



Senate Fiscal Agency
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Senate Bill 269 (as passed by the Senate)
Sponsor: Senator Darrin Camilleri
Committee: Transportation and Infrastructure

Date Completed: 7-29-25

RATIONALE

Out of Michigan's 494 public and private airports, 95 are members of the National Plan of Integrated Airport Systems (NPIAS). The NPIAS enables airports to receive Federal grants under the Federal Aviation Administration's (FAA) Airport Improvement Program, the primary source of Federal aviation funding. Currently, the Code requires the Michigan Aeronautics Commission (Commission) to process FAA funding before it can be given to airport recipients. Some believe this process is unnecessary and time-consuming. For example, in 2020 the Coronavirus Aid, Relief, and Economic Security (CARES) Act authorized \$256.0 million in grant funding for 90 Michigan airports.¹ This included \$141.8 million for the Detroit Metro Wayne County Airport (DTW). Testimony before the Senate Committee on Transportation and Infrastructure indicates that airports in other states received these needed funds in days; however, DTW received its funding six months after it was appropriated. Detroit Metro Airport is the State's busiest airport, and in 2024, it facilitated approximately 16.1 million enplanements.^{2,3} In comparison, the State's second busiest airport, Gerald R. Ford International Airport, facilitated approximately 2.0 million.⁴ Accordingly, it has been suggested that the law be amended to exempt DTW from the Code's requirement.

CONTENT

The bill would amend Chapter VII of the Aeronautics Code to exempt Federal funds awarded to DTW from the requirement that an airport's authority designate the Commission as its agent to accept, receive, receipt for, or disburse any Federal funds granted to acquire, maintain, or improve airports, landing fields, or other aeronautical facilities.

Currently, the Code requires a political subdivision of the State to designate the Commission as its agent so that the Commission may accept, receive, receipt for, and disburse Federal funds for its aeronautical facilities on the political subdivision's behalf. An agreement to this end entered by a political subdivision and the Commission must prescribe the terms and conditions of the agency in accordance with Federal laws, rules, and regulations, as well as applicable State law. Federal funds must be channeled through the State Treasury and disbursed for and on behalf of the political subdivision under the terms and conditions of the respective grants. The disbursements must be made in accordance with State accounting laws and procedures.

The bill would exempt Federal funds granted to a qualified airport from these provisions, unless applicable Federal laws or regulations prohibited the direct acceptance or receipt by,

¹ Oliver, Joey, "Detroit Airport To Receive \$141M For Coronavirus Relief", *Patch*, April 14, 2020.

² "Preliminary CY2024 Enplanements at U.S. Airports, by State", FAA. Retrieved on 7-1-25.

³ Generally, enplanement is the process of a passenger boarding an airplane.

⁴ "Preliminary CY2024 Enplanements at U.S. Airports, by State", FAA.

or disbursement to, a qualified airport. ("Qualified airport" means an airport, other than a military airport, that has 10.0 million or more enplanements in any 12-month period.⁵)

MCL 259.135

PREVIOUS LEGISLATION

(This section does not provide a comprehensive account of previous legislative efforts on this subject matter.)

The bill is a reintroduction of Senate Bill 869 of the 2023-2024 Legislative Session.

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

The bill would aid DTW in operating more efficiently. Requiring the Commission to serve as an intermediary between the FAA and DTW unnecessarily complicates the provision of funding. As noted, due to current law, it took six months for DTW to receive CARES Act funding, whereas airports in other states that did not have such requirements received their funds soon after they were appropriated. The bill would provide DTW with a direct line to the FAA, which would not only streamline the funding process but could offer other benefits. For example, the bill would enable DTW to establish a direct connection with the FAA, which could lead to reduced wait times for the approval of engineering plans, an easier time fulfilling regulatory requirements, and more. Detroit Metro Airport is the State's busiest airport, and it should be enabled to operate in the most efficient manner possible.

Legislative Analyst: Abby Schneider

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Bobby Canell

⁵ According to FAA data, DTW is the only qualified airport in the State, with approximately 15.4 million enplanements in calendar year 2023.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.