

# PROPOSED AMENDMENT

## ES 246 # 24

### DIGEST

Airports. Voids an administrative rule concerning eligibility of projects for which funding is available from the airport development grant fund (grant fund) and relocates (with stylistic changes) the contents of the voided administrative rule. Requires the Indiana department of transportation, in determining the match for a state grant for which federal grants are not available, to: (1) consider the airport classification and the type of project; and (2) require matching funds of at least 25%.

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- 1           Page 3, between lines 2 and 3, begin a new paragraph and insert:  
2           "SECTION 3. IC 8-21-11-5 IS AMENDED TO READ AS  
3           FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 5. (a) The department  
4           shall adopt rules under IC 4-22-2 to establish a program to foster  
5           airport development in Indiana with special emphasis on improvement  
6           of airports as an economic development tool. The program must  
7           include the following components:  
8                 (1) State grants to airports from the grant fund to match federal  
9                 Aviation Trust Fund grants.  
10                (2) State grants to airports from the grant fund for airport  
11                development projects for which federal grants are not available.  
12                (3) Loans to airports from the loan fund for airport development  
13                projects.  
14           (b) The rules must establish the following for both grants and loans:  
15                (1) Standards of eligibility.  
16                (2) The maximum amount of money for which any one (1) airport  
17                or airport development project is eligible.  
18                (3) Application procedures.  
19                (4) The local matching funds that are required.  
20                **(5) In determining the amount of the match for a state grant**  
21                **for which federal grants are not available as described in**  
22                **subsection (a)(2), the department shall:**  
23                    **(A) consider the airport classification and the type of**  
24                    **project; and**  
25                    **(B) require matching funds of at least twenty-five percent**

1           **(25%).**

2           ~~(5)~~ **(6)** Other provisions to administer the grant and loan  
3           programs.

4           SECTION 4. IC 8-21-11-5.5 IS ADDED TO THE INDIANA CODE  
5           AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
6           1, 2023]: **Sec. 5.5. (a) The program described in section 5 of this  
7           chapter is designed to optimize the use of the grant fund. The  
8           primary goals of the allocation program are to:**

9                 **(1) further the proper development and maintenance of a  
10                statewide system of airports;**

11               **(2) further economic development; and**

12               **(3) provide safety of aircraft operations.**

13           **(b) This program requires the project to do the following:**

14               **(1) Be for the establishment or improvement of a public use  
15                airport.**

16               **(2) Be included in the Indiana airports system plan, as  
17                provided in IC 8-21-1-8.**

18               **(3) Be located on a site approved by the department.**

19               **(4) Follow an airport layout plan approved by the  
20                department.**

21               **(5) Meet the general design criteria of the Federal Aviation  
22                Administration Advisory Circulars.**

23           **However, subdivisions (1) through (5) are examples and guidelines  
24           and may be waived by the department, where, in the judgment of  
25           the department, the public interest is best served by allowing less  
26           stringent criteria.**

27           **(c) Engineering agreements for work to be financed in part by  
28           the grant fund must be reviewed for approval by the department.**

29           **(d) Airport development items that are eligible for funding  
30           include the following:**

31               **(1) Land acquisition for development of airport facilities.**

32               **(2) Engineering and legal fees for airport planning and  
33                development.**

34               **(3) Grading, drainage, paving, and miscellaneous items  
35                necessary for the construction or reconstruction of runways,  
36                taxiways, and aprons.**

37               **(4) Acquisition of runway clear zones and aviation easements,  
38                or other interests in air space as may be reasonably required  
39                for safeguarding aircraft operations in the vicinity of an  
40                airport.**

- 1           **(5) Removal of obstructions from approach areas.**  
 2           **(6) Installation or relocation of any of the following:**  
 3               **(A) Segmented circles.**  
 4               **(B) Runway, apron, and taxiway lights.**  
 5               **(C) Taxiway guidance signs.**  
 6               **(D) Obstruction lights.**  
 7               **(E) Security flood lights.**  
 8               **(F) Airport beacons.**  
 9               **(G) Wind and landing direction indicators.**  
 10              **(H) Auxiliary power units.**  
 11              **(I) REILs (Runway End Identification Lights) and visual**  
 12              **glideslope indicator systems.**  
 13           **(7) Grading, drainage, paving, and miscellaneous items**  
 14           **necessary for the construction or reconstruction of airport**  
 15           **access roads and public auto parking areas.**  
 16           **(8) Construction of airport safety facilities, security fencing,**  
 17           **acquisition of aircraft rescue and firefighting (ARFF)**  
 18           **vehicles, and snow removal equipment.**  
 19           **(9) Installation of instrument landing systems, approach**  
 20           **lighting systems, and other approach aids.**  
 21           **(10) Development of master planning grants.**  
 22           **(11) Airport operational buildings. However, additional**  
 23           **building projects will not be eligible until the eighth fiscal**  
 24           **year after the completion of the previous building project.**  
 25           **(12) Terminal buildings, fuel farms, and hangars.**  
 26           **(13) Other items approved by the department, where, in the**  
 27           **judgment of the department, the public interest is best**  
 28           **served."**

29           Page 55, after line 6, begin a new paragraph and insert:

30           "SECTION 80. [EFFECTIVE JULY 1, 2023] **(a) 105 IAC 3-1-2 is**  
 31           **void. The publisher of the Indiana Administrative Code shall**  
 32           **remove 105 IAC 3-1-2 from the Indiana Administrative Code.**

33           **(b) This SECTION expires July 1, 2024."**

34           Re-number all SECTIONS consecutively.

(Reference is to ESB 246 as printed March 30, 2023.)