

AGENCY NAME:	South Carolina Aeronautics Commission		
AGENCY CODE:	U300	SECTION:	087

AGENCY'S DISCUSSION AND ANALYSIS

The South Carolina Aeronautics Commission (SCAC) fosters air and economic development by overseeing the growth of publicly owned airports, providing safe and reliable air transportation, and partnering with others to promote aerospace and aviation education.

During the past year, SCAC approved 76 state-funded grants for airport development projects totaling \$84,079,900 (with total state participation of \$30,956,096). These grants included:

- **31 General Aviation Grants with FAA participation** (state participation: \$1,684,132)
- **33 General Aviation State/Local Grants** (state participation: \$19,634,261)
- **12 Commercial Service Grants** (state participation: \$9,637,703)

FAA participation resulted in South Carolina's general aviation airports receiving \$31,473,974 in federal funds. In addition to these grants, SCAC supported airport maintenance projects through statewide contracts funded at 80 percent by SCAC and 20 percent by the respective airport owner. All grant recipients are either on track or have successfully met their projected planning budgets.

SCAC published and distributed the **2025 Aeronautical Charts** and the **South Carolina Airport Directory and Pilot's Guide**, both provided free of charge to airports and individuals for flight planning and training purposes. The agency continues to conduct regular inspections of public-use general aviation airports to ensure compliance with state and FAA standards.

For nearly 90 years, SCAC has provided professional, cost-effective, and safe air transportation for the Governor, constitutional officers, state agencies, educational institutions, and business prospects. The agency also educates

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other state agencies on the value of utilizing flight assets and works with them to identify the most appropriate options. The use of these assets highlights South Carolina’s commitment to supporting the aviation and aerospace industries.

In 2024, SCAC requested funding to modernize its aircraft fleet. The Commission has since procured the first replacement aircraft, a 2018 King Air 350i, while selling one legacy aircraft and preparing to sell the second. Once the second sale is complete, SCAC will begin the procurement process for an additional replacement aircraft.

SCAC continues to collaborate with ESF-1 on the **Emergency Air Operations Branch (AOB)**, which coordinates air assets and airspace during emergencies. The AOB plans and manages all flight tasks in support of the State Emergency Operations Center (SEOC) and oversees the use of airport assets during emergencies. SCAC also provides facilities for FEMA and the National Disaster Medical System (NDMS) to process patients following national disasters.

The agency remains committed to aviation education, funding **eight 100-percent education grants** totaling \$615,285 in FY25 for STEM-based aviation and aerospace programs. SCAC continues to partner with South Carolina schools to introduce students to aviation career paths.

The passage of **S.675**, which allocates all airline property tax revenue to the State Aviation Fund (SAF), has stabilized funding for general aviation airport infrastructure grants and airport maintenance programs.

However, there have been attempts in recent years to modify the way airline property tax is calculated. **H.5310 (2024)** and **S.436 (2025)** would each exempt **36.84%** of the fair market value of airline aircraft from property tax and change how “time on the ground” is calculated—both measures that lower taxable value. The state’s fiscal analysis for H.5310 estimated these combined changes would **reduce annual revenue to the State Aviation Fund**

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(SAF) by about \$5.44 million beginning in FY 2024–25. A reduction of airline property tax of approximately 78%!!

Because **S.675 (2022)** redirected airline property tax proceeds into the SAF to stabilize airport funding, these new exemptions would substantially unwind that stability, narrowing SC Aeronautics’ capacity to co-fund FAA projects, and sustain statewide grant and maintenance programs. In practical terms, fewer SAF dollars would mean **fewer state matches available**, longer project timelines, and greater risk that inflation erodes project scopes—ultimately weakening South Carolina’s competitiveness for air service growth and aerospace investment.

An important consideration is that **commercial airlines** in South Carolina are already **exempt from paying the state aviation fuel tax**, which is the funding mechanism whereby **general aviation pilots contribute to the wellbeing of our statewide airport system**. In this context, it is both reasonable and appropriate for airlines to contribute to the SAF through property tax revenues. Without that contribution, South Carolina’s ability to compete for air service growth and aerospace investment with our neighbor states will be significantly weakened.

While S.675 has strengthened and stabilized general aviation funding, the primary challenge remains funding for **commercial service airports**, which face significant cost pressures. The 2018 State Aviation System Plan identified an annual funding need of \$150 million, much of it for commercial airports. Despite slight increases in FAA funding following last year’s reauthorization, inflation in construction costs has created ongoing shortfalls.

Commercial airports are also experiencing increased passenger traffic. Myrtle Beach International, Charleston International, and Hilton Head Island airports began terminal expansion projects in FY24 and these large projects are ongoing.

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Greenville-Spartanburg International and Florence Regional are conducting runway reconstruction programs, while Columbia Metropolitan is upgrading its security checkpoint. These projects are critical to maintaining competitiveness, but funding remains a challenge.

To remain competitive with neighboring states, SCAC has requested \$100 million in recurring funding to establish a Commercial Service Airport Program. Although the FY26 request was not funded through SCAC, the Legislature allocated \$80 million to commercial airports through the Department of Commerce, which will help strengthen these vital economic engines. Additionally, the FY26 budget included **\$5.35 million in recurring funding and \$5.0 million in one-time funding for general aviation airports**, providing essential support for the state’s general aviation system.

Another ongoing challenge is **incompatible land development** around airports, including residential neighborhoods, schools, and businesses that pose safety risks, generate noise conflicts, and create regulatory disputes. SCAC has worked with local planning officials to encourage protective zoning ordinances, and progress was made in FY25 with Chester County and Kershaw County successfully adopting airport zoning ordinances. SCAC is also hiring an airport planner to support this work.

Oversight of SCAC continues to be provided by an eight-member Commission representing each of the seven congressional districts plus one at-large member appointed by the Governor, who serves as Chairman.

Commissioners are listed on the agency’s website:

<https://scaeronautics.sc.gov/commission.asp>.

Commission vacancies remain a concern. Although several seats have expired, progress on appointments has been limited. While proviso extensions have allowed members to continue serving in a de facto capacity, filling these positions remains critical to ensuring proper governance.

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The Executive Director manages the daily activities of the division, supported by the leadership team:

- **Administration** – Gary Siegfried, Executive Director
- **Airport Development** – Chris Eversmann, Program Manager
- **Flight Operations** – Tim Truemper, Chief Pilot

Staff frequently work across departments, supported by limited external assistance from the Department of Administration for finance, HR, and procurement. The SCAC team brings extensive aviation experience and takes pride in serving both customers and citizens of South Carolina.

A key challenge for the agency in the coming years will be succession planning. Executive Director Gary Siegfried announced his retirement near the end of FY 2025, and the Commission is actively engaged in the search for his replacement. In addition, several other staff members are approaching retirement age. While they have not yet announced specific plans, the incoming Executive Director will face the important responsibility of preparing for and managing these future transitions to ensure continuity of leadership and the retention of institutional knowledge.

Beyond the hiring of an Airport Planner and the hiring on a new Executive Director, the agency does not recommend restructuring.

In summary, the South Carolina Aeronautics Commission remains committed to fostering a safe, reliable, and economically competitive aviation system for the state. While funding pressures, infrastructure demands, incompatible land use, and leadership transitions present challenges, the agency's long-standing expertise, strong partnerships, and strategic planning position it well to continue advancing South Carolina's airports and supporting the broader aviation and aerospace industries that drive economic growth.