



LEGISLATIVE OVERSIGHT COMMITTEE

Executive Subcommittee

Study of the South Carolina Aeronautics Commission: Executive Summary

The full report of the Executive Subcommittee’s study of the South Carolina Aeronautics Commission (SCAC), issued on August 30, 2019, is available on the House Legislative Oversight Committee’s webpage.

Findings

The **Subcommittee has ten findings**. The Subcommittee may or may not have specific recommendations to address these findings. However, the Subcommittee makes the findings to note particular information that a member of the public, or General Assembly, may seek to know or on which they may desire to take action.

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 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.^{R3; R11}

EFFECTIVENESS

3. No entity or division within state government is tasked with centralized management of manned 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 unmanned aircraft systems (e.g., drones) or information pertaining to their operations.^{R12; R13}

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.)

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

^A The NPIAS, published by the Federal Aviation Administration, identifies public-use airports that are important to public transportation and contribute to the needs of civil aviation, national defense, and the postal service. Airports on the NPIAS are 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.

Recommendations

The Subcommittee has 17 recommendations that continue, curtail, and/or eliminate agency programs, and include areas for potential improvement. The Subcommittee recognizes these recommendations will not satisfy everyone nor address every issue or potential area of improvement at the agency.

Recommendations to SCAC

ACCOUNTABILITY	<ol style="list-style-type: none">1. Provide notice to the appropriate congressional district legislative delegation one year prior to the expiration of a commissioner's term.^{F1}2. 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.3. 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} <hr/>
EFFECTIVENESS	<ol style="list-style-type: none">4. 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.5. 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). <hr/>
EFFICIENCY	<ol style="list-style-type: none">6. 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.7. 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.8. Determine benefits of, and what is necessary for, it to track and validate scheduled times and mileage of aircrafts subject to the airline property tax and provide its analysis to the Committee within the next twelve months. <hr/>
TRANSPARENCY	<ol style="list-style-type: none">9. 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.10. Develop a schedule to digitize the physical maps, photos, and other SCAC printed materials stored at its office.

Table Note: ^F Indicates the related finding number(s).

Recommendations to the General Assembly

ACCOUNTABILITY	11. Codify state operated aircraft flight log requirements in Proviso 117.22 from the 2018-19 General Appropriations Act and require the log to be in an online, searchable format. ^{F2}
EFFECTIVENESS	12. 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. ^{F3} 13. 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. ^{F3}
EFFICIENCY	14. 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	15. Remove the requirement that SCAC provide State Law Enforcement Division personnel methods to test flight crew members' 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]. 16. 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. 17. 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.

Table Note: ^F Indicates the related finding number.

Purpose of Oversight Study

To determine if agency laws and programs:

are being implemented and carried out in accordance with the intent of the General Assembly



should be continued, curtailed, or eliminated,

the Committee and Subcommittee evaluate:

the application, administration, execution, and effectiveness of the agency's laws and programs;

the organization and operation of the agency;



any conditions or circumstances that may indicate the necessity or desirability of enacting new or additional legislation pertaining to the agency.

S.C. Code Ann. § 2-2-20(B) and (C)

Study Process

Full Committee schedules agency for study and gathers initial information

Subcommittee investigates through meetings and information requests

Subcommittee publishes report

Full Committee considers Subcommittee report and may conduct further investigation

Full Committee publishes report

Public Input

189 Responses to an online public survey

0 Constituents testify

1 Online comment received

Subcommittee Membership

The Honorable Gary E. Clary (chair)
The Honorable Chandra E. Dillard

The Honorable Laurie Slade Funderburk
The Honorable Wm. Weston J. Newton

Study Milestones

MEETINGS

Full Committee	Subcommittee
5/3/18	2/6/19
1/28/19	2/26/19
	3/5/19
	3/26/19
	6/25/19

AGENCY REPORTS

March 2015	Seven-Year Plan Report
September 2018	Annual Accountability Report
October 2018	Program Evaluation Report

Agency Snapshot

History

1935 - 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 – Placed under the Department of Commerce.

2009 – Transferred to the State Budget and Control Board.

2015 – Transferred to S.C. State Fiscal Accountability Authority.

Aeronautics Commission

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

- 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

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

11 filled FTE positions at the start of the year

Funding

\$10,981,660 appropriated and authorized

Challenges

Identified by the agency

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

Sources: Agency Program Evaluation Report (2018) and Accountability Report (FY 17-18)



Legislative Oversight Committee

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