

Study of the **Aeronautics Commission**

October 4, 2019

FULL COMMITTEE OPTIONS STANDARD PRACTICE 12.4	FULL COMMITTEE ACTION(S)	DATE(S) OF FULL COMMITTEE ACTION(S)
(1) Refer the study and investigation back to the	Study Available for Consideration	August 30, 2019
Subcommittee or an ad hoc committee for further evaluation;	Study Presentation and Discussion	September 27, 2019
(2) Approve the Subcommittee's study; or	Approved Study	September 27, 2019 with opportunity for members to
(3) Further evaluate the agency as a full Committee, utilizing any of the available tools of legislative oversight.		provide comments open until October 4, 2019

Legislative Oversight Committee



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AGENCY SNAPSHOT

Aeronautics Commission

History

- 1935 The S.C. Aeronautics
 Commission (SCAC) was created by the legislature to foster air commerce in the state, supervise aeronautical activities and facilities, make and enforce rules and regulations regarding the licensing of airplanes and pilots, and cooperate in the establishment and operations of airports.
- 1993 SCAC placed under the Department of Commerce.
- 2009 SCAC transferred to State Budget and Control Board.
- 2015 SCAC transferred to S.C. State Fiscal Accountability Authority.

Agency Mission

Fostering air and economic development by overseeing the safety and development of the state's public use airports, by providing safe and reliable air transportation for state government and business prospects, and by providing aviation education opportunities.

Successes

Identified by the agency

Organizational Units

Administration

 Provides management of budgets, human resources, legislative efforts, and the maintenance of state and federal grants.

Airport Development

 Provides airports within S.C. safety inspections, engineering design and construction services, maintenance projects, and aerial photography and geographic information system (GIS) mapping.

Flight Department

 Provide air transportation to the governor, state legislators, and other governmental bodies for official state business.

Resources (FY 18-19)

Employees

1:

filled FTE positions at the start of the year

Funding

\$10,981,660 appropriated and authorized

- Obtaining national recognition for geographic information system (GIS) map service
- Evaluating runway approaches with an unmanned aircraft system
- Creating compatible land use evaluation tool for land use review

Current:

- Curbing grant delays and lack of support for all public use airports due to issues with state aviation fund cash flow
- · Maintaining aging facilities
- · Covering rising costs to maintain aging aircrafts

Emerging:

- Maintaining airports and making capital improvements
- Transitioning to web based airport information and financial aid requests
- · Aging aircraft



LEGISLATIVE HISTORY

The South Carolina Aeronautics Commission (SCAC) provides significant legislative events in the Program Evaluation Report (PER) it submits to the Committee.² A timeline of these events is included in Figure 2.

1935	Act No 317 creates the South Carolina Aeronautics Commission and authorizes SCAC to promulgate rules and regulations. $^{\rm 3}$
1983	49 U.S.C. § 106 authorizes the Federal Aviation Administration to promulgate regulations relating to all aviation within the United States and, thus, SCAC must comply. ⁴
1993	Act 181 places the Aeronautics Commission under the Department of Commerce and changes the name to the Division of Aeronautics. 5
2005	Act 11 establishes the Aeronautics Commission within the Department of Commerce to assist the Secretary of Commerce in operation of the Division of Aeronautics. ⁶ Also, it requires commission members be elected by congressional district and establishes initial and subsequent term end dates. ⁷ Additionally, it requires the division director be appointed by the Governor and to serve at the pleasure of the Aeronautics Commission. ⁸
2009	Proviso 89.127 of Act 23 transfers the Division of Aeronautics in the Department of Commerce to the State Budget and Control Board for the 2009-10 fiscal year. ⁹
2010	Proviso 89.104 of Act 291 transfers the Division of Aeronautics in the Department of Commerce to the State Budget and Control Board for the 2010-11 fiscal year. ¹⁰
2011	Proviso 89.93 of Act 73 transfers the Division of Aeronautics in the Department of Commerce to the State Budget and Control Board for the 2011-12 fiscal year. 11
2012	Act 270 transfers the Division of Aeronautics from the Department of Commerce to the State Budget and Control Board; however, division operations continue to be governed by the Aeronautics Commission. ¹² Additionally, amendments are made to Title 55, Aeronautics, addressing the following: (a) regulation of public use airport construction, airport hazards, and airport protection; (b) creation of the flight department within the division; and (c) uses for the State Aviation Fund. ¹³
2014	Act 121 abolishes the Budget and Control Board and transfers the Division of Aeronautics to the State Fiscal Accountability Authority. Division operations continue to be governed by the Aeronautics Commission. ¹⁴

Figure 2. SCAC timeline of significant legislative events

FINDINGS

The **Committee has ten findings**, which are adopted at two meetings. ¹⁵ No member votes against any of the findings. ¹⁶ While there are recommendations to address four of these findings, all findings may be of interest to the public or General Assembly.

The Committee's findings fall into four categories: (1) accountability; (2) effectiveness; (3) efficiency; and (4) transparency. An overview of these findings is in Table 1.

Table 1. Findings

Topic	Finding
Accountability	1. SCAC has no minority representation on its commission and has not since at least 2005. R1 Each congressional district legislative delegation appoints one commissioner, and the governor appoints an at-large commissioner. 2. The determination of whether a flight an a state award circust is for efficient.
	2. The determination of whether a flight on a state-owned aircraft is for official business is not made by SCAC; rather, it is made by the entity requesting the flight with oversight provided by those regulating the entity's actions. R4; R13
Effectiveness	3. No entity or division within state government is tasked with centralized management of <u>manned</u> aircraft (i.e., airplanes, helicopters) or information pertaining to their operations.
	4. No entity or division within state government is tasked with centralized management of <u>unmanned</u> aircraft systems (e.g., drones) or information pertaining to their operations. ^{R14; R15}
Efficiency	5. If more state-owned aircraft move to using a central source (i.e., SCAC) for fuel and maintenance, when possible, there may be a potential cost savings for the state.
	6. Airports in the state not recognized in the federal National Plan of Integrated Airport Systems (NPIAS) may desire to seek alternative funding sources in addition to striving for funding eligibility from NPIAS. ^A
	7. If a dedicated source of funding for matching state grants is accessible each year in July, the state may further leverage federal funding for airports within the state recognized in NPIAS. A; B (The state fiscal year begins in July, and the federal fiscal year begins in October.)

Topic	Finding
Transparency	 8. As of June 2019, SCAC has never exercised its authority to separately or jointly acquire, establish, construct, expand, own, lease, control, equip, improve, maintain and operate its own airports, or, among other things, acquire land by condemnation or purchase. SCAC currently uses the Columbia Metropolitan Airport. 9. As of June 2019, Clemson University has never exercised its authority to develop an airport. Clemson University currently uses the Oconee County airport. 10. Four provisos related to SCAC have been included, with minimal to no change, in the General Appropriations Act for more than a decade and, therefore, the General Assembly may wish to consider codifying one or more of them. Topics addressed by these provisos include: reimbursement for services carry forward; office space rental; hangar/parking facilities; and aviation grants.

Table Notes:

Accountability

- 1. The Committee finds SCAC has no minority representation on its commission and has not since at least 2005. ¹⁷ Each congressional district legislative delegation appoints one commissioner, and the governor appoints an at-large commissioner. When asked about this issue, SCAC staff note a potential barrier to obtaining diverse representation on the commission is lack of knowledge about the commission and its vacancies by the public, in general, and potential candidates, in particular. ¹⁸ To address this issue, the Committee recommends SCAC provide notice to the appropriate congressional district legislative delegation one-year prior to the expiration of a commissioner's term.
- 2. The Committee finds the determination of whether a flight on a state-owned aircraft is for official business is not made by SCAC; rather, it is made by the entity requesting the flight with oversight provided by those regulating the entity's actions. ¹⁹ State agencies and other governmental bodies or political subdivisions within the state have authority to use state-owned aircraft "for matters pertinent to, and in the normal course of business for the governmental entities." ²⁰ Individuals or entities not part of state government have authority to do so as long as there is a written statement by an authorized sponsor attesting to the need for one or more flight operations. ²¹

For a decade, the General Assembly has further clarified this authority in the annual appropriations legislation:

... Any and all aircraft owned or operated by agencies of the State Government shall be used only for official business. ... Official business shall not include routine transportation to and from meetings of the General Assembly or committee meetings for which mileage

A The National Plan of Integrated Airport Systems, published by the Federal Aviation Administration, identifies nearly 3,330 existing and proposed airports that are included in the national airport system, the roles they currently serve, and the amounts and types of airport development eligible for Federal funding under the Airport Improvement Program.

^B This is also noted in the April 2018 Senate Transportation Oversight Subcommittee Report on the South Carolina Aeronautics Commission. The Senate recommends SCAC request the General Assembly provide a dedicated source of funding for state grants which would be available at the beginning of the state's fiscal.

^R Indicates the related Committee recommendation number(s).

is authorized. Official business also does not include attending a press conference, bill signing, or political function. ... ²²

SCAC does not make, nor is it tasked in law with, making a determination of whether the flight is for "the normal course of business." ²³ If someone considering a flight asks SCAC for advice on whether the flight is permitted, SCAC directs the person to the entity that regulates the individual's actions (e.g., State Ethics Commission, etc.). ²⁴ Appendix I includes information on other entities operating state-owned aircraft. Also, recommendations three and eleven address how information on flights is maintained and may assist those regulating entities tasked with making determinations about whether flights taken were appropriate.

Effectiveness

3. The Committee finds no entity or division within state government is tasked with centralized management of <u>manned</u> aircraft (i.e., airplanes, helicopters) or information pertaining to their operations.²⁵ Conversely, the General Assembly tasked a department within state government with developing a comprehensive state Fleet Management Program to "address acquisition, assignment, identification, replacement, disposal, maintenance, and operation of motor vehicles."²⁶ The General Assembly tasked the program with seeking to achieve, among other objectives, "maximum cost-effective management of state-owned motor vehicles in support of the established missions and objectives of the agencies, boards, and commissions."²⁷

SCAC is unaware of a similar requirement that it, or any other agency, maintain a list of state-owned aircraft utilized across state government. ²⁸ In the past, this may not have been necessary, due to the limited number of agencies with such assets. However, there are now several agencies operating multiple airplanes and/or helicopters (collectively "aircraft"). ²⁹ Centralization may assist in procurement of the appropriate aircraft based on an agency's needs. Additionally, centralized knowledge of needs across state government may further enable the state to maximize cost-effective acquisition and maintenance of state-owned aircraft (e.g., when acquisition of a single aircraft for two or more separate agencies to utilize jointly may gain efficiencies where the benefits of acquiring an aircraft for a single agency was cost prohibitive). Finding five addresses cost efficiencies related to fuel and servicing of state-owned aircraft as well. Appendix I includes information on other state entities operating manned aircraft.

4. The Committee finds no entity or division within state government is tasked with centralized management of <u>unmanned</u> aircraft systems (e.g., drones) or information pertaining to their operations. Similar to finding number three, there is no entity responsible for developing and administering a comprehensive management program and addressing the areas of acquisition, assignment, identification, replacement, disposal, maintenance, operation, and safety for unmanned aircraft systems (UAS). With the continued evolvement of UAS, centralized management and/or expertise may benefit the state in several ways.

First, it may improve the effectiveness of SCAC and other agencies' operations. Use of UAS allows SCAC to evaluate obstacles within a runway approach.³² This technology provides a comprehensive picture of safety issues an airport may need to address.³³

Additionally, other state agencies have shown interest in utilizing UAS in their operations.³⁴ SCAC understands the state Emergency Management Division is cataloguing UAS for possible emergency response usage.³⁵ Ways in which other agencies may benefit from use of UAS include, but are not limited to, the following:

- inspections of bridges and roads (Department of Transportation),
- inspections of dams and flooding (Department of Health and Environmental Control, Department of Natural Resources, Department of Parks, Recreation, and Tourism),
- inspections of forests (State Forest Commission), and
- maintaining security around correctional institutions.³⁶

Also, there is a potential to leverage knowledge across state government through regular organized intergovernmental demonstrations, as well as the applicability of different Federal Aviation Administration regulations.³⁷

Second, the ability to enter state contracts for purchase and maintenance of UAS may lower costs for state agencies utilizing UAS, and centralized expertise on the technology may increase efficiencies in procurement (i.e., procurement of the appropriate UAS based on an agency's needs). Currently the state Materials Management Office, an organizational unit within the State Fiscal Accountability Authority, does not collaborate with SCAC when procuring state contracts for unmanned aircraft services, and SCAC is unaware of any current statewide contract pursuits.³⁸

Third, centralized expertise and collaboration across agencies, may aid in addressing security threats (e.g., threats posed by those who wish to use UAS to circumvent the security of state resources and personnel).

Potential steps in considering a central UAS program, may include the following:

- Conducting a statewide survey identifying agencies currently using the technology, agencies
 planning to use the technology, and an evaluation of potential uses related to all agencies and
 their programs; and
- Developing cost estimates, based upon the survey responses, as well as operator requirements, aircraft requirements, insurance requirements, and planned utilization, to identify unmanned aircraft platforms needed to fit the associated mission profiles.³⁹

Also, recommendations fourteen and fifteen relate to this topic. 40

Efficiency

5. The Committee finds if more state-owned aircraft move to using a central source (i.e., SCAC) for fuel and maintenance, when possible, there may be a potential cost savings for the state. There is no requirement that entities operating state-owned aircraft purchase fuel from, or have their aircraft serviced by, SCAC. Additionally, SCAC does not currently support such an arrangement, as it may not be financially advantageous for every fuel purchase. However, SCAC acknowledges there may be savings through coordinated fueling and maintenance services.

SCAC owns and manages several in-ground fuel tanks for use by its two aircraft and for sale to other state agencies.⁴⁴ The fuel tanks, which include jet fuel and aviation gas fuel, are located at its facilities at the Columbia Metropolitan Airport.⁴⁵ The jet fuel tanks consist of one inactive and two active 20,000 gallon

fuel tanks. 46 The aviation gas fuel tanks consist of two 10,000 gallon fuel tanks and one 2,000 waste tank. 47

SCAC can offer fuel at reduced prices because it monitors its tank levels and wholesale fuel prices to keep its tanks supplied with fuel at the most advantageous price.⁴⁸ SCAC passes savings on to other agencies by only marking up the wholesale price between \$0.25 and \$0.50 per gallon to cover costs of its equipment and line and pumping service personnel.⁴⁹

As for maintenance, SCAC has the personnel and equipment capabilities to service airplanes operated by the University of South Carolina, Clemson University, Department of Natural Resources, State Law Enforcement Division (SLED), and State Forestry Division. In addition, if SCAC personnel obtain additional training, SCAC could maintain SLED's helicopters. While SCAC performs service on the state-owned aircraft operated by some of these entities (e.g., DNR), it does not service all of them.

To determine the total potential cost savings, if any, and situations in which it may be more efficient for an entity to switch to SCAC or remain with a private provider, instead of using SCAC, requires more analysis. Factors for consideration in this analysis may include, but not be limited to, maintenance staff overhead, direct maintenance costs that have been incurred, current shop rates for government entities who utilize outside maintenance, and average fuel expense rates that have been utilized over a period to allow a comparison between those fuel prices and SCAC's fuel rates for the same period. Appendix I includes information on other entities operating state-owned aircraft and vendors each utilizes to service their aircraft.

6. The Committee finds airports in the state not recognized in the federal National Plan of Integrated Airport Systems (NPIAS) may desire to seek alternative funding sources in addition to striving for funding eligibility from NPIAS. The NPIAS, published by the Federal Aviation Administration, identifies nearly 3,330 existing and proposed airports that are included in the national airport system, the roles they currently serve, and the amounts and types of airport development eligible for federal funding under the Airport Improvement Program (AIP). Airports not recognized in the federal system are not eligible for federal funding through the AIP; accordingly, the state and local communities, as well as private entities, fund those airports.

Currently, five of the state's publicly owned public use airports are not NPIAS recognized, based on information available to SCAC, and in recent years the FAA has been disinclined to add more airports to NPIAS.⁵⁷ Table 2 includes information about those five airports. Appendix F includes a list of all South Carolina airports, with additional details on their eligibility for funding, role in the S.C. airport system, and role in the federal system.

Table 2. Data related to S.C. airports not in the federal system as of February 2019⁵⁸

<u>County</u>	<u>City</u>	Name of Airport	<u>S.C.</u> <u>Airport</u> <u>Role</u>	<u>Type</u>	<u>Ownership</u>	<u>Use</u>	<u>In</u> <u>Federal</u> <u>System</u> (NPIAS)	Federal AIP grants (\$150,00/yr)	State grants from SCAC
Edgefield	Trenton	Edgefield County	Recreation / Local	General Aviation	Public	Public	No	Eligible	Eligible
Florence	Lake City	Lake City Municipal - CJ Evans Field	Recreation / Local	General Aviation	Public	Public	No	Eligible	Eligible
Hampton	Hampton	Hampton- Varnville	Recreation / Local	General Aviation	Public	Public	No	Eligible	Eligible
McCormick	McCormick	Mc Cormick County	Recreation / Local	General Aviation	Public	Public	No	Eligible	Eligible
Orangeburg	Holly Hill	Holly Hill	Recreation / Local	General Aviation	Public	Public	No	Eligible	Eligible

As operation of an airport may enhance economic development and have other positive impacts, SCAC recognizes continuing airport services in these communities is essential.⁵⁹ However, as SCAC does not anticipate addition of these five airports to the federal system in the coming years, alternative funding should be sought to help ensure these airports continue to positively impact their respective communities.

7. The Committee finds if a dedicated source of funding for matching state grants is accessible each year in July, the state may further leverage federal funding for airports within the state recognized in NPIAS. 60 This finding notes a need to facilitate better grant timing and availability of matching funds to secure federal grants. 61

Also, the Senate Transportation Oversight Subcommittee makes note of this opportunity in their April 2018 Report on the South Carolina Aeronautics Commission. In that report, the Senate Transportation Oversight Subcommittee recommends SCAC request the General Assembly provide a dedicated source of funding for state grants which would be available at the beginning of the state's fiscal year.

Through the State Aviation Fund, SCAC provides public airports matching state grants to obtain federal funding. When an NPIAS airport receives a federal grant for a capital project, the federal government pays for 90% of the project, with the state and local government each contributing 5%. ⁶² When federal dollars are not available, the state pays 60% of the project and the local government pays 40%. ⁶³ See Appendix F for a map of the 58 publicly owned airports in South Carolina and table showing which are eligible for federal funding.

SCAC grants are reimbursements only.⁶⁴ Therefore, each year, SCAC begins with a balance in the State Aviation Fund that has much of its value encumbered by grants issued the previous year that are in the process of being drawn upon.⁶⁵ After SCAC considers open encumbrances, it utilizes the "uncommitted" amount of money and any revenues received during that same fiscal year from aircraft fuel tax and airline property tax to support eligible capital or maintenance projects at airports across the state.⁶⁶ For more than four years, SCAC has waited until the third quarter of the state fiscal year to receive revenues from

airline property tax prior to executing new grants.⁶⁷ This waiting period causes concern at the local level because the airports receive Federal Aviation Administration grants in the first quarter of the state fiscal year.⁶⁸

Appendix G and H include further background on grants for airports and the State Aviation Fund. Recommendation numbers eight and fourteen address the aircraft fuel sales tax and airline property tax.

Transparency

Authority granted in some aviation-related statutes have not been utilized in more than a decade. Findings eight and nine may assist in any future analysis as to whether these statutes should be continued, curtailed, or eliminated.

- 8. The Committee finds that as of June 2019, SCAC has never exercised its authority to separately or jointly acquire, establish, construct, expand, own, lease, control, equip, improve, maintain and operate its own airports, or, among other things, acquire land by condemnation or purchase. 69 Chapter 9 (South Carolina Airports Act) of Title 55 (Aeronautics) in the South Carolina Code of Laws has provided SCAC this authority since 1993. SCAC has never exercised this authority in regards to acquiring, establishing, etc. its own airports. 70 However, SCAC does lease property from the Columbia Metropolitan Airport.
- 9. The Committee finds that as of June 2019, Clemson University has never exercised it authority to develop an airport. Since 1987, South Carolina Code Section 55-11-10 has permitted the Clemson University board of trustees to develop an airport; also, since 1993, this statute has permitted Clemson University to designate the Aeronautics Commission as the agent for such airport. However, as of June 2019, neither action has ever occurred.⁷¹ Currently, the Oconee County Airport serves as the local airport for Clemson University.⁷²
- 10. The Committee finds four provisos related to SCAC have been included, with minimal to no change, in the General Appropriations Act for more than a decade and, therefore, the General Assembly may wish to consider codifying one or more of them.⁷³ Table 3 includes information on each of the provisos.

Reimbursement for Services Carry Forward

The Division of Aeronautics may retain and expend reimbursements derived from charges to other government agencies for service and supplies for operating purposes and that a reserve not to exceed \$300,000 may be carried forward to the current fiscal year for the replacement of time limit aircraft components.

History: 2013-14 to 2018-19 Proviso 87.1; 2010-11 through 2012-13 Proviso 68D.1; 2009-10 Proviso 80A.56

Office Space Rental

Revenue received from rental of Division of Aeronautics office space may be retained and expended to cover the cost of building operations.

History: 2013-14 to 2018-19 Proviso 87.2; 2010-11 through 2012-13 Proviso 68D.2; 2009-10 Proviso 80A.57

Hangar/Parking Facilities

The Division of Aeronautics will provide hangar/parking facilities for government owned and/or operated aircraft on a first come basis. Funds shall be retained by the division for the purpose of hangar and parking facility maintenance. The Hangar Fee Schedule shall be determined by the division and shall not exceed local average market rates. Personnel from the agencies owning and/or operating aircraft will be responsible for ground movement of their aircraft.

<u>History</u>: 2013-14 to 2018-19 Proviso 87.4; 2010-11 through 2012-13 Proviso 68D.4; 2009-10 Proviso 80A.59 *Note*: The General Assembly added the last sentence of the proviso in 2012-13.

Aviation Grants

The funds appropriated for Aviation Grants, in this bill or any bill supplemental thereto, shall be credited to the State Aviation Fund within the Division of Aeronautics for the following purposes: (1) to allow the maximization of grant funds available through the Federal Aviation Administration for capital improvement projects; (2) for maintenance projects of general aviation airports; and or (3) for aviation education related programs including, but not limited to, educating young people about careers in the aviation industry and/or the promotion of aviation in general. Sponsors of publicly owned airports for public use are eligible to receive grants pursuant to this provision, but the airport must have a current development plan that meets the planning requirements of the National Plan of Integrated Airports Systems. The Aeronautics Commission shall promulgate regulations establishing the grants program that, at a minimum, address: (1) priorities among improvements qualifying for grants; (2) an airport selection process to ensure an equitable distribution of funds among eligible airports; and (3) the criteria for distribution of funds among eligible airports. Enabling airport sponsors to meet basic Federal Aviation Administration safety guidelines for obstruction clearance must be a major factor in the priority guidelines established by the Aeronautics Commission pursuant to this provision. The Commission also shall have discretion consistent with Section 55-5-170 of the 1976 Code to establish a program to grant Aviation Fund dollars for these purposes at the ratio of eighty percent from the fund to twenty percent from the local airport sponsor, or any ratio with a smaller relative contribution from the fund. A report on the expenditure of these funds shall be submitted to the Senate Finance Committee and the House Ways and Means Committee. Unspent funds from the prior fiscal year may be carried forward to the current fiscal year and spent for like purposes.

<u>History</u>: 2014-15 to 2018-19 Proviso 87.5; 2013-14 Proviso 87.7; 2010-11 through 2012-13 Proviso 68D.8; 2009-10 Proviso 80A.64

RECOMMENDATIONS

The following recommendations continue, curtail, and/or eliminate agency programs, and include areas for potential improvement. The Committee recognizes these recommendations will not satisfy everyone nor address every issue or potential area of improvement at the agency. These recommendations are based on the agency's self-analysis requested by the Committee, discussions with the agency during multiple meetings, and analysis of the information obtained by the Committee. This information, including, but not limited to, the Program Evaluation Report, Accountability Report, Restructuring Report and videos of meetings with the agency, is available on the Committee's website.

The Committee has 20 recommendations. The Committee adopts the recommendations at one meeting.⁷⁴ No member votes against any of the recommendations.⁷⁵

Recommendations to SCAC

The Committee makes twelve recommendations to SCAC. The Committee's recommendations to SCAC fall into four categories: (1) accountability; (2) effectiveness; (3) efficiency; and (4) transparency. An overview of these recommendations is in Table 4.

Table 4. Recommendations to SCAC

Table 4. Recommendations to SCAC						
Recommendations to SCAC						
Topic	Recommendations					
Accountability	 Provide notice to the appropriate congressional district legislative delegation one year-prior to the expiration of a commissioner's term. F1 Provide the Secretary of State's Office updated records to reflect the correct year in which the term ends for commissioners from congressional districts one and three. Conduct a formal evaluation of SCAC's executive director on a regular basis (e.g., annual or biennial) and include the requirement of, and procedures for, this evaluation in SCAC's written policies. Establish a method to electronically collect flight information (e.g., passenger names, purpose of each flight, etc.) in advance of a flight and publish it, after the flight, in a searchable, online format (e.g., search by purpose, agency, passengers, reimbursement status, etc.). F2 Post on SCAC's website the Budget and Control Board Report analyzing the issue of owning versus chartering planes for state use. 					
Effectiveness	 6. Begin the process of updating current, and promulgating new, regulations (i.e., publication of a Notice of Drafting in the <i>State Register</i>) within the next year. 7. Require adherence to airport land use and safety zones as a prerequisite to receiving state grants administered by SCAC (e.g., include in forthcoming regulations). 					

Recommendations to SCAC				
Topic	Recommendations			
Efficiency	 8. Determine if there are potential cost savings it may obtain through the purchase of a utility plane versus entering into agreements with another state agency for use of a utility plane and provide the analysis to the Committee within the next twelve months. 9. Request a waiver from the State Fiscal Accountability Authority (SFAA) and Joint Bond Review Committee (JBRC), authorizing it to participate in the federal asset transfer program if the prerequisite approval from its commission prior to accepting any assets remains. 10. Determine benefits of, and what is necessary for, it to track and validate scheduled times and mileage of aircraft subject to the airline property tax and provide its analysis to the Committee within the next twelve months. 			
Transparency	 Formulate a written records retention policy that complies with the various requirements (e.g., Public Records Act and South Carolina Uniform Electronic Transactions Act) to transfer agency records, including electronic ones, to the Department of Archives and History. Develop a schedule to digitize the physical maps, photos, and other SCAC printed materials stored at its office. 			

Table Note: F Indicates the related Committee finding number)

Accountability

- 1. The Committee recommends SCAC provide notice to the appropriate congressional district legislative delegation one year prior to the expiration of a commissioner's term. Further, SCAC should include in the notice a copy of the laws applicable to the commission, such as S.C. Code Section 13-1-1020, which states in part, "The elections or appointments shall take into account race and gender so as to represent, to the greatest extent possible, all segments of the population of the State"77 This recommendation may help achieve diverse representation on the commission as there has been no minority representation on the commission for more than a decade. The second recommission as the second recommission of the second recommission for more than a decade.
- 2. The Committee recommends SCAC provide the Secretary of State's Office updated records to reflect the correct year in which the term ends for commissioners from congressional districts one and three. Each state board and commission must send written notification to the Secretary of State's Office of any appointment, election, resignation, or vacancy in its membership, as well as when the member's term begins and ends. Calculation of the year in which the term ends for SCAC commissioners should follow S.C. Code Section 13-1-1050.
- 3. The Committee recommends SCAC conduct a formal evaluation of SCAC's executive director on a regular basis (e.g., annual or biennial) and include the requirement of, and procedures for, this evaluation in SCAC's written policies. ⁸¹ While SCAC conducts annual employee performance evaluations on staff, there is no formal evaluation process in place for the agency head. ⁸² A Committee member notes, and the SCAC executive director agrees, that a formal evaluation process of the agency head will be good for the agency as a whole. ⁸³

4. The Committee recommends SCAC establish a method to electronically collect flight information (e.g., passenger names, purpose of each flight, etc.) in advance of a flight and publish it, after the flight, in a searchable, online format (e.g., search by purpose, agency, passengers, reimbursement status, etc.). 84 SCAC, like other entities that operate state-owned aircraft, must collect certain information for each flight. 85 This information includes passenger names and a description of the official nature of the trip (i.e., purpose). 86 The General Assembly requires posting the information online "to promote accountability and transparency." 87

SCAC collects the requisite and additional information through various methods (e.g., electronic and handwritten). After the flight, SCAC posts the information on its website in two formats, flight logs and flight manifests. The information posted includes names of passengers, purpose of flight, date, departing and arriving city, length of time in the air, and amount charged to entity flying, if any. However, in the current format (i.e., individual portable document format [.pdf] documents), the public and those who regulate entities taking flights are unable to search, sort, or evaluate the information through queries. Appendix I includes sample flight logs and manifests posted on SCAC's website.

Additionally, SCAC can only audit whether its personnel are collecting the required information on each flight by manually searching through the individual .pdf documents. According to SCAC, its pilots normally follow up if an entity flying fails to provide all necessary information, but the Committee observed at least one flight manifest in which there was no recorded description of the official nature of the trip. ⁹¹ Collecting and recording this information is important because failing to provide it in itself creates a presumption of an ethical violation by those flying on the aircraft. ⁹²

Currently, SCAC electronically collects some information in advance of a flight (e.g., passenger names). ⁹³ SCAC does not oppose obtaining other information in advance of the flight, like the description of the official nature of the trip, and affirms it could collect this information electronically at no cost. ⁹⁴ Additionally, SCAC is looking at flight management software, which it believes may allow for a searchable post-flight reporting format. ⁹⁵

5. The Committee recommends SCAC post on the agency's website the Budget and Control Board Report analyzing the issue of owning versus chartering planes for state use. The report is currently available on the General Assembly's website, but is not available on the SCAC's website. 96

Effectiveness

6. The Committee recommends the agency begin the process of updating current, and promulgating new, regulations (i.e., publication of a Notice of Drafting in the *State Register*) within the next year. ⁹⁷ The General Assembly expressly <u>authorized</u> SCAC to promulgate regulations concerning the use of airports and landing fields in 1937. ⁹⁸ Subsequent legislative enactments have <u>required</u> the agency to promulgate regulations on certain topics (e.g., establishing criteria for distribution of monies from the State Aviation Fund among eligible airports). ⁹⁹ To date, SCAC has promulgated five regulations and none relate to the State Aviation Fund. ¹⁰⁰

The Administrative Procedures Act requires agencies to conduct a formal review of all regulations every five years. ¹⁰¹ SCAC staff is aware of this requirement and has begun the review process. ¹⁰² SCAC staff anticipates the review process including, but not being limited to, the following:

- deletion of any regulations that are no longer relevant or do not align with current federal regulations,
- addition of regulations addressing flight operations for agency-owned aircraft, airport maintenance and enhancements, airport safety, and the State Aviation Fund, and
- addition of appropriate enforcement mechanisms, including fines. ¹⁰³
- 7. The Committee recommends SCAC require adherence to airport land use and safety zones as a prerequisite to receiving state grants administered by SCAC (e.g., include in forthcoming regulations). This recommendation seeks to enhance safety for people and to protect the significant investments made in airport infrastructure by government at all levels (i.e., federal, state, and local). 105

In 2012, the General Assembly established requirements for SCAC and local governments related to planning around airports in the state.

The first set of requirements relate to creation and distribution of maps. SCAC must create a map of each public use airport in the state showing airport property, runways, taxiways, runway approach and departure zones, airport safety zones and airport land use zones. Airport land use zones are extended zones from each runway in which land use considerations should be made to prevent uses incompatible with aircraft and airport operations. After creating the maps, SCAC must provide copies to the governing bodies of the local governments and those with authority to allow construction around the airport. SCAC must update the maps as needed, but at least every five years. SCAC does not anticipate the maps will require much updating, if any, between the five-year periods because when creating the maps, SCAC takes into account the current runway conditions (e.g., lengths, widths, etc.) as well as the airport's master plan for future infrastructure.

The second set of requirements relate to use of the maps and communication about changes to land use around the airports. The General Assembly requires county and municipal governments and local agencies to take into account the presence of airport land use zones and avoid/minimize the interruption of aircraft operations and aviation safety, including approach, landing, takeoff, and departure criteria established by the Federal Aviation Administration or national industry standards.¹¹¹

Additionally, each governmental body must submit any planned development, plat approval or building permit in an airport safety zone or airport land use zone to SCAC for review. SCAC has 30 days to provide comments on the proposed land use. If SCAC provides comments, the governmental body must respond substantively in writing to each separate comment.

To fulfill the General Assembly's requirements and facilitate a better response time for the land use review process, SCAC built a Compatible Land Use Evaluation Tool (CLUE), which has received national recognition. CLUE enables review and comments, in an almost automated manner, that allows local governments to issue permits within days. 116

While there is a framework for cooperation and an innovative tool to facilitate fast responses on proposed land use changes, local governing bodies are not required to adopt ordinances, preventing actions that are contrary to SCAC's maps. ¹¹⁷ However, SCAC may seek judicial relief, including enjoining the activity or abatement of the condition giving rise to SCAC's comments, if SCAC believes a proposed project may substantially impact aviation safety, create an imminent or foreseeable hazard to aviation safety, or result in a nuisance or an incompatible land use. ¹¹⁸ However, SCAC may not have knowledge of

the situation until after private individuals, and potentially the local government, have made investments in a new land use project.

SCAC recognizes these maps and consultations about land use changes seek to avoid a local government creating hazards by, for example, approving a high-rise hotel in an approach pattern aircraft use to get in and out of an airport. In addition to safety concerns, when local governments do not follow the maps and SCAC recommendations, there is a potential for degradation of the utility of an airport and the halting of projects due to non-compliance with FAA and state grant assurances, and overall economic losses related to the economic impact the local airport provides. In addition, a local government of the seconomic losses related to the economic impact the local airport provides.

SCAC is collaborating with local government officials to encourage adoption of local ordinances that mirror the state requirement. This collaboration seeks to elevate awareness of state requirements and how land use impacts local airports. 122

Efficiency

- 8. The Committee recommends SCAC determine if there are potential cost savings it may obtain through the purchase of a utility plane versus entering into agreements with another state agency for use of a utility plane and provide the analysis to the Committee within the next twelve months. ¹²³ The nature of the services SCAC offers requires staff to spend considerable time travelling among the 58 publicly owned public use airports. ¹²⁴ By increasing efficiency in staff travel, SCAC may reduce travel times and increase staff productivity. ¹²⁵ Alternative travel methods include SCAC purchasing a utility plane for staff use or entering into an agreement with the Department of Natural Resources to use its aircraft. ¹²⁶
- 9. The Committee recommends SCAC request a waiver from the State Fiscal Accountability Authority (SFAA) and Joint Bond Review Committee (JBRC), authorizing it to participate in the federal asset transfer program if the prerequisite approval from its commission prior to accepting any assets remains. Cocasionally, the federal government places aviation assets on the market, at a low cost, for utilization by state and law enforcement entities. Part of the agreement in purchasing the asset is placement of the asset into service for a certain period of time, after which full ownership rights are conveyed. The low cost of acquisition of the aviation asset offers a potential to generate cash flow from a future sale, if an agency determines an asset is not beneficial to its mission.

However, the current approval process for participation in this program prevents SCAC from responding to these federal opportunities in a timely manner. SCAC must obtain approval from its commission before purchasing or selling any aeronautics assets. ¹³¹ If the asset is valued at over \$50,000, the JBRC must review the transaction prior to a determination by SCAC's commission. ¹³² If the transaction is for the purchase or lease of an aircraft is for more than 30 days, regardless of the aircraft's value, additional approval are required, which are applicable to all state agencies. ¹³³

In the past, the federal government has provided only a few weeks for an agency to make a decision on a federal asset.¹³⁴ The combination of approval from SCAC's appointed commissioners and a narrow waiver from SFAA and JBRC, may allow SCAC to participate when federal opportunities with limited response periods arise.¹³⁵ This opens the opportunity for future cash flow that may enable SCAC to purchase aircraft with less out of pocket costs (i.e., General Fund appropriations). For further discussion regarding the current value of the planes SCAC operates, use of planes, average annual maintenance cost,

and future replacement plans see the Subcommittee's March 26, 2019, meeting and SCAC's April 18, 2019, letter to the Subcommittee. ¹³⁶

10. The Committee recommends SCAC determine benefits of, and what is necessary for, it to track and validate scheduled times and mileage of aircraft subject to the airline property tax and provide its analysis to the Committee within the next twelve months. ¹³⁷ Currently, the Department of Revenue (DOR) calculates airline property tax owed based on the following information for each airplane an airline company uses in the state: (a) value of the airplane, (b) time on the ground in this state as a percentage of time on the ground elsewhere, (c) and mileage over this state as a percentage of total miles flown. ¹³⁸ If SCAC tracks scheduled times and mileage of aircraft subject to the property tax, this information may assist DOR in validating the airlines' self-reported information. ¹³⁹

Transparency

- 11. The Committee recommends SCAC formulate a written records retention policy that complies with the various requirements (e.g., Public Records Act and South Carolina Uniform Electronic Transactions Act) to transfer agency records, including electronic ones, to the Department of Archives and History. The agency retains most records at its office, with electronic retention and backups occurring with the assistance of the Department of Administration's Division of Technology Office. SCAC is in the process of developing an appropriate written records retention policy and plans to meet with the Department of Archives and History. Archives and History.
- 12. The Committee recommends SCAC develop a schedule to digitize the physical maps, photos, and other SCAC printed materials stored at its office. 143 Currently, SCAC digitizes and electronically stores new maps, photos, and other files from recent projects. However, it maintains materials from prior airport projects, aerial imagery, contract files, and similar materials, in printed form in its planning and archive room at SCAC's headquarters. 144 Digitizing the older printed materials facilitates file sharing and allows for maximization of office space. 145

Recommendations to the General Assembly

The Committee makes seven recommendations to the General Assembly. The Committee's recommendations to the General Assembly fall into four categories: (1) accountability; (2) effectiveness; (3) efficiency; and (4) modernization of laws. An overview of these recommendations is in Table 5.

Table 5. Recommendations to the General Assembly

Recommendations to the General Assembly for Statutory Changes					
Topic	Recommendations				
Accountability	13. Codify state operated aircraft flight log requirements in Proviso 117.22 from the 2018-19 General Appropriations Act and require them to be in an online, searchable format. ^{F2}				

Recommendations to the General Assembly for Statutory Changes					
Topic	Recommendations				
Effectiveness	 14. Establish a stakeholders' group to recommend a legislative/regulatory framework for operation of unmanned aircraft systems (e.g., drones) in the state and, as part of the process, obtain input from potentially impacted parties, including, but not limited to, state agencies, local governments, and the military.^{F4} 15. Adopt state statutes that mirror federal statutes pertaining to the use of unmanned aircraft systems (e.g., drones) in and around military facilities, to provide additional state penalties.^{F4} 				
Efficiency	16. Clarify the transportation company aircraft fuel sales tax exemption by revising S.C. Code Ann. § 12-36-2120(9)(d) [exemptions from sales tax] to make the exemption only available to entities that pay the airline property tax.				
Modernization of Laws	 Remove the requirement that SCAC provide State Law Enforcement Division personnel methods to test flight crew member's blood alcohol content in S. C. Code Ann. § 55-1-100(B) [Operating or acting as flight crew member of aircraft while under influence of alcohol or drugs unlawful; criminal prosecution and rights of accused; penalties]. Revise S.C. Code Ann. § 15-9-410 [Provisions as to nonresident aircraft operators are not applicable to certain air carriers], to conform to Federal Aviation Administration requirements. Repeal S.C. Code Ann. §§ 23-33-10 ["Missile" defined] and 23-33-20 [Permit required for firing missile], as federal laws and regulations supersede these statutes. Revise statutes that still reference SCAC as a division of the Department of Commerce. 				

Table Note: F Indicates the related finding number

Accountability

13. The Committee recommends the General Assembly consider codifying state operated aircraft flight log requirements in Proviso 117.22 from the 2018-19 General Appropriations Act and require them to be in an online, searchable format. 146 Proviso 117.22 from the 2018-19 General Appropriations Act requires each agency with an aircraft to maintain a continuing log on all flights that is open for public inspection and posted online. 147 This continuing log includes passenger names and description of the official nature of the trip (i.e., purpose). 148 Posting the information online "promote[s] accountability and transparency." 149

For at least the last ten years, through proviso the General Assembly has required posting of information related to flights online. Also, for more than five years, through proviso, the General Assembly has required that information from the flight on any state-owned or operated aircraft with limited exceptions,

to include a sworn statement describing the official nature of the trip. Table 6 includes a summary of those requirements

Table 6. Information required in proviso for flights on state-owned aircraft and number of years required

Requirement	# of years
Agency with one or more aircraft must maintain and post online a continual	At least 10 years
log of all flights ¹⁵⁰	
Entities flying on aircraft SCAC operates must provide a sworn statement	At least 10 years
describing the official nature of the trip ¹⁵¹	
Entities furnished air transportation by a state agency other than SCAC must	At least 10 years
provide sworn statement certifying the trip was in conjunction with official	
business of the agency ¹⁵²	
Entities flying on any state-owned or operated aircraft must provide a sworn	6 years
statement describing the official nature of the trip 153	

As part of considering the necessity of codification and potential benefits, the General Assembly may seek to revise certain language to provide additional clarity to assist agencies in understanding compliance requirements.¹⁵⁴

SCAC is unaware of a requirement that it, or another agency, maintain a list of state-owned or operated aircraft utilized across state government. Appendix I includes a list of state government entities operating aircraft. Additionally, it includes screen shots from each entity's website with sample information each posts about the flights it takes and format in which the information is available, a brief summary of which is in Table 7.

Table 7. Online information about flights on state operated aircraft

Entity*	Format	Searchable / sortable		date	time	number	from	to	purpose+	pilot(s)	passenger(s)^	charge, if any
SCAC	Р	х		✓	✓	✓	✓	✓	✓	✓	✓	✓
Department of Natural Resources	Н	✓	available:	✓	x	✓	x	x	✓	✓	x	x
Forestry Commission	Р	x	information av	Summai	ry in onl	ine annual	report ir	nclud	es only total	number o	f missions and re	gion hours.
State Law Enforcement Division^	н	✓	Flight inforn	√	✓	✓	✓	✓	✓	✓	✓	x
Clemson University⁺	Р	x		Flights ta	ken on a	aircraft ope			C are posted es are not po		Details of flights	on Clemson
University of South Carolina ⁺	Р	✓		✓	x	x	✓	✓	✓	x	✓	X

Table Note: In the Format column, "P" means individual .pdf documents and "H" means html table.

As evidenced in Table 7 and Appendix I, agency posting of flight information is not uniform. Additionally, agency compliance with posting requirements for flight information varies. Requiring all of the agencies that operate aircraft to maintain the information in a uniform sortable format may improve accountability and transparency.

^{*} Statutory requirements of collecting and posting information applies to state-owned aircraft and aircraft operated by state entities. 156

[^] Passenger names may remain confidential in certain situations applicable to the State Law Enforcement Division and Department of Commerce. 157

⁺ The description of the official nature of the trip is not required in the following circumstances: (a) state-owned or operated aircraft used by the Medical University of South Carolina; (b) aircraft owned by the athletic department or educational foundation of any state-supported college or university; or (c) law enforcement when flying on state-owned aircraft in pursuit of fugitives, missing persons, or felons or for investigation of gang, drug, or other violent crimes. 158

Effectiveness

The recommendations below relate, in part, to the Committee's finding number four, that no entity or division within state government is currently tasked with centralized management of unmanned aircraft systems (e.g., drones) or information pertaining to their operations.

14. The Committee recommends the General Assembly consider establishing a stakeholders' group to recommend a legislative/regulatory framework for operation of unmanned aircraft systems (e.g., drones) in the state and, as part of the process, obtain input from potentially impacted parties, including, but not limited to, state agencies, local governments, and the military. Use of unmanned aircraft systems (UAS) allows SCAC to evaluate obstacles within a runway approach. This technology provides a comprehensive picture of safety issues an airport may need to address. 161

Additionally, other state agencies have shown interest in utilizing UAS in their operations. ¹⁶² Due to growing interest in UAS state-wide, SCAC has indicated that conducting a statewide survey that identifies entities using or planning to use UAS, as well as an evaluation of potential uses may be beneficial. ¹⁶³ In addition, subject matter experts should be consulted to explore ways to protect the state from potential threats by bad actors who wish to misuse unmanned aircraft.

Furthermore, SCAC believes the authority to regulate unmanned aircraft lies exclusively with the Federal Aviation Administration at present. However, SCAC testified that the Federal Aviation Administration is in the process of promulgating regulations authorizing states to regulate UAS. For this reason, SCAC believes South Carolina should begin the process of developing these laws now, an approach already taken by other states. However, SCAC believes South Carolina should begin the process of developing these laws now, an approach already taken by other states.

15. The Committee recommends the General Assembly consider adopting state statutes that mirror federal statutes pertaining to the use of unmanned aircraft systems (e.g., drones) in and around military facilities, to provide additional state penalties. Presently, SCAC believes the authority to regulate unmanned aircraft systems (UAS) lies exclusively with the Federal Aviation Administration, however, SCAC testified that the Federal Aviation Administration is in the process of creating regulations that would allow states to begin establishing their own laws for UAS. As South Carolina begins the process of regulating UAS, it may be desirable to consult subject matter experts to explore ways to protect military and other secure facilities in the state from potential threats by bad actors who wish to misuse unmanned aircraft.

Efficiency

16. The Committee recommends the General Assembly consider clarifying the transportation company aircraft fuel sales tax exemption by revising S.C. Code Ann. § 12-36-2120(9)(d) [exemptions from sales tax] to make the exemption only available to entities that pay the airline property tax. 169

The State Aviation Fund is used for airport development.¹⁷⁰ Currently, there are three funding sources for it: general fund appropriations, airline property tax, and the aircraft fuel sales tax.¹⁷¹ The airline property tax and the aircraft fuel sales tax function as a way for aircraft operating in South Carolina to support the airports they utilize.¹⁷² However, exemptions exist for airlines and transportation companies.¹⁷³

During the study, the SCAC agency head testified that in the past, companies that owned an aircraft for the purposes of transporting people or goods, regardless of the nature of the company, have been granted an exemption from the aircraft fuel sales tax.¹⁷⁴ SCAC believes the lack of clarity in the statutory

definition of "transportation companies" creates a loop-hole for companies that may not be true "transportation companies." Without this clarification, an entity not intended to be exempt from the airline property tax and the aircraft fuel sales tax could be allowed to provide no support to the airports the entity utilizes in South Carolina. 176

Modernization of laws

- 17. The Committee recommends the General Assembly consider removing the requirement that SCAC provide State Law Enforcement Division (SLED) personnel methods to test flight crew member's blood alcohol content in S. C. Code Ann. § 55-1-100(B) [Operating or acting as flight crew member of aircraft while under influence of alcohol or drugs unlawful; criminal prosecution and rights of accused; penalties]. SCAC staff note inclusion of the language "using methods approved by the division" creates confusion and implies that SCAC must approve the methods SLED uses, which is not accurate. Revising the statute may help eliminate confusion.
- 18. The Committee recommends the General Assembly consider revising S.C. Code Ann. § 15-9-410 [Provisions as to nonresident aircraft operators are not applicable to certain air carriers] to conform to Federal Aviation Administration requirements. ¹⁷⁹ This statute applies to issuance of certificates of public necessity and convenience, which SCAC does not, and has never, issued. ¹⁸⁰ As the Federal Aviation Administration issues these certificates, revision is necessary to reflect the correct issuing body. ¹⁸¹
- 19. The Committee recommends the General Assembly consider repealing S.C. Code Ann. §§ 23-33-10 ["Missile" defined] and 23-33-20 [Permit required for firing missile], as federal laws and regulations supersede these statutes. SCAC supports this recommendation and notes this is a responsibility of the United States Department of Defense. 183
- 20. The Committee recommends the General Assembly consider revising statutes that still reference SCAC as a division of the Department of Commerce. Act 11 establishes the Aeronautics Commission within the Department of Commerce to assist the Secretary of Commerce in operation of the Division of Aeronautics. Act 270 transfers the Division of Aeronautics from the Department of Commerce to the State Budget and Control Board; however, division operations continue to be governed by the Aeronautics Commission. Act 121 abolishes the Budget and Control Board and transfers the Division of Aeronautics to the State Fiscal Accountability Authority. Division operations continue to be governed by the Aeronautics Commission. While SCAC is no longer a division of the Department of Commerce, some statutes continue to refer to it as such. 187

STUDY PROCESS

Agency Selection

The S.C. Aeronautics Commission is an agency subject to legislative oversight. On May 3, 2018, during the 122nd General Assembly, the Committee prioritizes the agency for study. The entire study process is summarized in Figure 3 below.

As the Committee encourages **collaboration in its legislative oversight process**, the Committee notifies the following individuals about the agency study: Speaker of the House, standing committee chairs in the House, members of the House, Clerk of the Senate, and Governor.

Subcommittee Membership

The Executive Subcommittee of the House Legislative Oversight Committee studies the agency. ¹⁹⁰ The study takes place during the 123rd General Assembly. Throughout the study, the Honorable Gary F. Clary serves as chair. Other Subcommittee Members include:

- The Honorable Chandra E. Dillard;
- The Honorable Laurie Slade Funderburk; and
- The Honorable Wm. Weston J. Newton.

Agency Reports to Legislative Oversight Committee

During the legislative oversight process, the **Committee asks the agency to conduct self-analysis** by requiring it to complete and submit annual Restructuring Reports, a Seven-Year Plan for cost savings and increased efficiencies, and a Program Evaluation Report. Details about each report, including the submission dates, are included in Appendix B. The Committee posts each report on the agency page of the Committee's website.

Information from the Public

Public input is a cornerstone of the House Legislative Oversight Committee's process. ¹⁹¹ There are a variety of opportunities for public input during the legislative oversight process. Members of the public have an opportunity to participate anonymously in a public survey, provide comments anonymously via a link on the Committee's website, and appear in person before the Committee. ¹⁹² During the study, media articles related to the agency are compiled for member review. Details about each form of input are included in Appendix C.

Meetings Regarding the Agency

The Committee meets with, or about, the agency on three occasions, and the Subcommittee meets with, or about, the agency on five occasions. All meetings are open to the public and stream live online; also, the videos are archived and the minutes are available online. A timeline of meetings is set forth in Figure 3.

Legislative Oversight Committee Actions

- May 3, 2018 Holds **Meeting #1** to prioritize the agency for study
- May 9, 2018 Provides the agency notice about the oversight process
- July 17 August 20, 2018 Solicits input about the agency in the form of an online public survey
- January 28, 2019 Holds **Meeting #2** to obtain public input about the agency
- September 27, 2019 Holds Meeting #8 to discuss study; approves study; and provides an
 opportunity for individual Committee Members to provide written comments for inclusion with
 the study

Executive Subcommittee Actions

- February 6, 2019 Holds **Meeting #3** to discuss the agency's history; legal directives; mission; vision; general information about finances and employees; and agency organization
- February 26, 2019 Holds Meeting #4 to discuss the agency's airport development program
- March 5, 2019 Holds **Meeting #5** to continue to discuss the agency's airport development program
- March 26, 2019 Holds **Meeting #6** to discuss the agency's flight department
- June 25, 2019 Holds **Meeting #7** to discuss the agency's administration unit, performance measures, and law recommendations

Aeronautics Commission

- March 31, 2015 Submits its Annual Restructuring and Seven-Year Plan Report
- January 12, 2016 Submits its 2016 Annual Restructuring Report
- September 2016 Submits its **2015-16 Accountability Report**
- September 2017 Submits its **2016-17 Accountability Report**
- September 2018 Submits its **2017-18 Accountability Report**
- October 19, 2018 Submits its Program Evaluation Report
- February September 2019 Meets with Committee and responds to inquiries

Public's Actions

- July 17 August 20, 2018 Provides input about the agency via an online public survey
- Ongoing Submits written comments on the Committee's webpage on the General Assembly's website (www.scstatehouse.gov)

Figure 3. Key dates in the study process, May 2018 to September 2019

122nd General Assembly (2018-2019)

May 2018

On **May 3, 2018**, the Committee holds **Meeting # 1** to select the agency for study. Meeting materials and minutes are available on the Committee website. ¹⁹³

123rd General Assembly (2019-2020)

January 2019

On **January 28, 2019**, the Committee holds **Meeting # 2** with the agency to obtain public input. No individuals provide public testimony about the agency. SCAC Director, James Stephens provides an overview of SCAC's role and responsibilities in the state's transportation system. Also, he answers questions from the Committee members regarding SCAC's operations and interactions with other state agencies.

February 2019

On **February 6, 2019**, the Subcommittee holds **Meeting # 3** with the agency. The purpose of the meeting is to receive a general overview of the agency. The following agency personnel are placed under oath: (a) Mr. Ira E. "Bud" Coward, SCAC District 2 commissioner and Vice-Chair, and (b) Ms. Ericka Thomas, Office Manager. Director Stephens presents an overview of the agency which includes the agency's history; legal directives; mission and vision; resources available, both funding and employees; governing body; organizational chart; and organizational units. Members ask questions, which Director Stephens answers.

On **February 26, 2019**, the Subcommittee holds **Meeting # 4** with the agency. The purpose of the meeting is for the agency to present information on its first organizational unit, airport development. Director Stephens begins presenting information on the agency's airport development organizational unit including its purpose, organization structure, programs, and deliverables. Members ask questions, which Director Stephens answers.

March 2019

On March 5, 2019, the Subcommittee holds Meeting # 5 with the agency. The purpose of the meeting is to allow members to ask questions remaining from the previous meeting and for the agency to complete its presentation on its airport development organizational unit. Mr. Delphin A. Gantt, Jr., SCAC Chair, is placed under oath and makes brief opening remarks. Members ask questions about information presented during the last Subcommittee meeting, which Director Stephens answers. Director Stephens presents information on the agency's airport development organizational unit that he did not have time to finish at the last meeting. Members ask questions, which Director Stephens answers.

On **March 26, 2019**, the Subcommittee holds **Meeting # 6** with the agency. The purpose of the meeting is to allow members to ask questions remaining from the previous meeting and for the agency to present information on its flight department. Director Stephens presents information on the agency's flight department. Members ask questions, which Director Stephens answers.

June 2019

On **June 25, 2019**, the Subcommittee holds **Meeting # 7** with the agency. The purpose of the meeting is to allow members to ask questions remaining from the previous meeting and for the agency to present information on its administration organizational unit. Director Stephens presents information on the agency's flight department. Members ask questions, which Director Stephens answers. Additionally, members make motions for various Subcommittee study recommendations and findings.

September 2019

On **September 27, 2019**, the Committee holds **Meeting # 8** with the agency. Subcommittee Chair Clary presents a summary of the Subcommittee's study of the agency to the full Committee, which has been available for review since July 2019. Committee members ask questions of Subcommittee Chair Clary, which he answers. In addition, members ask questions of agency personnel, which they answer. Subcommittee Chair Clary discusses three additional recommendations to add to the study. Subcommittee Chair Clary makes a motion for the full Committee to approve the Subcommittee Study, with the addition of three recommendations.

Next Steps

To support the Committee's ongoing oversight by maintaining current information about the agency, the agency may receive an annual Request for Information.

SELECTED AGENCY INFORMATION

See below for additional sources of information about the agency.

S.C. Aeronautics Commission. "Program Evaluation Report, 2018."

https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/AeronauticsCommission/Aeronautics%20-

%20Program%20Evaluation%20Report%20Submission.pdf (accessed July 8, 2019).

S.C. Aeronautics Commission. "Restructuring and Seven-Year Plan Report, 2015."

https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/2015AgencyRestructuringandSevenYearPlanReports/2015%20Aeronautics%20Commission.pdf (accessed July 8, 2019).

S.C. Aeronautics Commission. "Agency Accountability Report, 2018."

https://www.scstatehouse.gov/reports/aar2018/U300.pdf (accessed July 8, 2019).

S.C. House of Representatives, Legislative Oversight Committee. "July - August 2018 Survey Results." https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpag

es/Corrections/Public_Survey_JulAug2018.PDF (accessed July 8, 2019).

APPENDIX A. AGENCY OVERVIEW

The Committee requests the agency provide background information via the Program Evaluation Report, Accountability Report, and correspondence. Below is an overview of the agency, as reflected in these submissions as well as information provided by the agency during the study process.

History

SCAC provides the Committee with an overview of the agency's history. ¹⁹⁵ In addition, Committee staff confirms the accuracy of assertions of legislative action.

SCAC Executive Directors

5 1935

1935

Col. Dexter C. Martin, Director (1935 – 1949)

1950

O. L. Andrews, Director (1950 – 1952)

1953

C. B. Culbertson, Director (1953 – 1956)

1957

G. C. Merchant, Jr., Director (1957 – 1972)

Other Agency Milestones

The S.C. Aeronautics Commission is created by the legislature to foster air commerce in the state, supervise aeronautical activities and facilities, make and enforce rules and regulations regarding the licensing of airplanes and pilots, and to cooperate in the establishment and operations of airports.

1969

A state aid program for airports is started, which provides for state matching of funds for airport projects supported by the federal government.

1973

John W. Hamilton, Director (1973 – 1990)

1983

The Federal Aviation Administration is authorized to promulgate regulations relating to all aviation within the United States and, thus, SCAC must comply. 196

Current headquarters constructed and occupied.

1990

T. R. Runnels, Interim Director (1990 – 1991)

SCAC Executive Directors

Other Agency Milestones

1991

John P. Park, Director (1991 – 1992)

1992

Joseph H. Saleeby, Director (1992 – 1995)

1993

The Aeronautics Commission is placed under the Department of Commerce and the name is changed to the Division of Aeronautics. ¹⁹⁷

1995

Bill Carisle, Director (1995 – 1999)

1999

Ira E. Coward, Director (1999 – 2004)

2004

Walter L. Johnson, Interim (2004 – 2005)

2005

2005

Michael O'Donnell, Director (2005 – 2008) Act 11 establishes the Aeronautics Commission within the Department of Commerce to assist the Secretary of Commerce in operation of the Division of Aeronautics. ¹⁹⁸ Also, it requires commission members be elected by congressional district and establishes initial and subsequent term end dates. ¹⁹⁹ Additionally, it requires the division director be appointed by the Governor and to serve at the pleasure of the Aeronautics Commission. ²⁰⁰

2008

Paul G. Wertz, Director (2008 – 2014)

2009

The Division of Aeronautics is transferred away from the Department of Commerce and becomes a "separate and distinct component of the South Carolina Budget and Control Board." ²⁰¹ The Division is "governed and overseen by the Aeronautics Commission." ²⁰² The Budget and Control Board is "charged with providing administrative support for the Aeronautics Division." ²⁰³

SCAC Executive Directors

Other Agency Milestones

2012

Major amendments are made to Title 55, Aeronautics, which address:

- entity with whom the agency is a division (i.e., codifying the proviso that placed the Division of Aeronautics under the State Budget and Control Board),
- state aviation fund uses,
- public use airport construction, airport hazards, and airport protection regulation, and
- flight department within the Division.

2014

2014

James D. Stephens, Director (2014 – Current) S.C. Budget and Control Board is authorized to sell the Division's two aircraft if justified by the analysis in a report it issues comparing the costs and benefits of selling the two state owned aircraft operated by SCAC to use of private airline charters for official state business.²⁰⁴

The Budget and Control Board is abolished and its duties and responsibilities related to the Division of Aeronautics are transferred to the State Fiscal Accountability Authority. 205

Legal Obligations

In the Program Evaluation Report, the Committee asks the agency to list the laws applicable to it. Table 8 includes a summary of the information the agency provides.²⁰⁶

Table 8. Summary of SCAC legal obligations

Code Section	Summary of Laws Applicable to SCAC
Title 1 Administration of the Government	Transfers and incorporates SCAC under the Department of Commerce; provides restrictions for the purchase or lease of aircraft by any state agency
Title 11 Public Finance	Allows the Division of Aeronautics under the Department of Commerce ^A to act as its own purchasing agency for procurement of aircraft maintenance services

Code Section		Summary of Laws Applicable to SCAC		
Title 13 Planning, Research and Development		 Various responsibilities related to: aeronautic asset purchase or sale, commission district boundaries, commission members, including election/appointment, qualifications, terms, and duties, commission official seal, rules and procedures adoption, executive director appointment, 		
Title 15 Civil Remedies and Procedures		Procedures for service of process on nonresident operators of aircraft Note: Revision of Section 15-9-410 included in recommendation #16.		
Title 23 Law Enforcement and Public Safety		Requires any person wishing to fire or discharge a missile in the state to first obtain a permit from the Aeronautics Division of the Department of Commerce ^A Note: Revision of Section 23-33-10 and -20 included in recommendation #17.		
Title 55 Aeronautics	Chapter 1 General Provisions	 Various responsibilities related to: fine and fee depositing, airplane owner, operator, and public carrier liability, unlawful entry of an aircraft and unlawful damaging or removing of equipment, public highway landing or take off, additional member appointment to the county aviation commission, state aircraft use, and aircraft flight crew under the influence of drugs or alcohol Note: Revision of Section 55-1-100 included in recommendation #15. 		
	Chapter 3 State Law for Aeronautics	Various responsibilities related to: aircraft landing on the property of another, damage liability and liens, collision liability, crimes and torts, water and waterway use by seaplanes, aircraft use for hunting, and laser devices pointing at aircraft 		

Code Section		Summary of Laws Applicable to SCAC
Title 55 Aeronautics (continued)	Chapter 5 State Aeronautical Regulatory Act	 Various responsibilities related to: air commerce and aeronautical activity promotion and maintenance, agency rules and regulation promulgation, public use airport construction, agency law and regulation enforcement, including penalties and the appeals process, and state aviation fund
	Chapter 9 South Carolina Airports Act	Various responsibilities related to:
	Chapter 11 Particular Airports	Various responsibilities related to: Greenville-Spartanburg Airport District and Commission, Richland-Lexington Airport District and Commission, Pee Dee Regional Airport District, and state funding of air carrier hub terminal facilities
T'11 55	Chapter 13 Protection of Airports and Airport Property	Various responsibilities related to the protection of airports and airport property
Title 55 Aeronautics (continued)	Chapter 15 Relocation Assistance	Various responsibilities related to: • payments to displaced persons, • programs to assist with relocation, and • procedures for condemnation
	Chapter 17 Regional Airport Districts	Provides for issuance of general obligation bonds by districts
Proviso 87.1 ^B		Establishes the right of the Division of Aeronautics to receive reimbursement for services rendered
Proviso 87.2 ^B		Establishes the right of the Division of Aeronautics to receive revenue from rental of Division office space

Code Section	Summary of Laws Applicable to SCAC
Proviso 87.3 ^B	Establishes the funding sequence of airports in the state
Proviso 87.4 ^B	Establishes the authority of the Division of Aeronautics to provide hangar/parking facilities for government owned and/or operated aircraft
Proviso 87.5 ^B	Establishes the criteria by which funds may be appropriated for aviation grants
Proviso 117.22 ^B	Establishes the criteria and mandate to maintain logs of all flights for accountability and transparency
Regulation 3-1 ^C	Prohibits aircraft landing or operation on any beach in the state except areas designated by the Division of Aeronautics
Regulation 3-3 ^c	Requires a permit from the Division of Aeronautics for any airshow or aerial exhibition
Regulation 3-4 ^c	Imposes certain restrictions on pilots with less than 200 hours of certified time
Regulation 3-5 ^C	Requires registration with the Division of Aeronautics of aircraft to be used in aerial spraying, dusting, seeding or any similar operation
Regulation 3-10 ^c	Requires air carriers conducting business in the state to obtain a certificate of public convenience and necessity from the Division of Aeronautics

Table Notes:

- A. SCAC was previously known as the Division of Aeronautics of the Department of Commerce. Currently, it is the Division of Aeronautics of the State Fiscal Accountability Authority.
- B. 2018-19 General Appropriations Act.
- C. Agency is in the process of updating their regulations. Please see Recommendation 2.

Agency Organization and Employees

During the study process, the Committee asks the agency about its leadership and organizational units.²⁰⁷ SCAC informs the Committee it has a commission, which oversees the agency, an executive director that serves at the pleasure of the commission, and three organizational units, which report to the executive director: (1) administration; (2) airport development; and (3) flight department. Figure 4 includes the organizational structure of the agency. Appendix E includes information on how other southeastern states structure and staff their aeronautics division.

Organizational Chart

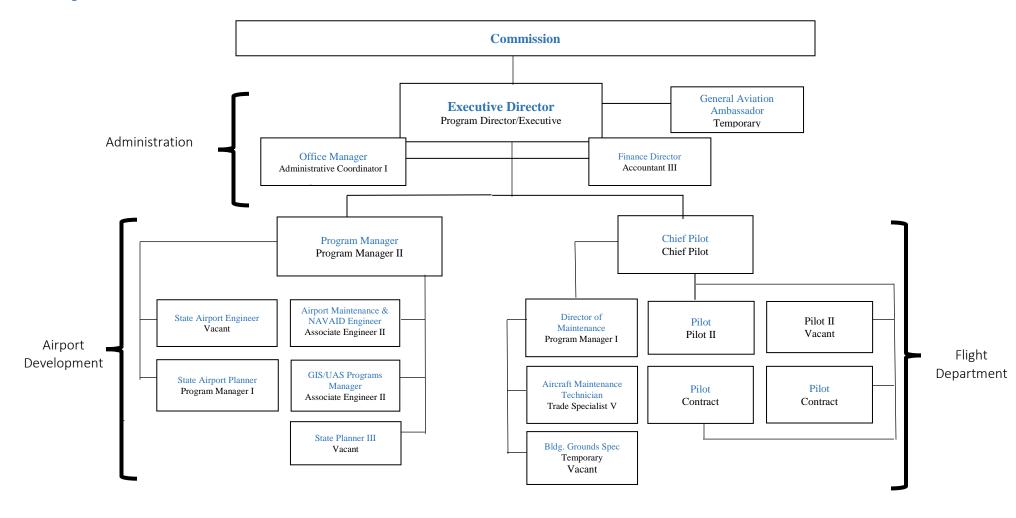


Figure 4. SCAC organizational chart, current as of fiscal year 2018-19²⁰⁸
Figure Note: SCAC was a division of the Department of Commerce, then a division of the Budget and Control Board. Currently, it is a division of the State Fiscal Accountability Authority.

Governing Body

In the Program Evaluation Report, the Committee asks the agency to provide information about the agency's governing body. The agency provides the information below.²⁰⁹

The General Assembly defines the purpose and organization of the commission in S.C. Code Sections 13-1-1000 through 13-1-1090. As shown in Figure 5, it requires the commission to "oversee the operation of the division as the division's governing body."²¹⁰



Each member of the commission must meet the following **minimum qualifications**:

- proven record of public and community service;
- experience in the fields of business and aviation; and
- at least two of the following criteria:
 - o general aviation experience;
 - o airport or fixed based operator management experience;
 - o aviation service provider experience;
 - o state or regional airport commissioner service;
 - o legal experience; or
 - o aviation association involvement.²¹¹

Figure 5. Hierarchy for Aeronautics, which is a division of the State Fiscal Accountability Authority

One commissioner is elected by each of the legislative congressional district delegations based upon qualifications and residence within the respective districts. The Governor appoints the chair, an at-large position, with advice and consent of the Senate. In addition to meeting commission member minimum qualifications, the commission chair must have experience in the fields of business, general aviation, and airport management. The commissioner elections and appointment must take into account race and gender so as to represent, to the greatest extent possible, all segments of the population of the state.

Each commission **term** is four years with a possible six-month hold-over. ²¹⁵ If vacancies occur, the person elected to fill the vacancy can only serve the remainder of the unexpired term. ²¹⁶ The end date of commissioner terms stagger as a result of differing initial terms of commissioners from each congressional district when the commission was first established. ²¹⁷ While there are no limits on the number of terms a commissioner may serve, there is a prohibition on a member from the same county serving consecutive terms. ²¹⁸ This requirement limits the ability of one member to serve consecutive terms. While this also ensures over time there is representation from at least two of the counties within the congressional district, there is no requirement providing for a rotation of members within all of the counties in a district. ²¹⁹ Commissioners must reside in the district they represent, with exception of the chair, who serves at-large. ²²⁰ Failure to maintain residency in the district from which the commissioner is elected will result in forfeiture of office. ²²¹

Table 9 includes the name, appointment date, and term expiration date for the current SCAC commissioners. Figure 6 shows the areas of the state included in each district.

Table 9. SCAC commissioners as of February 2019

SCAC Commissioners							
<u>Commissioner</u>	Appointment Date	<u>Term Expiration</u>					
Chair: Delphin A. Gantt, Jr.	5/19/2011	At the pleasure of the Governor					
District 1: Devon A. (Al) Francis	5/7/2018	2/15/2022					
District 2: Ira (Bud) E. Coward, II	1/6/2015	2/15/2019					
District 3: Skeets Cooper	4/5/2017	2/15/2021					
District 4: Darwin H. Simpson	1/17/2018	2/15/2020					
District 5: Charles Douglas Barnes	3/1/2017	2/15/2021					
District 6: Marco Cavazzoni	5/7/2018	2/15/2021					
District 7: Christopher L. Bethea	7/19/2017	2/15/2020					

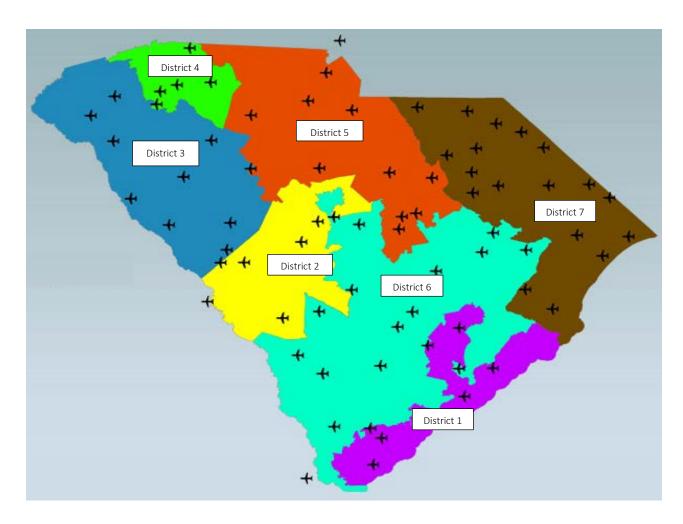


Figure 6. Map of SCAC commission districts as of February 2019

Executive Director

SCAC's executive director, who must meet the statutory qualifications, is nominated by the SCAC commission and appointed by the Governor.²²² If the Governor rejects the nominee, the commission nominates another person, and continues in this manner until an appointment is made.²²³ If there is a vacancy in the executive director position for any reason, the commission submits a nominee for a successor to the Governor.²²⁴

The executive director must meet the following **minimum qualifications**, which are the same as those for commissioners:

- proven record of public and community service;
- experience in the fields of business and aviation; and
- at least two of the following criteria:
 - o general aviation experience;
 - o airport or fixed based operator management experience;
 - o aviation service provider experience;
 - o state or regional airport commissioner service;
 - o legal experience; or
 - o aviation association involvement.²²⁵

Once appointed, the executive director serves at the pleasure of the commission.²²⁶

The current executive director is Mr. James Stephens. In addition to his education and professional experience in the aviation field, he previously served as a program manager at the agency.²²⁷ The executive director has an informal succession process in place and plans to implement a formal succession plan, agreed upon by the commission.²²⁸

Organizational Units

Within an agency's organization are separate units. An agency may refer to these units as departments, divisions, functional areas, cost centers, etc. Each unit is responsible for contributing to the agency's ability to provide services. SCAC is comprised of three organizational units: (1) administration; (2) airport development; and (3) flight department.²²⁹ Details about each unit are below in Tables 10.1 through 10.3.

The **administration** unit is responsible for management of budgets, human resources, legislative efforts, and the maintenance of state and federal grants. The Department of Administration provides SCAC assistance in the following financial activities through agreed upon services: (a) procurement, (b) purchase orders, and (c) annual budget loading.²³⁰

Table 10.1. SCAC organizational unit: administration

<u>Details</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>
Average number of employees in the unit	3	3	3
What is the turnover rate?	0.00%	0.00%	0.00%
Is employee satisfaction evaluated?	×	×	×
Is anonymous employee feedback allowed?	×	×	×
Do any positions require a certification (e.g., teaching, medical, accounting, etc.)?	✓	✓	✓
Did the agency pay for, or provide classes/instruction needed to maintain all, some, or none of required certifications?	All	All	All

The **airport development** unit is responsible for providing the public use airports in the state with safety inspections, engineering design and construction services, maintenance projects, aerial photography, and Geographic Information System (GIS) mapping. Currently, there are 66 public use airports in the state.²³¹ 58 of these airports are publicly owned.²³² Note, state aid is not offered to privately owned, public use airports.²³³

Table 10.2. SCAC organizational unit: airport development

<u>Details</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>
Average number of employees in the unit	5.5	5	4.5
What is the turnover rate?	54.50%	0.00%	22.22%
Is employee satisfaction evaluated?	×	×	×
Is anonymous employee feedback allowed?	×	×	×
Do any positions require a certification (e.g., teaching, medical, accounting, etc.)?	✓	✓	✓
Did the agency pay for, or provide classes/instruction needed to maintain all, some, or none of required certifications?	All	All	All

The **flight department** is responsible for providing air transportation to the governor, state legislators, and other governmental bodies for official state business. Equipment utilized by the department includes the following: (1) 1990 Beech King Air with capacity for nine passengers, two crew, and a cruising speed of approximately 340 miles per hour, and (2) 1983 Beech King Air C90 with capacity for six passengers, two crew, and a cruising speed of approximately 300 miles per hour.²³⁴

Table 10.3. SCAC organizational unit: flight department

<u>Details</u>	2015-16	2016-17	2017-18
Average number of employees in the unit	3.5	4	4
What is the turnover rate?	85.71%	0.00%	0.00%
Is employee satisfaction evaluated?	X	×	×
Is anonymous employee feedback allowed?	×	×	×
Do any positions require a certification (e.g., teaching, medical, accounting, etc.)?	✓	✓	✓
Did the agency pay for, or provide classes/instruction needed to maintain all, some, or none of required certifications?	All	All	All

Staff Positions, Descriptions, and Demographics

Table 11 summarizes information on each agency position, including title, job description, demographics, and vacancies.

Table 11. SCAC staff titles, descriptions, demographics, and vacancies as of June 25, 2019²³⁵

Job Title	Job Description	Demographics	Available, Filled, and Vacant
Administration Un	it		
Executive	Directs and manages the overall mission and	Male,	1 Available
Director	objectives of the agency	Caucasian	1 Filled
Office Manager	Manages the operations of the office and human	Female,	1 Available
	resources, including front office customer support	Caucasian	1 Filled
	and insurance coordination		
Finance Director	Manages the financial functions of the agency,	Female,	1 Available
	including accounts payable and receivable, budget	Caucasian	1 Filled
	tracking, procurement, and contractual service		
Airport Developme	ent Unit		
Program	Serves as the State Airport Engineer; directs and	Male,	1 Available
Manager	manages the overall program initiatives and	Caucasian	1 Filled
	objectives of the Airport Development (AD)		
	department		
Airport	Manages the AD airport maintenance and	Male,	1 Available
Maintenance &	Automated Weather Observation programs	Caucasian	1 Filled
Navigational Aid			
Engineer			
State Airport	Manages the statewide airport land use review	Male,	1 Available
Planner	program; agency's information technology needs;	Caucasian	1 Filled
	and serves as an airport safety inspector		
GIS/UAS	Manages the Geographic Information Systems (GIS)	Male,	1 Available
Programs	and Unmanned Aircraft Systems (UAS) programs for	Caucasian	1 Filled
Manager	the agency, and serves as an airport safety		
	inspector		
Flight Department			
Chief Pilot	Manages the flight department including employee	Male,	1 Available
	performance, flight scheduling, aircraft	Caucasian	1 Filled
	maintenance, and overall performance of the		
	agency's response to other state departmental		
	flight needs; ensures flight department is managed		
	in accordance with FAA Flight Standards and State		
-11	transparency requirements		
Pilot II	Pilot in command of state owned aircraft, customer		1 Available
	service, and pre and post-flight aircraft needs		0 Filled
	coordination; may serve as department head when		
	the Chief Pilot is out on annual or extended leave		

Job Title	Job Description	Demographics	Available, Filled, and Vacant
Director of	Head of the Aircraft Maintenance section of the	Male,	1 Available
Maintenance	flight department; performs aircraft maintenance as needed; manages staff and overall compliance of aircraft maintenance requirements related to FAA and Manufacturer maintenance requirements and recommendations	Caucasian	1 Filled
Aircraft	Serves under the direction of the Director of		1 Available
Maintenance	Maintenance; performs necessary functions to		0 Filled
Technician	support aircraft maintenance needs and aircraft		
	flight preparation including fueling and other		
	support services as required; assists with facility		
	maintenance as needed for the agency		

Based on the demographics of SCAC's staff, the Committee asked the agency about its efforts to have more **diversity**. SCAC advertises open positions through the state process and in industry publications (e.g., pilot trade organizations). SCAC is unaware of any persons identifying as a minority applying for a position in the past five years. To encourage more diverse applicants SCAC's director works with personnel at Benedict College and South Carolina State University to advertise about opportunities. SCAC's

SCAC acknowledges the state's aeronautics industry, as a whole, lacks diversity. ²³⁹ SCAC asserts a challenge to diversity in the state's aeronautics industry is lack of major training centers for pilots, mechanics, and engineers. ²⁴⁰ SCAC anticipates the advancement of aviation education statewide may increase diversity in the state's aeronautics industry and at SCAC. ²⁴¹

In regards to **planning for potential future staff turnover**, one employee is currently eligible for retirement based on age, but has not planned for a specific retirement year yet.²⁴² Additionally, two more employees will become eligible for retirement in five years based on age, but have expressed a desire to continue working past their retirement eligibility.²⁴³ Since 2012, six employees have retired and been replaced. The agency also states it has history of low turnover and high employee morale.²⁴⁴

Internal Audit Process

In the Program Evaluation Report, the Committee asks the agency to provide information about its internal audit process, if it has one. SCAC provides the information below.²⁴⁵

Due to the size of the agency, SCAC does not have an internal audit process or auditors. However, based upon the memorandum of agreement with the Department of Administration (DOA), the agency has support and oversight for all financial procedures. DOA approves financial transactions processed at SCAC, or they process the transactions for SCAC. All procurement activity and deposits are handled by DOA. DOA has internal controls which are followed, for financial transactions, and develops mitigation rules for South Carolina Enterprise Information System processing where applicable.

The State Auditor's Office (SAO) performs Agreed Upon Procedures (AUP) audits for SCAC on a regular basis. AUP audits were completed for FY 2012-2013, FY 2014-2015, and FY 2016-2017. Also, the SAO conducts a yearly audit of the Schedule of Expenditures of Federal Awards as required by the Federal Aviation Administration.

Additionally, the Senate Transportation Oversight Subcommittee conducted a review of SCAC and published its report in April 2018. ²⁴⁶ The review covered FY 2014-2015 and FY 2015-2016.

Finances

In its PER, and through its presentations, SCAC provides information on the resources available to it. Also, it outlines how it allocates those resources to its strategic plan.

\$500,000 of the \$2,000,000 the General Assembly provides SCAC from the **state general fund** goes directly to the State Aviation Fund, which SCAC cannot use for its general operations.²⁴⁷ The General Assembly authorizes SCAC to spend up to \$5,000,000 in **other funds** that SCAC receives from sources other than the state general fund or federal funds.²⁴⁸ SCAC receives a little over \$5,000,000 per year in State Aviation Fund revenue that comes from aircraft fuel sales taxes and airline property taxes.²⁴⁹ SCAC requested, and received, authorization in the FY 2019-20 budget to spend up to \$6,000,000 because it was very close to approaching the \$5,000,000 limit with the grant and aid programs it offers.²⁵⁰ According to SCAC, the cash is available and it only seeks additional authorization.²⁵¹ SCAC does not want the current authorization level to inhibit it in paying the grant commitments, all of which SCAC pays as reimbursements, it has made when the airports finish the projects and request reimbursement.²⁵²

The General Assembly authorizes SCAC to spend up to \$3,478,867 in **federal funds**. ²⁵³ This does not necessarily mean SCAC has this amount in the bank, just that it can spend up to that amount, if received from the federal government. ²⁵⁴ The authorization level has remained flat over the last several years because SCAC has not requested an increase or decrease. ²⁵⁵ According to SCAC the authorization level could be decreased. ²⁵⁶ Notably, this is authorization to spend federal funds when SCAC receives a federal grant for its use. ²⁵⁷ For example, in recent years SCAC received a federal grant to perform an economic impact study. ²⁵⁸ This authorization does not relate to federal grants airports around the state receive, which may require matching state funds that SCAC provides the airports through the State Aviation Fund. Appendix G and H include an explanation of grants for airports within the state as well as the State Aviation Fund.

Figure 7 includes information on SCAC's appropriations and authorizations from fiscal year 2013-14 through 2017-18. Table 12 shows how SCAC allocated its resources to the different parts of its comprehensive strategic plan. Information about sources of funding, restrictions on use of each source, if any, cash on hand, etc. is available in the comprehensive strategic finances chart of SCAC's PER. Appendix E includes information on the funding available to aeronautics divisions in other southeastern states.

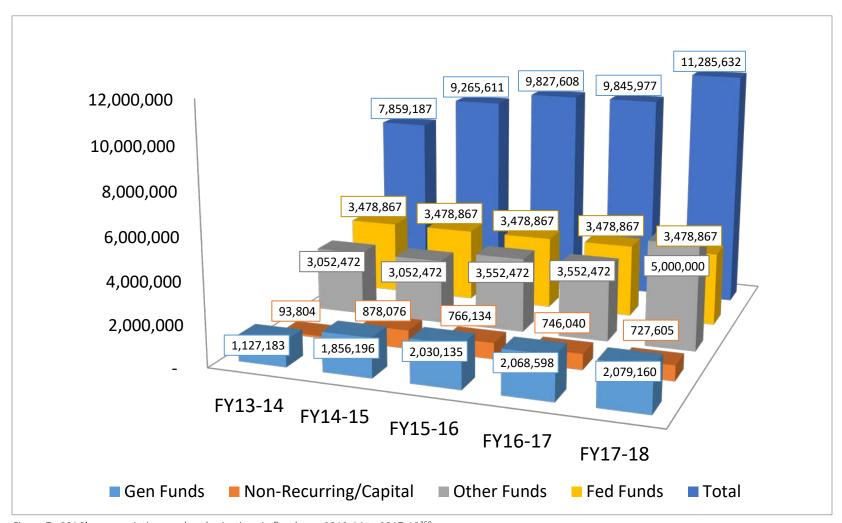


Figure 7. SCAC's appropriations and authorizations in fiscal year 2013-14 to 2017-18²⁵⁹

Table 12. Agency revenue utilized to achieve comprehensive strategic plan in fiscal years 2017-18 and 2018-19260

Strategic Plan Item	Spent to achieve plan in 2017-18	Percent of total spent	Budgeted to achieve plan in 2018-19	Percent of total spent
Goal 1 - Continuously evaluate and improve agency administrative and business processes, efficiency, and effectiveness with a focus on following state requirements while meeting the needs of our customers.	\$493,698*	6.09%	\$795,225	8.03%
Strategy 1.1 - Review the development, utilization and deployment agency internal resources to deliver the best service possible to customers, airport users, and the citizens of the state.				
Strategy 1.2 - Ensure employee human resource needs are met while complying with applicable state and federal law.				
Strategy 1.3 - Ensure financial processes and reporting are sound, efficient, and in compliance with state and federal law, and that annual reporting provides transparency and accountability.				
Goal 2 - Assist publicly owned public use airports with capital improvements and maintenance to support the infrastructure needs of aviation today and tomorrow.				
Strategy 2.1 - Provide maintenance projects including pavement, vegetation, and electrical to assist airport owners with keeping runways open and fully functional.	\$1,017,091	12.55%	\$1,112,238	11.23%
Strategy 2.2 - Provide automated weather observing system maintenance and support to continue to provide weather information for pilots as they come and go throughout the state.	\$469,260	5.79%	\$496,741	5.02%
Strategy 2.3 - Support local airport communities by providing matching funds, which enable capital improvements at our publicly owned, public use airports.	\$2,651,740	32.73%	\$3,002,857	30.33%
Strategy 2.4 - Obtain state sponsored Federal Aviation Administration (FAA) grants to improve the state's system of airports, and to assist the agency with system wide planning.	\$2,013,702	24.85%	\$2,800,307	28.28%
Strategy 2.5 - Provide safety inspection services for all publicly owned, public use airports not inspected by the FAA, and report all findings publicly to encourage airport owners to correct any deficiencies.	\$72,760	0.90%	\$71,057	0.72%
Strategy 2.6 - Support and promote aviation and aerospace in the state by supporting educational initiatives, economic development, annual printing of aeronautical charts and directories, and by supporting aviation and aerospace associations as they promote the state.	\$217,597	2.69%	\$349,542	3.53%
Strategy 2.7 - Support and promote aviation and aerospace in the state by supporting airport and industry decision making processes through technology including geographic information system mapping, web based database sets and tools, and the agency unmanned aircraft system.	\$222,497	2.75%	\$288,154	2.91%
Goal 3 - Provide aviation transportation in a safe, transparent, and cost effective manner.				
Strategy 3.1 - Provide air transportation for state officials and agencies while on official state business	\$431,002	5.32%	\$455,657	4.60%
Strategy 3.2 - Maintain state owned aircraft managed by the agency and for external agencies	\$487,799	6.02%	\$529,513	5.35%
Strategy 3.3 - Assist with state and national emergencies through flight and ground support	\$25,348	0.31%	Ć0 001 201	1000/
Total Table Note: *Agency provided costs for goal one at the goal level only. Adgency's DEB contained an error of \$2 for the total spect.	\$8,102,494^	100%	\$9,901,291	100%

Table Note: *Agency provided costs for goal one at the goal level only. ^Agency's PER contained an error of \$2 for the total spent in 2017-18. This table reflects the correct total. Agency working to correct the PER.

Services

SCAC's mission is to foster air and economic development by overseeing the safety and development of the state's public use airports, by providing safe and reliable air transportation for state government and business prospects, and by providing aviation education opportunities. To fulfill this mission, statutory obligations, and the different components of its strategic plan, SCAC provides services to a variety of customers, and tracks different measures to gauge its performance. Table 13 lists the services provided by each of SCAC's organizational units (e.g., administration, airport development, and flight department).

Table 13. SCAC deliverables, as reported in the agency's PER²⁶¹

	LAW Does it	Do	CUSTOMERS Does the agency			STS the
Agency Service	require, allow, or not address the service?	know potential annual number?	know annual number served?	evaluate satisfaction?	agency know cost it incurs, per unit?	law allow agency to charge for it?
Administration Unit						
Take oath of office (commissioners)	Require	✓	✓	✓	X	X
Adopt commission rules and procedure	Require	Х	X	X	X	X
Adopt official seal of agency	Allow	Х	X	X	X	X
Employ an executive director and other employees necessary for the agency's business including allocation of funds, operating expenditures, capital project planning, etc.	Require	1	✓	x	x	X
Protect employees of the agency from being required to testify to any information or facts gained through their employment	Not given	√	√	x	X	Х
Protect employees of the agency from being required to testify as an expert witness in any suit, action, or proceeding involving any aircraft	Not given	✓	✓	X	X	X
Protect individuals and information involved in agency investigations, including agency reports and testimony,	Not given	✓	✓	X	X	X

	LAW Does it	Do	CUSTOMERS Does the agency			STS the
Agency Service	require, allow, or not address the service?	know potential annual number?	know annual number served?	evaluate satisfaction?	agency know cost it incurs, per unit?	law allow agency to charge for it?
from being used for any purpose in any suit, action or proceeding growing out of any matter referred to in said investigation, hearing, or report (with some exceptions)						
Create rules and regulations for administration and operations of the agency	Require	Х	х	✓	х	х
Keep agency rules and regulations on file at the Secretary of State and agency's office	Require	✓	✓	Х	х	х
Enforce provisions of State Aeronautical Regulatory Act (S.C. Code of Laws, Chapter 5, Title 55) by injunction in circuit court	Allow	✓	✓	x	х	х
Provide findings of facts, conclusions of law, reasons, and requirements to be met for approval in cases which the commission issues an order pursuant to applicable law	Require	х	х	х	x	х
Serve commission orders on interested parties by registered mail or in person	Require	Х	x	Х	х	х
Provide the Governor a report of commission proceedings during the calendar year	Require	Х	X	Х	x	X
Retain and expend, for operating purposes, amounts charged to other government agencies for service and supplies (and carry forward up to \$300,000 for the replacement of time limit aircraft components)	Allow	х	X	х	х	х
Retain and expend, for building operations, amounts charged for rental of agency office space	Allow	х	х	х	х	х

	LAW Does it	Do	CUSTOMERS Des the agency		COSTS Does the		
Agency Service	require, allow, or not address the service?	know potential annual number?	know annual number served?	evaluate satisfaction?	agency know cost it incurs, per unit?	law allow agency to charge for it?	
Retain and expend, for hangar and parking facility maintenance, amounts charged for hangar/parking of government airplanes	Require	√	✓	✓	х	✓	
Provide funds to general aviation airports before carrier airports	Require	✓	✓	✓	✓	х	
Carry forward unspent monies in the State Aviation Fund	Require	✓	✓	✓	✓	Х	
Send a report on the expenditure of monies from the State Aviation Fund to Senate Finance Committee and House Ways and Means Committee	Require	√	4	x	х	х	
Issue certificates (certificate of public necessity and convenience) to allow airline companies to provide service in S.C.	Require	Х	✓	X	X	х	
Issue registration for aerial spraying, dusting, seeding, or similar operation	Require	x	√	x	х	х	
Issue permits for aerial exhibitions	Require	X	✓	X	X	Х	
Establish regulations applicable to pilots	Require	X	X	Х	X	Х	
Establish regulations related to flight crew members consenting to chemical test of his breath for the purpose of determining alcoholic content of his blood, including methods for obtaining the consent and administering the test	Require	х	х	x	х	х	

	LAW Does it		CUSTOMERS Des the agency		COSTS Does the		
Agency Service	require, allow, or not address the service?	know potential annual number?	know annual number served?	evaluate satisfaction?	agency know cost it incurs, per unit?	law allow agency to charge for it?	
Issue permit for missile launches (excludes missiles launched by state or federal government, small firearms, and fireworks)	Require	х	✓	х	X	х	
Authorize aircraft landings on public roadways	Allow	X	✓	✓	X	Х	
Designate beach landing areas	Allow	X	✓	X	X	X	
Inspect runways for safety; close runways which pose imminent and substantial danger to aircraft operations; coordinate with local governments to remedy deficiencies in runways; require airports to develop a proposed closure plan	Allow	✓	√	√	X	x	
Inspect aviation facilities	Allow	✓	✓	✓	X	X	
Maintain action in equity to reduce and eliminate airport hazards which are in violation of zoning regulations that have potential of interfering with aircraft operations	Allow	X	✓	✓	X	х	
Pursue recovery of costs from persons responsible for creating or maintaining an airport hazard	Not given	X	✓	✓	x	X	
Airport Development							
Manage and verify that funds attributed to the State Aviation Fund are being properly used toward maintenance and repairs of the division's aircraft or toward maintenance, rehabilitation, and capital improvements to public airports; not toward operating expenses	Require	✓	✓	✓	✓	x	

	LAW Does it	Do	CUSTOMERS Des the agency		COSTS Does the		
Agency Service	require, allow, or not address the service?	know potential annual number?	know annual number served?	evaluate satisfaction?	agency know cost it incurs, per unit?	law allow agency to charge for it?	
Deposit certain fees and fines assessed by the agency in the State Aviation Fund	Require	✓	✓	Х	X	х	
Establish regulations governing eligibility and procedures for disbursements from the State Aviation Fund	Allow	✓	✓	✓	х	х	
Transfer unexpended moneys appropriated to a particular county for airport development to airport repairs for that particular county	Allow	√	✓	✓	X	х	
Administer federal grant programs, maintenance programs, or other programs (i.e., serve as state sponsor for Federal Aviation Administration funded projects)	Require	√	✓	✓	✓	х	
Serve as agent for Clemson University's public airport to accept, receive, receipt for and disburse federal, state, or other funds made available for the airport	Allow	✓	✓	✓	✓	х	
Promote and foster air commerce within S.C.	Require	X	X	X	✓	X	
Have an interest in, and consult with others regarding, the maintenance, enhancement, and safety of aeronautical activities and facilities within S.C.	Require	✓	✓	✓	✓	х	
Evaluate waterways used by seaplanes for risk to public health, safety, and property; when necessary, withdraw approval for use of the waterway, limit use, or make use subject to conditions	Allow	х	✓	✓	х	х	

	LAW Does it	Do	CUSTOMERS Des the agency			STS the
Agency Service	require, allow, or not address the service?	know potential annual number?	know annual number served?	evaluate satisfaction?	agency know cost it incurs, per unit?	law allow agency to charge for it?
Acquire, establish, construct, expand, own, lease, control, equip, improve, maintain, operate, regulate and police airports	Allow	✓	√	✓	х	х
Acquisition of an existing public use or private airport	Allow	✓	✓	✓	X	Х
Construction of a new public use airport, or expansion of an existing airport	Allow	✓	✓	✓	X	X
Division may separately or jointly own a public use airport	Allow	✓	✓	✓	X	X
Division may operate an airport owned by the division or an airport owned by a municipality, county, airport commission, special purpose district, or other political subdivision	Allow	✓	✓	✓	X	х
Establish rules and regulations governing the design, layout, location, building, equipping, operation and use of all airports	Require	✓	✓	✓	X	х
Review and approve plans for construction or additions to public airports (not airports owned by private entities or airports that do not receive state funds)	Require	✓	✓	✓	X	х
Acquire property for a new airport or expansion of an existing airport by condemnation or otherwise	Not given	✓	✓	х	✓	х
Transfer authority for the construction, equipment, improvement, maintenance and operation of an airport to a political subdivision	Allow	√	√	х	х	х

	LAW Does it	Do	CUSTOMERS Des the agency			STS the
Agency Service	require, allow, or not address the service?	know potential annual number?	know annual number served?	evaluate satisfaction?	agency know cost it incurs, per unit?	law allow agency to charge for it?
When a private airport is in close proximity to a public airport, determine whether to authorize the private airport to operate based upon aviation safety and conflict	Require	х	✓	✓	X	х
Acquire air rights, including aviation easements, over private property necessary to ensure safe approaches to the landing areas of airports, and for the purpose of establishing and protecting airports and runways	Allow	Х	X	✓	х	х
Acquire right to operate and maintain markers and lighting of buildings or other obstructions for the safe operation of aircraft at public airports	Allow	х	✓	✓	х	х
Provide payment and/or services to individuals displaced due to acquisition of property for an airport, markers, lighting, or other agency programs	Require	x	✓	✓	✓	х
Adoption of rules and regulations to assure payment and/or services provided to displaced individuals is conducted in a fair, reasonable, and timely manner	Require	х	✓	✓	✓	X
Entering contracts with other entities to provide services related to relocation assistance programs	Allow	X	✓	✓	✓	X
Adopt regulations for use of an airport	Allow	X	✓	X	X	✓
Setting penalties for violation of regulations established for the airport	Allow	x	✓	X	х	✓
Establishment of charges, fees, and tolls for use of an airport that is owned and managed by the division	Allow	х	х	х	Х	х

	LAW Does it	Do	CUSTOMERS Des the agency		COSTS Does the		
Agency Service	require, allow, or not address the service?	know potential annual number?	know annual number served?	evaluate satisfaction?	agency know cost it incurs, per unit?	law allow agency to charge for it?	
Establish liens to enforce payment of charges, fees, and tolls at airports	Allow	X	x	x	x	x	
Lease the airports to private parties for operation, as long as it does not deprive the public of its rightful, equal, and uniform use of the airport	Allow	х	х	х	x	х	
Lease space in the airports to private parties for operation space, area, improvements, and equipment on such airports, as long as it does not deprive the public of its rightful, equal, and uniform use of the airport	Allow	х	х	x	X	х	
Create a map of each S.C. public airport which shows use of all land and features impacting operation of the airport and update at least every five years	Require	√	√	✓	X	х	
Provision of land use maps to public airport owners for their compliance to state airport land use law	Require	✓	✓	✓	x	X	
Flight Department							
Create and maintain a flight department within the agency to purchase, operate, and perform maintenance on state aircraft	Require	√	✓	✓	✓	✓	
Purchase aircraft for use by the state	Require	✓	✓	✓	✓	✓	
Operate aircraft owned by the state	Require	✓	✓	✓	✓	✓	
Adoption of rules and regulations for use of state-owned aircraft	Allow	✓	✓	✓	✓	✓	

	LAW Does it	Do	CUSTOMERS Des the agency		COSTS Does the		
Agency Service	require, allow, or not address the service?	know potential annual number?	know annual number served?	evaluate satisfaction?	agency know cost it incurs, per unit?	law allow agency to charge for it?	
Utilization of state owned airplanes for normal course of business by state agencies and other governmental bodies or political subdivisions within the state	Allow	✓	✓	✓	✓	√	
Utilize state owned airplanes for athletic recruiting by institutions of higher learning, if reimbursement is obtained	Require	✓	✓	✓	✓	✓	
Utilize state owned airplanes to transport medical personnel or patients, in emergency and non-emergency situations, if agreements are entered and payment is made to the state	Allow	√	✓	√	✓	✓	
Maintain electronic log of all flights of airplanes owned by the agency and publish the logs on the agency website within one day of completion of trips	Require	x	X	x	x	x	
Maintain aircraft owned by the state	Require	✓	✓	✓	✓	✓	
Support other state agencies who own aircraft through maintenance and operations agreements	Allow	✓	✓	✓	✓	✓	
Provide hanger/parking for government owned and/or operated aircraft on first come basis	Require	✓	✓	✓	✓	✓	
Set rates for hangar/parking of government airplanes that do not exceed local average market rates	Require	✓	✓	✓	✓	✓	
Participate in and support the state's emergency management division air branch emergency support function	Allow	✓	✓	✓	х	х	

Table Notes: * indicates the agency has made recommendations regarding the law requiring or allowing the service. Some services have been re-categorized to a different organizational unit since submission of the agency's PER. This chart reflects the most updated changes. The agency is working to update the PER to reflect the changes.

Owning v. Chartering Airplanes

SCAC operates two state-owned planes as part of its statutory requirement to "operate a flight department including the purchase, operation, and maintenance of aircraft to support the transportation needs of the State." ²⁶² In fiscal year 2013-14, the General Assembly directed the South Carolina Budget and Control Board to analyze the costs and benefits of selling the two state owned aircraft operated by SCAC and authorizing use of private airline charters for official state business. ²⁶³ A copy of the Aircraft Chartering Service Analysis is available on the General Assembly website. ²⁶⁴

Performance

In the Program Evaluation Report, the Committee asks an agency to provide details about measures it is tracking to continually monitor its performance. Table 14 includes a summary of the information from SCAC. Appendix E includes SCAC's response to the Committee's question on which southeastern state's airport development and flight department are most effective.

Table 14. Agency performance²⁶⁵

Table 14. Agency performance		Specific Perform	ance Measures Tra	acked – July throu	gh June (State fisca	al year)	
Performance Measure		<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	2016-17	<u>2017-18</u>	<u>2018-19</u>
Employee Performance	<u>Target</u> :	All	All	All	All	All	All
Required by: State government	Actual:	All	All	All	All	All	<u>Trend Line</u>
Total Flight Hours	<u>Target</u> :	*DNE	*DNE	*DNE	*DNE	340	340
Required by: Agency selected (not required by state or federal government)	Actual:	233.6	339.2	232.8	251.3	332.4	Trend Line
Safe Flight Hours	<u>Target</u> :	Total flight hours	Total flight hours	Total flight hours	Total flight hours	Total flight hours	Total flight hours
Required by: Agency selected (not required by state or federal government)	Actual:	233.6	339.2	232.8	251.3	332.4	Trend Line
State Grant for Airports	<u>Target</u> :	Total eligible and requested	Total eligible and requested	Total eligible and requested	Total eligible and requested	Total eligible and requested	Total eligible and requested
Required by: State government and agency selected	Actual:	25	27	24	23	27	Trend Line

		Specific Perform	ance Measures Tra	acked – July throu	gh June (State fisca	al year)	
Performance Measure		2013-14	2014-15	2015-16	2016-17	2017-18	<u>2018-19</u>
Airport Maintenance	<u>Target:</u>	Total eligible and requested					
Required by: State government and agency selected	Actual:	32	41	38	35	37	<u>Trend Line</u>
Automated Weather Observing System Maintenance	<u>Target</u> :	28	28	28	28	28	29
Required by: Agency selected (not required by state or federal government)	Actual:	28	28	28	28	28	<u>Trend Line</u>
Review of Airport Capital Improvement Plans	<u>Target</u> :	All submitted					
Required by: State government and agency selected	Actual:	25	27	24	23	27	<u>Trend Line</u>
Land-use Reviews	Target:	All submitted					
Required by: State government and agency selected	Actual:	*DNE	*DNE	7	12	12	Trend Line
Airport Support Programs	<u>Target</u> :	All programmed	All programmed	All programmed	All programmed	All programmed	All programmed
Required by: Agency selected (not required by state or federal government)	Actual:	All programmed	All programmed	All programmed	All programmed	All programmed	<u>Trend Line</u>

Specific Performance Measures Tracked – October through September (Federal fiscal year)									
Performance Measure		2013-14	<u>2014-15</u>	2015-16	<u>2016-17</u>	2017-18	<u>2018-19</u>		
Airport Safety Inspections Required by: State government and agency selected	<u>Target</u> :	58	58	58	58	58	58		
	Actual:	50	48	48	47	39	<u>Trend Line</u>		

Economic Impact

In 2017, SCAC undertook a research project to estimate the economic impact of 57 public commercial and general aviation airports in South Carolina, which SCAC supports through the services provided in its airport development organizational unit (e.g., grants and other technical assistance). In 2018, SCAC released its latest Airports Economic Impact Study that highlights the value of the airports within the system and estimates the taxes generated for the state at approximately \$650 million. The complete study is available on SCAC's website. Additional information about the airports in South Carolina is in Appendix F and further information on the impact of grants provided to the airports is in Appendix G.

Partners

During the study of an agency, the Committee asks the agency if there are other governmental and non-governmental entities the agency works with to effectively and efficiently provide the agency's services. Table 15 lists entities with whom SCAC has partnerships.

Table 15. SCAC partners 268

Type of entity	Name of Partner Entity	Description of Partnership		
Federal Government	Federal Aviation Administration	To maintain safety regulations, state sponsored grants		
State Government	Department of Administration	Continued support through procurement services for state funded grants and invoicing of airport services provided by the agency		
	South Carolina Department of Commerce	To assist with aviation/aerospace recruitment and retention		
Local Government	South Carolina Airports	To provide airport inspections, and maintenance for all public-use airports in SC		
	University of South Carolina's McNair Center	To assist with aviation/aerospace recruitment and retention		
Higher Education Institutions	Benedict College	To encourage more minority applicants for positions at SCAC		
	South Carolina State University	To encourage more minority applicants for positions at SCAC		
K-12 Education Institutions	South Carolina School Districts (e.g., Challenger Learning Center in Richland District One)	To continue aviation education through exposure to different facets of the industry		
	South Carolina Aviation Association	To promote and enhance the Aerospace/Aviation Industry		
Professional	Aircraft Owners and Pilots Association	To promote the aviation industry and safe operations of aircraft		
Association and other non-governmental	National Business Aviation Association	To promote the aviation industry and safe operations of aircraft		
organizations	Celebrate Freedom Foundation	To promote aviation/aerospace education throughout the state		
	South Carolina Council on Competitiveness	To assist with aviation/aerospace recruitment and retention		

APPENDIX B. AGENCY REPORTS TO COMMITTEE

During the legislative oversight process, the **Committee asks the agency to conduct self-analysis** by requiring it to complete and submit annual Restructuring Reports, a Seven-Year Plan for cost savings and increased efficiencies, and a Program Evaluation Report. The Committee posts each report on the agency page of the Committee's website.

Seven-Year Plan for Cost Savings and Increased Efficiencies

S.C. Code Ann. §1-30-10 requires agencies to submit "a seven year plan that provides initiatives and/or planned actions that implement cost savings and increased efficiencies of services and responsibilities within the projected seven-year period." SCAC submits its plan on March 31, 2015. 270

Restructuring Report

The Annual Restructuring Report fulfills the requirement in S.C. Code Ann. $\S1-30-10(G)(1)$ that annually each agency report to the General Assembly "detailed and comprehensive recommendations for the purposes of merging or eliminating duplicative or unnecessary divisions, programs, or personnel within each department to provide a more efficient administration of government services." The report, at a minimum, includes information in the following areas - history, mission and vision, laws, strategic plan, human and financial resources, performance measures, and restructuring recommendations.

SCAC submits its first Annual Restructuring Report on March 31, 2015.²⁷¹ The agency's 2017-18 Annual Accountability Report to the Governor and General Assembly, which it submits in September 2018, serves as its most recent Annual Restructuring Report.²⁷²

Program Evaluation Report

When an agency is selected for study, the Committee may acquire evidence or information by any lawful means, including, but not limited to, "requiring the agency to prepare and submit to the investigating committee a program evaluation report by a date specified by the investigating committee." S.C. Code Ann. §2-2-60 outlines what an investigating committee's request for a program evaluation report must contain. Also it provides a list of information an investigating committee may request. The Committee sends guidelines for SCAC's Program Evaluation Report (PER) on July 17, 2018. The agency submits its report on October 19, 2018. The agency submits its report on October 19, 2018.

The PER includes information in the following areas - agency snapshot, agency legal directives, strategic plan and resources, performance, agency ideas/recommendations, and additional documents. The **Program Evaluation Report serves as the base document for the Committee's study of the agency**.

APPENDIX C. PUBLIC INPUT

Public input is a cornerstone of the House Legislative Oversight Committee's process.²⁷⁵ Members of the public have an opportunity to participate anonymously in a public survey, provide comments anonymously via a link on the Committee's website, and appear in person before the Committee.²⁷⁶ During the study, media articles related to the agency are compiled for member review.

Public Survey

From July 17 – August 20, 2018, the Committee posts an **online survey to solicit comments from the public about SCAC** and four other agencies. The Committee sends information about this survey to all House members to forward to their constituents. Additionally, in an effort to communicate this public input opportunity widely, the Committee issues a statewide media release.²⁷⁷ The media release is shared with the South Carolina State Library, which disseminates it to local libraries across the state.

There are 1,485 responses to the survey, with 189 of these relating to the agency. The responses relating to the agency come from 27 of South Carolina's 46 counties. These comments are not considered testimony. As the survey press release notes, input and observations from people who interact with these agencies are important because they may help direct the Committee to potential areas for improvement with these agencies. Survey results are posted on the Committee's website. The **public** is informed it may continue to submit written comments about agencies online after the public survey closes. The public survey closes.

Of those survey participants that respond to questions related to SCAC, approximately 90% have a positive or very positive opinion of the agency and 90% think the agency functions much better, better, or about the same on an overall basis in comparison to other state agencies in South Carolina. ²⁸² The majority of the comments are that individuals are not familiar with the services provided by the agency. ²⁸³

Public Input via Committee Website

Throughout the course of the study, people are able to submit comments anonymously on the Committee website. The Committee posts comments verbatim to the website, but they are not the comment or expression of the House Legislative Oversight Committee, any of its Subcommittees, or the House of Representatives.²⁸⁴

During the study of the S.C. Aeronautics Commission, the Committee receives one public input about the agency via the Committee website. The input recommends an individual to serve on the agency's commission.

Public Input via In-Person Testimony

During the study, the Committee offers the opportunity for the public to appear and provide sworn testimony. A press release announcing this opportunity is sent to media outlets statewide on January 2, 2019. The Committee holds a meeting dedicated to public input about the SCAC and other agencies on January 28, 2019. No individuals provide public testimony about the agency.

APPENDIX D. DRAFT LANGUAGE FOR RECOMMENDED STATUTORY CHANGES

During the study process, SCAC provides the following draft language for recommended statutory changes.

Recommendation 15. S.C. Code Section 55-1-100 (flight crew member blood alcohol content)

Remove references to the State Law Enforcement Division (SLED) personnel using methods approved by the Aeronautics Division when testing a flight crew member for the purpose of determining alcoholic content as the statute already includes references to SLED personnel using methods approved by SLED.²⁸⁹

SECTION 55-1-100. Operating or acting as flight crew member of aircraft while under influence of alcohol or drugs unlawful; criminal prosecution and rights of accused; penalties.

- (A) It is unlawful for a person to operate or act as a flight crew member of an aircraft in this State:
- (1) within eight hours after the consumption of any alcoholic beverage;
- (2) while under the influence of alcohol;
- (3) while using an illegal drug or controlled substance that affects the person's faculties in a manner contrary to safety; or
- (4) with four one-hundredths of one percent or more by weight of alcohol in his blood at the time of the alleged violation.
- (B) A person who operates or acts as a flight crew member of an aircraft in this State may consent to a chemical test of his breath for the purpose of determining the alcoholic content of his blood if arrested for violating the provisions of subsection (A). The test must be administered at the direction of a law enforcement officer who has apprehended a person while or after operating or acting as a flight crew member of any aircraft in this State while under the influence of alcohol. The test must be administered by a person trained and certified by and using methods approved by the South Carolina Law Enforcement Division, using methods approved by the division. The arresting officer may not administer the test, and no test may be administered unless the defendant has been informed that he does not have to take the test. A person who refuses to submit to the test violates the provisions of this subsection and is subject to a civil fine of two thousand dollars. The penalties provided for in this subsection are in addition to those provided for in subsection (E).

No person is required to submit to more than one test for any one offense for which he has been charged, and the test must be administered as soon as practicable without undue delay.

The person tested may have a physician, qualified technician, chemist, registered nurse, or other qualified person of his own choosing conduct a test or tests in addition to the test administered by the law enforcement officer. The failure or inability of the person tested to obtain an additional test does not preclude the admission of evidence relating to the test taken at the

direction of the law enforcement agency or officer.

The arresting officer and the person conducting the test shall inform the person tested of his right to obtain an additional test, and the arresting officer or the person conducting the chemical test of the person apprehended promptly shall assist that person to contact a qualified person to conduct additional tests.

The division shall administer the provisions of this subsection and may make regulations as may be necessary to carry out its provisions. The Department of Health and Environmental Control and SLED shall cooperate with the division in carrying out its duties.

(C) In a criminal prosecution for the violation of this section, the amount of alcohol in the defendant's blood at the time of the alleged violation, as shown by chemical analysis of the defendant's breath, is admissible as evidence.

The provisions of this subsection do not limit the introduction of any other competent evidence bearing upon the question whether or not the defendant was under the influence of alcohol. Nothing contained in this section prohibits the introduction of:

- (1) the results of additional tests of the person's breath or other bodily fluids;
- (2) evidence that may corroborate or question the validity of the breath or bodily fluid test result including, but not limited to, evidence of:
- (a) field sobriety tests;
- (b) the amount of alcohol consumed by the person; and
- (c) the person's action while operating an aircraft;
- (3) a videotape of the person's conduct at the incident site and breath testing site taken pursuant to Section 56-5-2953 which is subject to redaction under the South Carolina Rules of Evidence; or
- (4) any other evidence of the state of a person's faculties to operate an aircraft which would call into question the results of a breath or bodily fluid test.

At trial, a person charged with a violation of this section is entitled to a jury instruction stating that the factors enumerated above and the totality of the evidence produced at trial may be used by the jury to determine guilt or innocence. A person charged with a violation of this section must be given notice of intent to prosecute under the provisions of this section at least fourteen days before his trial date.

- (D) The person conducting the chemical test for the law enforcement officer shall record in writing the time of arrest, the time of the test, and the results of the test, a copy of which must be furnished to the person tested or his attorney prior to any trial or other proceedings in which the results of the test are used as evidence. A person administering any additional test shall record in writing the time, type, and results of the test and promptly furnish a copy of the test to the arresting officer. A copy of the results of the test may be furnished to the Federal Aviation Administration and the division by the arresting officer or the agency involved in the arrest.
- (E) A person who violates the provisions of subsection (A), upon conviction, must be punished by a fine of one thousand dollars or imprisonment for not less than forty-eight hours or more than one year, or both.
- (F) For the purposes of this section "flight crew member" means a pilot, flight engineer, or flight

navigator on duty or in an aircraft during flight time.

Notwithstanding another provision of law, a person charged with a violation of this section has the right to compulsory process for obtaining witnesses, documents, or both, including, but not limited to, state employees charged with the maintenance of breath testing devices in this State and the administration of breath testing pursuant to this chapter. This process may be issued under the official signature of the magistrate, judge, clerk, or other officer of the court of competent jurisdiction. The term "documents" includes, but is not limited to, a copy of the computer software program of breath testing devices. The portion of compulsory process provided for in this section that requires the attendance, at any administrative hearing or court proceeding, of state employees charged with the maintenance of breath testing devices in this State and the administration of breath testing pursuant to this article, takes effect once the compulsory process program at SLED is specifically, fully, and adequately funded.

In addition, at the time of arrest for a violation of this section, the arresting officer, in addition to other notice requirements, must inform the defendant of his right to all hearings provided by law to include those if a breath test is refused or taken with a result that would require license suspension. The arresting officer, if the defendant wishes to avail himself of any hearings, depending on the choices made or the breath test results obtained, must provide the defendant with the appropriate form to request the hearing. The defendant must acknowledge receipt of the notice requirements and receipt of the hearing form if a hearing is desired.

Recommendation 16. S.C. Code Section 15-9-410 (aircraft certificate of public necessity)

Remove reference to SCAC issuing certificates of public necessity and convenience as Federal Aviation Administration, not SCAC, issues these certificates. ²⁹⁰

SECTION 15-9-410. Provisions as to nonresident aircraft operators are not applicable to certain air carriers.

The provisions of Sections 15-9-390 and 15-9-400 shall not apply to any incorporated air carrier holding a certificate of public convenience and necessity from the <u>Federal Aviation</u> <u>Administration Division of Aeronautics of the Department of Commerce</u>.

Recommendation 17. S.C. Code Sections 23-33-10 and -20 (firing missiles)

Repeal as federal laws and regulations supersede these statutes.²⁹¹

SECTION 23-33-10. "Missile" defined.

A "missile," as contemplated by this chapter, shall be defined as any object or substance hurled through the air by the use of gunpowder or any other explosive substance whether purchased by the individual or compounded from chemicals.

SECTION 23-33-20. Permit required for firing missile.

Before any person shall fire or attempt to fire or discharge any missile within the borders of this State, he shall first procure a written permit from the Aeronautics Division of the Department of Commerce on such form as it may prescribe.

APPENDIX E. AERONAUTICS IN THE SOUTHEAST: COMPARISON OF OPERATIONS AND PERFORMANCE

During the study, the Committee asks the agency to compare itself to its counterparts in southeastern states. SCAC provides the information below.²⁹² SCAC bases the information on data published by the Federal Aviation Administration (FAA), the National Association of State Aviation Officials, and through conversations it has with individual state directors.

Operations and Funding

Table 16 compares the size and staffing of counterpart aeronautic entities, as well as the number of airports and funding, in six southeastern states: Alabama, Florida, Georgia, North Carolina, South Carolina, and Tennessee.

The southeastern states vary in several areas as indicated below. One area relates to the Federal program functions. The three types of management for FAA Airport Improvement Program functions are as follows:

- State Block Grant Program In this program, states assume responsibility for administering the AIP, which is the funding program for airport development projects.
- Channeling Act States managed this way are enabled by their state legislation, rather than federal law. Their primary purpose is to "channel" the federal funds through the state aviation entity so the state has the oversight they believe is needed for better management of the federal dollars that enter their state.
- Neither Block Grant or Channeling Act For these states, which includes South Carolina, the state
 aviation entity works with the local FAA Airports District Office (ADO) to prioritize projects in their
 states, but the overall federal grant management is administered by federal employees in those
 respective FAA ADO's.

Table 16. State aeronautic entity structure, staffing, funding, and number of airports in southeastern states²⁹³

State	Structure	Staff	Public use airports	Airports eligible for state funds	Average state funding available	State funding per airport eligible	Airports eligible for federal funds	Average federal funding available	FAA grant management type
Alabama	Part of DOT	9 full time (flight asset for airport development program management)	88	88	\$2.6 million+	\$29,500+	83 (6 unclassified no longer receive federal funds)	\$55 million+	Channeling Act
Florida	Part of DOT	23 full time (airport development)	104	104	\$250 million+	\$2.4 million+	100 (1 unclassified no longer receive federal funds)	\$174 million+	Block Grant
Georgia	Part of DOT	13 full time contract employees (airport development)	104	103	\$10 million+	\$97,000+	95 (7 unclassified no longer receive federal funds)	\$75 million+	Block Grant
North Carolina	Part of DOT	31 full time (state airport programs and flight department)	103	72	\$120 million+	\$1.6 million+	72 (2 unclassified no longer receive federal funds)	\$80 million+	Block grant
South Carolina	Independent	11 full time (3 administration, 4 flight department, 4 airport development)	66	58	\$4 million+	\$69,000+	53 (5 unclassified no longer receive federal funds)	\$59 million+	Neither Block Grant or Channeling Act
Tennessee	Part of DOT	33 full time (2 administration, 13 flight department, 18 airport development)	79	74	\$30 million+	\$405,000+	69 (1 unclassified no longer receive federal funds)	\$68 million+	Block Grant

SCAC is unaware of the history regarding why South Carolina's aeronautics division is not within the state's Department of Transportation like many of the other southeastern states.²⁹⁴ However, SCAC asserts its current configuration works well because it enables SCAC to reach out to DOT when it sees DOT programs that could supplement its programs, while at the same time allowing it to come directly to the General Assembly to present its budget, its programs, and advocate for the airports in the state.²⁹⁵

Performance

During the study, the Committee asks SCAC which southeastern state counterpart it believes performs most effectively and efficiently in the areas of airport development and flight department.²⁹⁶ SCAC provides the information below.²⁹⁷

Airport Development

According to SCAC, the southeastern state that most effectively supports airport development programs is North Carolina. ²⁹⁸ As a basis for this assertion, SCAC provides the Committee the following explanation. ²⁹⁹

There is significant difference in the program management functions since North Carolina is a block grant state, but program eligibility is very similar. North Carolina supports airport development programs better than any other state simply due to the level of funding that is provided to support this sector of their state transportation system. North Carolina has 72 eligible airports while South Carolina has 58. However, their overall statewide funding total is \$120,000,000+ compared to the \$4,000,000+ offered to South Carolina airports.

Per SCAC, to emphasize air commerce, North Carolina passed a bill that provides a credit to the Highway Fund from taxes collected on the short-term lease or rental of a motor vehicle. This credit is used to fund improvements to the commercial service airports within NC. The commercial service airports pushed the bill to obtain funding that would enable each airport to expand infrastructure to meet the demands of passenger enplanements and deplanements.

Flight Department

As for the flight department, SCAC asserts its flight department outperforms others in the southeast based upon quality staff, a proven history of safety and longevity, and budgetary operational efficiencies.³⁰¹ As a basis for this assertion, SCAC provides the Committee the following explanation.³⁰²

SCAC's flight department consists of two full time pilots, two full time maintenance technicians, and two aircraft. Because of its staffing levels, SCAC can meet flight requests within a two-hour time frame, and can handle most aircraft maintenance needs in house.³⁰³

SCAC's operational procedures allow the agency "to provide flight and maintenance services to other state entities, and [has] increased [its] total flight times over the past few years." While these flight time "increases have increased costs," SCAC has "not had to return to the legislature for budgetary increases related to the operations of [its] aircraft" because SCAC covers those increases through revenue it generates from offering services to other state entities. Therefore, with the "current legislative framework and agency operational procedures, [SCAC] can offer [its] flight department services with minimal financial impact to the [s]tate." In comparison, "other states have eliminated or significantly reduced their flight department programs because of increased costs and legislative operational limitations." 307

APPENDIX F. AIRPORTS IN SOUTH CAROLINA

Airport roles/categories in the federal system

The National Plan of Integrated Airport Systems (NPIAS), which is prepared and published every two years by the Federal Aviation Administration (FAA), identifies public-use airports that are important to public transportation and contribute to the needs of civil aviation, national defense, and the Postal service. ³⁰⁸ Airports on the NPIAS are eligible for federal funding under the Airport Improvement Program. ³⁰⁹ The FAA identifies each airport by its particular role in the federal system. The different roles are as follows:

- **Commercial** Publicly owned airports that have at least 2,500 passenger boardings each calendar year and receive scheduled passenger service;
- **General Aviation** Public airports that do not have scheduled service or have scheduled service with less than 2,500 passenger boardings each year. Subcategories of general aviation airports include the following:
 - o **National** Supports the national and state system by providing communities with access to national and international markets in multiple states and throughout the United States;
 - Regional Supports regional economies by connecting communities to statewide and interstate markets;
 - Local Supplements communities by providing access to primarily intrastate and some interstate markets;
 - Basic Links the community with the national airport system and supports general aviation activities (e.g., emergency services, charter or critical passenger service, cargo operations, flight training and personal flying); and
 - o Unclassified Provides access to the aviation system. 310

Airport roles/categories in the state system

Airports within the state, even those not recognized in the federal system, have an identified state role to help guide planning for the South Carolina Airport System. If the airport is recognized in the federal system, it will have the same primary designation, either commercial or general aviation. However, the subcategories of roles under general aviation are different in the state and federal system. "Airport roles are typically reflective of the types of planes and customers the airport serves, as well as the characteristics of the area where the airport is located." The different roles are as follows:

• Commercial Service (SC I) - Provide regular scheduled service by airlines and/or commuter airlines, which are certificated under FAR Part 121.

General Aviation

- O Corporate/Business (SC II) Usually located in an urbanized environment or a rural location with a multi-jurisdictional service area, offer the full range of fuels and aviation services, and instrument approach procedures, and are forecasted to have a growing population of based aircraft and annual operations, activity profile consists of between 30% and 50% of corporate and business operations with a smaller number of recreational or private users, not constrained by surrounding incompatible land uses or environmentally sensitive areas and have expansion capability for not only runways and taxiways but for support facilities.
- o Business/Recreation (SC III) Generally located in rural localities, these airports serve small business and recreation aircraft, do not typically serve multi-jurisdictional service areas, offer the full range of fuels and most aviation services, non-precision approach and are also forecasted to have a growing population of aircraft and annual operations, airport profile consists of 5-20% of corporate business use but a higher percentage of recreation use, airport is not constrained by surrounding incompatible land uses or environmentally sensitive areas and has adequate expansion capability not only for runways and taxiways but for support facilities as well.
- o Recreation/Local (SC IV) Have low activity and are forecasted to remain fairly level, provide very limited airport facilities and services and may have safety or development constraints that limit their need, as well as their ability to expand. 312

Map of airport locations

Figure 8 includes SCAC's map that shows the locations of airports in South Carolina as of February 2019. In addition to the airports in South Carolina, this map shows the commercial service airports in Charlotte, North Carolina; August, Georgia; and Savannah, Georgia.

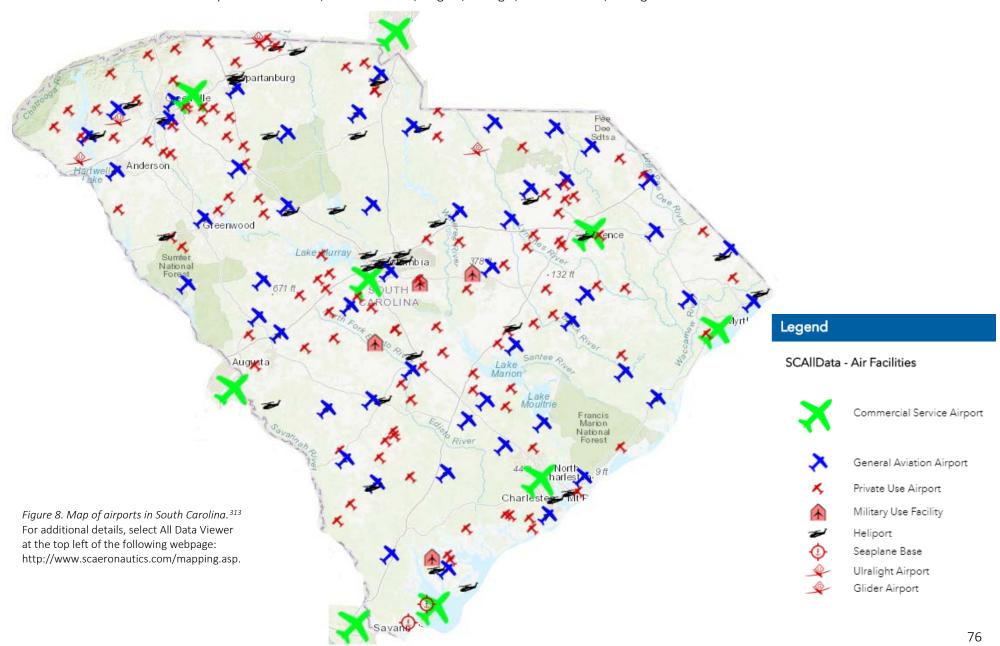


Figure 9 includes SCAC's map with locations and applicable roles in the state system, of each airport in South Carolina. 314

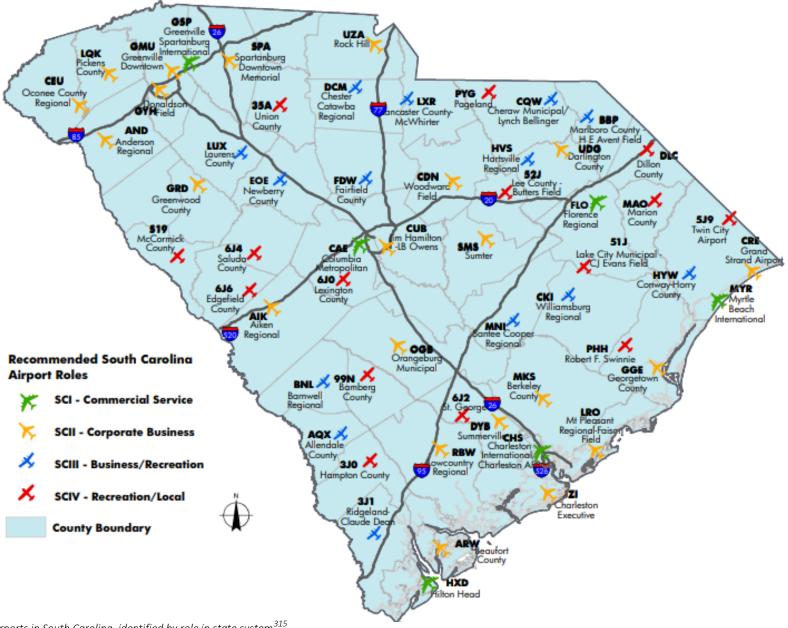


Figure 9. Map of airports in South Carolina, identified by role in state system ³¹⁵

Data compilation: location, role, owner, use, and grant eligibility of each airport

Table 17 includes a list of all South Carolina airports, location, role in the state system, role in the federal system, ownership, use, grant eligibility, etc.

Table 17. Combined data related to S.C. airports as of February 2019

County	<u>City</u>	Airport Name	<u>Type</u>	Role in state system	Role in federal system	<u>Owner</u>	<u>Use</u>	<u>In</u> <u>Federal</u> <u>System?</u> (NPIAS)	<u>Federal</u> <u>entitlement</u> <u>grants</u> (\$150,00/yr)	State grants from SCAC
Charleston	Charleston	Charleston AFB/International	Commercial Service	Commercial Service	Small Hub	Public	Public	Yes	Eligible	Eligible
Horry	Myrtle Beach	Myrtle Beach International	Commercial Service	Commercial Service	Small Hub	Public	Public	Yes	Eligible	Eligible
Lexington	Columbia	Columbia Metropolitan	Commercial Service	Commercial Service	Small Hub	Public	Public	Yes	Eligible	Eligible
Spartanburg	Greer	Greenville Spartanburg International	Commercial Service	Commercial Service	Small Hub	Public	Public	Yes	Eligible	Eligible
Beaufort	Hilton Head Island	Hilton Head	Commercial Service	Commercial Service	Nonhub	Public	Public	Yes	Eligible	Eligible
Florence	Florence	Florence Regional	Commercial Service	Commercial Service	Nonhub	Public	Public	Yes	Eligible	Eligible
Greenville	Greenville	Greenville Downtown	General Aviation	Corporate Business	National	Public	Public	Yes	Eligible	Eligible
Anderson	Anderson	Anderson Regional	General Aviation	Corporate Business	Regional	Public	Public	Yes	Eligible	Eligible
Charleston	Charleston	Charleston Executive	General Aviation	Corporate Business	Regional	Public	Public	Yes	Eligible	Eligible
Georgetown	Georgetown	Georgetown County	General Aviation	Corporate Business	Regional	Public	Public	Yes	Eligible	Eligible
Greenville	Greenville	Donaldson Field	General Aviation	Corporate Business	Regional	Public	Public	Yes	Eligible	Eligible
Horry	North Myrtle Beach	Grand Strand	General Aviation	Corporate Business	Regional	Public	Public	Yes	Eligible	Eligible
Oconee	Clemson	Oconee County Regional	General Aviation	Corporate Business	Regional	Public	Public	Yes	Eligible	Eligible
Orangeburg	Orangeburg	Orangeburg Municipal	General Aviation	Corporate Business	Regional	Public	Public	Yes	Eligible	Eligible
Pickens	Pickens	Pickens County	General Aviation	Corporate Business	Regional	Public	Public	Yes	Eligible	Eligible

<u>County</u>	<u>City</u>	<u>Airport Name</u>	<u>Type</u>	Role in state system	Role in federal system	<u>Owner</u>	<u>Use</u>	<u>In</u> <u>Federal</u> <u>System?</u> (NPIAS)	<u>Federal</u> <u>entitlement</u> <u>grants</u> (\$150,00/yr)	State grants from SCAC
Richland	Columbia	Jim Hamilton L B Owens	General Aviation	Corporate Business	Regional	Public	Public	Yes	Eligible	Eligible
Spartanburg	Spartanburg	Spartanburg Downtown Memorial	General Aviation	Corporate Business	Regional	Public	Public	Yes	Eligible	Eligible
Sumter	Sumter	Sumter	General Aviation	Corporate Business	Regional	Public	Public	Yes	Eligible	Eligible
York	Rock Hill	Rock Hill-York County - Bryant Field	General Aviation	Corporate Business	Regional	Public	Public	Yes	Eligible	Eligible
Beaufort	Beaufort	Beaufort County	General Aviation	Corporate Business	Local	Public	Public	Yes	Eligible	Eligible
Berkeley	Moncks Corner	Berkeley County	General Aviation	Corporate Business	Local	Public	Public	Yes	Eligible	Eligible
Charleston	Mount Pleasant	Mount Pleasant Regional- Faison Field	General Aviation	Corporate Business	Local	Public	Public	Yes	Eligible	Eligible
Colleton	Walterboro	Lowcountry Regional	General Aviation	Corporate Business	Local	Public	Public	Yes	Eligible	Eligible
Dorchester	Summerville	Summerville	General Aviation	Corporate Business	Local	Public	Public	Yes	Eligible	Eligible
Greenwood	Greenwood	Greenwood County	General Aviation	Corporate Business	Local	Public	Public	Yes	Eligible	Eligible
Kershaw	Camden	Woodward Field	General Aviation	Corporate Business	Local	Public	Public	Yes	Eligible	Eligible
Darlington	Darlington	Darlington County Jetport	General Aviation	Corporate Business	Basic	Public	Public	Yes	Eligible	Eligible
Aiken	Aiken	Aiken Municipal	General Aviation	Commercial Service	Basic	Public	Public	Yes	Eligible	Eligible
Barnwell	Barnwell	Barnwell Regional	General Aviation	Business / Recreation	Local	Public	Public	Yes	Eligible	Eligible
Chester	Chester	Chester Catawba Regional	General Aviation	Business / Recreation	Local	Public	Public	Yes	Eligible	Eligible
Chesterfield	Cheraw	Cheraw Municipal - Lynch Bellinger Field	General Aviation	Business / Recreation	Local	Public	Public	Yes	Eligible	Eligible
Darlington	Hartsville	Hartsville Regional	General Aviation	Business / Recreation	Local	Public	Public	Yes	Eligible	Eligible
Fairfield	Winnsboro	Fairfield County	General Aviation	Business / Recreation	Local	Public	Public	Yes	Eligible	Eligible

<u>County</u>	<u>City</u>	<u>Airport Name</u>	<u>Type</u>	Role in state system	Role in federal system	<u>Owner</u>	<u>Use</u>	<u>In</u> <u>Federal</u> <u>System?</u> (NPIAS)	Federal entitlement grants (\$150,00/yr)	State grants from SCAC
Horry	Conway	Conway-Horry County	General Aviation	Business / Recreation	Local	Public	Public	Yes	Eligible	Eligible
Jasper	Ridgeland	Ridgeland-Claude Dean Airport	General Aviation	Business / Recreation	Local	Public	Public	Yes	Eligible	Eligible
Lancaster	Lancaster	Lancaster County - MC Whirter Field	General Aviation	Business / Recreation	Local	Public	Public	Yes	Eligible	Eligible
Laurens	Laurens	Laurens County	General Aviation	Business / Recreation	Local	Public	Public	Yes	Eligible	Eligible
Williamsburg	Kingstree	Williamsburg Regional	General Aviation	Business / Recreation	Local	Public	Public	Yes	Eligible	Eligible
Allendale	Allendale	Allendale County	General Aviation	Business / Recreation	Basic	Public	Public	Yes	Eligible	Eligible
Clarendon	Manning	Santee Cooper Regional	General Aviation	Business / Recreation	Basic	Public	Public	Yes	Eligible	Eligible
Marlboro	Bennettsville	Marlboro County Jetport - H E Avent Field	General Aviation	Business / Recreation	Basic	Public	Public	Yes	Eligible	Eligible
Newberry	Newberry	Newberry County	General Aviation	Business / Recreation	Basic	Public	Public	Yes	Eligible	Eligible
Lexington	Pelion	Lexington County At Pelion	General Aviation	Recreation / Local	Local	Public	Public	Yes	Eligible	Eligible
Chesterfield	Pageland	Pageland	General Aviation	Recreation / Local	Basic	Public	Public	Yes	Eligible	Eligible
Horry	Loris	Twin City	General Aviation	Recreation / Local	Basic	Public	Public	Yes	Eligible	Eligible
Marion	Marion	Marion County	General Aviation	Recreation / Local	Basic	Public	Public	Yes	Eligible	Eligible
Saluda	Saluda	Saluda County	General Aviation	Recreation / Local	Basic	Public	Public	Yes	Eligible	Eligible
Union	Union	Union County - Troy Shelton Field	General Aviation	Recreation / Local	Basic	Public	Public	Yes	Eligible	Eligible
Bamberg	Bamberg	Bamberg County	General Aviation	Recreation / Local	Unclassified	Public	Public	Yes	Not eligible	Eligible
Dillon	Dillon	Dillon County	General Aviation	Recreation / Local	Unclassified	Public	Public	Yes	Not eligible	Eligible
Dorchester	St. George	St George	General Aviation	Recreation / Local	Unclassified	Public	Public	Yes	Not eligible	Eligible

<u>County</u>	<u>City</u>	<u>Airport Name</u>	<u>Type</u>	Role in state system	Role in federal system	<u>Owner</u>	<u>Use</u>	<u>In</u> <u>Federal</u> <u>System?</u> (NPIAS)	<u>Federal</u> <u>entitlement</u> <u>grants</u> (\$150,00/yr)	State grants from SCAC
Georgetown	Andrews	Robert F Swinnie	General Aviation	Recreation / Local	Unclassified	Public	Public	Yes	Not eligible	Eligible
Lee	Bishopville	Lee County - Butters Field	General Aviation	Recreation / Local	Unclassified	Public	Public	Yes	Not eligible	Eligible
Edgefield	Trenton	Edgefield County	General Aviation	Recreation / Local	Not in federal system	Public	Public	No	Eligible	Eligible
Florence	Lake City	Lake City Municipal - CJ Evans Field	General Aviation	Recreation / Local	Not in federal system	Public	Public	No	Eligible	Eligible
Hampton	Hampton	Hampton-Varnville	General Aviation	Recreation / Local	Not in federal system	Public	Public	No	Eligible	Eligible
McCormick	McCormick	Mc Cormick County	General Aviation	Recreation / Local	Not in federal system	Public	Public	No	Eligible	Eligible
Aiken	Graniteville	Twin Lakes	General Aviation		Not in federal system	Private	Public	Yes	Not eligible	Not eligible
Darlington	Darlington	Branhams	General Aviation		Not in federal system	Private	Public	Yes	Not eligible	Not eligible
Florence	Timmonsville	Huggins Memorial	General Aviation		Not in federal system	Private	Public	Yes	Not eligible	Not eligible
Horry	Green Sea	Green Sea	General Aviation		Not in federal system	Private	Public	Yes	Not eligible	Not eligible
Lancaster	Lancaster	Kirk Air Base	General Aviation		Not in federal system	Private	Public	Yes	Not eligible	Not eligible
Marlboro	Clio	Clio Crop Care	General Aviation		Not in federal system	Private	Public	Yes	Not eligible	Not eligible
Orangeburg	Holly Hill	Holly Hill	General Aviation		Not in federal system	Public	Public	No	Eligible	Eligible
Orangeburg	Orangeburg	Dry Swamp	General Aviation		Not in federal system	Private	Public	Yes	Not eligible	Not eligible
Spartanburg	Landrum	Fairview	General Aviation		Not in federal system	Private	Public	Yes	Not eligible	Not eligible

APPENDIX G. GRANTS FOR AIRPORTS

During the study, members ask SCAC about how airports in the state receive funding for maintenance and capital improvement projects. Below is a compilation of information SCAC provides through testimony and in response to member questions during meetings and in correspondence.

SCAC assists South Carolina airports in obtaining state and federal grants through the agency's airport development division. The primary purpose of this division is found in S.C. Code Section 55-5-70, which states:

The division shall promote and foster air commerce within the State and the division shall have an interest in the maintenance and enhancement of the aeronautical activities and facilities within the State. The division shall adopt reasonable rules and promulgate regulations as it may deem necessary and advisable, in conjunction with Federal Aviation Administration regulations, for the public safety and for the promotion of aeronautics governing the designing, laying out, location, building, equipping, operation and use of all airports.

Which airports and projects receive federal grants?

Federal grants from the Federal Aviation Administration are available through the Federal Airport Improvement Program (AIP). The 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). The NPIAS, which is prepared and published every two 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." The NPIAS identifies nearly 3,330 existing and proposed airports that are included in the national airport system, the roles they currently serve, and the amounts and types of airport development eligible for Federal funding under the Airport Improvement Program (AIP). Appendix F includes additional information on the roles each airport serves.

SCAC strives to leverage federal funding whenever possible.³¹⁹ There are some cases in which federal funding is not available as five airports are not in NPIAS, and thus not eligible for federal dollars, and another five in NPIAS are not currently receiving federal dollars.³²⁰ SCAC asserts anytime it has to invest in projects that are not federally eligible, it slows SCAC's ability to assist airports in completing projects statewide.³²¹

Table 18 includes the eligibility status for federal grants of airports in South Carolina. SCAC website contains data on its website, searchable by airport and year, of which projects have received federal grants. 322

State and Federal grant eligible

*Note: General Assembly directs SCAC to fund general aviation airports before commercial service airports; accordingly, SCAC does not regularly fund the four large commercial service airports in the state.

Tiot regularly	idila tile iodi laige	. commercial service all ports in	CITC	state.	
		 In federal syste 	m a	and federal gran	t eligible
		 Public own 	er s	o state grant eli	gible
County	City	Airport Name		County	City
Aiken	Aiken	Aiken Municipal		Horry	Conway
Allendale	Allendale	Allendale County		Horry	N. Myrtl
Anderson	Anderson	Anderson Regional		Horry	Myrtle B
Barnwell	Barnwell	Barnwell Regional		Horry	Loris
Beaufort	Beaufort	Beaufort County		Jasper	Ridgelan
Beaufort	Hilton Head	Hilton Head		Kershaw	Camden
Berkeley	Moncks Corner	Berkeley County		Lancaster	Lancaste
Charleston	Charleston	Charleston AFB/Int.		Laurens	Laurens
Charleston	Charleston	Charleston Executive		Lexington	Columbi
Charleston	Mt. Pleasant	Mt. Pleasant Regional-Faison		Lexington	Pelion
Chester	Chester	Chester Catawba Regional		Marion	Marion
Chesterfield	Cheraw	Cheraw Municipal-Lynch	-	Marlboro	Bennetts
01 . (; 1.1		Bellinger			
Chesterfield	Pageland	Pageland		Newberry	Newber
Clarendon	Manning	Santee Cooper Regional		Oconee	Clemsor
Colleton	Walterboro	Lowcountry Regional		Orangeburg	Orangeb
Darlington	Darlington	Darlington Cty Jetport		Pickens	Pickens
Darlington	Hartsville	Hartsville Regional		Richland	Columbi
Dorchester	Summerville	Summerville		Saluda	Saluda
Fairfield	Winnsboro	Fairfield County		Spartanburg	Greer
Florence	Florence	Florence Regional		Spartanburg	Spartanl
Georgetown	Georgetown	Georgetown County		Sumter	Sumter
Greenville	Greenville	Donaldson Field		Union	Union
Greenville	Greenville	Greenville Downtown		Williamsburg	Kingstre
Greenwood	Greenwood	Greenwood County		York	Rock Hil

so state grant eli	so state grant eligible							
County	City	Airport Name						
Horry	Conway	Conway-Horry County						
Horry	N. Myrtle Beach	Grand Strand						
Horry	Myrtle Beach	Myrtle Beach International						
Horry	Loris	Twin City						
Jasper	Ridgeland	Ridgeland-Claude Dean						
Kershaw	Camden	Woodward Field						
Lancaster	Lancaster	Lancaster County - MC Whirter						
Laurens	Laurens	Laurens County						
Lexington	Columbia	Columbia Metropolitan						
Lexington	Pelion	Lexington County At Pelion						
Marion	Marion	Marion County						
Marlboro	Bennettsville	Marlboro Cty Jetport-H.E. Avent						
Newberry	Newberry	Newberry County						
Oconee	Clemson	Oconee County Regional						
Orangeburg	Orangeburg	Orangeburg Municipal						
Pickens	Pickens	Pickens County						
Richland	Columbia	Jim Hamilton L B Owens						
Saluda	Saluda	Saluda County						
Spartanburg	Greer	Greenville Spartanburg Int.						
Spartanburg	Spartanburg	Spartanburg Memorial						
Sumter	Sumter	Sumter						
Union	Union	Union County - Troy Shelton						
Williamsburg	Kingstree	Williamsburg Regional						
York	Rock Hill	Rock Hill-York County - Bryant						

State grant eligible only

- In federal system, but not eligible for federal grant
- Public owner so state grant eligible

County	City	Airport Name
Bamberg	Bamberg	Bamberg County
Dillon	Dillon	Dillon County
Dorchester	St. George	St George
Georgetown	Andrews	Robert F Swinnie
Lee	Bishopville	Lee County - Butters Field

- Not in federal system, so not eligible for federal grant
- Public owner so state grant eligible

County	<u>City</u>	<u> Airport Name</u>
Edgefield	Trenton	Edgefield County
Florence	Lake City	Lake City Municipal - CJ Evans Field
Hampton	Hampton	Hampton-Varnville
McCormick	McCormick	Mc Cormick County
Orangeburg	Holly Hill	Holly Hill

Not eligible for State or Federal grants

- Not in federal system, so not eligible for federal grant
- Private owner so not eligible for state grant

County	<u>City</u>	Airport Name		
Aiken	Graniteville	Twin Lakes		
Darlington	Darlington	Branhams		
Florence	Timmonsville	Huggins Memorial		
Horry	Green Sea	Green Sea		
Marlboro	Clio	Clio Crop Care		
Orangeburg	Orangeburg	Dry Swamp		
Spartanburg	Landrum	Fairview		

Which airports and projects receive state grants?

Step 1 - Eligibility

SCAC normally receives grant requests from agencies at the beginning of the state fiscal year (July). Grants are grouped into two categories, capital projects and airport maintenance. A summary of the funding available in each category is below.³²⁴

- Capital Projects
 - o Public airport + FAA eligible → 5% from the state (SCAC), 5% from local government, 90% from federal (FAA)
 - o Public airport + Non-FAA eligible → 60% from the state (SCAC), 40% from local government
- Airport Maintenance (e.g., electrical, pavements, vegetation)
 - o Public airport → 75% from the state (SCAC), 25% from local government

When SCAC receives a grant request, SCAC reviews it to make sure it complies with eligibility requirements.³²⁵ In general, airports eligible for state funding must be available for public use and meet appropriate FAA design standards.³²⁶

Table 19 lists examples of projects that are eligible, and ineligible, for federal money; the list is not exhaustive. 327

Table 19. Examples of projects eligible and ineligible for federal grants ³²⁸

Eligible Projects	Ineligible Projects
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	Marketing plans
Navigational aids such as runway end identifier light systems and precision approach path indicators	Training
Planning studies	Improvements for commercial enterprises
Environmental studies	Maintenance or repairs of leased buildings
Safety area improvements	
Airport layout plans	
Access roads only located on airport property	
Removing, lowering, moving, marking, and lighting hazards	

<u>Table Note</u>: An asterisk (*) indicates the project may be conditionally eligible at non-primary airports. Contact your local Airport District or Regional Office for more information.

If a project is eligible, SCAC reviews the financial information to check that project costs (e.g., construction costs, consultant fees, administrative costs, etc.) are in line with current costs for airport projects in South Carolina. After confirmation of project eligibility and costs, SCAC reviews the airport sponsor's grant history and status to check past

grant management performance. 330 SCAC may deny a request based on a sponsor's failure to comply with assurances in a prior grant, or ongoing grant. 331

Step 2 - Prioritization

Next, eligible projects go through a ranking system, which is a combination of quantitative and qualitative scoring criteria that help SCAC prioritize development projects.³³² There are four scoring categories, each separated into subcategories with assigned scoring levels.³³³

The rating system generally scores the airport development in accordance with SCAC goals and objectives with the highest priority placed upon safety (e.g. clearing runway approaches of obstructions).³³⁴ Also, the General Assembly directs SCAC to fund the general aviation airports before commercial service airports, and as a result, SCAC does not regularly fund the four large commercial service airports in the state.³³⁵

The categories used for ranking are as follows: 336

• Category I - Project Justification

Category I assigns points based upon the type of project and includes the following subcategories:

- o safety and security;
- o preserve/rehabilitate existing facilities;
- o new air service/economic development;
- o planning studies;
- o environmental studies;
- o upgrade to standards;
- o capacity enhancements; and
- o land acquisition.
- Category II Airport Classification and Demand

Category II assigns points based upon the size and level of activity at the airport. More active airports get higher points than smaller less active airports. The subcategories include the following:

- o state classification of airport;
- o annual enplanements;
- o air cargo;
- o annual operations; and
- o based aircraft.
- Category III Sponsor Responsibility

Category III assigns points based upon how well an airport owner maintains, adheres to standards and implements recommended initiatives such as compatible land use zoning or airport minimum standards. SCAC annually monitors airport upkeep and maintenance through its airport inspection program.³³⁷ The subcategories include the following:

- o airport security;
- o airport minimum standards;
- o airport maintenance; and
- o compatible zoning.
- Category IV Other Relevant Factors:

Category IV assigns points based upon miscellaneous factors not considered in the other categories. It includes the following subcategories:

- o federal funding (whether the project is receiving federal funding); and
- o personal property tax initiative (property tax on aircraft).

In addition, SCAC uses a compiled state-wide list of airport capital projects to assist it in prioritizing funding requests for the current fiscal year, and those it anticipates in the next fiscal year. SCAC compiles the list from the capital improvement plans (CIP) the Federal Aviation Administration requires airports in NPIAS to annually submit. The annual CIP outlines the capital projects the airport intends to complete in the next five years. Using this information allows SCAC to understand the current projects committed and those likely to be coming, all of which are funded from State Aviation Fund. Additionally, SCAC obtains information on certain conditions statewide (e.g., strength of the pavements from which aircraft are taking off and landing at each airport), which it can utilize in prioritizing projects.

Once SCAC prioritizes the projects, it determines which it can approve now and which will have to wait until airline property tax revenues for the year are deposited in the State Aviation Fund (Cash Flow Issues section of Appendix H). 343

Currently, SCAC has policies for eligibility and disbursement of grants through which SCAC's commission makes final determinations. However, the General Assembly requires SCAC to promulgate regulations related to the grants program that, "at a minimum, address: (1) priorities among improvements qualifying for grants; (2) an airport selection process to ensure an equitable distribution of funds among eligible airports; and (3) the criteria for distribution of funds among eligible airports." SCAC affirms it will promulgate the regulations required as part of its regulation package, which is discussed in recommendation number four. Note, the April 2018 Senate Transportation Oversight Subcommittee Report on the South Carolina Aeronautics Commission recommends the General Assembly, with input from SCAC, establish the requirements for awarding aviation grants from the State Aviation Fund in the S.C. Code of Laws.

Step 3 - Approval and execution

Once SCAC receives airline property tax revenue in the State Aviation Fund, which has occurred in January the past several years, it finalizes the list of projects to which it is committing grants. If cash does not become available during a fiscal year, any requested grants that were not funded, are not considered until the next fiscal year. SCAC asserts if they were to be considered, the problem would compound year after year.

Each grant offer comes with grant assurances the sponsor (e.g., airport, municipality, county) must adhere to for the useful life of the project. To enforce these assurances, SCAC may withhold grant reimbursements for ongoing projects or withhold grants for future projects. 349

If an airport sponsor does not spend the funds SCAC committed to them via a grant, SCAC can re-allocate those funds to another grant.³⁵⁰

SCAC website contains data on its website, searchable by airport and year, of which projects have received state grants.³⁵¹

Web-based system

SCAC is in the process of moving the capital and maintenance planning in its grant and aid program into a web based system that will allow better integration with the counties that own or operate airports.³⁵² Through the system SCAC and the local government can move from the entities' capital improvement plan to the grant to drawing on the grant, as well as storage of all documents related to the project, in the web based system.³⁵³ SCAC anticipates having the system fully functioning by the end of 2019.³⁵⁴

Return on government's investment

The SCAC grant program provides funding for a variety of airport capital improvement and planning projects.³⁵⁵ The grants support full-time or part-time employment related to human resources, accounting, construction, grants administration, financials services, etc.³⁵⁶ This employment generates income tax for the state.³⁵⁷ In addition to employment, the grants support construction projects, which pay sales tax on materials purchased for supported projects.³⁵⁸ In 2018, SCAC released an airport economic impact study highlighting the value of the airports within the system and estimated the taxes generated for the state at approximately \$650 million.³⁵⁹ Also, on SCAC's website is information on the economic impact, by individual airport.³⁶⁰

APPENDIX H. FUNDING FOR AIRPORT GRANTS

During the study, members ask SCAC about the State Aviation Fund. Below is a compilation of information SCAC provides through testimony and in response to member questions during meetings and in correspondence.

How is the State Aviation Fund used?

The State Aviation Fund may be used for maintenance, rehabilitation, and capital improvements to public airports or for maintenance and repairs of SCAC's aircraft.³⁶¹ It may not be used for SCAC's operating expenses.³⁶²

While SCAC is permitted to utilize the funds for maintenance and repairs of its aircraft, it has not since 2014, when Director Stephens became executive director of the agency.³⁶³ SCAC covers these costs with revenue it generates from flying other state agency personnel in SCAC aircraft and servicing other agencies' airplanes.³⁶⁴ Director Stephens does not believe SCAC should use the State Aviation Fund for the maintenance of SCAC's aircraft because the taxes that support the State Aviation Fund, aircraft fuel sales tax, and airline property tax are born by those operating out of the airports in the state.³⁶⁵

From 2014 to the present, SCAC has spent all State Aviation Funds on maintenance, rehabilitation, and capital improvements for public airports in the state.³⁶⁶ SCAC does not have a formal program to provide airports funding for marketing (e.g., advertising at a football game or having a suite at an arena for hosting potential clients during athletic games, concerts, or other events), and, to Director Stephens' knowledge, SCAC has never provided airports funding for marketing.³⁶⁷ Also, SCAC is not involved at the operational level of the airports (e.g., whether or not the airport affords certain individuals special parking privileges, etc.).³⁶⁸ Separate political subdivisions with independent commissions, appointed by local legislative delegations, govern and oversee each airport (e.g., Greenville-Spartanburg Airport Commission, Richland-Lexington Airport Commission, etc.).³⁶⁹

Appendix F includes a map of the over 50 publicly owned, and eight privately owned, airports in South Carolina and explanation of type (e.g., general aviation v. commercial, etc.).

What revenue supports the fund?

Prior to 2012, the General Assembly directed monies from the following sources to the State Aviation Fund: (a) licensing of airports and landing fields, (b) fees for other licenses issued by SCAC, (c) funds appropriated for aviation grants, and (d) tax on aviation fuel.³⁷⁰ SCAC did not license airports or landing fields.³⁷¹ Additionally, it did not have any policies in place outlining under what circumstances it would issue fees for other licenses.³⁷² Therefore, the primary sources of revenue for the State Aviation Fund were state general funds appropriated for aviation grants and aviation fuel taxes.³⁷³

In 2012, the General Assembly created the airline property tax to serve as another source of revenue for the State Aviation Fund.³⁷⁴ From July 2012 through June 2016, the first \$5 million in tax revenue was directed to the general fund, the next \$5 million to the State Aviation Fund, and any amounts above \$10

million were split equally between the general fund and State Aviation Fund.³⁷⁵ During this time, the tax revenue was approximately \$4.5-\$5 million.³⁷⁶ Since the tax revenue never exceeded \$5 million, the State Aviation Fund, and airports within the state, received no revenue from the tax.

As a result, SCAC requested the General Assembly remove the \$5 million dollar threshold.³⁷⁷ Beginning in fiscal year 2016-17, the General Assembly reduced the threshold by 50%, directing the first \$2.5 million to the general fund, the next \$2.5 million to the State Aviation Fund, and any amount above \$5 million split equally between the two.³⁷⁸ This change enabled SCAC to provide the grants it has to public airports during the past three years.³⁷⁹ Figure 10 shows State Aviation Fund revenue from fiscal year 2011-12 through 2017-18.³⁸⁰

Cash flow issues related to airline property tax

While reducing the threshold has increased the funding for airports around the state, SCAC still experiences cash flow issues due to when funding from the airline property tax becomes available. SCAC must wait until the state general fund receives the first \$2.5 million each year, which typically does not occur until January (third quarter of the state fiscal year). 382

All SCAC grants are reimbursement only.³⁸³ Therefore, each year, the SCAC begins with a fund balance that has much of its value encumbered by grants that are open from the previous year and in the process of being drawn upon.³⁸⁴ After open encumbrances have been considered, the "uncommitted" amount of money and any revenues received during that same fiscal year are utilized to support eligible capital or maintenance projects at airports across the state.³⁸⁵ To avoid promising more than it has, SCAC has taken the position that it will only execute approved grants based upon cash availability and priority.³⁸⁶ However, for more than four years, SCAC has had to wait to receive revenues from the airline property tax.³⁸⁷ This waiting period causes concern at the local level because the airports receive FAA grants in the first quarter of the state fiscal year.³⁸⁸

SCAC recommendation

To facilitate better grant timing, and the availability of matching funds utilized to secure federal grants, the division recommends that SC Code Ann. §55-5-280(B) be amended to direct all the taxes collected pursuant to Section 12-37-2410 to the State Aviation Fund. The revisions SCAC recommends to S.C. Code Section 55-5-280(b) are below:

SECTION 55-5-280. State Aviation Fund

(B) In any fiscal year in which the tax levied by the State pursuant to Section 12-37-2410, et seq., exceeds two and one-half million dollars, the revenues in excess of two and one-half million dollars must be directed to the State Aviation Fund; however, any revenue in excess of five million dollars must be credited in equal amounts to the general fund and the State Aviation Fund.

According to SCAC, this change would provide another \$2.5 million annually, position the State Aviation Fund in such a way that SCAC could offer grants when requested, and allow SCAC to develop other airport development programs for smaller airports that are not federally eligible and the larger commercial service airports who have not historically received State Aviation Fund grants.³⁹¹

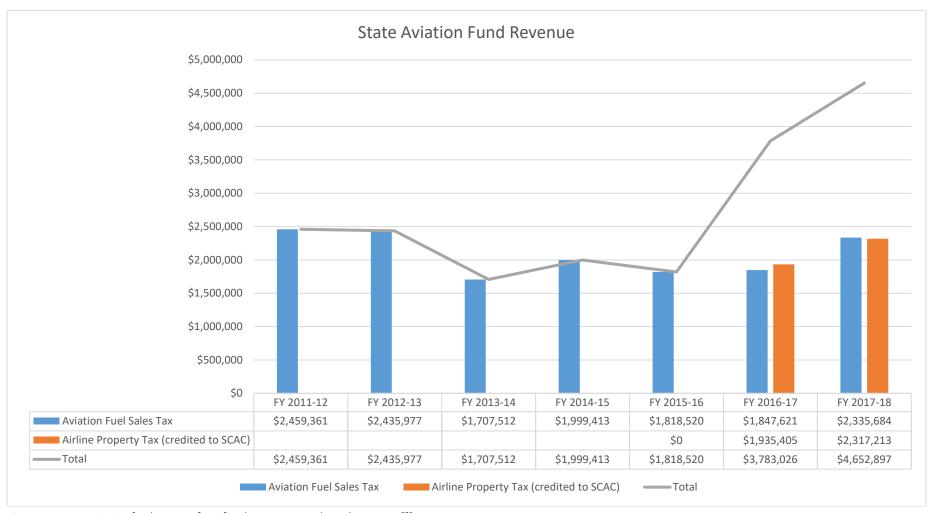


Figure 10. State Aviation fund revenue from fiscal year 2011-12 through 2017-18. 392

Note: The first \$2.5 million in airline property tax is credited to the state general fund. Amounts above the \$2.5 million are credited to SCAC.

How SCAC would utilize additional funding

The Committee asked SCAC how it would utilize the extra \$2.5 million it would receive if the General Assembly amended Code Section 55-5-280(8), as requested by the agency. Below are currently unfunded projects where SCAC asserts it could utilize the additional \$2.5 million in airport property tax. 393

Projects eligible for AIP funding, but currently not funded due to FAA limitations

The 2018 South Carolina Aviation System Plan Update identified needs of almost \$154 million annually to fund all system planning, capital and maintenance requirements. With FAA funding typically around \$35 million annually, there is significant funding shortfall (Section 6.4.3) for required airport improvements. According to the report, state and federal funding currently provide 25% of the estimated annual funding needs for South Carolina airports. Due to this funding limitation, airport sponsors often delay needed improvements until FAA funds become available.

Secondary Runways

South Carolina has twelve (12) airports with secondary runways, which are not currently eligible for FAA funding. Secondary runways provide several benefits to pilots including better wind coverage (pilots land and take off into the wind) and redundancy when a runway requires maintenance or reconstruction.

Airports not eligible for FAA funding

South Carolina currently has nine airports that are not eligible for FAA funding. Although not eligible for FAA funds, these airports are still valuable and part of the South Carolina system.

Commercial Service Airports not currently receiving State funding

The agency has four (4) commercial service airports that are not currently eligible for state aid (Greenville- Spartanburg International, Columbia Metropolitan, Charleston International, and Myrtle Beach International). These airports contribute to the Agency's available grant funds through the airline property tax and should be eligible to receive some of this money for their projects.

Other projects not eligible for FAA funding

There are not many projects that fall into this category, but one project of considerable importance is the strengthening and widening of Taxiway A at Donaldson Field (Greenville). Lockheed Martin has a facility at Donaldson Field where they perform maintenance on C-130 Hercules, C-5 Galaxy and P-3 Orion aircraft. In addition to the maintenance component, this Lockheed Martin facility was recently awarded a mission to assemble the F-16 Fighting Falcon. Although Lockheed Martin is a private company performing this work under contract, the FAA considers the Lockheed Martin activity as a military mission. Military mission aircraft operations are not eligible for FAA funding. Taxiway A is not wide enough or strong enough to support the military aircraft using Donaldson Field, which must taxi on the runway instead of using the parallel taxiway.

APPENDIX I. STATE OPERATED AIRCRAFT (E.G., AIRPLANES, HELICOPTERS)

How can they be used and what information must be tracked?

Laws relating to use of state operated aircraft include, but may not be limited to, S.C. Code of Laws Section 55-1-90 and Proviso 117.22 in the 2018-19 General Appropriations Act.³⁹⁴ State law provides for the following:

- state operated aircraft are for official business use only;³⁹⁵
- sworn statement certifying and describing the official nature of the trip is required before, or within 24-hours after completion of the trip;³⁹⁶
- all agencies operating aircraft will post online a continual log of all flights;³⁹⁷
- SCAC must post its flight logs within one day of completing the trip;³⁹⁸
- flight logs must...
 - o include the legal name of all passengers, with certain exceptions applicable to the State Law Enforcement Division and Department of Commerce;³⁹⁹ and
 - o be signed by those using the plane.⁴⁰⁰

Violation of the above requirements establishes the presumption of an ethical violation (i.e., violation of S.C. Code of Laws Section 8-13-700(A) which relates to use of official position or office for financial gain) that the violating party must prove is false.⁴⁰¹

Notably, the above provisions do not apply to:

- state-owned or operated aircraft used by the Medical University of South Carolina;
- aircraft owned by the athletic department or educational foundation of any state-supported college or university; or
- law enforcement when flying on state-owned aircraft in pursuit of fugitives, missing persons, or felons or for investigation of gang, drug, or other violent crimes. 402

Who operates and maintains them?

SCAC provided information on state entities operating aircraft and vendors servicing those aircraft is in Table 20.

Table 20. Entities operating state-owned aircraft ⁴⁰³

Agency	Aircraft	Maintenance provided by
Clemson University	Cessna Citation CJ3	Cessna Citation, Greensboro, NC Stevens
	King Air C90	Aviation, Greenville, SC
SCAC	King Air C90	Division of Aeronautics
	King Air 350	
University of South	King Air 350	Stevens Aviation, Greenville, SC Interstate
Carolina	King Air 350i	Turbines, Charleston, SC
Department of Natural	Vulcan Air P-68	Division of Aeronautics
Resources	Cessna 210	
	Cessna 206	
Forestry	Cessna 206	Clamps Aero Service, Newberry, SC
	4 - Cessna 182	Pride Aviation, Sumter, SC
	3 - Cessna T-41B (172)	S & S Aviation, Winnsboro, SC
	2 - Cessna 172	Donald Bennet, IA, Walterboro, SC
	Cessna 180	Spencer Perrine, IA, Walterboro, SC
State Law Enforcement	3 - MD500	Southeast Helicopters, Inc. Saluda, SC
Division		

What information about flights taken is available online to the public?

The next pages contain, by state entity, information on the aircraft operated and the online location, format, and sample flight logs and flight manifests. SCAC provided the number and type of aircraft operated by each entity.

SCAC flights

Aircraft: King Air 350; King Air C90

Flight logs and manifests available online: Yes. The multiple steps to access the information are below.

- On the homepage (<u>www.scaeronautics.com</u>) select "Departments," in tabs across the top;
- On the departments page (www.scaeronutics.com/departments.asp) select "Logs and Manifests" in the menu on the left side, under Flight Department;
- On the flight logs and manifests page (www.scaeronautics.com/flightLogs.asp) select the flight log or manifest you want to view. When you click on a link, it will bring up the applicable portable document format (.pdf) documents. Figure 11 shows how the list of flight logs and manifests appear on the webpage.

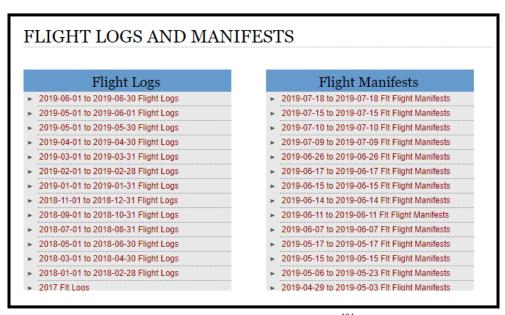


Figure 11. Links to .pdf documents with flight logs and manifests on SCAC webpage 404

<u>Format of logs and manifests</u>: Individual .pdf documents, some with typed information, some with handwritten information. Examples in Figures 12 and 13.

07/22/2019 SOUTH CAROLINA AERONAUTICS Aircraft Passenger Summary Report Page 1 of 6 06/01/19 - 06/30/19 Authorizer: DATE A/C ID FROM S.M. TIME CHARGE PASSENGERS. CONWAY, SC (CONWAY-HORRY CHARLESTON, SC (CHARLESTO 112 0.40 MCMASTER, GOVERNOR H.D. PLOWDEN, MARK PIPPIN, ZACH STENSON, KIM WOODS, ROBERT PERRY, ROB EXECUTIVE TOTAL CHARGES THIS LEG: 600.00 6/7/19 N1SC 77 0.30 BEAUFORT, SC (BEAUFORT MC CHARLESTON, SC (CHARLESTO MCMASTER, GOVERNOR H.D. PLOWDEN, MARK PIPPIN, ZACH STENSON, KIM WOODS, ROBERT PERRY, ROB

Figure 12. Sample flight log on SCAC webpage 405

	SOUT		OLINA	AERO	NAUT	ICS	5			
FLIGHT DATE: 06/07/1 AIRCRAFT: NISC PRINTOUT: 06-07-1 Trip/Log No.	19 7:45				TRUEMPE SMITH	R				(803) 608-0935 (803) 386-5814
PASSENGER			SIGNATUI	RE	LEG:	1	2	3	4	
1. MCMASTER, C	GOVERNOR H.D		Lynny !	mmus		_	_	X	_	
2. PLOWDEN, MA	ARK		The	<u>l Dhl</u>	_	х	х	X	x	
3. PIPPIN, ZACH		-				х	x	x	x	
4. WOODS, ROBE	ERT		Ph	\mathcal{Q}_{-}		х	x	х	x	
5. PERRY, ROB			Rb	10		х	x	х	x	
6. STENSON, KIM	4		K	4		х	x	x	х	
7. ROARY, GRAN	ΥT		Frat	O lan	de	х	x	x	x	
8			•							
9.										
10.										
11.										
12.										
13.										
14.										
	LEG 1	LEG 2	LEG 3	LEG 4						
FROM	CAE	HYW	CHS	NBC						
то	HYW	CHS	NBC	CAE						
NO. OF PAX	7	7	7	7						
PROPOSED ETD PROPOSED ETA	9:05 9:43	11:15 11:48	13:50 14:16	16:10 16:47						
PROPOSED ETA PROPOSED ETE	0:28	0:23	0:16	0:27						
I hereby certify that th					outh Carolin	a, the	e na	ture	of th	e trip
being:	HARTCHIK	LUMEDN	660 TOUR			_			_	
			Е	y:	K. be	_	_			
				rinted Name		5	TEN	مهد	1	

Figure 13. Sample flight manifest on SCAC webpage 406

Department of Natural Resources flights

Aircraft: Vulcan Air P-68; Cessna 210; Cessna 206

Flight logs and manifests available online: Yes. The multiple steps to access the information are below.

- On the homepage (www.dnr.sc.gov) select "Online Data," in menu on left side;
- On the online data page (www.dnr.sc.gov/data.html) select "Aviation Flight Logs" from the list in the middle;
- On the flight lookup page (www.dnr.sc.gov/aviation/public_flight_lookup) enter the parameters of your search. You do not have to enter information in all fields to perform a search. If you select "Continue" with all the fields blank, it will provide you information on every flight. Figure 14 shows how the list of flight logs and manifests appear on the webpage.

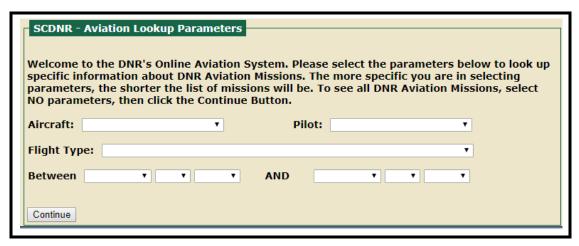


Figure 14. DNR aviation lookup fields on DNR website 407

<u>Format of logs and manifests</u>: Hypertext markup language (html), one-line flight descriptions. Figure 15 shows an example.

selow is the list of missions found for the parameters you selected. Double Click on a Mission or full details of that mission. Press the Back to Search button to search again.					
Aircraft	Mission Type	Pilot	Flight Date	Flight	Sub Flight
N19wl	Jea Patrol	Owen W. Barker	08-Aug-19	680039	0
N8wl	Aeronautics Airport Survey	Ryan Wilbanks	07-Aug-19	2060034	0
N8wl	Lake Patrol	Ryan Wilbanks	06-Aug-19	2060033	0
N8wl	Lake Patrol	Ryan Wilbanks	05-Aug-19	2060032	0
N8wl	Dnr Law Enforcement (Other)	Ryan Wilbanks	01-Aug-19	2060031	0
N547wl	Maintenance Flight	e Flight Owen W. Barker 31-Jul-19		2100033	0

Figure 15. Sample information from DNR aviation lookup fields on DNR website 408

Forestry Commission flights

<u>Aircraft</u>: Cessna 206; Cessna T-41B (172); Cessna T-41B (172); Cessna 182; Cessna 182; Cessna 182; Cessna 182; Cessna 182; Cessna 182; Cessna 182

Flight logs and manifests available online: No. 409

• 2017 annual report contains some statistics on page 7 (https://www.state.sc.us/forest/ar2017.pdf).

Format of logs and manifests: Not applicable

State Law Enforcement Division flights

Note: Provisions requiring use for official business only, sworn statements certifying nature of trip, etc., do not apply to law enforcement when flying on state-owned aircraft in pursuit of fugitives, missing persons, or felons or for investigation of gang, drug, or other violent crimes. 410

Aircraft: MD500; MD500; MD500

Flight logs and manifests available online: Yes. The multiple steps to access the information are below.

- On the homepage (www.sled.sc.gov) select "Aviation Flight Log" in the left side column;
- In the provided search engine (http://services.sled.sc.gov/Aviation/CopViewPublic.aspx), enter a date range (no earlier than July 7, 2009). Log number can alternatively be used in the search function directly underneath. You may enter either dates or a log number for results. Figure 16 shows how the list of flight logs and manifests appear on the webpage.

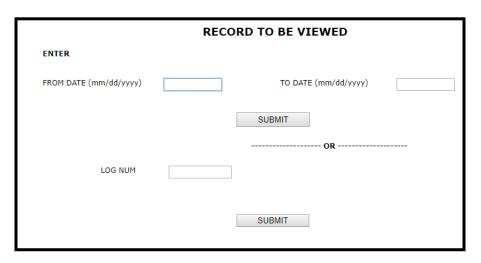


Figure 16. SLED aviation flight log search on SLED website 411

• Click "submit" and a record listing should appear, if any results match your inquiry; Figure 17 shows how the list of flight logs and manifests appear on the webpage.

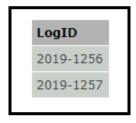


Figure 17. Sample information from SLED flight log search on SLED website 412

- Matching results are listed in a column marked "LogID" in the "Record to be viewed" page. Result links are listed in descending-chronological order from the top, all by year (latest flight at bottom);
- Click on the individual link for more information about that flight. See sample report below;
- Click on the "Back to View Helicopter Mission" bottom left link to return to search results.

<u>Format of logs and manifests</u>: Hypertext markup language (html) listing with clickable html ID numbers. Figure 18 shows an example.

	VIEW HELICOPTER MISSIONS				
LOG NUM	2019-1257 FROM DATE 08/02/2019 TO DATE 08/02/2019				
FROM TIME	1250 TO TIME 1410 AIRCRAFT 502				
REQUESTING AGENCY	Orangeburg S.O. CALL STATUS X				
NATURE OF CALL 1.	Missing Person - Adult 17+ 2.				
3	. COUNTY ORANGEBURG				
PILOT1	SNOW, S D PILOT2 BISHOP, JOHN				
PIC Time 1	0.4 NVG10 PIC Time 2 0.4 NVG20				
Ins. Hours1	0 Ins. App1 0 Ins. Hours2 0 Ins. App20				
	ADDITIONAL INFORMATION				
CREWS/ PASSENGERS					
RESULT	Other FLIR USED N MICROWAVE USED N WEAPON INVOLVED N				
TOTAL FUEL	20 RECOVERIES 0 ARREST 0				
	MAINTENANCE INFORMATION				
HOBBS IN	3720.2 START COUNTER 780 + 1 = 781				
HOBBS OUT	3719.4 RIN COUNT 3526 + 1 = 3527				
DURATION	0.8 A/C Total 7997.6 HOIST 0 + 0 =0				
TAKE OFF	37 + 0 = 37 INSP. DUE 3738				
MAINTENANCE REQUIRED	None				
APPROVED BY	Lt. Moss				

Figure 18. Sample flight information on SLED webpage 413

Clemson University flights

Note: Provisions requiring use for official business only, sworn statements certifying nature of trip, etc., do not apply to aircraft owned by the athletic department or education foundation of any state-supported college or university. 414

Aircraft: Cessna Citation CJ3; King Air C90

Flight logs and manifests available online: Yes, same process as SCAC (above).

- On the homepage (www.scaeronautics.com) select "Departments," in tabs across the top;
- On the departments page (www.scaeronutics.com/departments.asp) select "Logs and Manifests" in the menu on the left side, under Flight Department;
- On the flight logs and manifests page (www.scaeronautics.com/flightLogs.asp) select the flight log or manifest you want to view. When you click on a link, it will bring up the applicable portable document format (.pdf) documents.
- For Clemson, look for the "Authorizer: CLEM" label at the top of the document.

<u>Format of logs and manifests</u>: Individual .pdf links to files labeled: "<u>Authorizer CLEM.</u>" Figure 19 shows an example.

	SOUTH CAROLINA AERONAUT Aircraft Passenger Summary Report 5/1/19 - 5/31/19	CS	06/13/2019 13:15 Page 1 of 6
Authorizer: Cl	<u>.EM</u>		
DATE A/C ID 5/6/19 N1SC FERRY	FROM TO SUMBIA, SC (COLUMBIA MET CLEMSON, SC (OCONEE COUNTY 142 0.5	E CHARGE	PASSENGERS *** No Passengers ***
5/6/19 NISC	CLEMSON, SC (OCONEE COUNTY BIRMINGHAM, AL (BIRMINGHAM 262 1.0	700.00	BATES, TODD CALDWELL, ROBBIE
USER REIMBUR	TOTAL CHARGES THIS LEG:	1,500.00	
5/6/19 NISC USER REIMBUR	BIRMINGHAM, AL (BIRMINGHAM HUNTSVILLE, AL (HUNTSVILLE I 104 0.4 TOTAL CHARGES THIS LEG:	914.00	CALDWELL, ROBBIE
5/6/19 N1SC FERRY	HUNTSVILLE, AL (HUNTSVILLE I CLEMSON, SC (OCONEE COUNTY 250 0.8 TOTAL CHARGES THIS LEG:	1,582.00	*** No Passengers ***
5/6/19 N1SC USER REIMBUR	CLEMSON, SC (OCONEE COUNTY LAKELAND, FL (LAKELAND LIN 510 1.5 TOTAL CHARGES THIS LEG:	2,250.00	HALL, LEMANSKI
5/6/19 NISC USER REIMBUR	LAKELAND, FL (LAKELAND LIN ATLANTA, GA (COBB COUNTY- M 489 1.6 TOTAL CHARGES THIS LEG:	2,400.00	HALL, LEMANSKI
5/7/19 NISC FERRY	ATLANTA, GA (COBB COUNTY- MATLANTA, GA (FULTON COUNTY 45 0.1) TOTAL CHARGES THIS LEG:	290.00	*** No Passengers ***
5/7/19 NISC USER REIMBUR	ATLANTA, GA (FULTON COUNTY)BIRMINGHAM, AL (BIRMINGHAM 158 0.6 TOTAL CHARGES THIS LEG:	1,025.00	REED, MIKE
5/7/19 NISC FERRY	BIRMINGHAM, AL (BIRMINGHAM ATLANTA, GA (COBB COUNTY- M 157 0.5 TOTAL CHARGES THIS LEG:	1,064.00	*** No Passengers ***
5/7/19 NISC USER REIMBUR	ATLANTA, GA (COBB COUNTY- MNORFOLK, VA (NORFOLK INTL) 558 1.8 TOTAL CHARGES THIS LEG:	2,700.00	SCOTT, JEFF

Figure 19. Sample flight log for Clemson University flights on SCAC webpage 415

University of South Carolina flights

Note: Provisions requiring use for official business only, sworn statements certifying nature of trip, etc. do not apply to aircraft owned by the athletic department or education foundation of any state-supported college or university. 416

Aircraft: King Air 350; King Air 350i

Flight logs and manifests available online: Yes. The multiple steps to access the information are below.

- Go directly to the Flight Operations page: (https://www.sc.edu/facultystaff/flight operations/flight history/index.php);
- On the Flight Operations page, click the "Flight History" tab in the left-side column;
- On the Flight History tab, click the "Expand all" plus symbol button on the flight log drop down (listed by year);

Figure 20 shows how the list of flight logs appear by year on the webpage.

Flight History			
Review the archive of monthly flight logs for University of South Carolina Flight Operations.			
2018 -19 Flight Logs	Expand all		
2017 Flight Logs	•		
2016 Flight Logs	•		
2015 Flight Logs	•		
2014 Flight Logs	•		
2013 Flight Logs	(+)		

Figure 20. USC flight logs by year on USC website 417

• Select the desired portable document format (.pdf) file – organized in month/ year format. Figure 21 shows how the list of flight logs in 2018-19 appear by month on the webpage.



Figure 21. USC 2018-19 flight logs by month on USC website 418

Format of logs and manifests: Links to individual .pdf documents. Figure 22 shows an example.

Date	From	То	Flight Time	Purpose	Passengers
5-Feb-19	CUB, Columbia, SC	TEB, Teterboro NJ	2.1	Univ Capital Financing	Ed Walton, Leslie Brunelli, Derek Gruner, Craig Parks, Mandy Kibler, Charlie Fitzsimons
5-Feb-19	TEB, Teterboro NJ	CUB, Columbia, SC	2.1	Univ Capital Financing	Ed Walton, Leslie Brunelli, Derek Gruner, Craig Parks, Mandy Kibler, Charlie Fitzsimons
5-Feb-19	CUB, Columbia, SC	GYH, Greenville SC	0.4	Maintenance In	Maintenance no passengers
21-Feb-19	GYH, Greenville SC	CUB, Columbia, SC	0.5	Maintenance Out	Maintenance no passengers
24-Feb-19	CUB, Columbia, SC	PDK, Atlanta GA	0.8	CASE & Alumni Meetings	Dr Harris Pastides, Mrs Patricia Pastides
25-Feb-19	PDK, Atlanta GA	CUB, Columbia, SC	0.7	CASE & Alumni Meetings	Dr Harris Pastides, Mrs Patricia Pastides
28-Feb-19	CUB, Columbia, SC	AUO, Aubum AL	1.0	Alumni Development	President Harris Pastides, Mrs Patricia Pastides, Charles Waddell, Suzie Van Huss, Pat Van Huss, David Hodges, Eric Grabeski
28-Feb-19	AUO, Auburn AL	CUB, Columbia, SC	0.9	Alumni Development	President Harris Pastides, Mrs Patricia Pastides, Charles Waddell, Suzie Van Huss, Pal Van Huss, David Hodges, Eric Grabeski

Figure 22. February 2019 flight log on USC webpage 419

CONTACT INFORMATION

Committee Contact Information

Physical:

South Carolina House of Representatives Legislative Oversight Committee 1105 Pendleton Street, Blatt Building Room 228

Post Office Box 11867 Columbia, South Carolina 29211

Telephone: 803-212-6810 Online:

You may visit the South Carolina General Assembly Home Page (http://www.scstatehouse.gov) and click on "Citizens' Interest" then click on "House Legislative Oversight Committee Postings and Reports". This will list the information posted online for the Committee; click on the information you would like to review. Also, a direct link to Committee information is http://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommi ttee.php.

Agency Contact Information

Address:

South Carolina Aeronautics Commission 2553 Airport Blvd.

West Columbia, South Carolina 29170

Telephone: 803-896-6262

Online:

http://www.scaeronautics.com/

ENDNOTES

https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyPHPFiles/Aeronautic sCommission.php (accessed February 1, 2019).

https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/Aeronaut icsCommission/Aeronautics%20-%20Program%20Evaluation%20Report%20Submission.pdf (accessed March 7,

2019). See question 6. Hereinafter, "Agency PER."

- ³ 1935 Act No. 317.
- ⁴ 49 U.S.C. § 106.
- ⁵ 1993 Act No. 181.
- ⁶ 2005 Act No 11.
- ⁷ Id.
- ⁸ *Id*.
- ⁹ 2009 Act No. 23.
- ¹⁰ 2010 Act No. 291.
- ¹¹ 2011 Act No. 73.
- ¹² 2012 Act No. 270.
- ¹³ *Id*.
- ¹⁴ 2014 Act No. 121.

¹ Visual Summary Figure 1 is compiled from information in the agency's study materials available online under "Citizens' Interest," under "House Legislative Oversight Committee Postings and Reports," and then under "Aeronautics Commission, S.C."

² S.C. Aeronautics Commission, "Program Evaluation Report Submission (October 19, 2018)," under "Committee Postings and Reports," under "House Legislative Oversight Committee," and under "Aeronautics Commission, S.C.,"

¹⁵ S.C. House of Representatives, House Legislative Oversight Committee, "Meeting Minutes" (March 5, 2019), under "Committee Postings and Reports," under "House Legislative Oversight Committee," under "Aeronautics Commission, S.C.," and under "Meetings,"

https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/SubcommitteeMinutes/Exec utiveSub/March%205,%202019%20-%20Meeting%20Minutes.pdf (accessed August 2, 2019). A video of the meeting is available at https://www.scstatehouse.gov/video/archives.php?key=8913&part=1. Hereinafter, "3/5/19 Meeting Minutes and Video." S.C. House of Representatives, House Legislative Oversight Committee, "Meeting Minutes" (June 25, 2019), under "Committee Postings and Reports," under "House Legislative Oversight Committee," under "Aeronautics Commission, S.C.," and under "Meetings,"

https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyPHPFiles/Aeronautic sCommission.php (Minutes will be posted once approved). A video of the meeting is available at https://www.scstatehouse.gov/video/archives.php?key=8913&part=1. Hereinafter, "6/25/19 Meeting Minutes and Video."

- ¹⁶ 3/5/19 Meeting Minutes and Video; 6/25/19 Meeting Minutes and Video.
- ¹⁷ 6/25/19 Meeting Minutes and Video.
- ¹⁸ S.C. House of Representatives, House Legislative Oversight Committee, "Meeting Minutes" (February 6, 2019), under "Committee Postings and Reports," under "House Legislative Oversight Committee," under "Aeronautics Commission, S.C.," and under "Meetings,"

https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/SubcommitteeMinutes/Exec utiveSub/February%206,%202019%20-%20Meeting%20Minutes%20(SCAC%20-%20Intro,%20history,%20etc.).pdf (accessed August 21, 2019). A video of the meeting is at

https://www.scstatehouse.gov/video/archives.php?key=8860&part=1, at 34:01. Hereinafter, "2/6/19 Meeting Minutes and Video."

- ¹⁹ 6/25/19 Meeting Minutes and Video.
- ²⁰ S.C. Code Ann. § 55-1-90.
- ²¹ *Id.* Authorized sponsor includes a legislative sponsor or a sponsor from an agency of the state attesting to the need for one or more flight operations.
- Act 264 of 2018, Proviso 117.22; Act 97 of 2017, Proviso 117.22; Act 284 of 2016, Proviso 117.22; Act 91 of 2015, Proviso 117.22; Act 286 of 2014, Proviso 117.23; Act 101 of 2013, Proviso 117.23; Act 288 of 2012, Proviso 89.24; Act 73 of 2011, Proviso 89.25; Act 291 of 2010, Proviso 89.26; Act 23 of 2009, Proviso 89.27.
 Act 264 of 2018, Proviso 117.22.
- ²⁴ 3/5/19 Meeting Minutes and Video at 40:09; S.C. House of Representatives, House Legislative Oversight Committee, "Meeting Minutes" (March 26, 2019)," under "Committee Postings and Reports," under "House Legislative Oversight Committee," under "Aeronautics Commission, S.C.," and under "Meetings," https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyPHPFiles/Aeronautic sCommission.php (Minutes will be posted once approved). A video of the meeting is available at https://www.scstatehouse.gov/video/archives.php?key=8863&part=1, at 39:55. Hereinafter, "3/26/19 Meeting Minutes and Video.
- ²⁵ 6/25/19 Meeting Minutes and Video. Other related information includes: 3/26/19 Meeting Minutes and Video at 38:09; S.C. House of Representatives, House Legislative Oversight Committee, "SCAC Letter to Committee (March 29, 2019)," under "Committee Postings and Reports," under "House Legislative Oversight Committee," under "Aeronautics Commission, S.C.," and under "Correspondence,"

https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/Aeronaut icsCommission/Letter%20from%20SCAC%20to%20Committee%20(March%2029,%202019).pdf (accessed August 23, 2019). See Question 14. Hereinafter, "3/29/19 SCAC Letter to Committee. S.C. House of Representatives, House Legislative Oversight Committee, "SCAC Letter to Committee (April 18, 2019)," under "Committee Postings and Reports," under "House Legislative Oversight Committee," under "Aeronautics Commission, S.C.," and under "Correspondence,"

https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/Aeronaut icsCommission/Letter%20from%20SCAC%20to%20Oversight%20Committee%20(April%2018,%202019).pdf (accessed August 21, 2019). See Questions 18 and 19. Hereinafter, "4/18/19 SCAC Letter to Committee." ²⁶ S.C. Code Ann. § 1-11-220, et. seq., was created by 1978 Act No. 644. It is commonly referred to as the Motor Vehicle Management Act. It cites specific objectives for the agency to achieve through its policies and regulations,

including: (a) achieve maximum cost-effective management of state-owned motor vehicles in support of the established missions and objectives of the agencies, boards, and commissions; (b) eliminate unofficial and unauthorized use of state vehicles; (c) minimize individual assignment of state vehicles; (d) eliminate the reimbursable use of personal vehicles for accomplishment of official travel when this use is costlier than the utilization of state vehicles; (e) acquire motor vehicles offering optimum energy efficiency for the tasks to be performed; (f) ensure motor vehicles are operated in a safe manner in accordance with a Statewide Fleet Safety Program; and (g) promote and foster environmental stewardship by utilizing fuel efficient and alternative fuel vehicles to conserve resources and limit the discharge of pollutants. Not all state agencies utilize the services of the state fleet management division. South Carolina Department of Administration, "Motor Vehicle Management Act," under "Agency Services," under "Division of State Agencies Support Services," and within the "State Fleet Management" page, available at https://admin.sc.gov/files/MVMA.pdf (accessed August 14, 2019). See also, South Carolina Department of Administration, "State Fleet Management," under "Agency Services," and under "Division of State Agencies Support Services," available at

https://www.admin.sc.gov/stateagenciessupportservices/state-fleet-management (accessed August 14, 2019). ²⁷ Id.

https://www.admin.sc.gov/stateagenciessupportservices/surplus/1033-program (accessed August 14, 2019). ³⁰ 6/25/19 Meeting Minutes and Video; 3/26/19 Meeting Minutes and Video; and 4/18/19 SCAC Letter to Committee, Questions #18 and #19.

https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/SubcommitteeMinutes/Exec utiveSub/February%2026,%202019%20-%20Meeting%20Minutes.pdf (accessed August 2, 2019). A video of the meeting is available at https://www.scstatehouse.gov/video/archives.php?key=8913&part=1. The discussion begins at 1:20:55. Hereinafter, "2/26/19 Meeting Minutes and Video." See also, 3/26/19 Meeting Minutes and

Video at 6:38, 8:46, 9:25, and 10:50.

²⁸ 3/29/19 SCAC Letter to Committee, Question 14.

²⁹ There is a potential for more agencies to acquire aircrafts as the South Carolina Department of Administration introduced twelve new law enforcement agencies to the 1033 program, which allows law enforcement agencies to acquire excess department of defense assets including, but not limited to, aircrafts. South Carolina Department of Administration, "FY 2019-20 Budget Plans, page 23, Form F – Reducing Cost and Burden to Businesses and Citizens" page, available at https://www.admin.sc.gov/files/D500%20-%20Administration.pdf (accessed August 8, 2019). See also, Department of Administration, "1033 Program," under "Agency Services," under "Division of State Agencies Support Services," and under "Surplus Property Office," available at

³¹ 3/29/19 SCAC Letter to Committee, Question 14.

³² Agency PER, Successes.

³³ Id.

³⁴ 3/5/19 Meeting Minutes and Video at 0:09:30 - 0:11:52.

³⁵ James Stephens, SCAC Executive Director, email message to Charles Appleby, Oversight Committee Legal Counsel, August 12, 2019.

³⁶ 3/5/19 Meeting Minutes and Video at 9:30-0:11:52.

³⁷ After implementing its UAS program, SCAC hosted an exhibition and assisted other agencies with Federal Aviation Administration questions. See also; 3/5/19 Meeting Minutes and Video at 0:09:30 - 0:11:52; 3/29/19 SCAC Letter to Committee, Question 21.

³⁸ *Id.* at Question 19.

³⁹ *Id.* at Question 18.

⁴⁰ Recommendation 12 is to for the General Assembly to consider establishing a stakeholders' group to recommend a legislative/regulatory framework for operation of unmanned aircraft systems (i.e., drones) in the state. Recommendation 13 is for the General Assembly to consider adopting state statutes that mirror federal statutes pertaining to the use of unmanned aircraft systems (i.e., drones) in and around military facilities.

⁴¹ 6/25/19 Meeting Minutes and Video; S.C. House of Representatives, House Legislative Oversight Committee, "Meeting Minutes" (February 26, 2019), under "Committee Postings and Reports," under "House Legislative Oversight Committee," under "Aeronautics Commission, S.C.," and under "Meetings,"

⁴² 3/26/19 Meeting Minutes and Video at 12:28.

⁴³ 4/18/19 SCAC Letter to Committee, Question 18.

⁴⁴ South Carolina General Assembly, "Aircraft Chartering Service Analysis, Budget and Control Board (January 2014)," under "Publications," under "Budget and Control Board - Office of the Executive Director," available at https://www.scstatehouse.gov/reports/B&CB/AircraftCharteringServicesAnalysisReportToGeneralAssembly.pdf (accessed August 5, 2019). (The Department of Natural Resources is the Division's primary customer for fuel sales, but the State Law Enforcement Division and Civil Air Patrol also purchased fuel from SCAC during FY 2012 and FY 2013. SCAC sold these agencies 4,983 gallons in FY 2012 and 5,259 in FY 2013 at or below market prices.) Hereinafter, "Aircraft Chartering Service Analysis, Budget and Control Board (January 2014)."

⁴⁵ *Id*.

⁴⁶ *Id*.

⁴⁷ Id.

⁴⁸ Id.

⁴⁹ Aircraft Chartering Service Analysis, Budget and Control Board (January 2014); 3/26/19 Meeting Minutes and Video at 12:00.

⁵⁰ 3/26/19 Meeting Minutes and Video at 6:38.

⁵¹ *Id*.

⁵² 6/25/19 Meeting Minutes and Video.

⁵³ 6/25/19 Meeting Minutes and Video; 4/18/19 SCAC Letter to Committee, Questions 12 and 18.

⁵⁴ 3/5/19 Meeting Minutes and Video.

⁵⁵ Federal Aviation Administration, under "Airports," and under "National Plan of Integrated Airport Systems (NPIAS)," available at https://www.faa.gov/airports/planning_capacity/npias/ (accessed August 5, 2019). Hereinafter, "National Plan of Integrated Airport Systems (NPIAS)."

⁵⁶ 2/26/19 Meeting Minutes and Video at 54:10.

⁵⁷ *Id.* at 54:10 and 1:11:59.

⁵⁸ Federal Aviation Administration, "Appendix A: List of NPIAS Airports with 5-Year Forecast Activity and Development Estimate," under "Planning & Capacity," under "National Plan of Integrated Airport Systems (NPIAS)," available at https://www.faa.gov/airports/planning_capacity/npias/reports/media/NPIAS-Report-2019-2023-Appendix-A.xlsx (accessed March 7, 2019). Federal Aviation Administration, "Appendix C: Statutory and Policy Airport Categories Used in the NPIAS Report," under "Planning & Capacity," under "National Plan of Integrated Airport Systems (NPIAS)," available at

https://www.faa.gov/airports/planning_capacity/npias/reports/media/NPIAS-Report-2019-2023-Appendix-C.pdf (accessed March 7, 2019).

⁵⁹ 2/26/19 Meeting Minutes and Video at 1:11:59.

⁶⁰ 6/25/19 Meeting Minutes and Video. The state fiscal year begins in July, and the federal fiscal year begins in October.

⁶¹ 2/26/19 Meeting Minutes and Video at 47:38; 3/29/19 SCAC Letter to Committee, Question 24; Act 264 of 2018, Proviso 87.5. To facilitate better grant timing, and the availability of matching funds to secure federal grants, SCAC recommends amending S.C. Code Ann. § 55-5-280(B) to direct all revenue collected from the airline property tax (S.C. Code Section 12-37-2410) to the State Aviation Fund. The revisions SCAC recommends are below.

SECTION 55-5-280. State Aviation Fund

(B) In any fiscal year in which the tax levied by the State pursuant to Section 12-37-2410, et seq., exceeds two and one half million dollars, the revenues in excess of two and one half million dollars must be directed to the State Aviation Fund; however, any revenue in excess of five million dollars must be credited in equal amounts to the general fund and the State Aviation Fund.

According to SCAC, this change would provide another \$2.5 million annually, position the State Aviation Fund in such a way that SCAC could offer grants when requested from airports in the state, and allow SCAC to develop other airport development programs for smaller airports that are not federally eligible and larger commercial service airports who have not historically received State Aviation Fund grants. The General Assembly requires SCAC to submit a report on the expenditure of State Aviation Funds to the Senate Finance Committee and the House Ways and Means Committee. Appendix G includes further background on the State Aviation Fund, process in which SCAC issues grants, and list of several currently unfunded projects where SCAC believes it could utilize the

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additional \$2.5 million. Recommendation numbers eight and fourteen address the aircraft fuel sales tax and airline property tax.

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<sup>62</sup> 2/26/19 Meeting Minutes and Video at 58:10 - 58:55.
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⁷⁴ S.C. House of Representatives, House Legislative Oversight Committee, "Meeting Minutes" (March 26, 2019)," under "Committee Postings and Reports," under "House Legislative Oversight Committee," under "Committee Information," under "Meeting Minutes," under "Full Committee," and under "123rd General Assembly," https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/FullCommitteeMinutes.php (Minutes will be posted once approved). A video of the meeting is available at https://www.scstatehouse.gov/video/archives.php?key=8863&part=1.

⁷⁵ 2/26/19 Meeting Minutes and Video; 3/5/19 Meeting Minutes and Video; and 6/25/19 Meeting Minutes and Video.

⁸⁰ All initial commission members start February 15, 2005. The initial terms for members from districts one and two should end February 15, 2007, and thereafter, every four years. Initial terms for members from districts three, four, and seven should end February 15, 2008, and thereafter every four years. If vacancies occur, the person elected to fill the vacancy can only serve the remainder of the unexpired term. Therefore, there should have been no change in term end dates. The current correct term end date for district one is 2023 and for district three is 2020. The Secretary of State's website does not show an end date for district one and shows 2021 as the end date for district three.

See S.C. Code Ann. § 13-1-1050(A); 13-1-1050(B)(1); 13-1-1050(B)(2); and S.C. Secretary of State, under "Searches", and under "Boards and Commissions," https://search.scsos.com/boardsandcommissions (accessed September 27, 2019).

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<sup>81</sup> 6/25/19 Meeting Minutes and Video.
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⁸⁸ SCAC generates the flight manifest form and certain information within it, like passenger names, electronically based on information provided in advance of the flight. Other parts of the form individuals on the flight handwrite, such as the description of the nature of the trip under the section that reads, "I hereby certify that this trip is for the official business of the state of South Carolina, the nature of the trip being." 3/26/19 Meeting Minutes and Video at 53:17 and 54:02.

⁶³ Id.

⁶⁴ 3/29/19 SCAC Letter to Committee, Question 27.

⁶⁵ Id. at Question 24.

⁶⁶ Id

⁶⁷ 2/26/19 Meeting Minutes and Video 53:47 - 54:10; 3/29/19 SCAC Letter to Committee, Question 24.

⁶⁸ 3/29/19 SCAC Letter to Committee, Question 24.

⁶⁹ *Id.* at Question 32; 6/25/19 Meeting Minutes and Video.

⁷⁰ *Id*.

⁷¹ Id.

⁷² Id.

⁷³ 6/25/19 Meeting Minutes and Video.

⁷⁶ 6/25/19 Meeting Minutes and Video.

⁷⁷ Id

⁷⁸ Finding number one is addressed by recommendation number one.

⁷⁹ S.C. Code Ann. § 1-1-1310.

⁸² *Id.* at 0:47:17.

⁸³ Id. at 0:48:40.

⁸⁴ Id

⁸⁵ Act 264 of 2018, Proviso 117.22.

⁸⁶ Id.

⁸⁷ Id.

⁸⁹ Id. at 40:48 and 49:28.

⁹⁰ 3/29/19 SCAC Letter to Committee, Question 12. Additionally, there is no requirement that SCAC report data such as the breakdown of flight hours by entity utilizing the plane, whether the flights were reimbursable, or the purpose of the flights. See 4/18/49 SCAC Letter to Committee, Question 14.

⁹¹ 3/26/19 Meeting Minutes and Video at 50:29.

92 Act 264 of 2018, Proviso 117.22 establishes a presumption that S.C. Code of Laws § 8-13-700(A), which relates to use of official position or office for financial gain, has been violated. 93 3/26/19 Meeting Minutes and Video at 54:02. ⁹⁴ 4/18/19 SCAC Letter to Committee, Questions 16 and 17. 3/26/19 Meeting Minutes and Video at 54:58 and 55:34. ⁹⁵ 3/29/19 SCAC Letter to Committee, Question 12. Electronically collecting the information in advance of the flight and posting it in a searchable format promotes accountability and government transparency by increasing the ease in which the public can view information about who utilizes state-owned planes operated by SCAC, which are paying for those flights, and amounts paid. See, 3/26/19 Meeting Minutes and Video at 42:24 and 42:32. ⁹⁶ S.C. Aeronautics Commission, "Aircraft Chartering Service Analysis Report as required by Proviso 117.130 of Act 101 of 2013," under "Publications," under "Current State Agency Reports," and under "Budget and Control Board – Office of the Executive Director," $scstate house.gov/reports/B\&CB/Aircraft Chartering Services Analysis Report To General Assembly.pdf \ (accessed to be a content of the cont$ September 27, 2019). ⁹⁷ 3/5/19 Meeting Minutes and Video at 0:09:30 - 0:11:52. ⁹⁸ Agency PER, Question 6. 99 Laws requiring SCAC to promulgate certain regulations include, but are not limited to, S.C. Ann. § 55-5-70 (Promotion and maintenance of air commerce and aeronautical activities; authority to promulgate rules as necessary) and Proviso 87.5 (AERO: Aviation Grants) from the 2018-19 General Appropriations Act. (...The Aeronautics Commission shall promulgate regulations establishing the grants program that, at a minimum, address: (1) priorities among improvements qualifying for grants; (2) an airport selection process to ensure an equitable distribution of funds among eligible airports; and (3) the criteria for distribution of funds among eligible airports...). ¹⁰⁰ Agency PER, Legal Standards Chart. ¹⁰¹ 2/26/19 Meeting Minutes and Video at 1:02:01. ¹⁰³ 6/25/19 Meeting Minutes and Video at 0:53:00; 0:52:21; and 0:56:28; 4/18/19 SCAC Letter to Committee, Question 13; 3/5/19 Meeting Minutes and Video at 0:02:59 and 52:48. ¹⁰⁴ 6/25/19 Meeting Minutes and Video. ¹⁰⁵ *Id*. ¹⁰⁶ S.C. Code Ann. § 55-13-5. ¹⁰⁸ *Id*. ¹⁰⁹ *Id*. ¹¹⁰ 2/26/19 Meeting Minutes and Video at 53:47 - 54:10; 55:50 - 56:37; and 1:33:58; 3/5/19 Meeting Minutes and Video at 55:24 and 56:07. Also, the Federal Aviation Administration requires airports in the National Plan of Integrated Airport Systems to annually submit a capital improvement plan). ¹¹¹ S.C. Code Ann. § 55-13-5. ¹¹² *Id.* See also, Agency PER, Question 1. ¹¹³ S.C. Code Ann. § 55-13-5. See also, 3/5/19 Meeting Minutes and Video at 52:35. ¹¹⁴ S.C. Code Ann. § 55-13-5; Agency PER, Question 1. ¹¹⁵ Agency PER, Question 1; 2/26/19 Meeting Minutes and Video at 1:33:04, 1:33:12, 1:33:20, and 1:33:46. ¹¹⁶ Agency PER, Question 1. ¹¹⁷ 2/26/19 Meeting Minutes and Video at 1:34:34. ¹¹⁸ S.C. Code Ann. § 55-13-5. ¹¹⁹ 2/26/19 Meeting Minutes and Video at 1:34:34. ¹²⁰ 3/29/19 SCAC Letter to Committee, Question 4(c). 121 SCAC is collaborating with local government officials to create and adopt local ordinances that mirror the state requirement in in S.C. Code Ann. § 55-13-5. 3/29/19 SCAC Letter to Committee, Question 4(b). ¹²² 3/29/19 SCAC Letter to Committee, Question 4(b). ¹²³ 6/25/19 Meeting Minutes and Video.

¹²⁴ 4/18/19 SCAC Letter to Committee, Question 20.

¹²⁵ *Id*.

126 Id. at Question 21. ¹²⁷ 6/25/19 Meeting Minutes and Video. ¹²⁸ The federal government may place assets on the market through its 1033 program or its general federal surplus program. The 1033 program is accessible to law enforcement agencies. However, if the federal government places an asset in the 1033 program and there are no state or local law enforcement agencies who seek to obtain it, the asset may then pass to the general federal surplus program to which other state or local agencies have access. S.C. Department of Administration, "1033 Program," under "Agency Services," under "Division of State Agencies Support Services," and under "Surplus Property Office," available at https://www.admin.sc.gov/stateagenciessupportservices/surplus/1033-program (accessed August 14, 2019); 3/26/19 Meeting Minutes and Video at 14:58. ¹²⁹ 3/26/19 Meeting Minutes and Video at 14:58. ¹³⁰ Id.; 4/18/19 SCAC Letter to Committee, Question 1. ¹³¹ S.C. Code Ann. § 13-1-1010. ¹³² Id. ¹³³ S.C. Code Ann. § 1-11-405. ¹³⁴ As an example, three years ago the federal government gave SCAC the opportunity to obtain a Leer 35 airplane for \$7,500 if SCAC could put the aircraft into service for at least five years. At the end of the five years, SCAC could keep or sell the aircraft that SCAC estimated had a market value of \$750,000. Depending on the costs to maintain (e.g., training SCAC mechanics in how to service the different type of aircraft) and utilize the aircraft during the five years, obtaining it from the federal government and later selling it on the open market may have resulted in positive cash flow, which could go toward the future cost of replacing one of its current aircrafts. See, 3/26/19 Meeting Minutes and Video at 16:07 - 18:24; 4/18/19 SCAC Letter to Committee, Question 1. ¹³⁵ The narrow waiver may potentially require SCAC's commission to perform certain cost analyses as part of their approval process. See also, 4/18/19 SCAC Letter to Committee, Questions 1 and 2. ¹³⁶ 3/26/19 Meeting Minutes and Video at 18:57 - 32:00; 4/18/19 SCAC Letter to Committee, Questions 3 and 11. ¹³⁷ 6/25/19 Meeting Minutes and Video at 1:20:01. Currently, airports do not report information to SCAC on which airlines are operating in the state and to where each has flights. The only similar type information SCAC receives from air carrier airports are enplanement numbers (i.e., passenger counts). ¹³⁸ 3/26/19 Meeting Minutes and Video at 1:13:40; S.C. Code Ann. § 17-37-2430 (valuation of aircraft); S.C. Code Ann. § 12-37-2440 (ratios for valuation of aircraft). ¹³⁹ The Department of Revenue obtains information for this calculation from the annual property taxes each airline company files. S.C. Code Ann. § 12-37-2420. If the determination of time on the ground and mileage over the state is based on airline self-reporting, or route numbers, it may be difficult to validate the information. Telephone call between James Stephens, SCAC Executive Director, and Charles Appleby, Legislative Oversight Committee Legal Counsel; 4/18/19 SCAC Letter to Committee, Question 10; 3/26/19 Meeting Minutes and Video at 1:13:40; 6/25/19 Meeting Minutes and Video at 1:21:30. ¹⁴⁰Agency PER, Question 4. ¹⁴² Id. at Question 5; 3/5/19 Meeting Minutes and Video at 08:29. ¹⁴³ 6/25/19 Meeting Minutes and Video. ¹⁴⁴ 3/5/19 Meeting Minutes and Video at 0:06:08; 0:06:58; and 0:07:19. ¹⁴⁵ *Id.* at 0:07:54 and 54:52. ¹⁴⁶ 6/25/19 Meeting Minutes and Video. ¹⁴⁷ Act 264 of 2018, Proviso 117.22. ¹⁴⁸ *Id*. ¹⁴⁹ *Id*. ¹⁵⁰ Act 264 of 2018, Proviso 117.22; Act 97 of 2017, Proviso 117.22; Act 284 of 2016, Proviso 117.22; Act 91 of 2015, Proviso 117.22; Act 286 of 2014, Proviso 117.23; Act 101 of 2013, Proviso 117.23; Act 288 of 2012, Proviso 89.24; Act 73 of 2011, Proviso 89.25; Act 291 of 2010, Proviso 89.26; Act 23 of 2009, Proviso 89.27. ¹⁵¹ Id. ¹⁵² *Id*. ¹⁵³ Id.

¹⁵⁴ There may be opportunities to clarify what is required before air transportation can be provided, and what is required after completion of a trip: "...no member of the General Assembly, no member of a state board, commission, or committee, and no state official shall use any state-owned or operated aircraft unless the member or official files within twenty-four hours after the completion of the flight with the agency that provided the flight a sworn statement certifying and describing the official nature of his trip; and no member of the General Assembly, no member of a state board, commission or committee, and no state official shall be furnished air transportation by a state agency unless such agency prepares and maintains in its files a sworn statement from the highest ranking official of the agency or its designee certifying that the member's or state official's trip was in conjunction with the official business of the agency...." In terms of potential benefits, electronic collection of the information in advance of flights and posting it in searchable formats promotes transparency and accountability for flights on state aircrafts. Additionally, it may help those who regulate entities taking flights. ¹⁵⁵ 3/29/19 SCAC Letter to Committee, Question 14. ¹⁵⁶ Proviso 117.22 ¹⁵⁷ Proviso 117.22 ¹⁵⁸ Proviso 117.22 ¹⁵⁹ 3/5/19 Meeting Minutes and Video. ¹⁶⁰ Agency PER, Agency Successes Section. ¹⁶² 3/5/19 Meeting Minutes and Video at 0:09:30 - 0:11:52. ¹⁶³ 3/29/19 SCAC Letter to Committee, Question 18. ¹⁶⁴ 3/5/19 Meeting Minutes and Video at 0:11:52. ¹⁶⁵ *Id*. ¹⁶⁶ 3/5/19 Meeting Minutes and Video at 0:14:03 and 0:15:00. 3/29/19 SCAC Letter to Committee, Question 20(b). ¹⁶⁷ 3/5/19 Meeting Minutes and Video. ¹⁶⁸ *Id.* at 0:11:52; 0:14:03; and 0:15:00. ¹⁶⁹ 6/25/19 Meeting Minutes and Video. ¹⁷⁰ 4/18/19 SCAC Letter to Committee, Question #9 and Agency PER, Agency Challenges Section. ¹⁷¹ Id. ¹⁷²3/26/19 Meeting Minutes and Video at 1:09:22. ¹⁷³ Id. ¹⁷⁴ 3/26/19 Meeting Minutes and Video at 1:10:33. ¹⁷⁶ 6/25/19 Meeting Minutes and Video. ¹⁷⁸ 6/25/19 Meeting Minutes and Video at 0:58:18 and 0:58:54. ¹⁷⁹ Id. ¹⁸⁰ *Id.* at 1:17:52. ¹⁸¹ While the original motion from the subcommittee meeting referenced §§ 15-9-390,400, & 410 only § 15-9-410 needs to be revised as it is the only statute that references the certificate and contains the inaccurate reference to the issuing body. ¹⁸² 6/25/19 Meeting Minutes and Video. ¹⁸³ *Id.* at 1:25:27. ¹⁸⁴ 2005 Act No 11. ¹⁸⁵ 2012 Act No. 270. ¹⁸⁶ 2014 Act No. 121. ¹⁸⁷ S.C. Code Ann. § 11-35-1550(4) and potentially others. ¹⁸⁸ S.C. Code Ann. § 2-2-10(1). ¹⁸⁹ S.C. House of Representatives, House Legislative Oversight Committee, "May 3, 2018 Meeting Minutes," under

https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/FullCommitteeMinutes/5.3. 18_Meeting_Minutes_Full_LOC.pdf (accessed March 6, 2019). A video of the meeting is available at http://www.scstatehouse.gov/video/videofeed.php.

"Committee Postings and Reports," under "House Legislative Oversight Committee," and under "Full Committee

Minutes,"

¹⁹⁰ S.C. House of representatives, House Legislative Oversight Committee, "Subcommittees -2019," under "Committee Information," under "House Legislative Oversight Committee," https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/Subcommittees 2019.pdf (accessed March 6, 2019). ¹⁹¹ A brochure about the House Legislative Oversight's Committee process is available online. Also, there are ongoing opportunities to request notification when meetings are scheduled and to provide feedback about state agencies under study that can be found online. ¹⁹² S.C. House of Representatives, House Legislative Oversight Committee. http://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee.php (accessed July 10, 2017). ¹⁹³ S.C. House of Representatives, House Legislative Oversight Committee, "May 3, 2018 Meeting Minutes," under "Committee Postings and Reports," under "House Legislative Oversight Committee," and under "Full Committee Minutes," https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/FullCommitteeMinutes/5.3. 18 Meeting Minutes Full LOC.pdf (accessed March 6, 2019). A video of the meeting is available at http://www.scstatehouse.gov/video/videofeed.php. ¹⁹⁴ S.C. House of Representatives, House Legislative Oversight Committee, "January 28, 2019 Meeting Minutes," under "Committee Postings and Reports," under "House Legislative Oversight Committee," and under "Full Committee Minutes," https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/FullCommitteeMinutes/5.3. 18 Meeting Minutes Full LOC.pdf (accessed March 6, 2019). A video of the meeting is available at http://www.scstatehouse.gov/video/videofeed.php. ¹⁹⁵ Agency PER, Question 6. ¹⁹⁶ 49 U.S.C. § 106. ¹⁹⁷ 1993 Act No. 181. ¹⁹⁸ 2005 Act No 11. ¹⁹⁹ Id. ²⁰⁰ Id. ²⁰¹ Aircraft Chartering Service Analysis, Budget and Control Board (January 2014) at page 2-3 (II. Overview of Aeronautics Commission and Division). This transfer occurs via proviso in 2009-10, 2010-11, and 2011-12, then permanently via statute in 2012-13. Act 23 of 2009, Proviso 89.127; Act 291 of 2010, Proviso 89.104; Act 73 of 2011, Proviso 89.93; and Act 270 of 2012-13. ²⁰² Id. ²⁰³ *Id*. ²⁰⁴ *Id*. ²⁰⁵ 2014 Act No. 121. ²⁰⁶ Agency PER, Laws Chart. ²⁰⁷ Agency PER, Organizational Units Chart. ²⁰⁸ Agency PER. ²⁰⁹ Agency PER, Question 7. ²¹⁰ S.C. Code Ann. § 13-1-1010. ²¹¹ S.C. Code Ann. § 13-1-1090. ²¹² S.C. Code Ann. § 13-1-1020. ²¹³ S.C. Code Ann. § 13-1-1090. ²¹⁴ S.C. Code Ann. § 13-1-1020. ²¹⁵ S.C. Code Ann. § 13-1-1050. ²¹⁶ *Id*. ²¹⁷ 2005 Act No. 11. ²¹⁸ S.C. Code Ann. § 13-1-1030(B). ²¹⁹ *Id*. ²²⁰ S.C. Code Ann. § 13-1-1050.

²²² S.C. Code Ann. § 13-1-1080(A)(1).

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<sup>223</sup> S.C. Code Ann. § 13-1-1080(A)(2); 13-1-1080(A)(4) (The appointment must comply with the provisions contained
in Chapter 13, Title 8.)
<sup>224</sup> S.C. Code Ann. § 13-1-1080(A)(3).
<sup>225</sup> S.C. Code Ann. § 13-1-1080(A)(1); 13-1-1090.
<sup>226</sup> S.C. Code Ann. § 13-1-1080(B).
<sup>227</sup> 2/6/19 Meeting Minutes and Video at 32:08.
<sup>228</sup> When SCAC hired James Stephens as Program Manager, he cross-trained under the executive director. Director
Stephens is now doing the same with the current SCAC Airport Development Program Manager. Additionally,
Director Stephens believes his personnel over finance and human resources are knowledgeable in what is
necessary to run the agency. Therefore, if the Airport Development Program Manager is unable to serve in the
role, he and those in finance and human resources can assist the commission as they determine the next
appointee. In addition to this informal succession process, Director Stephens plans to implement a formal
succession plan, agreed upon by the commission, to assist in transiting the new executive director, whenever that
may occur in the future. 3/5/19 Meeting Minutes and Video at 44:34;3/29/19 SCAC Letter to Committee, Question
<sup>229</sup> Agency PER, Organizational Units Chart.
<sup>230</sup>Agency Overview presentation, slide 19.
<sup>231</sup> Id. at slide 25.
<sup>232</sup> Id. at slide 25.
<sup>233</sup> Id. at slide 25.
<sup>234</sup> Id. at slide 22.
<sup>235</sup> 6/25/19 Meeting Minutes and Video.
<sup>236</sup> Id. at 32:23 and 36:21.
<sup>237</sup> Id.
<sup>238</sup> Id. at 32:23 and 32:33.
<sup>239</sup> Id.
<sup>240</sup> Id.
<sup>242</sup> S.C. House of Representatives, House Legislative Oversight Committee, "Agency Presentation - Administration,"
under "Committee Postings and Reports," under "House Legislative Oversight Committee," under "Aeronautics
Commission, S.C.," and under "Meetings,"
https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/Aeronaut.\\
icsCommission/SCAC%20Presentation%20-%20Administration.pdf (accessed August 9, 2019).
<sup>243</sup> Id.
<sup>244</sup> Id.
<sup>245</sup> Agency PER. Question 8.
<sup>246</sup> S.C. Aeronautics Commission, "S.C. Aeronautics Commission Oversight Report and Summary," under
"Committee Postings and Reports," under "Senate Transportation,"
https://www.scstatehouse.gov/CommitteeInfo/SenateTransportationCommittee/SCAC%20Final%20Report%20an
d%20Summary%205818.pdf (April 2018). Hereinafter, "Senate Oversight Report."
<sup>247</sup> 2/6/19 Meeting Minutes and Video at 41:00 - 45:00.
<sup>248</sup> Id. at 42:28.
<sup>249</sup> Id. at 42:40.
<sup>250</sup> Id. at 42:28 and 42:55; James Stephens, SCAC Executive Director, email message to Charles Appleby, Oversight
Committee Legal Counsel, August 19, 2019. Last fiscal year, SCAC spent $4,877,133.72 of its $5,000,000.00
authorization, leaving $122,866.28 available.
<sup>251</sup> 2/6/19 Meeting Minutes and Video at 43:10.
<sup>253</sup> Id. at 43:25.
<sup>254</sup> Id. at 45:05.
<sup>255</sup> Id. at 44:54.
<sup>256</sup> Id. at 43:25
<sup>257</sup> Id.
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²⁵⁸ *Id.* at 41:00 - 45:00.

²⁵⁹ S.C. House of Representatives, House Legislative Oversight Committee, "Agency Overview (mission, history, governing body, etc.)," under "Committee Postings and Reports," under "House Legislative Oversight Committee," under "Aeronautics Commission, S.C.," and under "Meetings,"

https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/AeronauticsCommission/SCAC%20Presentation%20-%20Overview%20and%20History%20of%20agency%20(2.6.19).pdf

(accessed March 7, 2019), slide 28. A video of the meeting is available at

https://www.scstatehouse.gov/video/archives.php?key=7820. Hereinafter, "Agency Overview presentation."

²⁶⁰ Agency PER.

²⁶¹ *Id*.

²⁶² S.C. Code Ann. § 55-5-80(C).

²⁶³ Act 288 of 2013, Proviso 117.130.

²⁶⁴ Aircraft Chartering Service Analysis, Budget and Control Board (January 2014).

²⁶⁵ Agency PER, Performance Measures Chart.

²⁶⁶ "2018 Airports Economic Impact Technical Report," under "Downloads," and under "Reference Documents," available at http://www.scaeronautics.com/download/2018_Economic_Impact_Technical_FinalReport.pdf (accessed August 14, 2019). Hereinafter, "2018 Airports Economic Impact Technical Report." James Stephens, SCAC Executive Director, email message to Charles Appleby, Oversight Committee Legal Counsel, August 15, 2019. Hereinafter, "August 15, 2019, staff email."

²⁶⁷ 2018 Airports Economic Impact Technical Report.

²⁶⁸ Agency FY 2017-18 Accountability Report, Partners template; 6/25/19 Meeting Minutes and Video at 32:23.

²⁶⁹ S.C. Code Ann. § 1-30-10.

²⁷⁰ S.C. House of Representatives, House Legislative Oversight Committee, "Restructuring and Seven-Year Plan Report" under "Committee Postings and Reports," under "House Legislative Oversight Committee," under "Aeronautics Commission, S.C.," and under "Other Reports, Reviews, and Audits,"

https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/2015AgencyRestructuringan dSevenYearPlanReports/2015%20Aeronautics%20Commission.pdf (accessed March 6, 2019).

²⁷¹ *Id.* See, S.C. House of Representatives, House Legislative Oversight Committee, "2016 Annual Restructuring Report" under "Committee Postings and Reports," under "House Legislative Oversight Committee," under "Aeronautics Commission, S.C.," and under "Other Reports, Reviews, and Audits,"

https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/2016%20ARR/2016%20ARR %20-%20Aeronautics%20Commission.PDF (accessed March 6, 2019).

²⁷² S.C. House of Representatives, House Legislative Oversight Committee, "2017-18 Agency Accountability Report" under "Committee Postings and Reports," under "House Legislative Oversight Committee," under "Aeronautics Commission, S.C.," and under "Other Reports, Reviews, and Audits,"

https://www.scstatehouse.gov/reports/aar2018/U300.pdf (accessed March 6, 2019).

²⁷³ S.C. House of Representatives, House Legislative Oversight Committee, "Program Evaluation Report Guidelines and Templates (July 17, 2018)" under "Committee Postings and Reports," under "House Legislative Oversight Committee," under "Aeronautics Commission, S.C.," and under "Other Reports, Reviews, and Audits," https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/Corrections/PER-Guidelines(July-2018).PDF (accessed March 6, 2019).

²⁷⁴ S.C. House of Representatives, House Legislative Oversight Committee, "Program Evaluation Report Submission (October 19, 2018)" under "Committee Postings and Reports," under "House Legislative Oversight Committee," under "Aeronautics Commission, S.C.," and under "Other Reports, Reviews, and Audits,"

https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/AeronauticsCommission/Aeronautics%20-%20Program%20Evaluation%20Report%20Submission.pdf (accessed March 6, 2019).

²⁷⁵ A brochure about the House Legislative Oversight's Committee process is available online. Also, there are ongoing opportunities to request notification when meetings are scheduled and to provide feedback about state agencies under study that can be found online.

²⁷⁶ S.C. House of Representatives, House Legislative Oversight Committee.

http://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee.php (accessed July 10, 2017).

²⁷⁷ S.C. House of Representatives, House Legislative Oversight Committee, "Press Release Announcing Public Survey (July 17, 2018)," under "Public Survey and Public Input" under "Committee Postings and Reports," under "Aeronautics Commission, S.C.," and under "House Legislative Oversight Committee," https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/Aeronaut icsCommission/Press%20Release%20Announcing%20Public%20Survey%20(July%2017,%202018).pdf (accessed March 6, 2019). Hereinafter, "Press release announcing public survey." ²⁷⁸ S.C. House of Representatives, House Legislative Oversight Committee, "Results of Survey of Department of Agriculture; Department of Health and Environmental Control; Law Enforcement Training Council and Criminal Justice Academy; Department of Archives and History; and Retirement System Investment Commission (May 1 -31, 2016)," under "Committee Postings and Reports," under "House Legislative Oversight Committee," and under "The Department of Archives and History," http://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/SurveysforAllAgencies/Result s%20of%20Survey%20of%20Dept.%20of%20Agric.;%20DHEC;%20CJA;%20Archives%20and%20History;%20and%20 RSIC.PDF (accessed May 19, 2017). ²⁷⁹ Committee Standard Practice 10.4. ²⁸⁰ Press release announcing public survey. ²⁸¹ S.C. House of Representatives, House Legislative Oversight Committee, "Submit Public Input," under "Committee Postings and Reports," under "House Legislative Oversight Committee" http://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee.php (accessed May 23, 2017). ²⁸² S.C. House of Representatives, House Legislative Oversight Committee, "Survey Results (July 17 – August 20, 2018)," under "Committee Postings and Reports," under "House Legislative Oversight Committee," under "Aeronautics Commission, S.C.," and under "Public Survey and Public Input," https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/Correctio ns/Public Survey JulAug2018.PDF (accessed March 6, 2019). ²⁸³ Id. ²⁸⁴ Committee Standard Practice 10.4.2 allows for the redaction of profanity. ²⁸⁵ Also, the presiding chair has the discretion to allow testimony during meetings. ²⁸⁶ Press release announcing the public survey. ²⁸⁷ S.C. House of Representatives, House Legislative Oversight Committee, "January 28, 2019 Meeting Minutes," under "Committee Postings and Reports," under "House Legislative Oversight Committee," and under "Full Committee Minutes," https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/FullCommitteeMinutes/5.3. 18 Meeting Minutes Full LOC.pdf (accessed March 6, 2019). A video of the meeting is available at http://www.scstatehouse.gov/video/videofeed.php. ²⁸⁹ 6/25/19 Meeting Minutes and Video at 0:58:18 and 0:58:54. ²⁹⁰ *Id.* at 1:17:52. ²⁹¹ *Id.* at 1:25:27. ²⁹² February 20, 2019 SCAC Letter, Question 2. ²⁹³ Id. at Question #2; James Stephens, SCAC Executive Director, email message to Charles Appleby, Oversight Committee Legal Counsel, August 22, 2019. ²⁹⁴ 2/26/19 Meeting Minutes and Video at 3:37. ²⁹⁶ February 20, 2019 SCAC Letter, Question 3 and 4. ²⁹⁷ Id. ²⁹⁸ *Id.* at Question 3. ²⁹⁹ Id. ³⁰⁰3/29/19 SCAC Letter to Committee, Question 55. ³⁰¹ February 20, 2019 SCAC Letter, Question 4. 302 Id. ³⁰³ *Id*. ³⁰⁴ *Id*.

³⁰⁵ *Id*.

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<sup>306</sup> Id.
<sup>307</sup> Id.
<sup>308</sup> Federal Aviation Administration, "Airport Implement Program (AIP)," under "Airports," and under "Overview,"
https://www.faa.gov/airports/aip/overview/ (accessed March 7, 2019). Hereinafter, "Airport Implement Program
(AIP),"
<sup>309</sup> National Plan of Integrated Airport Systems (NPIAS).
<sup>310</sup> Agency Overview presentation.
311 S.C. Aeronautics Commission, "2018 Executive Summary Airports System Plan and Economic Impact," under
"Downloads," under "Reference Documents," available at
http://www.scaeronautics.com/download/2018%20South%20Carolina%20Executive%20Summary-Final.pdf
(accessed March 7, 2019), page 22. Hereinafter, "2018 Executive Summary Airports System Plan and Economic
Impact."
<sup>312</sup> Agency Overview presentation, slide 29.
313 http://scac.maps.arcgis.com/apps/webappviewer/index.html?id=6265e9bc64144950bd9039a044a0b4eb
(accessed February 1, 2019).
314 2018 Executive Summary Airports System Plan and Economic Impact; and Agency Overview presentation, slide
315 Id.
316 Airport Implement Program (AIP).
<sup>318</sup> National Plan of Integrated Airport Systems (NPIAS).
<sup>319</sup> 2/26/19 Meeting Minutes and Video at 58:10 - 58:55. Also, the General Assembly requires SCAC "enter into
contracts or agreements with the Federal Aviation Administration to administer, and shall administer grant
programs, maintenance programs, or other programs in the support of the state aeronautical system." S.C. Code
Ann. § 55-5-80(b).
<sup>320</sup> 2/26/19 Meeting Minutes and Video at 58:56 - 59:25.
<sup>321</sup> Id.
322 S.C. Aeronautics Commission, "FAA Grant History Records," under "Airport Data," available at
http://www.scaeronautics.com/GrantHistoryFAA.asp (accessed March 7, 2019). Hereinafter, "FAA Grant History
Records." S.C. Aeronautics Commission, "SC Grant History Records," under "Airport Data," and available at
http://www.scaeronautics.com/GrantHistorySC.asp (accessed March 7, 2019). Hereinafter, "SC Grant History
Records."
<sup>323</sup> Confirmed accurate by Director Stephens, SCAC in February 2019.
<sup>324</sup> Airport Development presentation, slide 6.
325 3/29/19 SCAC Letter to Committee, Question 26.
326 Id. at Question 25.
<sup>327</sup> Airport Implement Program (AIP).
<sup>329</sup> 3/29/19 SCAC Letter to Committee, Question 26.
<sup>330</sup> Id.
331 Id. at Question 29.
332 Id. at Question 25.
<sup>333</sup> Id.
<sup>334</sup> Id.
<sup>335</sup> 2/26/19 Meeting Minutes and Video at 42:50 - 45:00 and 51:20.
<sup>336</sup> 3/29/19 SCAC Letter to Committee, Question 25.
337 Id. at Question 26.
<sup>338</sup> 2/26/19 Meeting Minutes and Video at 55:50 - 56:37.
<sup>339</sup> Required to submit in December each year. 2/26/19 Meeting Minutes and Video at 53:47 - 54:10.
<sup>340</sup> Id. at 55:50 - 56:37.
<sup>341</sup> Id.
342 Id. at 56:37 - 57:19.
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<sup>343</sup> Since SCAC has information from the Airport Capital Improvement plans that airports submit to the Federal
Aviation Administration, SCAC staff often communicate with airports about their needs prior to the airports
submitting a grant request. As a result of the communication prior to submission of the grant, SCAC believes 97-
100% of the airports that request funding, receive it because SCAC has been able to work out any issues in
advance. 3/5/19 Meeting Minutes and Video at 36:03 - 40:00.
344 2/26/19 Meeting Minutes and Video at 59:43 - 1:00:10.
<sup>345</sup> Id. at 42:50 - 45:00; Act 264 of 2018, Proviso 87.5. The General Assembly allows SCAC to promulgate
regulations governing the eligibility requirements and procedures for disbursements from the fund. S.C. Code
Section 55-5-280(d). In the April 2018 Senate Transportation Oversight Subcommittee Report on the South
Carolina Aeronautics Commission recommended the General Assembly, with input from SCAC, establish the
requirements for awarding aviation grants from the State Aviation Fund in the S.C. Code of Laws.
<sup>346</sup> 3/29/19 SCAC Letter to Committee, Question 24.
348 2/6/19 Meeting Minutes and Video at 45:47; 3/29/19 SCAC Letter to Committee, Question 28.
<sup>349</sup> 3/29/19 SCAC Letter to Committee, Question 29.
<sup>350</sup> S.C. Code Ann. § 55-9-220.
<sup>351</sup> FAA Grant History Records; SC Grant History Records.
<sup>352</sup> 3/5/19 Meeting Minutes and Video at 31:02 - 34:59.
<sup>353</sup> Id.
<sup>354</sup> Id.
355 3/29/19 SCAC Letter to Committee, Question 30.
<sup>357</sup> Id.
<sup>358</sup> Id.
359 2018 Airports Economic Impact Technical Report; August 15, 2019, staff email.
<sup>360</sup> "Airport Impact," under "Airport Data," under "Web Applications," and under "Aviation Facilities," for an
individual airport in the chart, click on the link in the "FAA Site" column, then, on the next page that appears, click
on the "Airport Impact," link at the top. The impact of Holly Hill's airport is available at
http://www.scaeronautics.com/systemplan/images/EconomicImpactRptsPdf%5CEIR_5J5.pdf (accessed August 21,
<sup>361</sup> S.C. Code Ann. § 55-5-280(a)(4) and (c); Act 264 of 2018, Proviso 87.5.
<sup>363</sup> 2/26/19 Meeting Minutes and Video at 37:26 - 39:40.
<sup>364</sup> Id.
<sup>366</sup> Id. at 37:26 - 39:40 and 42:50 - 45:00. SCAC funds capital projects at airports.
<sup>367</sup> Id. at 42:50 - 45:00.
<sup>368</sup> Id. at 39:46.
<sup>369</sup> S.C. Code Ann. § 55-11-10, et. seq. Operational decisions, including marketing, are determined by each airport's
management and commission. 2/26/19 Meeting Minutes and Video 42:50 - 45:00. Appointing authorities for an
airport commission may include the governor, county legislative delegation, and/or city or county councils. S.C.
Code § 55-11-10, et. seq.
<sup>370</sup> S.C. Code Ann. § 55-5-280(A) and (B).
<sup>371</sup> 2/6/19 Meeting Minutes and Video at 44:56 - 46:12.
<sup>373</sup> SCAC does not license airports; there are no fees it may collect for licensing airports. Additionally, SCAC
currently does not have any policies which outline items for which it would assess a fine or fee. When it comes to
compliance with grants, SCAC could assess fines or fees if an airport/municipality/county is not meeting the
assurances to which it agreed when SCAC awarded it the grant. However, SCAC does not currently have any
polices in place outlining under what circumstances this would occur nor the amount of the fine or fee. See, 2/6/19
Meeting Minutes and Video at 44:56 - 46:12.
<sup>374</sup> 12-37-2410, et. seq., 2012 Act 270, Section 3; https://www.scstatehouse.gov/sess119 2011-
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2012/prever/3918 20120607.htm.

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<sup>375</sup> S.C. Code Ann. § 55-5-280(B); 2/26/19 Meeting Minutes and Video at 53:08 - 53:47.
<sup>376</sup> Id.
<sup>377</sup> Id.
<sup>378</sup> S.C. Code Ann. § 55-5-280(B); 2/26/19 Meeting Minutes and Video at 53:08 - 53:47.
<sup>379</sup> 2/26/19 Meeting Minutes and Video at 53:08 - 53:47.
<sup>380</sup> For additional information on changes North Carolina made to increase the funding it provides airports, see
2/26/19 Meeting Minutes and Video at 48:33.
<sup>381</sup> 2/26/19 Meeting Minutes and Video at 53:47 - 54:10.
<sup>382</sup> Id.
<sup>383</sup> 3/29/19 SCAC Letter to Committee, Question 27.
<sup>384</sup> All SCAC grants are reimbursements. SCAC commits to providing the funds months, or even years, in advance of
distributing those funds (i.e., once the airport finishes the project for which SCAC awarded the grant). See, 2/6/19
Meeting Minutes and Video at 43:03; 3/29/19 SCAC Letter to Committee, Question 24.
385 3/29/19 SCAC Letter to Committee, Question 24.
<sup>386</sup> Id.
387 2/26/19 Meeting Minutes and Video at 53:47 - 54:10; 3/29/19 SCAC Letter to Committee, Question 24.
388 3/29/19 SCAC Letter to Committee, Question 24.
<sup>389</sup> Id.
<sup>390</sup> 2/26/19 Meeting Minutes and Video at 47:38.
<sup>391</sup> 3/29/19 SCAC Letter to Committee, Question 24.
<sup>392</sup> Senate Transportation Oversight Subcommittee Report on the South Carolina Aeronautics Commission; 3/29/19
SCAC Letter to Committee, Question 22.
<sup>393</sup> 3/29/19 SCAC Letter to Committee, Question 31; August 15, 2019, staff email.
<sup>394</sup> Act 264 of 2018, Proviso 117.22.
<sup>395</sup> Id.; S.C. Code Ann. § 55-1-90.
<sup>396</sup> Act 264 of 2018, Proviso 117.22.
<sup>397</sup> Id.
<sup>398</sup> Id.
<sup>399</sup> Id.
<sup>400</sup> Id.
<sup>401</sup> Id.
<sup>403</sup> 3/29/19 SCAC Letter to Committee, Question 15.
<sup>404</sup> S.C. Aeronautics Commission, "Flight Logs and Manifests," under "Departments," and under, "Flight
Department," available at http://www.scaeronautics.com/flightLogs.asp (accessed August 19, 2019).
<sup>405</sup> S.C. Aeronautics Commission "2019-06-01 to 2019-06-30 Flight Logs," under "Departments," under, "Flight
Department," under "Flight Logs and Manifests," and under "Flight Logs," available at
http://www.scaeronautics.com/FlightDept/logs/2019-06-01%20to%202019-06-30%20Flt%20Logs.pdf (accessed
August 19, 2019).
<sup>406</sup> S.C. Aeronautics Commission, "2019-06-07 to 2019-06-07 Flt Flight Manifests," under "Departments," under,
"Flight Department," under "Flight Logs and Manifests," and under "Flight Manifests," available at
http://www.scaeronautics.com/FlightDept/logs/2019-06-07%20to%202019-06-07%20Flt%20Manifests.pdf
(accessed August 19, 2019).
<sup>407</sup> S.C. Department of Natural Resources, "Aviation Lookup Parameters," under "Online Data," and under
"Aviation Flight Logs," available at htt://www.dnr.sc.gov/aviation/public flight lookup (accessed August 19, 2019).
<sup>408</sup> The chart appears if you click on "continue," with no information entered in the fields in the aviation lookup
parameters. "Aviation Lookup Parameters," under "Online Data," and under "Aviation Flight Logs," available at
http://www.dnr.sc.gov/aviation/public_flight_lookup?p_id=1&p_search_flag=1 (accessed August 19, 2019).
<sup>409</sup> August 2019 phone call between agency staff and LOC law clerk.
<sup>410</sup> Act 264 of 2018, Proviso 117.22.
411 "Record to be viewed," under "Aviation Flight Log," available at
http://services.sled.sc.gov/Aviation/CopViewPublic.aspx (accessed August 19, 2019).
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⁴¹² The chart appears if you enter 8/02/2019 in "From Date" and 8/02/19 in "To Date," and click "Submit." "Record to be viewed," under "Aviation Flight Log," available at http://services.sled.sc.gov/Aviation/CopViewPublic.aspx (accessed August 19, 2019).

⁴¹³ "2019-1257," in the links that appear if you enter 8/02/2019 in "From Date" and 8/02/19 in "To Date," and click "Submit." Links available under - "Record to be viewed," under "Aviation Flight Log," available at http://services.sled.sc.gov/Aviation/CopViewPublic.aspx (accessed August 19, 2019). Example data available at http://services.sled.sc.gov/Aviation/CopViewPublic2.aspx?LOGID=2019-1257 (accessed August 19, 2019) 414 Act 264 of 2018, Proviso 117.22.

⁴¹⁵ "2019-05-01 to 2019-06-01 Flight Logs," under "Departments," under, "Flight Department," under "Flight Logs and Manifests," and under "Flight Logs," available at http://www.scaeronautics.com/FlightDept/logs/2019-05-01%20to%202019-06-01%20Flt%20Logs.pdf (accessed August 19, 2019).

⁴¹⁶ Act 264 of 2018, Proviso 117.22.

⁴¹⁷ University of South Carolina, "Flight History," under "Flight Operations," available at https://www.sc.edu/facultystaff/flight_operations/flight_history/index.php (accessed August 19, 2019).
⁴¹⁸ Id

⁴¹⁹ "University of South Carolina, "February 2019 [pdf]," under "Flight Operations," and under "Flight History," available at https://www.sc.edu/facultystaff/flight_operations/documents/flight_logs/201902.pdf (accessed August 19, 2019).