

## SECRETARY OF THE AIR FORCE WASHINGTON

APR 15 2016

Mr. Michael Huerta Administrator Federal Aviation Administration Orville Wright Bldg (FOB10A) 800 Independence Ave SW Washington, DC 20591

Dear Mr. Huerta:

In my recent discussion with Sen. Boozman, Rep. Womack, and Rep. Hill, from Arkansas, I became aware of an issue regarding the Fort Smith Regional Airport. The general issue appears to be the Federal Aviation Administration's (FAA) definition of "aeronautical," as it pertains to organizations with nominal cost land leases at civil airports and, specifically, whether the Fort Smith Regional Airport Authority should be required to renegotiate a long-standing lease with the Air National Guard (ANG) because the ANG's mission changed from manned aircraft to unmanned aircraft-related activities.

Civil airports are required to charge Fair Market Value (FMV) for land leases to tenants whose activities are not considered "aeronautical," in order to obtain and keep Airport Improvement Program funding. The issue concerns, among others, locations that have had leases with the ANG for long periods and which will remain in effect for decades more—locations that are transitioning to new missions that include, among other activities, remotely piloted aircraft (RPA), remote split operations and other activities we regard as "aeronautical."

The transition to unmanned aircraft is a slow and deliberate process. It is contingent on, among other things, the world situation and sufficient FAA guidance to operate military RPAs in the national airspace. Our staffs are working together to ensure the "aeronautical" definition and the FMV requirement do not overly burden the civil airport or the ANG by requiring immediate renegotiation of lease agreements. We believe these ANG missions are inherently "aeronautical."

The FAA has advised airports in question that they will not be put in "non-compliance" status for still charging nominal lease costs and instead will be placed in "conditional compliance" status for 18-24 months while the ANG and appropriate airport authorities negotiate a way forward. The USAF fully supports these efforts to ensure the transition of Fort Smith and other civil airports to unmanned missions does not adversely impact the civil airport or the ANG. We look forward to continued dialogue on this issue as we work toward a mutually agreeable solution.

Sincerely,

Deborah Lee James

cc:
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See your