

FAA Announces Additional Aid Available to Airports under ARPA

On June 22, 2021, the Federal Aviation Administration ("FAA") announced its process for distributing Airport Rescue Grants pursuant to the American Rescue Plan Act of 2021 (H.R. 1319, Pub. L. 117-2) ("ARPA"). The FAA is issuing nearly \$8 billion in total grants to airports all over the country based on airport size. Like CARES Act and CRRSAA grants, ARPA Grants are allocated on the condition of workforce retention requirements. The FAA expects airport sponsors to apply for ARPA Grants by November 2021. For more information refer to the FAA website and video explainer.

ARPA Grants will be distributed as follows

- Primacy commercial service airports, *e.* airports with more than 10,000 annual passenger boardings, will share about \$7.3 billion based on their number of annual boardings.
 - \$800 million of these grants are specifically allocated for airport concessions, distributed to concessionaires by the airports themselves. Airport sponsors apply for these funds separately than the total amount allocated to them by the FAA.
 - Allocations are based similarly to how airports receive Airport Improvement Program (AIP) funds.
- Non-primary commercial service and general aviation airports will share \$100 million, with allocations determined by airport category, i.e. National, Regional, Local, and Basic.
- Similar to CARES, but not CRRSAA, ARPA covers 2021 AIP and Supplemental
 Discretionary Grants at 100% Federal share, totaling no more than \$608 million.

 Sponsors do not need to take any additional action to receive these funds.
- Unclassified Airports, based on the September 2020 NPIAS, are excluded from any Grant allocations.

Airports will be able to use these to fund debt service, just as with prior COVID-relief grants. Airports may also allocate relief to concessionaires based on pre-pandemic service levels.

