

KYTC Use of Federal Funds

Kentucky Department of Aviation (KDA)



Source & Allocation of Federal Aviation Funds



Airport & Airway Trust Fund (AATF)

- Provides primary & dedicated source of funding for the FAA, *independent of the General Fund*
- The AATF is funded by excise taxes on users of the national airspace system
- FAA uses AATF to:
 - Construction & Safety Improvements at airports
 - Technology Upgrades to Air Traffic Control
 - Conduct of FAA Operations

Airport Improvement Program (AIP)

- Federal Grant Program that is the major source of funding for airport development and planning
- All uses must be explicitly allowed
- Eligible uses generally include
 - Airport Safety
 - Capacity
 - Security
 - Preserving Infrastructure
 - Meeting FAA Standards and Environmental Concerns

AIP Eligible Airports

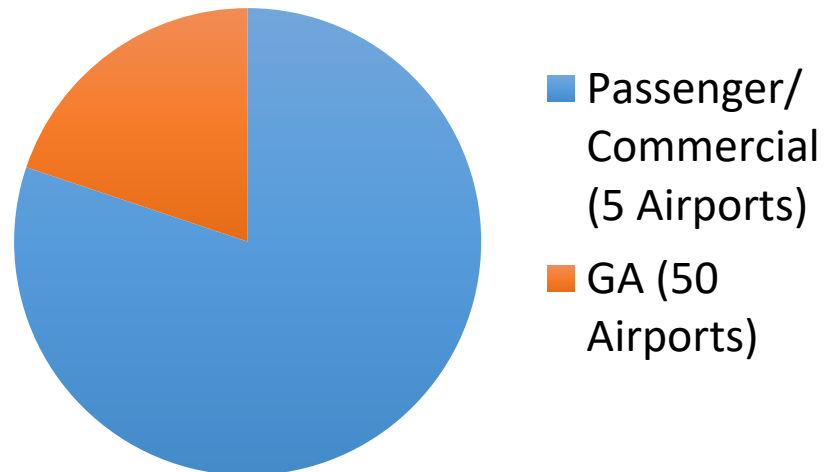
- Must be on the categorized National Plan of Integrated Airport Systems (NPIAS)
- FAA determined categorization determines funding
 - Passenger/Commercial (based on enplanements)
 - Reliever (\$150,000 per year)
 - General Aviation (GA) (\$150,000 per year)
- Each eligible airport must have a sponsor
- Federal funds are provided directly to the sponsor
- Grants normally require a local match and come with federal obligations

Snapshot of Federal Funding FY20

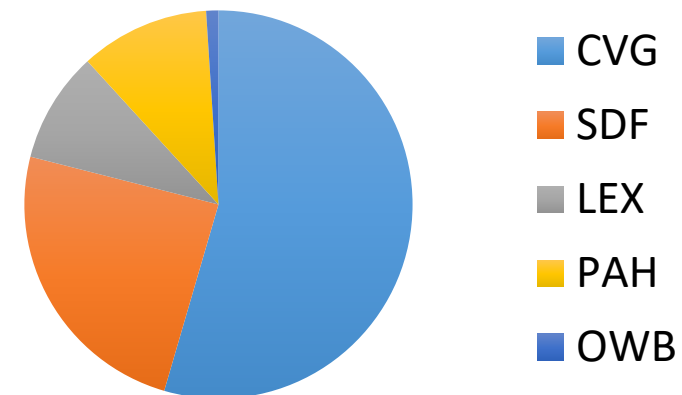


Airport Category	Regular Funding	CARES Act Supplement	Total Funding
Passenger/Commercial (5)	\$ 94,166,078	\$88,810,591	\$182,976,669
General Aviation (50)	\$ 23,308,751	\$ 2,536,105	\$ 25,844,856
Totals:	\$117,474,829	\$91,346,696	\$208,821,525

Total Funding



**Passenger/Commercial
\$182,976,669**



KDA's Role in Federal Funding

- Because federal dollars go directly to the airport sponsors, KDA only directly handles funding for the 4 state-owned airports
- In FY20, that equates to .0019% (\$405,333)
- Regarding federal dollars, KDA's major role is working with FAA to secure discretionary funds for critical needs.
 - Estimated \$20+ million for Gallatin County
 - \$8.3 million for Falmouth
 - \$5.9 million for Big Sandy

KDA's Role in Airport Funding

KDA supports all 57 of our public use airports. GA airports are our main focus. They serve essential roles in their communities including supporting growth and economic development, fast access for emergency services, and creating career opportunities.



KDA's Role in Airport Funding

From a national and world perspective, America is the unsurpassed leader in aviation. Our GA airports can be equated to being the *Farm Team* of professional aviation. Without our GA airports, our airlines could not exist and there would be nowhere for young people to explore their interests or find their futures in aviation.

- Small staff serving 51 GA airports, overseeing the construction of the 52nd, and moving forward on air service for Letcher County
- We use our FAA approved state system plan, pavement analysis, on-site inspections, and local planning to prioritize projects for our jet-fuel tax funds
- We budget approximately \$1,000,000 per year to help GA airports with 7.5% of the 10% required for federal grants
- Recently completed engineering study shows a need to spend \$10 million per year for next 7 years to correct pavement deficiencies
- Currently have identified over \$20 million in needs throughout the State
- Projected budget for FY21 (adjusted for COVID19 impact) is \$10 million

QUESTIONS?

Todd X. Bloch
Commissioner, Department of Aviation
Todd.Bloch@ky.gov
502-564-4490

Twitter: @KYTC
Facebook: /kytc120