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UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

FOR RELEASE
JUNE 4, 1982

STATEMENT OF
HENRY ESCHWEGE, DIRECTOR
COMMUNITY AND ECONOMIC DEVELOPMENT DIVISION
BEFORE THE
SUBCOMMITTEE ON AVIATION
SENATE COMMITTEE ON COMMERCE, SCIENCE,
AND TRANSPORTATION
ON
THE PROPOSED AIRPORT AND AIRWAY SYSTEM
DEVELOPMENT ACT OF 1982



MADAM CHAIRWOMAN AND MEMBERS OF THE SUBCOMMITTEE:

WE WELCOME THE OPPORTUNITY TO DISCUSS OUR ONGOING REVIEW OF THE ADEQUACY OF MAINTENANCE OF SMALL AIRPORT RUNWAYS WHICH WERE DEVELOPED UNDER THE AIRPORT DEVELOPMENT AID PROGRAM.

BETWEEN 1970 AND 1981, THE FEDERAL AVIATION ADMINISTRATION (FAA) INVESTED ABOUT \$760 MILLION TO CONSTRUCT AND IMPROVE RUNWAYS AT OVER 1700 OF THE NATION'S SMALLER AIRPORTS, AS PART OF DEVELOPING A NATIONAL AIRPORT SYSTEM. AS A CONDITION OF RECEIVING FEDERAL AID THE AIRPORT OWNERS--NORMALLY LOCAL GOVERNMENTS--AGREED TO PROPERLY MAINTAIN THE AIRPORTS.

BECAUSE OUR REVIEW HAS NOT BEEN COMPLETED THE VIEWS EXPRESSED IN THIS STATEMENT SHOULD BE REGARDED AS TENTATIVE. WE PLAN TO ISSUE A FINAL REPORT IN AUGUST 1982 AFTER WE HAVE OBTAINED COMMENTS OF THE DEPARTMENT OF TRANSPORTATION.

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BASIS FOR AIRPORTS SELECTED

WE PERFORMED OUR REVIEW IN THE NEW ENGLAND, SOUTHWEST, AND NORTHWEST REGIONS OF THE FAA IN ORDER TO PROVIDE BOTH A GEOGRAPHIC AND A CLIMATIC PERSPECTIVE. OUR REVIEW ENCOMPASSED ALL RUNWAY PROJECTS COMPLETED BETWEEN JANUARY 1, 1970, AND DECEMBER 31, 1974, IN CONNECTICUT, MAINE, MASSACHUSETTS, NEW HAMPSHIRE, VERMONT, LOUISIANA, IDAHO, OREGON, AND WASHINGTON, AND IN THE SOUTHERN PORTION OF TEXAS. WE SELECTED PROJECTS COMPLETED DURING THIS PERIOD BECAUSE THE EFFECTS OF POOR AND/OR DEFERRED MAINTENANCE SHOULD BE MORE VISIBLE ON OLDER PROJECTS. WE EXCLUDED LARGE AIRPORTS FROM OUR SAMPLE, BECAUSE PRELIMINARY WORK SHOWED THAT SUCH AIRPORTS DID NOT HAVE SERIOUS MAINTENANCE PROBLEMS. WE SELECTED 46 AIRPORTS AND VISITED THEM BETWEEN NOVEMBER 1981 AND FEBRUARY 1982. OUR REVIEW INCLUDED 12 SMALL AIR CARRIER, 10 COMMUTER AND 24 GENERAL AVIATION AIRPORTS.

INSPECTION PROCEDURES

THE FAA PROVIDED US QUALIFIED ENGINEERS TO ASSIST US IN INSPECTING AND ASSESSING RUNWAY CONDITIONS AT ALL AIRPORTS EXCEPT IN IDAHO. AN IDAHO STATE AERONAUTICS DIVISION OFFICIAL ASSISTED US IN IDAHO. THE RUNWAY CONDITIONS WERE ASSESSED SOLELY BY VISUAL INSPECTIONS.

AIRPORT REPRESENTATIVES ALSO ACCOMPANIED US DURING THE INSPECTIONS AND DISCUSSED THEIR RUNWAY MAINTENANCE PRACTICES. WE CONTACTED THE AERONAUTIC DIVISION OFFICE IN EACH OF THE 10 STATES TO ASCERTAIN THE STATE'S ROLE IN AIRPORT MAINTENANCE AND TO REVIEW STATE AIRPORT INSPECTION REPORTS.

RESULTS OF REVIEW

WE FOUND THAT CRITICAL RUNWAY PAVEMENT MAINTENANCE HAS BEEN DEFERRED IN MOST INSTANCES FOR SEVERAL YEARS AT 33, OR 72 PERCENT, OF THE 46 AIRPORTS WE VISITED. CONDITIONS RANGED FROM 1/4 INCH CRACKS OVER A PORTION OF THE RUNWAY TO CRACKS UP TO 3 INCHES WIDE OVER THE ENTIRE RUNWAY. WE ALSO FOUND CRACKS UP TO 6 INCHES DEEP. WE FOUND NO SIGNIFICANT DIFFERENCES AMONG FAA REGIONS OR TYPE OF AIRPORT. ALTHOUGH POORLY MAINTAINED RUNWAYS CAN BE A SAFETY HAZARD, NONE OF THE RUNWAYS WITH DEFERRED MAINTENANCE WERE CONSIDERED UNSAFE BY THE INSPECTORS.

THE INSPECTORS THAT ACCOMPANIED US ESTIMATED THAT THE USEFUL LIFE OF THE RUNWAYS INSPECTED COULD BE SHORTENED BY AN AVERAGE OF 24 PERCENT, OR ABOUT 6 YEARS, UNLESS THEY ARE REPAIRED. IN ADDITION TO SHORTENING A RUNWAY'S USEFUL LIFE, DEFERRING MAINTENANCE CAN RESULT IN SERIOUS DAMAGE TO THE BASIC RUNWAY STRUCTURE, THUS INCREASING THE COST TO REHABILITATE THE RUNWAY. MUCH OF THIS INCREASED COST COULD BE BORNE BY THE FEDERAL GOVERNMENT IF THE RUNWAYS INVOLVED ARE REHABILITATED UNDER A FUTURE AIRPORT DEVELOPMENT AID PROGRAM.

FAA'S FAILURE TO EFFECTIVELY MONITOR AIRPORT MAINTENANCE AND ACCURATELY ASSESS AIRPORT PAVEMENT CONDITIONS CONTRIBUTE TO DEFERRED MAINTENANCE, BUT LACK OF FUNDS TO PERFORM MAINTENANCE WAS THE REASON MOST OFTEN CITED BY AIRPORT REPRESENTATIVES.

IN ADDITION TO OUR WORK IN THE 10 STATES, WE DISCUSSED THE POOR MAINTENANCE CONDITIONS WE FOUND WITH THE FAA DIRECTOR OF AIRPORTS STANDARDS AND HIS STAFF. BASED ON THESE DISCUSSIONS, AND STUDIES BY OTHERS WHICH ARE COVERED LATER IN THIS STATEMENT, WE BELIEVE THAT THE PROBLEMS IDENTIFIED ARE WIDESPREAD.

LACK OF FUNDS CITED FOR
DEFERRING MAINTENANCE

REPRESENTATIVES AT 29 OF THE AIRPORTS DEFERRING MAINTENANCE SAID THAT THEY LACKED THE FUNDS NEEDED FOR AN ADEQUATE MAINTENANCE PROGRAM. ALL THE AIRPORTS INSPECTED WERE OWNED AND OPERATED BY A CITY, COUNTY, STATE, OR PORT AUTHORITY. MOST AIRPORTS WE VISITED WERE NOT SELF-SUPPORTING AND HAD TO BE SUBSIDIZED BY THE OWNER. IN VARYING DEGREES, 35 OF THE 46 AIRPORTS DEPENDED ON SUBSIDIES TO SUPPLEMENT FUNDS COLLECTED FROM AIRPORT USERS. UNAUDITED INFORMATION PROVIDED BY THE 35 AIRPORTS SHOWS THAT 21 RECEIVED AT LEAST HALF OF THEIR TOTAL ANNUAL REVENUES FROM SUBSIDIES.

AIRPORT REPRESENTATIVES' ATTEMPTS TO OBTAIN MORE OPERATING AND MAINTENANCE SUBSIDIES WERE NOT WELL DOCUMENTED. IN SOME CASES, THE AMOUNT OF FUNDS REQUESTED FOR MAINTENANCE COULD NOT BE ASCERTAINED FROM AVAILABLE RECORDS. IN OTHER CASES, THE ACTUAL AMOUNT MADE AVAILABLE FOR MAINTENANCE COULD NOT BE DETERMINED BECAUSE LOCAL OR STATE GOVERNMENT MAINTENANCE CREWS PERFORMED THE MAINTENANCE WITHOUT CHARGE TO THE AIRPORTS.

STATE FUNDS TO HELP LOCALLY OWNED AIRPORTS PAY FOR RUNWAY MAINTENANCE ARE LIMITED. FOR EXAMPLE, ONLY 5 OF THE 10 STATES WE VISITED HAD PROGRAMS TO ASSIST LOCALLY OWNED AIRPORTS TO MEET THEIR MAINTENANCE NEEDS. STATE OFFICIALS AGREED THAT INADEQUATE FUNDS HAVE CONTRIBUTED TO DEFERRED MAINTENANCE AT LOCALLY OWNED AIRPORTS.

LACK OF FUNDS FOR PAVEMENT MAINTENANCE IS A LONGSTANDING PROBLEM. IN 1974 THE DEPARTMENT OF TRANSPORTATION CONTRACTED FOR AN ANALYSIS OF GENERAL AVIATION AIRPORTS DEVELOPED WITH FEDERAL FINANCIAL AID. THE CONTRACTOR REPORTED THAT FEW OF THE AIRPORTS

INSPECTED HAD PERFORMED MAINTENANCE TO PROTECT OR EXTEND RUNWAY LIFE. THE CONTRACTOR OBSERVED THAT MOST GENERAL AVIATION AIRPORTS ARE OWNED BY SMALL MUNICIPALITIES, WHICH DO NOT HAVE FUNDS AVAILABLE TO MAINTAIN RUNWAYS. IN 1980 THE NATIONAL ASSOCIATION OF STATE AVIATION OFFICIALS EXPRESSED CONCERN OVER RUNWAY DETERIORATION AT A LARGE NUMBER OF THE NATION'S PUBLIC-USE AIRPORTS. BASED ON A SURVEY OF ITS MEMBERS, THE ASSOCIATION CONCLUDED THAT A NEED EXISTS FOR PRIORITY EMERGENCY FUNDING TO PRESERVE THE EXISTING PUBLIC-USE AIRPORT CAPACITY. THE SURVEY SHOWED AN UNVALIDATED, VERY ROUGH ESTIMATE OF SUCH NEEDS AS \$74 MILLION FOR GENERAL AVIATION AIRPORTS AND \$70 MILLION FOR AIR CARRIER, COMMUTER, AND RELIEVER AIRPORTS.

FAA COULD DO MORE TO PREVENT DEFERRED MAINTENANCE

ALTHOUGH A LACK OF FUNDS WAS THE PRIMARY REASON AIRPORT REPRESENTATIVES CITED FOR DEFERRING MAINTENANCE, FAA'S FAILURE TO REPORT POOR MAINTENANCE CONDITIONS AND PRACTICES DURING ROUTINE AIRPORT INSPECTIONS AND TO REQUIRE THE OWNERS TO CORRECT THEM IS A CONTRIBUTING FACTOR. WE REVIEWED AVAILABLE FAA INSPECTION REPORTS FOR EACH AIRPORT WHERE DEFERRED MAINTENANCE WAS OBSERVED. EVEN THOUGH THE RUNWAYS WERE POORLY MAINTAINED AND THE DEFERRED MAINTENANCE CONDITIONS WE NOTED APPARENTLY EXISTED AT THE TIME OF THE MOST RECENT FAA INSPECTION, THE INSPECTION REPORTS SHOWED THAT MAINTENANCE WAS SATISFACTORY AT 31 OF THE 33 AIRPORTS. WE COULD NOT FIND ANY FAA INSPECTION REPORTS FOR ONE AIRPORT AND THE INSPECTION REPORTS FOR THE OTHER AIRPORT COMMENTED ON INADEQUATE MAINTENANCE.

ACCORDING TO FAA OFFICIALS, FAA INSPECTORS DO NOT REPORT POOR MAINTENANCE CONDITIONS BECAUSE FINDING A SPONSOR IN NON-COMPLIANCE

WITH GRANT OBLIGATIONS COULD ULTIMATELY LEAD TO TAKING ADMINISTRATIVE OR JUDICIAL ACTIONS AGAINST SUCH SPONSORS. FAA OFFICIALS IN THE THREE REGIONS WE VISITED SAID THAT TAKING SUCH ACTION WOULD BE CONTRARY TO FAA'S MISSION OF PROMOTING CIVIL AVIATION. THEY STATED THAT FAA PREFERS TO OBTAIN VOLUNTARY COMPLIANCE WITH GRANT AGREEMENTS AND HAS NEVER SOUGHT TO FORCE COMPLIANCE THROUGH COURT ORDERS OR ADMINISTRATIVE ACTIONS.

ALTHOUGH ATTEMPTING TO OBTAIN COMPLIANCE WITH GRANT OBLIGATIONS THROUGH COOPERATION AND MUTUAL AGREEMENT MAY BE IN THE BEST INTEREST OF ALL CONCERNED, THESE GRANTS REPRESENT SIGNIFICANT FEDERAL INVESTMENTS, AND FAA IS RESPONSIBLE FOR SEEING THAT AIRPORTS MEET THEIR COMMITMENTS. THEREFORE, WE BELIEVE THAT FAA MAY HAVE TO, AS A LAST RESORT, USE ADMINISTRATIVE OR JUDICIAL ACTIONS TO OBTAIN COMPLIANCE.

SOME MAINTENANCE MIGHT NOT BE DEFERRED IF AIRPORT MANAGERS HAD BETTER GUIDANCE ON ACCEPTABLE RUNWAY MAINTENANCE PRACTICES. WHILE SOME AIRPORT MANAGERS ATTEMPTED TO PERFORM RUNWAY MAINTENANCE, THEIR METHODS OF CLEANING, FILLING, AND SEALING PAVEMENT CRACKS WERE IMPROPER AND INEFFECTIVE. IN ADDITION, SOME AIRPORT MANAGERS WERE DAMAGING RUNWAYS DURING SNOW REMOVAL. FAA IS DEVELOPING, AND PLANS TO DISTRIBUTE, AN ADVISORY CIRCULAR ON AIRPORT PAVEMENT MAINTENANCE. FAA OFFICIALS SAID THAT THEY PLAN TO PROVIDE TRAINING TO AIRPORT SPONSORS ON HOW TO USE THE ADVISORY CIRCULAR.

POSSIBLE ACTIONS

WE ARE EXPLORING A NUMBER OF ACTIONS WHICH THE CONGRESS AND SECRETARY OF TRANSPORTATION COULD TAKE. THE SECRETARY COULD HAVE

THE ADMINISTRATOR, FAA

--DIRECT THE AGENCY'S AIRPORT INSPECTORS TO REPORT AIRPORT SPONSORS' POOR MAINTENANCE OF RUNWAYS;

--DIRECT THE AGENCY'S REGIONAL OFFICES TO PURSUE AIRPORT SPONSORS' COMPLIANCE WITH MAINTENANCE OBLIGATIONS, AND AS A LAST RESORT, TAKE ADMINISTRATIVE OR JUDICIAL ACTION AGAINST SPONSORS WHO FAIL TO PROPERLY MAINTAIN THEIR RUNWAYS; AND

--INITIATE A DIALOGUE WITH THE STATES THAT ARE NOT CURRENTLY ASSISTING SMALL AIRPORTS TO SEE IF SUCH ASSISTANCE CAN BE ARRANGED.

THE CONGRESS, IN STRUCTURING A NEW AIRPORT DEVELOPMENT AID PROGRAM, MAY WANT TO

--REQUIRE AIRPORT SPONSORS TO PROVIDE GREATER ASSURANCES THAT FUNDS FOR MAINTENANCE WILL BE AVAILABLE AND PROVIDED WHEN NEEDED. SUCH ASSURANCES COULD TAKE THE FORM OF A REQUIREMENT THAT A TRUST FUND OR SIMILAR DEDICATED FUNDING SOURCE BE ESTABLISHED; OR POSSIBLY THE SPONSOR COULD BE REQUIRED TO OBTAIN A PERFORMANCE BOND OR SIMILAR GUARANTEE THAT MAINTENANCE WILL BE PERFORMED; OR

--PROVIDE FINANCIAL AID FOR MAINTENANCE AT SMALL AIRPORTS.

AS YOU MAY RECALL MADAM CHAIRWOMAN, WE PROVIDED COMMENTS LAST SPRING ON OUR CONCERNS OVER CERTAIN REQUIREMENTS PROVIDED FOR IN THE PROPOSED AIRPORT AND AIRWAYS SYSTEM DEVELOPMENT ACT OF 1981 (SENATE BILL 508). A COPY OF OUR APRIL 6, 1981, LETTER IS ATTACHED TO THIS STATEMENT FOR READY REFERENCE.

MADAM CHAIRWOMAN THIS CONCLUDES OUR STATEMENT.



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-197798
CED 1-124

APR 6 1981

The Honorable Nancy L. Kassebaum
Chairwoman, Subcommittee on
Aviation
Committee on Commerce, Science,
and Transportation
United States Senate

Dear Senator Kassebaum:

This is to advise you of our concerns over certain requirements provided for in the proposed Airport and Airway System Development Act of 1981 (Senate bill 508) and to ask your support in any actions you or the Subcommittee may take to provide for the improvement of the Nation's airport and airway system.

PLAN FOR JOINT USE OF
MILITARY AIRPORTS

Section 4(c)(2) of Senate bill 508 would require the Secretary of Defense, the Secretary of Transportation, and the Comptroller General to submit a joint evaluation of the military airport system along with a plan for joint use of military airports and facilities. We believe that our Office should not participate in the evaluation or in the formulation of such a plan because it is a basic executive agency responsibility to determine the manner in which they should use their resources to effectively, efficiently, and economically achieve the objectives established or intended by the Congress. Our Office is charged with objectively and independently evaluating and reporting to the Congress on the efficiency, effectiveness, and economy with which agencies carry out their responsibilities. We would be unable to do this if we participated in the development of the proposed plan.

INDEPENDENT AUDIT OF GRANTS

Subsection 20(c) of the Senate bill would continue the requirements provided for in subsection 26(c) of the Airport and Airway Development Act of 1970 (49 U.S.C. 1726(c)). The

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Act of 1970 required (1) grant recipients to file with the Comptroller General copies of any independent audit reports relating to the use of grant proceeds and (2) the Comptroller General to report to the Congress on the contents of these audit reports.

The Federal Aviation Administration (FAA) has told us that neither its records nor its audit efforts have disclosed that grant recipients have arranged for independent audits of grant proceeds. Grant recipients have no real need to arrange for independent audits of grant proceeds because, generally, grant proceeds are audited in-house by the Department of Transportation (DOT), or by independent public accountants contracted for by DOT or FAA. Accordingly, we see no need for the provisions of subsection 20(c).

REPORTING ON THE AVAILABILITY OF
FUNDS FROM NON-FEDERAL SOURCES

Subsection 20(e)(1) of Senate bill 508 would require grant recipients at any primary airport that is part of an air traffic hub to document to the Comptroller General that adequate funding for airport development projects is not available from sources other than Federal assistance. This subsection would empower the Comptroller General to prescribe the manner and form of such documentation, but as a minimum, this documentation would be required to include: a statement of assets and liabilities; capital and surplus or deficit analysis; and a statement of sources and applications of funds. Also, each year the Comptroller General would be required to provide a copy of such documentation to the Congress along with a report containing any comments, information, or recommendations on the operations and financial condition of grant recipients. Subsection 20(e)(2) would require the General Accounting Office to develop a standard accounting system for grant recipients within 180 days of the bill's enactment to ensure the comparability of the documentation required by subsection 20(e)(1). These provisions were apparently added to the bill to aid the Congress in determining whether additional airports, similar to those identified in subsection 23(a) and (b), should be defederal-



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Subsection 20(e)(1) and (2), if enacted, would have a substantial impact on grant recipients and our Office. First, it appears that a large number of airports would be required to provide documentation. There are about 550 air carrier airports, excluding those to be defederalized, and over 130 commuter service airports. Many of them would be eligible for grants each year under the distribution formulas provided for in subsection 8(b) of Senate bill 508 because of the number of passengers enplaned at these airports, and they would be subject each year to submitting the documentation required by subsection 20(e)(1). The repetitive nature of this documentation could be considered excessive/redundant and an unnecessary burden to grant recipients.

(See note)

Regarding the establishment of accounting standards to meet these minimum documentation requirements, we understand that the American Institute of Certified Public Accounts (AICPA) is currently developing for airports detailed reporting requirements for assets, liabilities, and fund balances; operations; and changes in financial position. A pronouncement from the AICPA is to be issued in the near future. Until this pronouncement is issued and the details of the reporting requirements known, our Office would prefer not to be involved in the development of standards so as to avoid duplication. Also in the past, our Office has not developed reporting requirements (accounting standards) for general purpose financial statements for organizations in the private sector. This responsibility has been with the Financial Accounting Standards Board, the AICPA, the National Council of Governmental Accounting, or other bodies.

Besides the minimum documentation requirements, we believe additional information will be needed to document that adequate funding was not available from other sources. This information would include, but would not necessarily be limited to the following: the borrowing authority of the grant recipient, including any limits, and the status of its current borrowings; the recipient's authority and efforts to obtain funds from the local government responsible for the airport; and extensive and detailed information not available from the financial statements to evaluate whether the airport was operated economically and efficiently. These additional documentation requirements would be time consuming and costly to grant recipients.

The AICPA issued its pronouncement in September 1981, entitled, "Audits of Airlines." The pronouncement, however, does not provide the substantive guidance on airport accounting that we had anticipated. It describes the current financial accounting and reporting practices for the airline industry and the application of generally accepted auditing standards to audits of financial statements of entities in the airline industry.

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Our Office would need more resources--personnel and money--to do the additional work that is inherent in the requirements of subsection 20(e)(1) of Senate bill 508. There could be several hundred grant recipients submitting documents each year which would have to be processed and reported on to the Congress. The following table shows the number of development grant agreements by type of airport for each of the last four fiscal years.

<u>Fiscal year</u>	<u>Type of airport</u>		<u>Total</u>
	<u>Air carrier/ commuter</u>	<u>General aviation/ reliever</u>	
1977	511	246	757
1978	504	257	761
1979	496	362	858
1980	<u>519</u>	<u>298</u>	<u>817</u>
Total	<u>2030</u>	<u>1163</u>	<u>3193</u>
Average	<u>507</u>	<u>291</u>	<u>798</u>

Use of existing staff to do the work to meet the requirements of this subsection could affect our ability to serve the other needs of the Congress in other areas.

Previously, it has been the Federal grantor agency--not GAO--which has established the specific information needs, along with the form of the reporting. This allows our Office to exercise our traditional role as the independent reviewer and evaluator of both the grantor and the grantee activities and performance. This role is consistent with the type and amount of resources made available to the Office by the Congress.

STUDIES ON DEFEDERALIZED AIRPORTS

Section 27 of Senate bill 508 would require the Secretary of Transportation and the Comptroller General to conduct separate studies to determine whether airports made ineligible

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for Federal assistance under subsections 23(a) or 23(b) of the bill could make up for the lost Federal assistance through renegotiation of rates (landing fees) with air carriers or by other means. These studies also would consider the advisability of repealing section 1113 of the Federal Aviation Act of 1958 (49 U.S.C. 1513) to permit such airports to impose a tax, fee, or head charge.

The requirement for separate studies by both the Secretary of Transportation and the Comptroller General is a duplication of effort and does not seem to be the best use of Federal resources. Further, concurrent studies by this Office and the Secretary of Transportation would result in constant competition in obtaining needed information and records. This competition would have an adverse impact on those required to provide the needed information and records and make it difficult to complete the studies within the 9-month time period provided by the bill. Because of the duplication and its adverse impacts, we believe we could better assist the Congress by monitoring the scope, methodology, and implementation of the Secretary's study. As always, we are willing to work closely with the Congress by responding to specific requests.

The studies provided for by section 27 are intended to provide a basis for seeking legislative relief should the studies show that any defederalized airport was having difficulty making up the lost Federal assistance. We believe an alternate approach exists to address this potential problem. The Secretary of Transportation could be provided with stand-by authority to either give defederalized airports authority to impose a tax, fee, or head charge, or to reinstate an airport's eligibility for Federal assistance should the Secretary find that a defederalized airport was unable to replace the Federal funds. This approach would eliminate the need for the studies proposed in Senate bill 508, as each airport would be considered on an individual basis. It would also eliminate the need for the Congress to enact legislation later to provide needed relief. Further, it would be more consistent with our past recommendation that the Congress establish priorities and use them to distribute Federal airport development grants to implement the National Airport System Plan, considering among other things the financial resources of airports. (See our report "Developing a

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National Airport System: Additional Congressional Guidance
Needed," CED 79-17, Apr. 17, 1979.)

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We believe our concerns about certain requirements in
Senate bill 508 are reasonable and well founded. We ask your
support in the actions you or the Subcommittee take.

We are sending similar letters to the Chairman, and
to the Ranking Minority Member of the Senate Committee on
Commerce, Science, and Transportation.

Sincerely yours,

/s/

Milton J. Socolar
Acting Comptroller General
of the United States