

Office of Regulatory Management

Economic Review Form

Agency name	Virginia Department of Aviation
Virginia Administrative Code (VAC) Chapter citation(s)	24VAC5-11, 24VAC5-20-140, 24 VAC5-20-145, 24VAC5-20-150, 24VAC5-20-180, 24VAC5-20-275, 24VAC5-20-280, 24VAC5-20-330, 24VAC5-20-350
VAC Chapter title(s)	Public Participation Guidelines; Airports and Landing Areas: Minimum Requirements for Licensing, Waiver of Minimum Requirements, Transfer of Licenses, Fees; Modification, Suspension, or Revocation of Licenses, Conditional Licenses, Sanctions Notices and Appeals; General, Aviation Facilities Constructed in Whole or in Part With State Funds, Annual Aircraft Survey and Report of Financial Responsibility
Action title	Airport Program Manual
Date this document prepared	8/18/2023
Regulatory Stage (including Issuance of Guidance Documents)	Guidance Document

Cost Benefit Analysis

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)

<p>(1) Direct & Indirect Costs & Benefits (Monetized)</p>	<p>Direct Costs: Describe the direct costs of this proposed change here.</p> <p>Indirect Costs: Describe the indirect costs of the proposed change.</p> <p>Direct Benefits: Describe the direct benefits of this proposed change here.</p> <p>Indirect Benefits: Describe the indirect benefits of the proposed change.</p>	
<p>(2) Present Monetized Values</p>	<p>Direct & Indirect Costs</p>	<p>Direct & Indirect Benefits</p>
	<p>(a) Commonwealth Aviation Funds Discretionary: up to 80% project costs Entitlement: \$2M Cap Facilities & Equipment: 80-95% project cost Maintenance: 50% equipment cost up to \$70,000 over 5 years 80% obstruction removal costs Aviation Promotion: \$50,000 air carriers / \$10,000 general aviation.</p>	<p>(b) Installation of new aviation infrastructure and improvements allowing increased activity at Commercial Service and General Aviation airports. Clearing of obstructions allowing for safe takeoffs and landings of aircraft to airports. Airport maintenance equipment to allow continued operations of airports during all seasons/weather conditions and promotion of airports. Increased economic activity at communities with airports that utilize DOAV programs. Changes to Guidance Document allow for increased total amount of state funds applied towards fueling systems, increase funds for terminal furniture, update priority scoring for project competition for state funds, set guidelines for rural runway rehabilitation program, allow for AAM eligibility, make eligible site preparation for aviation related business facilities, allow for indexing of liquid asphalt and diesel fuel for bids for state-funded projects. Indirect benefits increase the availability of Commonwealth funds for use by airports to 3 increase activity both on airport and for access to their communities.</p>

(3) Net Monetized Benefit	
(4) Other Costs & Benefits (Non-Monetized)	The Program Manual is a guide to airport sponsors their responsibilities and eligibility for state funding participation. Sponsors may voluntarily request state funding for infrastructure and navigational aid improvements, maintenance of existing infrastructure, and promotion of aviation services. The program manual spells out airport sponsor eligibility and eligible projects for state funding. This latest change includes modifications for clarity, reduces redundancy, and improves readability for the airport sponsors. The dollar amount sponsors are eligible to use for fueling systems has increased, and site preparation for aviation related businesses are now eligible.
(5) Information Sources	Airport Program Manual

Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: Describe the direct costs of this proposed change here.</p> <p>Indirect Costs: Describe the indirect costs of the proposed change.</p> <p>Direct Benefits: Describe the direct benefits of this proposed change here.</p> <p>Indirect Benefits: Describe the indirect benefits of the proposed change.</p>	
(2) Present Monetized Values	<p>Direct & Indirect Costs</p> <p>(a) Commonwealth Aviation Funds Discretionary: up to 80% project costs Entitlement: \$2M Cap Facilities & Equipment: 80-95% project cost Maintenance: 50% equipment cost up to \$70,000 over 5 years 80% obstruction removal costs Aviation Promotion: \$50,000</p>	<p>Direct & Indirect Benefits</p> <p>(b) Installation of new aviation infrastructure and improvements allowing increased activity at Commercial Service and General Aviation airports. Clearing of obstructions allowing for safe takeoffs and landings of aircraft to airports. Airport maintenance equipment to allow continued operations of airports during all seasons/weather conditions and promotion of airports. Increased economic activity at communities with airports that utilize DOAV programs.</p>

	air carriers/ \$10,000 general aviation.	
(3) Net Monetized Benefit	0	
(4) Other Costs & Benefits (Non-Monetized)	Under the status quo, the regulatory regime would not be changed therefore airport sponsors would not be able to voluntarily expend State funds for projects previously not allowed in the guidance document. No additional benefits or costs would be realized to airport sponsors.	
(5) Information Sources	Airport Program Manual	

Table 1c: Costs and Benefits under Alternative Approach(es)

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: Describe the direct costs of this proposed change here.</p> <p>Indirect Costs: Describe the indirect costs of the proposed change.</p> <p>Direct Benefits: Describe the direct benefits of this proposed change here.</p> <p>Indirect Benefits: Describe the indirect benefits of the proposed change.</p>	
(2) Present Monetized Values	<p>Direct & Indirect Costs</p> <p>(a) Commonwealth Aviation Funds Discretionary: up to 80% project costs Increase or Decrease Entitlement: \$2M Cap Increase or Decrease Facilities & Equipment: 80-95% project cost Increase or Decrease Maintenance: 50% Increase or Decrease equipment cost up to \$70,000 over 5 years Increase or Decrease 80% obstruction removal costs Increase or Decrease Aviation Promotion: \$50,000 air carriers /</p>	<p>Direct & Indirect Benefits</p> <p>(b) Commonwealth Aviation Funds Discretionary: up to 80% project costs Increase or Decrease Entitlement: \$2M Cap Increase or Decrease Facilities & Equipment: 80-95% project cost Increase or Decrease Maintenance: 50% Increase or Decrease equipment cost up to \$70,000 over 5 years Increase or Decrease 80% obstruction removal costs Increase or Decrease Aviation Promotion: \$50,000 air carriers / \$10,000 general aviation Increase or Decrease.</p>

	\$10,000 increase or decrease.	
(3) Net Monetized Benefit	0	
(4) Other Costs & Benefits (Non-Monetized)	By increasing availability of funding, or eligibility of programs to airport sponsors, and reducing local share in State and Federal grant programs would clearly benefit the sponsor and allow for additional improvements at airports across the Commonwealth with less financial burden to the airport sponsor. However, the budget for Statewide programs is not unlimited and benefit to some sponsors would result in the inability of other local projects to be funded by the Department. The expansion of previously ineligible projects would result in wider benefit to local airport sponsors, however as in the past, it runs the risk of being developed speculatively and not being used as intended by the sponsor or private business. Likewise restricting the availability of funding or eligibility of programs to airport sponsors would increase local share in both State and Federal grant programs and increase the financial burden of airport sponsors. Further restrictions on programs or funding opportunities would result in fewer improvements at higher costs to airport sponsors across the Commonwealth. This could result in reduced use and decreased competitiveness of airports across the Commonwealth to the detriment of airport users.	
(5) Information Sources		

Impact on Local Partners

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 2: Impact on Local Partners

(1) Direct & Indirect Costs & Benefits (Monetized)	Direct Costs: Describe the direct costs of this proposed change here. Indirect Costs: Describe the indirect costs of the proposed change. Direct Benefits: Describe the direct benefits of this proposed change here. Indirect Benefits: Describe the indirect benefits of the proposed change.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits

	(a) 2%-20% of project costs	(b) n/a
(3) Other Costs & Benefits (Non-Monetized)	Almost all airport infrastructure projects, maintenance or promotion programs are originated by the desires of local airport sponsors. The guidance document provides a detailed user manual for local airport sponsor regarding allowed and disallowed expenditures on airport infrastructure projects, promotions, maintenance projects, etc... All airport infrastructure projects are split with an 80% state 20% local share of project costs. If Federal dollars are used on a project 90% FAA 8% State 2% local project costs.	
(4) Assistance		
(5) Information Sources		

Impacts on Families

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 3: Impact on Families

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: Describe the direct costs of this proposed change here.</p> <p>Indirect Costs: Describe the indirect costs of the proposed change.</p> <p>Direct Benefits: Describe the direct benefits of this proposed change here.</p> <p>Indirect Benefits: Describe the indirect benefits of the proposed change.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) n/a	(b) n/a
(3) Other Costs & Benefits (Non-Monetized)	Families are not users of General Aviation Airports. Infrastructure improvements offered in the program guidance are for improvement or maintenance of airside facilities to improve the use, flow, navigation, or storage of aircraft. Any costs associated with improvements would be determined by local sources and no costs will be directly or indirectly	

	passed on to them through local sources. At Commercial Service Airports, no costs will be borne by families as costs will be borne through State Entitlement Programs, Federal Entitlement Programs, Passenger Facility Charges (as approved by FAA) or Federal or State discretionary programs.
(4) Information Sources	

Impacts on Small Businesses

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 4: Impact on Small Businesses

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: Describe the direct costs of this proposed change here.</p> <p>Indirect Costs: Describe the indirect costs of the proposed change.</p> <p>Direct Benefits: Describe the direct benefits of this proposed change here.</p> <p>Indirect Benefits: Describe the indirect benefits of the proposed change.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) n/a	(b) n/a
(3) Other Costs & Benefits (Non-Monetized)	<p>Any costs or benefits to local businesses revolve around the potential for increased economic activity due to use of the airport. Direct benefits are primarily impacted through either additional commercial service to passengers or through on-airport development. Indirect benefits include additional transportation links to the community served that is offered by airport improvements for additional capacity or increased service offered to aircraft operators. By improving navigational equipment on/off airport this increases the 24/7 operational capacity at regional and smaller general aviation airports</p>	
(4) Alternatives	No change.	
(5) Information Sources		

Changes to Number of Regulatory Requirements

Table 5: Regulatory Reduction

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

Change in Regulatory Requirements

VAC Section(s) Involved	Authority of Change	Initial Count	Additions	Subtractions	Net Change
Guidance Document - Airport Program Manual	Statutory:				
	Discretionary:	833	22	438	417

Cost Reductions or Increases (if applicable)

VAC Section(s) Involved	Description of Regulatory Requirement	Initial Cost	New Cost	Overall Cost Savings/Increases

Other Decreases or Increases in Regulatory Stringency (if applicable)

VAC Section(s) Involved	Description of Regulatory Change	Overview of How It Reduces or Increases Regulatory Burden

Length of Guidance Documents (only applicable if guidance document is being revised)

Title of Guidance Document	Original Length	New Length	Net Change in Length
Airport Program Manual	160	138	-22