§ 41747. EAS local participation program

(a) In General.— The Secretary of Transportation shall establish a pilot program under which not more than 10 designated essential air service communities located in proximity to hub airports are required to assume 10 percent of their essential air service subsidy costs for a 4-year period.

(b) Designation of Communities.—
   (1) In general.— The Secretary may not designate any community under this section unless it is located within 100 miles by road of a hub airport and is not located in a noncontiguous State. In making the designation, the Secretary may take into consideration the total traveltime between a community and the nearest hub airport, taking into account terrain, traffic, weather, road conditions, and other relevant factors.
   (2) One community per state.— The Secretary may not designate—
      (A) more than 1 community per State under this section; or
      (B) a community in a State in which another community that is eligible to participate in the essential air service program has elected not to participate in the essential air service program as part of a pilot program under section 41745.

(c) Appeal of Designation.— A community may appeal its designation under this section. The Secretary may withdraw the designation of a community under this section based on—
   (1) the airport sponsor’s ability to pay; or
   (2) the relative lack of financial resources in a community, based on a comparison of the median income of the community with other communities in the State.

(d) Non-Federal Share.—
   (1) Non-federal amounts.— For purposes of this section, the non-Federal portion of the essential air service subsidy may be derived from contributions in kind, or through reduction in the amount of the essential air service subsidy through reduction of air carrier costs, increased ridership, prepurchase of tickets, or other means. The Secretary shall provide assistance to designated communities in identifying potential means of reducing the amount of the subsidy without adversely affecting air transportation service to the community.
   (2) Application with other matching requirements.— This section shall apply to the Federal share of essential air service provided this subchapter, after the application of any other non-Federal share matching requirements imposed by law.

(e) Eligibility for Other Programs Not Affected.— Nothing in this section affects the eligibility of a community or consortium of communities, an airport sponsor, or any other person to participate in any program authorized by this subchapter. A community designated under this section may participate in any program (including pilot programs) authorized by this subchapter for which it is otherwise eligible—
   (1) without regard to any limitation on the number of communities that may participate in that program; and
   (2) without reducing the number of other communities that may participate in that program.

(f) Secretary to Report to Congress on Impact.— The Secretary shall transmit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on—
(1) the economic condition of communities designated under this section before their designation;

(2) the impact of designation under this section on such communities at the end of each of the 3 years following their designation; and

(3) the impact of designation on air traffic patterns affecting air transportation to and from communities designated under this section.


Effective Date

Section applicable only to fiscal years beginning after Sept. 30, 2003, except as otherwise specifically provided, see section 3 of Pub. L. 108–176, set out as an Effective Date of 2003 Amendment note under section 106 of this title.