

## Proposed Policy Amendment to Expand Use of Aviation Passenger Facility Charges to Rail Projects—Docket Number FAA 2016-6596

---

Federal Register Notice [here](#)

Comments due June 17, 2016—submit comments to [regulations.gov](http://regulations.gov) [here](#)

### Overview

Under current Federal Aviation Administration (FAA) policy, Passenger Facility Charges (PFCs), collected from a surcharge on airline tickets, may be used only for certain, limited ground transportation improvements at airports. Current guidelines allow these funds to be used only for road and rail transportation that exclusively serves airport traffic. Exclusive use is defined to provide no more than incidental use for by non-airport users and “be unattractive and non-airport users in fact constitute only a minor percentage of total system ridership.”

Historically, the policy has not restricted FAA from approving transit stations on airport grounds, but it has limited the agency’s flexibility to approve PFC funds for rail transit service that pass through and continue past airport stations, even when the rail tracks are on airport property—an impediment to cost-effective and convenient transit service.

FAA is soliciting public comment on whether the agency should amend its policy to allow PFC funds to be eligible for rail transit projects that pass through an airport, including trackage or guideway where use of that right-of-way would not exclusively serve airport users.

### Background

PFCs are a surcharge on every airline ticket used to fund airport improvement projects. Current FAA policy limits the ground transportation projects eligible for PFC funds. Specifically, PFC funds are restricted to projects that meet each of these conditions:

- (1) The road or facility may only extend to the nearest public highway or facility of sufficient capacity to accommodate airport traffic;
- (2) the access road or facility must be located on the airport or within a right-of-way acquired by the public agency; and
- (3) the access road or facility must exclusively serve airport traffic.

The third criterion is intended to limit revenues from the PFC to projects primarily for the benefit of passengers who use and employees who work at the airport.

These criteria apply to all ground transportation facilities, including road and highway connections as well as rail transit connections. Because of the requirement for “exclusive use” FAA has privileged rail lines or spurs that terminate at airports rather than continue beyond airport stations.

With this proposed policy change FAA acknowledges that the “exclusive use” requirement is unduly limiting and runs counter to its mission to expand intermodal links at the nation's airports. The agency also finds that applying a policy created generally for highway access projects to rail transit projects at airports has resulted in inefficient and overly expensive designs. While a road connection from the

airport to the regional highway network is enough to allow drivers to access an airport from across the region, a stub rail line offers limited access and an inconvenient route for travellers to or from an airport.

FAA also notes changing geography: airports that were built at the urban periphery have seen suburban development spread around them and are now at the center of commuting flows. Forcing transit lines to avoid passing through airport facilities does not make sense.

A specific recent example demonstrates the limits of the current policy. In 2014 the Metropolitan Washington Airport Authority (MWA) applied to use its PFC funds for a metro rail station and tracks at Dulles International Airport. The tracks would connect the station to a new rail line extending from Washington, through Dulles, and beyond into the northern Virginia suburbs. Because commuters would pass through the station on trains—and thus the new station and tracks would not be used exclusively by travellers to and from the airport—the airport station was approved but the trackage was deferred. In reviewing this application FAA determined that the existing policy was not allowing the agency to meet their goal of promoting intermodal connections at airports.

## POLICY PROPOSAL

FAA proposes three ways airports could measure and demonstrate the marginal cost of serving the airport by rail transit (costs which would be eligible for PFC funds).

- 1) Incremental cost comparison: This would measure the additional cost of tracks and a station directly serving the airport, assuming a rail transit line would already be built passing by the airport. Only tracks and stations on airport property would be eligible for PFC funds.
- 2) Separate system comparison: If the airport can demonstrate that the cost of having rail transit directly serve the airport would be less than the cost of a separate people mover or dedicated airport system connecting to an off-site rail station, then the cost of the less expensive direct rail connection would be available for PFC funds.
- 3) Prorate costs of the transit line based on the portion of transit passengers travelling to and from the airport.

The proposed policy amendment would expand PFC eligibility to the on-airport portions of track and supporting structures (electrical lines, lighting, etc.) for a through-line where the airport station is not the terminus. This proposal would not expand PFC eligibility for any rail costs off-airport property and would be applied prospectively.

## ANALYSIS

In this policy proposal FAA is taking a positive step to provide local governments and airport authorities greater flexibility to use PFCs to meet the current and future needs of all air and surface passengers. The proposed policy amendment also wisely acknowledges the different design needs for rail transit and highway networks and that changing urban and suburban geography will require more transit trips near airports. The proposed policy change would allow for new transit serving airports to be designed to be more efficient; improved designs would make cost-effective use of public funds and offer better service resulting in more direct and convenient trips for travelers and airport employees.