



**United States  
General Accounting Office  
Washington, D.C. 20548**

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**Office of the General Counsel**

**Subject:** Whether the Airport and Airway Trust Fund was created solely to finance aviation infrastructure

**File:** B-281779

**Date:** February 12, 1999



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**Office of the General Counsel**

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February 12, 1999

The Honorable Frank R. Wolf  
Chairman, Subcommittee  
on Transportation and Related Agencies  
Committee on Appropriations  
House of Representatives

Dear Mr. Chairman:

This is in response to your December 10, 1998, letter concerning Congress' intent in establishing the Airport and Airway Trust Fund (trust fund) in 1970. You specifically questioned whether or not the trust fund was created solely to finance aviation "infrastructure," and if so, how "infrastructure" was defined during the congressional deliberations. You also asked us to review the amendments to the law creating the trust fund.

After examining the Airport and Airway Development and Revenue Acts of 1970 and the accompanying legislative history, we conclude that in 1970 the trust fund was not created solely to finance aviation infrastructure. When the trust fund was authorized in 1970, the balance of funds (after airport development) was to be allocated for certain administrative expenses, for research and development activities, and for the maintenance and operation of air navigation facilities. The term "infrastructure" does not appear in the statute or in the legislative history.

In our review of the amendments to the law creating the trust fund, we found that Congress has continuously authorized the trust fund to finance non-infrastructure expenses such as research and development costs. With the exception of a four-year period during fiscal years 1973-1976, when the funding of Federal Aviation Administration (FAA) operation and maintenance costs from the trust fund was prohibited, and fiscal year 1984, when the appropriation act specified use of general fund monies,<sup>1</sup> Congress has also authorized the trust fund to finance FAA operation and maintenance costs. In 1976, Congress capped the amount available for operation and maintenance costs and added a penalty clause. The cap and penalty clause were adjusted several times, and the penalty clause was eliminated in 1990.

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<sup>1</sup> Department of Transportation and Related Agencies Appropriations Act of 1984, Pub. L. No. 98-78, 97 Stat. 453, 456 (1983).

## BACKGROUND

In 1970 Congress enacted the Airport and Airway Development and Revenue Acts to deal with the inadequacy of the nation's airport and airway system to meet the current and projected growth in aviation at the time.<sup>2</sup> The 1970 act is comprised of two titles: title I is the Airport and Airway Development Act of 1970 and title II is the Airport and Airway Revenue Act of 1970. We will refer to these two laws simply as the 1970 act. Title I authorized federal funds, at least \$250 million a year for 5 years, for the acquisition, establishment and improvement of air navigational facilities and another \$280 million a year for 5 years for airport development. Title II established a trust fund comprised of aviation-related excise taxes to finance these activities. The aviation excise taxes included an increase in the gasoline tax on general aviation, an increase in the passenger ticket tax for domestic flights, a new tax on international commercial passengers, a new tax on air freight waybills, and a new annual aircraft registration tax.

## DISCUSSION

To answer your question regarding whether the trust fund was created solely to finance aviation infrastructure, we looked first to the statute for some guidance on the word "infrastructure." However, "infrastructure" is not defined or used in the act and is not discussed in the accompanying legislative history.<sup>3</sup> It is also not a term found in the federal accounting standards glossary, or in budget definitions. Webster's defines infrastructure as "the underlying foundation or basic framework (as of a system or organization)."<sup>4</sup>

When we use this definition and examine the 1970 act in terms of what would be considered "basic framework" or "underlying foundation," we find that sections 14a, 14b, and 14c authorized airport development, which was defined as any work involved in constructing, improving, or repairing a public airport.<sup>5</sup> It included the removal, marking and lighting of airport hazards, installing navigational aids and safety equipment, and the acquisition of land

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<sup>2</sup> Pub. L. No. 91-258, 84 Stat. 219 (1970).

<sup>3</sup> We also did a search of the United States Code to see how "infrastructure" is used and whether it is defined. It appears numerous times but is not specifically defined except in a particular context. For example, "space transportation infrastructure means facilities, associated equipment and real property . . . required to perform launch or space recovery activities." 15 U.S.C. § 5802 (1994). "Information infrastructure" in education means a network of communication systems designed to exchange information. 20 U.S.C. § 6813 (1994). "[R]ural infrastructure" means roads, irrigation systems and electrification. 7 U.S.C.A. § 1727e (West Supp. 1998). Sometimes, infrastructure is used to mean all systems necessary to make a program work. For example, title 42 calls for a report to identify the "infrastructure needed to eliminate lead-based paint hazards in all housing . . . including cost effective technology, standards and regulations, trained and certified contractors, certified laboratories, liability insurance, private financing techniques and appropriate government subsidies." 42 U.S.C. § 4856 (1994). The following statutory provisions use infrastructure as both a noun and an adjective, and they illustrate some of the ways infrastructure is used in the code: production-related infrastructure (22 U.S.C.A. § 2293 (West Supp. 1998)), modal infrastructure (49 U.S.C. § 5105 (1994)), national waterside infrastructure needs (33 U.S.C. § 2268 (1994)), infrastructure-based intelligent transportation systems capital improvements (23 U.S.C.A. § 133 (West Supp. 1998 & Westlaw through Aug. 7, 1998)), and service infrastructure in institutions of higher learning (42 U.S.C. § 12561 (1994)).

<sup>4</sup> Webster's Ninth New Collegiate Dictionary 621 (1989). An economic definition of infrastructure is "[t]hose structural elements of an economy which facilitate the flow of goods and services between buyers and sellers. Examples of these structural elements are communications and transport (roads, railways, harbors, airports, telephones, etc.)." The MIT Dictionary of Modern Economics 206 (4th ed. 1994).

<sup>5</sup> Pub. L. No. 91-258, sec. 11, 84 Stat. 219, 220.

for future airport development and air navigational facilities. The Senate report that accompanied the 1970 act referred to airport development grants and air navigation and control facilities as capital investments.<sup>6</sup> Thus the term that comes closest to describing “basic framework” or “underlying foundation” in legislative history is “capital investment.” Certainly, runways, airports and air navigational facilities would be considered both infrastructure and capital investment. They are the “underlying foundation” of an airport system.

Section 14(d), on the other hand, required that the balance of the monies available in the trust fund be allocated for administrative expenses incident to the airport development grants, for the maintenance and operation of air navigation facilities, and for research and development activities. None of these are generally deemed capital investments or infrastructure. Thus the language of the 1970 act clearly authorized trust fund monies to be spent for activities that are not deemed infrastructure as defined above.

In addition to section 14, section 208(f) of title II of the 1970 act set forth the categories of expenditures that could be paid from the trust fund. Section 208(f)(1)(B) stated that the trust fund was available for obligations that were attributable to “planning, research and development, construction or operation and maintenance of -- (i) air traffic control, (ii) air navigation, (iii) communications, or (iv) supporting services for the airway system.” Section 208(f)(1)(C) also allowed FAA administrative expenses incident to airport development to be paid from the trust fund. Thus trust funds are available for non-infrastructure expenses since section 208 includes operation and maintenance and administrative expenses.

There is some indication that the Senate Commerce Committee believed that at the outset, most of the trust fund revenues would be earmarked for capital improvement while general tax revenues would be appropriated to continue to finance the operation and maintenance of the air traffic control system.<sup>7</sup> The Senate report accompanying the bill explained,

The reported bill allocates, for specific capital investment purposes, portions of the total user charge-derived revenues and provides that no other user charge-derived trust fund revenues should be obligated for other purposes until the minimum amounts have been allocated to the capital investment portions of the program. . . . After these allocations have been made, remaining trust fund revenues accruing from user charges and from general appropriations may be expended for the other purposes . . .<sup>8</sup>

However, the Senate Finance Committee, with jurisdiction over the trust fund, did not set priorities between capital improvements spending and operation and maintenance spending. Its report said simply, “The Trust Fund is created in order to insure that the aviation user

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<sup>6</sup> See S. Rep. No. 91-565, at 20 (1969).

<sup>7</sup> *Id.*, at 20, 21 (1969), and comments by Senator Magnuson, Chairman of the Senate Commerce Committee and floor manager for the bill, 116 Cong. Rec. S2266 (daily ed. Feb. 24, 1970) [statement of Sen. Magnuson].

<sup>8</sup> S. Rep. No. 91-565, at 20, 21 (1969).

taxes are expended only for the expansion, improvement and maintenance of the air transportation system.”<sup>9</sup> The language of section 208 reflects this lack of prioritization.

Taken together, sections 14 and 208 in the 1970 act explicitly authorize the use of trust funds for certain administrative expenses, for the operation and maintenance of the air traffic control system and for research and development. This explicit authorization makes clear that the trust fund as created in the 1970 act was not solely to finance aviation infrastructure.

#### SUBSEQUENT AMENDMENTS TO 1970 ACT

Debate over the proper use of the trust fund and what proportion could be spent on the operation and maintenance of the air traffic control system began almost immediately. Six months after passage of the 1970 act, the Department of Transportation (DOT), in a supplemental budget request for fiscal year 1971, proposed using only \$100 million of the \$280 million authorized in section 14 for airport development and \$226 million rather than the \$250 million authorized for air navigation facilities and equipment. The DOT proposed using the rest of the trust fund money to fund FAA operation and maintenance programs.<sup>10</sup>

Disagreement with the DOT over priorities led to the Airport and Airway Development Act Amendments of 1971,<sup>11</sup> which amended the 1970 act in two fundamental ways. It deleted language in section 14(d) that permitted the use of the trust funds to be spent on “the maintenance and operation of air navigation facilities.” It also created a new subsection (e) for section 14 entitled, “Preservation of Funds and Priority for Airport and Airway Programs.” Section 14(e)(1) provided that “. . . no amounts may be appropriated from the trust fund to carry out any program or activity . . . except programs or activities referred to in subsection (c) (airway facilities) and subsection (d) (other expenses). . . .” But subsection (d) on “other expenses” no longer included maintenance and operation expenses. The House report stated that this new subsection was designed to “prevent allocations from the fund to carry out any program or activity under the 1958 Act except certain administrative and research and development expenses or expenses related to the acquisition, establishment, and improvement of air navigation facilities.”<sup>12</sup>

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<sup>9</sup> S. Rep. No. 91-706, at 10 (1970).

<sup>10</sup> During the course of this dispute between the Nixon administration and the House and Senate authorizing committees, the General Accounting Office was asked whether the administration’s actions constituted an illegal diversion of funds. Since neither the regular nor supplemental appropriation had yet been enacted, we found it premature to make findings. B-77406, Dec. 29, 1970. We did note that “it appears that the Administration’s supplemental funding request will result in less expenditure for airport capital improvements and thus such improvements will not be accorded the priority which the Senate Committee on Commerce apparently desired. . . Of course, if the Congress now feels that amounts over and above those requested by the Administration should be made available to carry out such expressed intent, such additional amounts may be appropriated by the Congress.” In response to a request from Sen. Magnuson, Chairman of the Senate Commerce Committee, for bill comments, the Comptroller General wrote in a June 23, 1971 letter, “whether the Congress intended to require that the minimum amounts specified in Section 14 of the 1970 Act to be expended or reserved in the Trust Fund before monies in the fund could be expended for other purposes has been the subject of considerable controversy between the Administration and Congress. Accordingly, it would appear desirable that the intent of the Congress in this matter be clarified.” B-77406, June 23, 1971.

<sup>11</sup> Pub. L. No. 92-174, 85 Stat. 491 (1971).

<sup>12</sup> H.R. Rep. No. 92-459, at 5 (1971).

The Senate Report said this law was necessary because the DOT had interpreted the 1970 act to permit it to request appropriations less than the minimum levels for airport development and airway facilities. The report states,

Further, although Congress intended that the capital investment programs for aviation system modernization be fully funded from user tax revenues in the Trust Fund prior to the use of such funds for maintenance, operations and administrative expenses, the Administration has disregarded these statutory priorities and has given routine FAA expenses the same status as capital improvements.<sup>13</sup>

So while funding for some administrative expenses was still authorized, as were research and development activities related to air navigation safety, use of the trust funds for maintenance and operation of air navigation facilities was no longer permitted.

The prohibition of using trust funds for maintenance and operation of air navigation facility expenses continued until 1976, when Congress passed the Airport and Airway Development Act Amendments of 1976. The 1976 act added a new subsection entitled "Other Expenses," which stated that the balance of monies available could be appropriated for (1) costs of services provided under international agreements relating to joint financing of air navigation services and (2) direct costs incurred to flight check and maintain air navigation facilities.<sup>14</sup> The 1976 act, however, placed caps on how much could be spent on these items for fiscal years 1977-1980. The 1976 act also added a penalty clause that reduced the maximum levels that could be used in maintenance and operations in proportion to any shortfall of airport grants below the authorized minimum amounts. These provisions limited trust fund spending to about 15 percent of FAA's operation costs through 1980.<sup>15</sup>

The new or increased excise taxes imposed by the 1970 act expired in 1980 although spending continued against the accumulated surplus. In 1982, the Airport and Airway Improvement Act of 1982 repealed section 14 and replaced it with section 506, which authorized the same types of expenses as its predecessor.<sup>16</sup> See enclosed Table 1 for a select history of section 14. Section 208, which established the trust fund, was also repealed by the 1982 act and replaced with section 9052 of the Internal Revenue Code, but with no change to the authorized expenditure provision. See Table 2 for a select history of section 208.

The 1982 act and subsequent legislation adjusted the caps and changed penalties, but all amendments continued to permit payments from the trust fund for some operation and maintenance of air navigation facilities. For fiscal year 1984, although section 506 still authorized operation and maintenance expenses from the trust fund, the appropriations act specified that operation and maintenance expenses were to be funded from the general fund,

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<sup>13</sup> S. Rep. No. 92-378, at 3 (1971).

<sup>14</sup> Pub. L. No. 94-353, 90 Stat. 871, 873 (1976).

<sup>15</sup> "The Status of the Airport and Airway Trust Fund," Congressional Budget Office, at x (1988).

<sup>16</sup> Pub. L. No. 97-248, title V, 96 Stat. 671, 677 (1982).

not the trust fund.<sup>17</sup> In 1990, the penalty clause was deleted but a cap remains in place. Table 3 presents the shares of trust fund and general fund monies used to finance FAA from 1970 to 1998.

## CONCLUSION

The trust fund as it was enacted in 1970 was not created solely to finance aviation infrastructure. Throughout its history, it has financed some non-infrastructure expenses, such as administrative expenses incident to the administration of the airport development program and research and development. With the exception of the time period during fiscal years 1973-1976, and 1984, it has also funded some costs of maintenance and operation of air navigation facilities.

I hope this information proves useful to you in your deliberations.

Sincerely yours,

Robert P. Murphy  
General Counsel

Enclosure -

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<sup>17</sup> Department of Transportation and Related Agencies Appropriations Act of 1984, Pub. L. No. 98-78, 97 Stat. 453.

**TABLE 1. A Select History of Section 14 of the Airport and Airway  
Development Act of 1970 and Its Successor Provisions<sup>18</sup>**

<b>YEAR</b>	<b>STATUTE</b>	<b>PROVISIONS</b>
1970	Airport and Airway Development Act of 1970, Public Law No. 91-258, 84 Stat. 219.	Section 14, Airport and Airway Development Program, authorized grants for airports and funded airway facilities, and “Other Expenses” (Section 14(d)). “Other expenses” include those <ul style="list-style-type: none"> <li>• For necessary administrative expenses incident to administration of programs for airport development,</li> <li>• For the “maintenance and operation of air navigation facilities,” and</li> </ul> For research and development activities as related to air navigation safety.
1971	Airport and Airway Development Act-Amendment, Public Law No. 92-174, 85 Stat. 491.	<ul style="list-style-type: none"> <li>• Deleted phrase “for the maintenance and operation of air navigation facilities” in section 14(d) which had permitted the use of the trust funds to finance FAA operations.</li> <li>• Administrative expenses for airway facilities program added.</li> <li>• Added new section 14(e), Preservation of Funds and Priority for Airport and Airway Programs.</li> </ul> Section 14(e) included subparagraph (3) that no amounts may be used to “carry out administrative expenses” except those authorized.
1976	Airport and Airway Development Act Amendments of 1976, Public Law No. 94-353, 90 Stat. 871.	<ul style="list-style-type: none"> <li>• Reauthorized trust fund spending for aviation programs for 1976-80.</li> <li>• Added new section 14(e), “Other Expenses” and redesignated Preservation of Funds and Priority for Airport and Airway Programs as section 14(f). “Other expenses” included services under international agreements and direct costs to check and maintain air navigation facilities.</li> <li>• Placed a cap on maintenance and operation amount.</li> <li>• Added a penalty clause that reduced these maximum levels that could be used in maintenance and operations in proportion to any shortfall of airport grants below the authorized minimum amounts.</li> </ul> Substituted a new section 14(d), entitled “Research, Development and Demonstrations” under section 312(c) of FAA of 1958. Section 14(d) no longer included “administrative expenses” incident to airport grants or airway facilities.
1980	Aviation Safety and Noise Abatement Act of 1979, Public Law No. 96-193, 94 Stat. 50.	<ul style="list-style-type: none"> <li>• Added another penalty provision to section 14(e), which reduced amount available for “other expenses” if minimum amount for airway facilities was not spent.</li> </ul>

<sup>18</sup> Currently found at 49 U.S.C. §§ 48101-48109 (1994 & Supp. II 1996).

YEAR	STATUTE	PROVISIONS
1980		<p>The new and increased taxes imposed by the Airport and Airway Development Act of 1970 expired, as did the authorization to transfer the revenue from these taxes to the trust fund. Spending from the trust fund continued against the accumulated surplus.</p>
1982	<p>Airport and Airway Improvement Act of 1982, Title V of Public Law No. 97-248, 96 Stat. 671.</p>	<ul style="list-style-type: none"> <li>• Repealed section 14 of 1970 Act and replaced it with section 506.</li> <li>• Section 506(b), like the former section 14(d), authorized research and development and demonstration projects.</li> <li>• Section 506(c), like the former section 14(e), authorized "Other Expenses"—costs of services under international agreements and direct costs to "check, operate, and maintain" air navigation facilities.</li> <li>• Capped the amount of "other expenses" at a multiple of amount obligated for airport improvement program from 2.44 in 1983 reduced to 1.28 in 1986.</li> <li>• The penalty clause reduced the cap by twice the difference between authorization for facilities and equipment spending and the actual appropriation for the program.</li> </ul> <p>Added reimbursement of National Oceanic and Atmospheric Administration for weather expenses under "other expenses."</p>
1983	<p>Surface Transportation Assistance Act of 1983, Public Law No. 97-424, 96 Stat. 2097.</p>	<ul style="list-style-type: none"> <li>• Reduced the ratio in section 506(c) used to calculate the cap on the amount available each year for "other expenses."</li> </ul>
1987	<p>Airport and Airway Safety and Capacity Expansion Act of 1987, Public Law No. 100-223, 101 Stat. 1486.</p>	<ul style="list-style-type: none"> <li>• Reauthorized spending for aviation programs and extended for 3 years the excise taxes to fund them.</li> <li>• Substantially increased authorization levels for airport and airway program.</li> <li>• Expanded demonstration projects for air traffic control, navigation, weather safety, medicine, and environment.</li> <li>• Amended cap in section 506(c) to 50% of the total amounts made available for airport facilities and equipment, and research, engineering, and development.</li> </ul> <p>Changed penalty clause to reduce the maximum amount by twice the amount by which the actual amounts made available for the program fall short of the levels specified in the law for each fiscal year.</p>
1990	<p>Aviation Safety and Capacity Expansion Act of 1990, title IX, Subtitle B, Public Law No. 101-508, 104 Stat. 1388-353.</p>	<ul style="list-style-type: none"> <li>• Reauthorized funding for aviation programs through fiscal year 1992.</li> <li>• Eliminated the penalty clause.</li> <li>• Changed cap in section 506(c) to 75% of total amounts made available to FAA for the airport improvement program, facilities and equipment, research and development, and FAA operations less the amounts made available from the trust fund for airport improvement, facilities and equipment, and research and development programs. The remainder is the authorization from the trust fund for operations.</li> </ul>

YEAR	STATUTE	PROVISIONS
1992	Airport and Airway Safety, Capacity, Noise Improvement, and Intermodal Transportation Act of 1992, Public Law No. 102-581, 106 Stat. 4872.	Reauthorized funding for aviation programs through fiscal year 1995.
1994	Federal Aviation Reauthorization Act of 1994, Public Law No. 103-305, 108 Stat. 1569.	<ul style="list-style-type: none"> <li>• Reauthorized funding for aviation programs through fiscal year 1996.</li> <li>• Changed cap in section 506(c) to the lesser of 50% of facilities and equipment (F&amp;E), research and development (R&amp;D) and airport improvement program (AIP) or 70% of total amounts made available to FAA less the amounts made available from the trust fund from AIP, F&amp;E and R&amp;D.</li> </ul>
1996	Federal Aviation Reauthorization Act of 1996, Public Law No. 104-264, 110 Stat. 3213.	<ul style="list-style-type: none"> <li>• Reauthorized FAA operations, airport improvement program, and facilities and equipment programs through fiscal year 1998.</li> <li>• Reauthorized research, engineering and development program through fiscal year 1997.</li> <li>• Moved cap to 72.5% of total amounts made available to FAA, less the amounts made available from the trust fund from AIP, F&amp;E, and R&amp;D.</li> </ul>
1998	FAA Research, Engineering and Development Authorization Act of 1998, Public Law No. 105-155, 112 Stat. 5.	<ul style="list-style-type: none"> <li>• Reauthorized research, engineering and development program through fiscal year 1999.</li> </ul>
1998	Omnibus Consolidated and Emergency Supplemental Appropriations Act, for 1999, Public Law No.105-277, 112 Stat. 2681.	<ul style="list-style-type: none"> <li>• Reauthorized airport improvement program through March 31, 1999.</li> </ul>

**TABLE 2. Selected History of Section 208 of the Airport and Airway Revenue Act of 1970 and Its Successor Provision Section 9502 of the Internal Revenue Code**

YEAR	STATUTE	PROVISIONS
1970	Airport and Airway Revenue Act of 1970, Public Law No. 91-258, 84 Stat. 236.	<ul style="list-style-type: none"> <li>• Section 208 created the trust fund and appropriated aviation related-related taxes to it.</li> <li>• Section 208(f), entitled Expenditures from Trust Fund, authorized expenditures under:               <ul style="list-style-type: none"> <li>(A) Airport and Airway Development Act, which includes section 14, on Airport and Airway Development Programs;</li> <li>(B) Federal Aviation Act of 1958, which are attributable to planning, research and development, construction, or operation and maintenance of –                   <ul style="list-style-type: none"> <li>(i) air traffic control</li> <li>(ii) air navigation</li> <li>(iii) communication</li> <li>(iv) supporting services for the airway system or:</li> </ul> </li> <li>(C) for Department of Transportation administrative expenses attributed to the activities.</li> </ul> </li> </ul>
1980	Airport and Airway Trust Fund—Extension of Taxes, Public Law No. 96-298, 94 Stat. 829.	<ul style="list-style-type: none"> <li>• Extended transfer of aviation-related revenues to trust fund from July to October 1980.</li> </ul>
1980	Transfer of aviation-related taxes to trust fund terminated October 9, 1980.	
1982	Tax Equity and Fiscal Responsibility Act of 1982, Public Law No. 97-248, 96 Stat. 324.	<ul style="list-style-type: none"> <li>• Repealed section 208 and enacted section 9502 of the Internal Revenue Code (IRC). Section 9502 created (again) the Airport and Airway Trust Fund and appropriated aviation-related taxes to it.</li> </ul>
1987	Airport and Airway Safety and Capacity Expansion Act of 1987, Public Law No. 100-223, 101 Stat. 1486.	<ul style="list-style-type: none"> <li>• Amended section 9502(d) to extend authorization for expenditures from fund until October 1, 1992.</li> </ul>
1990	Revenue Reconciliation Act of 1990, Public Law No. 101-508, 104 Stat. 1388-400, at 1388-435.	<ul style="list-style-type: none"> <li>• Increase in aviation tax revenues to go to general fund through 1992 and trust fund from 1993 to 1995.</li> </ul>
1994	Federal Aviation Administration Authorization Act of 1994, Public Law No. 103-305, 108 Stat. 1569.	<ul style="list-style-type: none"> <li>• Amended section 9502(d) to extend expenditure authority from October 1, 1995 to October 1, 1996.</li> </ul>

<b>YEAR</b>	<b>STATUTE</b>	<b>PROVISIONS</b>
1996	Federal Aviation Reauthorization Act of 1996, Public Law No. 104-264, 110 Stat. 3278.	<ul style="list-style-type: none"> <li>• Amended section 9502(d) to extend expenditure authority from October 1, 1996 to October 1, 1998.<sup>19</sup></li> </ul>

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<sup>19</sup> Pub. L. No. 105-277, Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, 112 Stat. 2681, appropriated money from the trust fund for FAA programs for Fiscal Year 1999.

Table 3: FAA Budget Information: Airport and Airway Trust Fund and General Fund Shares

Dollars in Millions

<b>Programs</b>	<b>FY70</b>	<b>FY71</b>	<b>FY72</b>	<b>FY73</b>	<b>FY74</b>	<b>FY75</b>	<b>FY76</b>
Airport Improvement Program	\$840.0	\$193.0	\$15.0	\$635.0	\$0	\$0	\$515.0
Facilities and equipment appropriation	224.0	238.0	302.0	213.0	250.0	227.0	246.0
Research, engineering, and development appropriation	41.0	49.0	78.0	70.0	62.0	58.0	67.0
Total operations and maintenance appropriation	845.0	1,026.0	989.0	1,170.0	1,292.0	1,419.0	1,567.0
Trust fund share	.0	34.0	989.0	.0	.0	.0	.0
General fund share	845.0	992.0	.0	1,170.0	1,292.0	1,419.0	1,567.0
Total FAA Appropriations	1,950.0	1,506.0	1,384.0	2,088.0	1,604.0	1,704.0	2,395.0
Share of FAA's budget from the trust fund	840.0	299.0	1,369.0	918.0	312.0	285.0	828.0
Share of FAA total budget from the general fund	1,110.0	1,207.0	15.0	1,170.0	1,292.0	1,419.0	1,567.0
Percent of FAA Appropriations from the trust fund	43%	20%	99%	44%	19%	17%	35%
Percent of FAA Appropriations from the general fund	57%	80%	1%	56%	81%	83%	65%
<b>Percent of FAA's operations and maintenance appropriation from the trust fund</b>	<b>0%</b>	<b>3%</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

The trust fund generally financed 100% of the airway improvement program; facilities and equipment; and research, engineering, and development appropriations. To cover shortfalls during the transition years FY 70, FY 71 and FY 72, general fund revenues totaling \$495 million (\$265 million in FY 70, \$215 million in FY 71 and \$15 million in FY 72) were also used to finance these appropriations. For these years, FAA data did not fully break out the amount of general fund revenues financing each of these appropriations.

Source: FAA

Table 3: FAA Budget Information: Airport and Airway Trust Fund and General Fund Shares

Dollars in Millions

Programs	FY 77	FY78	FY79	FY80	FY81	FY82	FY83	FY84
Airport Improvement Program	\$510.0	\$555.0	\$644.0	\$677.0	\$570.0	\$450.0	\$750.0	\$800.0
Facilities and equipment appropriation	200.0	209.0	345.0	293.0	350.0	261.0	625.0	750.0
Research, engineering, and development appropriation	74.0	81.0	75.0	75.0	85.0	72.0	103.0	264.0
Total operations and maintenance appropriation	1,738.0	1,898.0	2,033.0	2,170.0	2,340.0	2,292.0	2,579.0	2,587.0
Trust fund share	250.0	275.0	300.0	325.0	525.0	810.0	1,277.0	.0
General fund share	1,488.0	1,623.0	1,733.0	1,845.0	1,815.0	1,482.0	1,302.0	2,587.0
Total FAA Appropriations	2,522.0	2,743.0	3,097.0	3,215.0	3,345.0	3,075.0	4,057.0	4,400.0
Share of FAA's budget from the trust fund	1,034.0	1,120.0	1,364.0	1,370.0	1,530.0	1,593.0	2,755.0	1,814.0
Share of FAA total budget from the general fund	1,488.0	1,623.0	1,733.0	1,845.0	1,815.0	1,482.0	1,302.0	2,586.0
Percent of FAA Appropriations from the trust fund	41%	41%	44%	43%	46%	52%	68%	41%
Percent of FAA Appropriations from the general fund	59%	59%	56%	57%	54%	48%	32%	59%
<b>Percent of FAA's operations and maintenance appropriation from the trust fund</b>	<b>14%</b>	<b>14%</b>	<b>15%</b>	<b>15%</b>	<b>22%</b>	<b>35%</b>	<b>50%</b>	<b>0%</b>

The trust fund generally financed 100% of the airway improvement program; facilities and equipment; and research, engineering, and development appropriations. To cover shortfalls during the transition years FY 70, FY 71 and FY 72, general fund revenues totaling \$495 million (\$265 million in FY 70, \$215 million in FY 71 and \$15 million in FY 72) were also used to finance these appropriations. For these years, FAA data did not fully break out the amount of general fund revenues financing each of these appropriations.

Table 3: FAA Budget Information: Airport and Airway Trust Fund and General Fund Shares

Dollars in Millions

<b>Programs</b>	<b>FY85</b>	<b>FY 86</b>	<b>FY87</b>	<b>FY88</b>	<b>FY89</b>	<b>FY90</b>	<b>FY91</b>	<b>FY92</b>
Airport Improvement Program	\$925.0	\$885.0	\$1,025.0	\$1,268.7	\$1,400.0	\$1,425.0	\$1,800.0	\$1,900.0
Facilities and equipment appropriation	1,358.0	895.0	805.0	1,108.1	1,384.2	1,721.2	2,095.4	2,409.0
Research, engineering, and development appropriation	265.0	237.0	142.0	153.4	159.9	170.2	205.0	218.1
Total operations and maintenance appropriation	2,699.0	2,725.0	2,959.0	3,184.0	3,445.0	3,824.6	4,036.9	4,360.0
Trust fund share	1,110.0	427.0	621.0	826.0	471.3	807.2	2,002.7	2,109.6
General fund share	1,589.0	2,298.0	2,338.0	2,358.0	2,973.7	3,017.4	2,034.2	2,250.4
Total FAA Appropriations	5,247.0	4,742.0	4,930.0	5,714.2	6,389.1	7,140.9	8,137.3	8,887.1
Share of FAA's budget from the trust fund	3,658.0	2,444.0	2,593.0	3,356.2	3,415.4	4,123.5	6,103.1	6,636.8
Share of FAA total budget from the general fund	1,589.0	2,298.0	2,337.0	2,358.0	2,973.7	3,017.4	2,034.2	2,250.3
Percent of FAA Appropriations from the trust fund	70%	52%	53%	59%	53%	58%	75%	75%
Percent of FAA Appropriations from the general fund	30%	48%	47%	41%	47%	42%	25%	25%

Source: FAA

Table 3: FAA Budget Information: Airport and Airway Trust Fund and General Fund Shares

Dollars in Millions

<b>Programs</b>	<b>FY93</b>	<b>FY94</b>	<b>FY95</b>	<b>FY96</b>	<b>FY 97</b>	<b>FY98</b>
Airport Improvement Program	\$1,800.0	\$1,690.0	\$1,450.0	\$1,450.0	\$1,460.0	\$1,700.0
Facilities and equipment appropriation	2,301.7	2,054.7	1,960.4	1,855.1	1,937.7	1,900.5
Research, engineering, and development appropriation	230.0	254.0	251.6	185.7	208.4	199.2
Total operations and maintenance appropriation	4,530.0	4,579.0	4,572.1	4,642.7	4,954.9	5,336.5
Trust fund share	2,279.3	2,294.5	2,450.3	2,222.9	1,700.4	1,901.6
General fund share	2,250.7	2,284.5	2,121.8	2,419.8	3,254.5	3,434.9
Total FAA Appropriations	8,861.7	8,577.7	8,234.1	8,133.5	8,561.0	9,136.2
Share of FAA's budget from the trust fund	6,611.0	6,293.2	6,112.2	5,713.6	5,306.5	5,701.3
Share of FAA total budget from the general fund	2,250.7	2,284.5	2,121.9	2,419.9	3,254.5	3,434.9
Percent of FAA Appropriations from the trust fund	75%	73%	74%	70%	62%	62%
Percent of FAA Appropriations from the general fund	25%	27%	26%	30%	38%	38%
<b>Percent of FAA's operations and maintenance appropriation from the trust fund</b>	<b>50%</b>	<b>50%</b>	<b>54%</b>	<b>48%</b>	<b>34%</b>	<b>36%</b>

The trust fund generally financed 100% of the airway improvement program; facilities and equipment; and research, engineering, and development appropriations. To cover shortfalls during the transition years FY 70, FY 71 and FY 72, general fund revenues totaling \$495 million (\$265 million in FY 70, \$215 million in FY 71 and \$15 million in FY 72) were also used to finance these appropriations. For these years, FAA data did not fully break out the amount of general fund revenues financing each of these appropriations.

Source: FAA

B-281779

**DIGEST:**

The Airport and Airway Trust Fund was not created solely to finance aviation infrastructure. When the trust fund was authorized in 1970, the balance of funds (after airport development) was to be allocated for certain administrative expenses, for research and development activities, and for the maintenance and operation of air navigation facilities. Since 1970, we found that Congress has continuously authorized the trust fund to finance non-infrastructure expenses such as research and development costs. With the exception of a four-year period during fiscal years 1973-1976, when the funding of Federal Aviation Administration (FAA) operation and maintenance costs from the trust fund was prohibited, and fiscal year 1984, when the appropriation act specified use of general fund monies, Congress has also authorized the trust fund to finance FAA operation and maintenance costs. Tables were included tracing amendments to two important sections from the 1970 Act on the uses of the Trust Fund from 1970- 1998. Also, a chart tracing spending in the various FAA categories, along with a comparison of general fund v. trust fund spending for FAA operations and maintenance for FY '70 – FY '98.