plans and specifications, project related airport layout plan revisions, aeronautical studies, grant administrative expenses for the project, benefit-cost analyses, environmental studies, land appraisals and review appraisals, title examinations, relocation plans, construction and air navigation equipment procurement such as advertising for bids and bid tabulation/analysis, and Disadvantaged Business Enterprise (DBE) project specific goal formulation.

“Public Airport License” denotes the document issued by the Department of Transportation that grants State of Tennessee approval for the use of an airport by the general public.

“State Priority Rating (SPR) Model” means the airport project priority rating process in which projects are evaluated, scored, ranked, and funded based on established criteria that are considered State priorities.

“Tennessee Aviation System Plan (TASP)” means the State study to establish a systemwide inventory of airport needs and provides context and justification for the continued development of the State’s aviation system. The inventory includes the needs of current and future users of the aviation system based on the goals, performance measures, and facility and service objectives determined through the system plan process.

“Tennessee Aeronautics Commission” or “TAC” means the five-member advisory board created by [T.C.A. § 42-2-301](#) and assigned the duties of assisting the Commissioner in the formulation of relevant policy planning and approving or disapproving proposed changes in the Tennessee Aviation System Plan (TASP).

**POLICY:**

**Airport Improvement Program**

**Establishing Program Requirements**

The Tennessee Aeronautics Commission will annually review program eligibility requirements, participation rates, and program funding levels. Upon review, the Tennessee Aeronautics Commission will recommend revisions to the Commissioner for final approval.

**Funding Approvals and Prioritization**

All State funding decisions will be prioritized and preference given to projects addressing safety, security, preservation/maintenance, and/or compliance with Federal and State standards. Projects associated with economic development, increased capacity, or modernization will be considered on a case-by-case basis. Grant issuance will adhere to Federal and State guidelines.

Funding requests from Air Carrier Airports will be considered by the Tennessee Aeronautics Division without review by the Tennessee Aeronautics Commission. The Director of the Tennessee Aeronautics Division will recommend Federal and/or State funding approval or denial to the Commissioner.

Funding requests from a General Aviation Airport for airport maintenance equipment, Preliminary Project Formulation, Final Project Formulation less than fifty thousand dollars (\$50,000), and Airport Improvements will be considered by the Tennessee Aeronautics Division without review by the Tennessee Aeronautics Commission. The Director of the Tennessee Aeronautics Division will recommend Federal and/or State funding approval or denial to the Commissioner.

Funding requests from a General Aviation Airport for Final Project Formulation equal to or greater than fifty thousand dollars (\$50,000) will be considered by the Tennessee Aeronautics Commission at their next scheduled public meeting. The TAC will recommend Federal and/or State funding approval or denial to the Commissioner.

**Funding Participation Rates**

For General Aviation Airports included in the current National Plan of Integrated Airport Systems (NPIAS), the Federal Share on AIP grants shall comply with the most recent update of the Federal Aviation Administration’s (FAA) Order 5100.38D, Airport Improvement Program Handbook, unless exceptions apply. The Federal share is generally 90%. The TAC may recommend the local/other share to be a minimum of five percent (5%) with the remaining share provided by State funding, unless exceptions apply. Airports not included in the current NPIAS are not eligible for Federal Share.

If the Federal Share is greater than 90%, the TAC may recommend a split in the remaining share to be half by the State and half by local/other funding sources.

For requests with no Federal share, the TAC may recommend that the State’s share or participation rate be up to ninety-five percent (95%) on eligible projects. Airports located in Distressed or At-Risk Counties may be eligible for further exceptions as detailed the following paragraphs.

**Distressed Counties**

Subject to prioritization of projects and the availability of funds, airports in counties identified as

“Distressed” in the current fiscal year, as measured by the Appalachian Regional Commission (ARC), shall be exempt from providing local/other share on projects in the Airport Capital Improvement Plan (ACIP) that address unmet airside facility objectives based on each airport’s State airport classification as identified in Chapter 7, Table 13 of the TASP.

### **At-Risk Counties**

Subject to prioritization of projects and the availability of funds, airports in counties identified as “At-Risk” in the current fiscal year, as measured by the Appalachian Regional Commission (ARC), shall only be required to provide a minimum of two and a half percent (2.5%) matching local/other funds on projects in the Airport Capital Improvement Plan (ACIP) that mitigate obstructions to any Approach Surface to the airport runway.

### **Terminals**

The State may participate in funding for one (1) new, replacement, or renovated terminal building at an airport with a State share of fifty percent (50%), not to exceed five hundred thousand dollars (\$500,000). Existing terminals to be replaced shall be older than forty (40) years old. The State will not participate in renovations sooner than twenty (20) years from initial construction or since the last major renovation. Major renovations are improvements that extend the useful life of the building or ensure compliance with the Americans with Disabilities Act of 1990 (ADA). Improvements that are cosmetic or functional without extending the useful life of the building, or ensuring compliance with the Americans with Disabilities Act of 1990 (ADA), are not considered major renovations.

If the airport already has one (1) functioning terminal and desires to have an additional terminal, funding will not be made available under this program.

Note: The 40-year useful life of buildings is consistent with the FAA Order 5100.38D, Airport Improvement Program Handbook, and is assumed reachable if the airport is maintaining the asset at the proper intervals. Prioritization of terminal projects will be based on programming, system needs, and/or prioritization within the State Priority Rating (SPR) model.

### **State Funding Eligibility Requirements**

Airports must meet the following criteria to qualify for State funding.

1. The airport must hold a Public Airport License from the Tennessee Aeronautics Division.
2. An Airport Capital Improvement Plan (ACIP) containing a list of potential airport projects must be on file with the Tennessee Aeronautics Division and must be updated annually by the specified date (General Aviation Airports only).
3. The airport fuel tax report for the previous quarter must have been properly submitted to the Tennessee Department of Revenue.
4. Project requests must be made by the responsible elected official or representative of the Airport during the approved Tennessee Aeronautics Commission meeting, if applicable.
5. Projects must be identified on the Airport Capital Improvement Plan (ACIP) and the Airport Layout Plan (ALP) for review and approval by the Tennessee Aeronautics Commission. Projects not listed at the time of the request will be reviewed by the Tennessee Aeronautics Division for eligibility and need on a case-by-case basis.
6. The airport shall participate in the State-sponsored Operation Data Counter Program when requested.
7. For privately owned airports, State funds will only be granted to those projects that add to airport safety. The privately owned airport must have a Public Airport License and be open to the public to be eligible for State funds.

**Ineligible Items**

The following costs are ineligible to General Aviation airports for reimbursement using State funds:

- Aircraft Rescue and Firefighting (ARFF) equipment, vehicles, and buildings.
- Additional runways which have not been determined by the FAA to be secondary or crosswind type runways.

**TAC Role in Other Statewide Funding Programs****Pavement Maintenance/Preservation Program**

The Tennessee Aeronautics Commission shall review and recommend statewide funding annually for pavement maintenance/preservation at general aviation airports meeting the State funding eligibility requirements. The Tennessee Aeronautics Division shall establish guidelines and administer the program.

**Airport Maintenance**

The Tennessee Aeronautics Commission shall review and recommend statewide funding annually for the annual maintenance program for general aviation airports meeting the State funding eligibility requirements. The Tennessee Aeronautics Division shall establish guidelines and administer the program.

**Education and Outreach**

The Tennessee Aeronautics Commission shall review and recommend statewide funding and eligibility requirements annually for educational and outreach programs that advance aviation. The Tennessee Aeronautics Division shall establish guidelines and administer the program.

**Automated Weather Observing System**

The Tennessee Aeronautics Commission shall review and recommend statewide funding annually for the Automated Weather Observing System (AWOS) program. The Tennessee Aeronautics Division shall establish guidelines and administer the program.

**Advanced Aviation**

The Tennessee Aeronautics Commission shall review and recommend statewide funding annually for Advanced Aviation initiatives such as Uncrewed Aircraft Systems (UAS), Urban Air Mobility (UAM), and Advanced Air Mobility (AAM) related issues, interests, and policies. The Tennessee Aeronautics Division shall establish guidelines and administer the program.

**Operations Data Counter**

The Tennessee Aeronautics Commission shall review and recommend statewide funding annually for the Operations Data Counter Program. The Tennessee Aeronautics Division shall establish guidelines and administer the program.

**Tennessee Airport Technical Assistance Program (TN AirTAP)**

The Tennessee Aeronautics Commission shall review and recommend statewide funding annually for the Tennessee Airport Technical Assistance Program (TN AirTAP). The Tennessee Aeronautics Division shall establish guidelines and administer the program.