

(b) DISTRIBUTION OF ADDITIONAL FUNDS.—Section 41742(b) is amended to read as follows:

“(b) DISTRIBUTION OF ADDITIONAL FUNDS.—Notwithstanding any other provision of law, in any fiscal year in which funds credited to the account established under section 45303, including the funds derived from fees imposed under the authority contained in section 45301(a), exceed the \$50,000,000 made available under subsection (a)(1), such funds shall be made available immediately for obligation and expenditure to carry out the essential air service program under this subchapter.”

(c) AVAILABILITY OF FUNDS.—Section 41742 is amended by adding at the end the following:

“(c) AVAILABILITY OF FUNDS.—The funds made available under this section shall remain available until expended.”

**SEC. 429. SMALL COMMUNITY AIR SERVICE.**

(a) PRIORITIES.—Section 41743(c)(5) is amended—

(1) by striking “and” at the end of subparagraph (D);

(2) in subparagraph (E) by striking “fashion.” and inserting “fashion; and”; and

(3) by adding at the end the following:

“(F) multiple communities cooperate to submit a regional or multistate application to consolidate air service into one regional airport.”

(b) EXTENSION OF AUTHORIZATION.—Section 41743(e)(2) is amended to read as follows:

“(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary \$6,000,000 for each of fiscal years 2012 through 2015 to carry out this section. Such sums shall remain available until expended.”

**SEC. 430. REPEAL OF ESSENTIAL AIR SERVICE LOCAL PARTICIPATION PROGRAM.**

Section 41747, and the item relating to section 41747 in the analysis for chapter 417, are repealed.

**SEC. 431. EXTENSION OF FINAL ORDER ESTABLISHING MILEAGE ADJUSTMENT ELIGIBILITY.**

Section 409(d) of the Vision 100—Century of Aviation Reauthorization Act (49 U.S.C. 41731 note) is amended by striking “February 17, 2012.” and inserting “September 30, 2015.”

## **TITLE V—ENVIRONMENTAL STREAMLINING**

**SEC. 501. OVERFLIGHTS OF NATIONAL PARKS.**

(a) GENERAL REQUIREMENTS.—Section 40128(a)(1)(C) is amended by inserting “or voluntary agreement under subsection (b)(7)” before “for the park”.

(b) EXEMPTION FOR NATIONAL PARKS WITH 50 OR FEWER FLIGHTS EACH YEAR.—Section 40128(a) is amended by adding at the end the following:

“(5) EXEMPTION FOR NATIONAL PARKS WITH 50 OR FEWER FLIGHTS EACH YEAR.—

“(A) IN GENERAL.—Notwithstanding paragraph (1), a national park that has 50 or fewer commercial air tour

operations over the park each year shall be exempt from the requirements of this section, except as provided in subparagraph (B).

“(B) WITHDRAWAL OF EXEMPTION.—If the Director determines that an air tour management plan or voluntary agreement is necessary to protect park resources and values or park visitor use and enjoyment, the Director shall withdraw the exemption of a park under subparagraph (A).

“(C) LIST OF PARKS.—

“(i) IN GENERAL.—The Director and Administrator shall jointly publish a list each year of national parks that are covered by the exemption provided under this paragraph.

“(ii) NOTIFICATION OF WITHDRAWAL OF EXEMPTION.—The Director shall inform the Administrator, in writing, of each determination to withdraw an exemption under subparagraph (B).

“(D) ANNUAL REPORT.—A commercial air tour operator conducting commercial air tour operations over a national park that is exempt from the requirements of this section shall submit to the Administrator and the Director a report each year that includes the number of commercial air tour operations the operator conducted during the preceding 1-year period over such park.”

(c) AIR TOUR MANAGEMENT PLANS.—Section 40128(b) is amended—

(1) in paragraph (1) by adding at the end the following:

“(C) EXCEPTION.—An application to begin commercial air tour operations at Crater Lake National Park may be denied without the establishment of an air tour management plan by the Director of the National Park Service if the Director determines that such operations would adversely affect park resources or visitor experiences.”; and (2) by adding at the end the following:

“(7) VOLUNTARY AGREEMENTS.—

“(A) IN GENERAL.—As an alternative to an air tour management plan, the Director and the Administrator may enter into a voluntary agreement with a commercial air tour operator (including a new entrant commercial air tour operator and an operator that has interim operating authority) that has applied to conduct commercial air tour operations over a national park to manage commercial air tour operations over such national park.

“(B) PARK PROTECTION.—A voluntary agreement under this paragraph with respect to commercial air tour operations over a national park shall address the management issues necessary to protect the resources of such park and visitor use of such park without compromising aviation safety or the air traffic control system and may—

“(i) include provisions such as those described in subparagraphs (B) through (E) of paragraph (3);

“(ii) include provisions to ensure the stability of, and compliance with, the voluntary agreement; and

“(iii) provide for fees for such operations.

“(C) PUBLIC REVIEW.—The Director and the Administrator shall provide an opportunity for public review of a proposed voluntary agreement under this paragraph and

shall consult with any Indian tribe whose tribal lands are, or may be, flown over by a commercial air tour operator under a voluntary agreement under this paragraph. After such opportunity for public review and consultation, the voluntary agreement may be implemented without further administrative or environmental process beyond that described in this subsection.

**“(D) TERMINATION.—**

**“(i) IN GENERAL.—**A voluntary agreement under this paragraph may be terminated at any time at the discretion of—

**“(I) the Director, if the Director determines that the agreement is not adequately protecting park resources or visitor experiences; or**

**“(II) the Administrator, if the Administrator determines that the agreement is adversely affecting aviation safety or the national aviation system.**

**“(ii) EFFECT OF TERMINATION.—**If a voluntary agreement with respect to a national park is terminated under this subparagraph, the operators shall conform to the requirements for interim operating authority under subsection (c) until an air tour management plan for the park is in effect.”

**(d) INTERIM OPERATING AUTHORITY.—**Section 40128(c) is amended—

(1) by striking paragraph (2)(I) and inserting the following:

“(I) may allow for modifications of the interim operating authority without further environmental review beyond that described in this subsection, if—

“(i) adequate information regarding the existing and proposed operations of the operator under the interim operating authority is provided to the Administrator and the Director;

“(ii) the Administrator determines that there would be no adverse impact on aviation safety or the air traffic control system; and

“(iii) the Director agrees with the modification, based on the professional expertise of the Director regarding the protection of the resources, values, and visitor use and enjoyment of the park.”; and

(2) in paragraph (3)(A) by striking “if the Administrator determines” and all that follows through the period at the end and inserting “without further environmental process beyond that described in this paragraph, if—

“(i) adequate information on the proposed operations of the operator is provided to the Administrator and the Director by the operator making the request;

“(ii) the Administrator agrees that there would be no adverse impact on aviation safety or the air traffic control system; and

“(iii) the Director agrees, based on the Director’s professional expertise regarding the protection of park resources and values and visitor use and enjoyment.”.

**(e) OPERATOR REPORTS.—**Section 40128 is amended—

(1) by redesignating subsections (d), (e), and (f) as subsections (e), (f), and (g), respectively; and

(2) by inserting after subsection (c) the following:

“(d) COMMERCIAL AIR TOUR OPERATOR REPORTS.—

“(1) REPORT.—Each commercial air tour operator conducting a commercial air tour operation over a national park under interim operating authority granted under subsection (c) or in accordance with an air tour management plan or voluntary agreement under subsection (b) shall submit to the Administrator and the Director a report regarding the number of commercial air tour operations over each national park that are conducted by the operator and such other information as the Administrator and Director may request in order to facilitate administering the provisions of this section.

“(2) REPORT SUBMISSION.—Not later than 90 days after the date of enactment of the FAA Modernization and Reform Act of 2012, the Administrator and the Director shall jointly issue an initial request for reports under this subsection. The reports shall be submitted to the Administrator and the Director with a frequency and in a format prescribed by the Administrator and the Director.”.

**SEC. 502. STATE BLOCK GRANT PROGRAM.**

(a) GENERAL REQUIREMENTS.—Section 47128(a) is amended—

(1) in the first sentence by striking “prescribe regulations” and inserting “issue guidance”; and

(2) in the second sentence by striking “regulations” and inserting “guidance”.

(b) APPLICATIONS AND SELECTION.—Section 47128(b)(4) is amended by inserting before the semicolon the following: “, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), State and local environmental policy acts, Executive orders, agency regulations and guidance, and other Federal environmental requirements”.

(c) ENVIRONMENTAL ANALYSIS AND COORDINATION REQUIREMENTS.—Section 47128 is amended by adding at the end the following:

“(d) ENVIRONMENTAL ANALYSIS AND COORDINATION REQUIREMENTS.—A Federal agency, other than the Federal Aviation Administration, that is responsible for issuing an approval, license, or permit to ensure compliance with a Federal environmental requirement applicable to a project or activity to be carried out by a State using amounts from a block grant made under this section shall—

“(1) coordinate and consult with the State;

“(2) use the environmental analysis prepared by the State for the project or activity if such analysis is adequate; and

“(3) as necessary, consult with the State to describe the supplemental analysis the State must provide to meet applicable Federal requirements.”.

**SEC. 503. AIRPORT FUNDING OF SPECIAL STUDIES OR REVIEWS.**

Section 47173(a) is amended by striking “services of consultants in order to” and all that follows through the period at the end and inserting “services of consultants—

“(1) to facilitate the timely processing, review, and completion of environmental activities associated with an airport development project;

“(2) to conduct special environmental studies related to an airport project funded with Federal funds;