



## **Overview: What is AIP & What is Eligible?**

### **What Is the Airport Improvement Program?**

The Airport Improvement Program (AIP) provides grants to public agencies — and, in some cases, to private owners and entities — for the planning and development of public-use airports that are included in the [National Plan of Integrated Airport Systems \(NPIAS\)](#). See the [AIP Glossary](#) for a description of AIP-related terms.

### **How Much of the Project Cost Does the Grant Cover?**

For large and medium primary hub airports, the grant covers 75 percent of eligible costs (or 80 percent for noise program implementation). For small primary, reliever, and general aviation airports, the grant covers a range of 90-95 percent of eligible costs, based on statutory requirements. Please contact your local [Airports Office](#) for more details.

### **What Airports are Eligible?**

AIP grants for planning, development, or noise compatibility projects are at or associated with individual public-use airports (including heliports and seaplane bases). A public-use airport is an airport open to the public that also meets the following criteria:

- Publicly owned, or
- Privately owned but designated by FAA as a reliever, or
- Privately owned but having scheduled service and at least 2,500 annual enplanements.

Further, to be eligible for a grant, an airport must be included in the NPIAS. The NPIAS, which is prepared and published every 2 years, identifies public-use airports that are important to public transportation and contribute to the needs of civil aviation, national defense, and the Postal service.

Recipients of grants are referred to as "sponsors." The description of eligible grant activities is described in the authorizing legislation and relates to capital items serving to develop and improve the airport in areas of safety, capacity, and noise compatibility. In addition to these basic principles, a sponsor must be legally, financially, and otherwise able to carry out the assurances and obligations contained in the project application and grant agreement.

Finally, sponsors planning to acquire AIP-funded NavAids and/or AWOS must coordinate closely with the FAA [Non-Federal Program](#), from the beginning of the planning process.

**What Types of Projects Are Eligible?**

Eligible projects include those improvements related to enhancing airport safety, capacity, security, and environmental concerns. In general, sponsors can get AIP funds for most airfield capital improvements or rehabilitation projects and in some specific situations, for terminals, hangars, and nonaviation development. Certain professional services that are necessary for eligible projects (such as planning, surveying, and design) can also be eligible. The FAA must be able to determine that the projects are justified based on civil aeronautical demand. The projects must also meet Federal environmental and procurement requirements.

Projects related to revenue producing facilities may be eligible at non-primary airports if the airport has already satisfactorily addressed all airside needs and the improvement will increase revenue for the airport.

Projects related to airport operations are not eligible for funding. Operational costs - such as salaries, equipment, and supplies - are also not eligible for AIP grants.

The table below lists typical examples of eligible and ineligible projects; the list is not exhaustive. Questions about AIP eligibility should be directed to the appropriate [Regional Airports Office](#).

<b>Examples of Eligible Versus Ineligible AIP Projects</b>	
<b>Eligible Projects</b>	<b>Ineligible Projects</b>
Runway construction/rehabilitation	Maintenance equipment and vehicles
Taxiway construction/rehabilitation	Office and office equipment
Apron construction/rehabilitation	Fuel farms*
Airfield lighting	Landscaping
Airfield signage	Artworks
Airfield drainage	Aircraft hangars*
Land acquisition	Industrial park development
Weather observation stations (AWOS)	Marketing plans
NAVAIDs such as REILs and PAPIs	Training

<b>Examples of Eligible Versus Ineligible AIP Projects</b>	
<b>Eligible Projects</b>	<b>Ineligible Projects</b>
Planning studies	Improvements for commercial enterprises
Environmental studies	Maintenance or repairs of buildings
Safety area improvements	
Airport layout plans (ALPs)	
Access roads only located on airport property	
Removing, lowering, moving, marking, and lighting hazards	
Glycol Recovery Trucks/Glycol Vacuum Trucks** (11/29/2007)	

\*May be conditionally eligible at non-primary airports. Contact your local [Airport District or Regional Office](#) for more information.

\*\*To be eligible, the vehicles must be owned and operated by the Airport and meet the Buy American Preference specified in the AIP grant. Contact your local [Airport District or Regional Office](#) for more information.

In addition, the following must also apply for FAA to consider a project for AIP funding:

- The project sponsorship requirements have been met.
- The project is reasonably consistent with the plans of planning agencies for the development of the area in which the airport is located.
- Sufficient funds are available for the portion of the project not paid for by the Federal Government.
- The project will be completed without undue delay.
- The airport location is included in the current version of the NPIAS.
- The project involves more than \$25,000 in AIP funds.
- The project is depicted on a current airport layout plan approved by FAA.

## **What Are the Obligations for Accepting AIP Funds?**

Airports sponsors who accept a grant offer are also accepting conditions and obligations associated with the [grant assurances](#). These include obligations to operate and maintain the airport in a safe and serviceable condition, not grant exclusive rights, mitigate hazards to airspace, and use airport revenue properly.

## **How Does FAA Determine Which Projects Will Receive AIP Funds?**

Because the demand for AIP funds exceeds the availability, FAA bases distribution of these funds on present national priorities and objectives. AIP funds are typically first apportioned into major entitlement categories such as primary, cargo, and general aviation. Remaining funds are distributed to a discretionary fund. Set-aside projects (airport noise and the [Military Airport Program](#)) receive first attention from this discretionary distribution. The remaining funds are true discretionary funds that are distributed according to a national prioritization formula.

## **What is the History of the AIP?**

To promote the development of a system of airports to meet the Nation's needs, the Federal Government embarked on a grants-in-aid program to units of state and local governments shortly after the end of World War II. The early program, the Federal-Aid Airport Program (FAAP) was authorized by the Federal Airport Act of 1946 and drew its funding from the general fund of the U.S. Treasury.

In 1970, a more comprehensive program was established with the passage of the Airport and Airway Development Act of 1970. This Act provided grants for airport planning under the Planning Grant Program (PGP) and for airport development under the Airport Development Aid Program (ADAP). These programs were funded from a newly established Airport and Airway Trust Fund, into which were deposited revenues from several aviation-user taxes on such items as airline fares, air freight, and aviation fuel. The authority to issue grants under these two programs expired on September 30, 1981. During this 11-year period, 8,809 grants totaling \$4.5 billion were approved.

The current program, known as the Airport Improvement Program (AIP), was established by the Airport and Airway Improvement Act of 1982 (Public Law 97-248). Since then, the AIP has been amended several times, most recently with the passage of the FAA Modernization and Reform Act of 2012. Funds obligated for the AIP are drawn from the Airport and Airway Trust fund, which is supported by user fees, fuel taxes, and other similar revenue sources.

Read a more complete [AIP History](#).

### **Top Tasks**

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