

§ 331.31

Subpart C—Set-Aside for Operators or Providers at Certain Airports

APPENDIX TO PART 331—APPLICATION FORM FOR REIMBURSEMENT UNDER SECTION 185 OF PUBLIC LAW 109-115

§ 331.31 What funds are available to applicants under this subpart?

The Department is setting aside a sum of \$5 million to reimburse eligible operators or providers, as set forth in section 185 of the Act.

§ 331.33 Which operators and providers are eligible for the set-aside under this subpart?

Operators or providers at the following three airports during the eligible reimbursement periods are eligible for the set-aside:

- (a) College Park Airport in College Park, Maryland;
- (b) Potomac Airfield in Fort Washington, Maryland; and
- (c) Washington Executive/Hyde Field in Clinton, Maryland.

§ 331.35 What is the basis upon which operators or providers will be reimbursed through the set-aside under this subpart?

Operators or providers eligible under this subpart will be reimbursed pursuant to the same procedures set forth in subpart B of this part. If total losses for all eligible claims at the three airports set forth in § 331.31 of this part are less than \$5 million, then such claims will be paid in full. If the total losses for all eligible claims at the three airports set forth in § 331.31 of this part exceed \$5 million, then the total losses will be divided on a pro rata basis, and a proportionate amount for each claim will be distributed to applicants.

§ 331.37 What will happen to any remaining funds if operators and providers at the three Maryland airports make reimbursable claims totaling less than \$5 million?

If the operators and providers who are eligible for the \$5 million set-aside do not exhaust the funds designated under the set-aside, then any remaining money from the set-aside will be made available for other valid claims made under this part.

1. Applicant name: _____
2. Applicant address: _____

3. At which of the following airports did the applicant operate as a fixed-base operator or provider of general aviation ground support services during the eligible period for reimbursement?

- Ronald Reagan Washington National Airport
- College Park Airport in College Park, Maryland
- Potomac Airfield in Fort Washington, Maryland
- Washington Executive/Hyde Field in Clinton, Maryland
- Washington South Capitol St. Heliport, Washington, DC

4. Briefly describe the nature of the applicant's operations as a fixed-base general aviation operator or a provider of general aviation ground support services at each airport during the eligible period for reimbursement.

5. Did the applicant or any part of it conduct non-fixed-base general aviation activities or provide non-aviation ground support services during the 2001 through 2005 period?

Yes. Briefly describe the non-fixed-base general aviation activities and non-aviation ground support services.

No.

6. Briefly describe how the events of September 11, 2001 affected the applicant's operations as a fixed-base general aviation operator or a provider of general aviation ground support services.

7. In response to the events of September 11, 2001, did the applicant take any action to lessen or offset the impact of those events?

Yes. Briefly describe those actions and the effect they had on the applicant.

No.

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8. Has the applicant filed income taxes for any period between 1999 and 2005?

Yes. Specify the filing status under which the applicant filed (corporation, partnership, sole proprietorship, etc.)

No.

9. Baseline Financial Data and Forecasts. Attach to this Appendix copies of your profit and loss statements, or such financial records as you generated as a routine matter for the use of management, for the periods 1999 through 2005, that show your actual financial results. Similarly, attach copies of any actual forecasts that you prepared for both these baseline periods and for any part of the reimbursement periods that were prepared prior to September 11, 2001.

10. The requested amount of reimbursement claimed below must be based on a com-

parison of actual operating results (revenues, expenses and profits or losses), adjusted as indicated, with a similarly adjusted company forecast/budget of operating results that existed prior to September 11, 2001 if such a forecast/budget was actually prepared. If the applicant did not prepare any such pre-September 11 forecasts, or prepared them for less than the full reimbursement period, an after-the-fact estimate of what the applicant can document can reasonably be expected to earn during the remaining eligible period may be submitted. If such an after-the-fact estimate is used, describe below the period for which it applies and the methodology that was used to determine it.

11. Reimbursement Claim

Financial Data			
	Column A	Column B	Column C
	Pre 9-11-01 Forecast or after-the-fact estimate for the eligible period*.	Actual results for the eligible period*.	Column A minus Column B
Line 1—Total Operating Revenues			
Line 2—Total Operating Expenses			
Line 3—Operating Profit or (Loss)			
Line 4—Nonoperating Revenue			
Line 5—Nonoperating Expenses.			
Line 6—Nonoperating income (loss) before taxes.			
Line 7—Professional Application Fee (@80%, max. \$2000).			
Total—Adjusted Income Line 3 plus line 6 and line 7 in the last column.			

The table above applies to the period 9-11-01 through 2-13-05 for the three Maryland airports, including Washington Executive/Hyde Field. However, for Hyde Field please prepare separate claims for the periods before, during and after the ineligible period, 5-17-02 through 9-28-02. For Ronald Reagan Washington National Airport, the eligible period is from 9-11-02 through 10-18-05 and for Washington South Capitol Street Heliport, the period is from 9-11-01 through 11-30-05.

Lobbying expenses incurred to promote reimbursement for losses after the terrorist attacks or enact Section 185 of Public Law 109-115 are to be excluded from both Columns A and B.

12. Has the applicant or any of its subsidiaries or affiliates received grants, subsidies,

incentives or similar payments from local, state, or Federal governmental entities in support of the security, maintenance and provision of general aviation services and facilities furnished in response to the events of September 11, 2001? (This includes payments under the Aviation Transportation Security Act (ATSA) Public Law 107-71 November 19, 2001, and the Airport Improvement Program (AIP)).

Yes. Enter amount = \$ _____ .

No.

13. Has the applicant or any of its subsidiaries or affiliates incurred lobbying expenses, mitigating expenses, or special expenses (as described in the section captioned

“What information must operators or providers submit in their applications for reimbursement?”), or extraordinary, non-recurring, or unusual adjustments?

Yes. Briefly describe these expenses and the amount of each, and state if they have been included in or excluded from the totals in the table at item number 11.

No.

14. Certification. I certify the above information and all attached documents as true and accurate under penalty of law, and acknowledge that falsification of information may result in prosecution and imposition of a fine and/or imprisonment.

Signature of Company Official (must be President, CEO, COO, or CFO)

Printed Name of Company Official

Position (President, CEO, COO, or CFO) of Company Official

Phone Number of Company Official:
(voice) _____
(fax) _____

Date _____

Name of Contact Person (if different from above)

Position of Contact Person (if different from above)

Phone Number of Contact Person:
(voice) _____
(fax) _____

E-mail Address of Contact Person: _____

INSTRUCTIONS FOR COMPLETING APPLICATION FORM FOR REIMBURSEMENT UNDER SECTION 185 OF PUBLIC LAW 109-115

- 1. Applicant name.
This is the person or legal entity who undertakes to act as a fixed-base general aviation operator or who provides general aviation ground support services, directly or by a lease or any other arrangement.
- 2. Applicant address.
The applicant address is that location within the local tax authority jurisdiction that is held out to the public as the business or airport address.
- 3. Airport of operation on September 11, 2001.
This question asks the applicant to identify those airports in the Washington, DC area where it provided either fixed-base general aviation services or general aviation ground support services on September 11,

2001. Check as many airports as you served on September 11, 2001.

4. Briefly describe the nature of the applicant’s operations as a fixed-base general aviation operator or a provider of general aviation ground support services at each airport during the eligible period for reimbursement.

You should describe the specific fixed-base general aviation services or general aviation ground support services that you provided at each of the airports.

5. Did the applicant or any part of it conduct non-fixed-base general aviation activities or provide non-aviation ground support services during the 2001 through 2005 period?

Check “Yes” if you conducted any non-fixed-base general aviation activities or provided non-aviation ground support services during the 2001 through 2005 period. Describe the activities that you undertook during this period that did not directly support general aviation at the airport.

6. Briefly describe how the events of September 11, 2001 affected the applicant’s operations as a fixed-base general aviation operator or a provider of general aviation ground support services.

You should describe how the level and conduct of your operations as a fixed-base general aviation operator or your operations as a provider of general aviation ground support services were changed as a result of September 11, 2001 and the ensuing security restrictions that were imposed by the Federal government.

7. Did the applicant undertake any actions to lessen or offset the impact of the Federal government’s closure of airports in the Washington, DC area following the attacks of September 11, 2001?

Check “Yes” if you attempted to minimize the impact that the terrorist attacks of September 11, 2001 had on your business. Briefly describe your actions and the effect that they had on you. Include any activities or services undertaken after September 11, 2001 that did not provide support for general aviation but that did provide revenues to sustain your business.

8. Has the applicant filed income taxes for any period between 1999 and 2005?

Check “Yes” if you filed income taxes during this period, and indicate the filing status under which you filed your income tax returns.

9. Baseline Financial Data and Forecasts. Attach to this Appendix copies of your profit and loss statements, or such financial records as you generated as a routine matter for the use of management, for the periods 1999 through 2005, that show your actual financial results. Similarly, attach copies of any actual forecasts that you prepared for both these baseline periods and for any part of the reimbursement periods that were prepared prior to September 11, 2001.

This question directs applicants to provide the Department with certain financial documents in order to verify and substantiate their claims. Documents that you have already prepared should be sufficient. When necessary, you should supplement these documents with footnotes or explanations that are pertinent to your reimbursement claim. The financial data may include such documents as income statements, statements of operations, forecasts of operating results, income projections, pro forma budget projections, budget documents, tax preparation support material, information presented in investment perspectives and registrations, or other similar information that in whole or in part cover the period from 1999 through 2005.

10. The requested amount of reimbursement claimed below must be based on a comparison of actual operating results (revenues, expenses and profits or losses) (adjusted as shown), with a similarly adjusted company forecast of operating results that existed prior to September 11, 2001 if such a forecast was actually prepared. If the applicant did not prepare any such pre-September 11 forecasts, or prepared them for less than the full reimbursement period, an after-the-fact estimate of what the applicant can document that it reasonably expected to earn during the remaining eligible period may be submitted. If such an after-the-fact estimate is used, describe below the period for which it applies and the methodology that was used to determine it.

Indicate here whether an "after-the-fact" forecast was prepared, and briefly describe the methodology used in preparing the forecast. Your methodology must take into account items relevant to your businesses, such as the terms of existing contracts, short-term or long-term budget documents, documents submitted in support of applications for loans or lines-of-credit, existing labor agreements and leasing agreements, and other similar types of documents.

In preparing your "after-the-fact" forecast, you may wish to consult a July 2001 report prepared for the FAA, entitled Forecasting Aviation Activity by Airport. This report was prepared by GRA, Incorporated (GRA), for the FAA's Office of Aviation Policy Plans Statistical and Forecast Branch (APO-110). While the Department recognizes that fixed-base general aviation operators and providers of general aviation ground support services are different entities than larger airports at which scheduled service is provided, the Department believes that this document offers relevant guidance to applicants who do not prepare forecasts as part of regular business operations. This July 2001 report may be accessed at: http://www.faa.gov/data_statistics/aviation_data_statistics/forecasting/media/AF1.doc.

The July 2001 report explains the basic steps usually utilized in preparing forecasts,

including: Identifying parameters and measures to forecast; collecting forecast information of expected revenues or expenses, including budgets; gathering and evaluating data; selecting a forecast method (such as regression and trend analysis, share analysis, or exponential smoothing); applying methods and evaluating results; and summarizing and documenting the results.

Additionally, data sources to assist you in making adjustments to your forecast are available from the Department's Web site at <http://ostprweb.dot.gov/aviation/index.html>

(Click on "Programs" and scroll down to "General Aviation Operator and Service Provider Reimbursement"). The Department notes that, while it can answer questions for applicants that might arise while applicants develop forecasts, the Department is not in a position to propose or develop projections for applicants.

11. Reimbursement Claim.

For purposes of completing the information in the reimbursement claim table, total operating revenues (line 1) include the inflow of funds to the applicant resulting from the sale of goods and services related to the activities of a fixed-base operator or a provider of general aviation services. Examples include, but are not limited to, monetary amounts or value received for providing: aircraft fuel or oil; delivery of aircraft fuel or oil; transient and long-term storing, tie down parking and sheltering of aircraft; maintenance, inspection, checking, upgrading of aircraft and aircraft related equipment and for polishing and cleaning property and equipment; providing flight instruction services and materials; and miscellaneous items for purchase such as maps, books, flight clothing, sectional charts, devices and parts for aircraft, food services, hospitality services, auto rentals, aircraft custodial and sanitation services, assistance grants from state and Federal government agencies, insurance payments, and revenues derived from the business activities conducted at alternative airports to those that were closed.

Total operating expenses (line 2) include the cost to the applicant of providing the goods and services related to the activities of a fixed-base operator or a provider of general aviation services. Examples include, but are not limited to: Labor costs for all categories of employees (including compensation, vacation and sick leave pay, medical benefits, workmen's compensation contributions, accruals or annuity payments to pension funds, training reimbursements, professional fees, licensing fees, educational or recreational activities for the benefit of the employee, stock incentives, etc.); the cost of fuel and oil including nonrefundable aircraft fuel and oil taxes; insurance; flight and ground equipment parts; general services purchased for flight or ground equipment maintenance; depreciation of flight and ground equipment;

amortization of capitalized leases for flight and ground equipment; provisions for obsolescence and deterioration of spare parts; insurance premiums; and rental expenses of flight and ground equipment expenses associated with business activities conducted at alternative airports to those that were closed. Advertising, promotion and publicity expenses, landing fees, clearance, customs and duties, utilities, bookkeeping, accounting, recordkeeping and legal services are also part of the total operating expenses.

Operating profit or loss is calculated by subtracting the total operating expenses from the total operating revenues. If the total operating revenues exceed the total operating expenses, the calculation results in an operating profit. If the total operating expenses exceed the total operating revenues, the calculation results in an operating loss.

Nonoperating income and expenses include: income and loss incident to commercial ventures not inherently related to the direct provision of fixed-base operator services or general aviation ground support services; other revenues and expenses attributable to financing or other activities that are extraneous to and not an integral part of general aviation services; and special recurrent items of a nonperiod nature.

Examples of non-operating income include, but are not limited to: Interest income; foreign exchange gains; equity investment in an investor controlled company; intercompany transactions; dividend income; and net unrealized gains on marketable equity securities.

Examples of non-operating expenses include, but are not limited to: Interest on long-term debt and capital leases; interest on short-term debt; imputed interest capitalized; amortization of discount and expense on debt; foreign exchange losses; fines or penalties imposed by governmental authorities; costs related to property held for future use; donations to charities, social and community welfare purposes; losses on reacquired and retired or resold debt securities; and losses on uncollectible non-operating receivables.

For reasons set forth elsewhere in §331.7 of this part, you may not include lobbying expenses that were incurred to promote reimbursement for losses after the terrorist attacks or enact Section 185 of Pub. L. 109-115. Non-operating income is the result of subtracting the non-operating expenses from the non-operating revenues. Professional application fees provide for reimbursement of 80 percent of the cost of professional accounting services required in the preparation and submission of the application. Adjusted Income for each of the Columns A and B is the sum of the Operating profit (or loss) (line 3) plus line 6, Non-operating income (loss). Each line of Column C is the result of subtracting Column B from Column A, except on line 7, Professional Application Fees, where

the claimant may enter 80 percent of professional application fees (up to a maximum of \$2,000). The Adjusted Income figure on the Total line of Column C represents the amount claimed as total reimbursement; it may of course be adjusted as the result of Department review. All Adjusted Income figures do not reflect taxes due in the current period, as a consequence, reimbursements will be pre-tax and income taxes may be due on reimbursed funds.

The difference between column A and B is the basis for column C. This constitutes the total amount of your claim for reimbursement. As the eligibility periods, for the most part, begin and end on days other than the first or last days of the month, quarter or year, data from already existing financial statements must be adjusted, on a pro rata basis, to reflect the eligibility periods. For example, the period of eligibility for all applicants begins on September 11, 2001 and therefore, the only time period during the month of September that is eligible for reimbursement is September 11 through September 30, a period of 20 days. Applicants should be prepared to show both how they apportioned such financial data into the reimbursement periods, and why they chose the apportionment approach used. Applicants can then use these estimates for the specified periods at the beginning and end of the eligible period to add to the financial amounts for 2002, 2003, and 2004 to calculate the total amounts sought in Appendix A.

12. Has the applicant or any of its subsidiaries or affiliates received grants, subsidies, incentives or similar payments from local, state, or Federal governmental entities in support of the security, maintenance and provision of general aviation services and facilities furnished in response to the events of September 11, 2001? (This includes payments under the Aviation and Transportation Security Act of 2001 (Public Law 107-38) and the Airport Improvement Program under the Airport and Airway Improvement Act of 1982 (Public Law 97-248).)

This question requires that you disclose all grants, subsidies, or incentives that you received during the eligible reimbursement period, either directly or indirectly, from Federal, State, and local entities, to reimburse you for the cost of operations and capital improvements associated with implementing security programs, or maintaining or providing general aviation services and facilities.

13. Has the applicant or any of its subsidiaries or affiliates incurred lobbying expenses, mitigating expenses, or special expenses (as described in the section captioned "What information must operators or providers submit in their applications for reimbursement?"), or extraordinary adjustments?

Check "Yes" if you incurred any such expenses or experienced any such adjustments.

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You must briefly describe the nature of such expenses and adjustments, including the amounts. Additionally, you must indicate whether or not such expenses or adjustments have been included in or excluded from the totals in the table at item number 11.

Lobbying includes any amount paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress.

Mitigating expenses include the utilization of property, the provision of services and the sale of goods that were undertaken to mitigate losses arising from the Federal government's closure of airports attendant to the September 11, 2001 attack. These could include expenses incurred for the provision of services and sale of goods moved from restricted airports to unrestricted airports or compensation for non-aviation oriented goods and services provided at restricted airports. Mitigating expenses may also include operating expenses for aviation-related fixed assets or capital utilized outside of the restricted airport.

Special expenses include, but are not limited to, moving expenses, additional security equipment and facilities, and loss on sales of assets that arose from the direct imposition of restrictions during the period September 11, 2001 through the applicable eligible date. Any item reported under Special Expenses shall not also be expensed in other expense categories that are reflected in the calculation of the reimbursement claim. Details regarding special expenses should be noted in footnotes.

Extraordinary adjustments are events or transactions that are material to your business and unusual in nature and infrequent in occurrence.

14. Certification.

You must certify that all information contained on the Background and Eligibility Form *and* the documents submitted in support of your application (e.g., profit and loss statements, actual forecasts, after-the-fact forecasts, etc.) are accurate. This certification is made under penalty of law. Falsification may be grounds for monetary and/or criminal sanctions. This certification must be made by a company President, CEO, COO, or CFO.

SUBCHAPTER C [RESERVED]