AGENCY NAME:	SC Aeronautics		
AGENCY CODE:	U300	SECTION:	87

Fiscal Year 2027-28
Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

	For FY 2027-28, my agency is (mark "X"):	
OPERATING REQUESTS *(FORM B1)*	X	Requesting General Fund Appropriations.
		Requesting Federal/Other Authorization.
		Not requesting any changes.

	For FY 2027-28, my agency is (mark "X"):	
NON-RECURRING REQUESTS *(FORM B2)*		Requesting Non-Recurring Appropriations.
		Requesting Non-Recurring Federal/Other Authorization.
	X	Not requesting any changes.

	For FY 2027-28, my agency is (mark "X"):	
CAPITAL REQUESTS *(FORM C)*		Requesting funding for Capital Projects.
	X	Not requesting any changes.

	For FY 2027-28, my agency is (mark "X"):	
PROVISOS *(FORM D)*	X	Requesting a new proviso and/or substantive changes to existing provisos.
		Only requesting technical proviso changes (such as date references).
		Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	Name	*Phone*	*Email*
PRIMARY CONTACT:	Gary Siegfried	803-896-6898	gsiegfried@aeronautics.sc.gov
SECONDARY CONTACT:	Dale Estrada	803-896-6279	destrada@aeronautics.sc.gov

I have reviewed and approved the enclosed FY 2027-28 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	Agency Director	*Board or Commission Chair*
SIGN/DATE:	Gary W. Siegfried 09/25/2026	Delphin A. Gantt, Jr. 09/25/2026
TYPE/PRINT NAME:	Gary W. Siegfried	Delphin A. Gantt, Jr.

This form must be signed by the agency head – not a delegate.

Agency Name:	Division Of Aeronautics
Agency Code:	U300
Section:	87

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Recurring funding for Airport Development Program	90,000,000	0	0	0	90,000,000	0.00	0.00	0.00	0.00	0.00
2	B1 - Recurring	Organizational Restructuring and Personnel Funding — $200,000 Recurring General Funds	200,000	0	0	0	200,000	0.00	0.00	0.00	0.00	0.00
TOTALS			90,200,000	0	0	0	90,200,000	0.00	0.00	0.00	0.00	0.00

Agency Name:	Division Of Aeronautics		
Agency Code:	U300	Section:	87

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	**1** *Provide the Agency Priority Ranking from the Executive Summary.*
TITLE	**Recurring funding for Airport Development Program** *Provide a brief, descriptive title for this request.*
AMOUNT	**General: $90,000,000** **Federal: $0** **Other: $0** **Total: $90,000,000** *What is the net change in requested appropriations for FY 2027-2028? This amount should correspond to the total for all funding sources on the Executive Summary.*
NEW POSITIONS	**0.00** *Please provide the total number of new positions needed for this request.*

FACTORS ASSOCIATED WITH THE REQUEST

Mark "X" for all that apply:	
X	Change in cost of providing current services to existing program audience
X	Change in case load/enrollment under existing program guidelines
X	Non-mandated change in eligibility/enrollment for existing program
X	Non-mandated program change in service levels or areas
X	Proposed establishment of a new program or initiative
	Loss of federal or other external financial support for existing program
	Exhaustion of fund balances previously used to support program
	IT Technology/Security related
	HR/Personnel Related
	AI Related
	Related to a Non-Recurring request – If so, Priority #

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES

Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	Education, Training, and Human Development
	Healthy and Safe Families
	Maintaining Safety, Integrity, and Security
X	Public Infrastructure and Economic Development
	Government and Citizens

Additional Operating Appropriated General Funds will support the following strategies:

Strategy 1 – Maintaining Safety, Integrity and Security

1.1 Funding for airport infrastructure enhances the safety, integrity, and security of South Carolina's statewide airport system by supporting the rehabilitation, improvement, and modernization of critical aviation infrastructure, including runways, taxiways, aprons, terminals, airfield systems, and other eligible airport facilities.

Most importantly, the additional recurring funding will allow the South Carolina Aeronautics Commission to establish a sustainable commercial service airport grant

program to address documented capital needs at the State's commercial service airports. Funding will also complement existing State Aviation Fund programs supporting the safety and development of South Carolina's general aviation airport system. These investments will help preserve critical infrastructure, accommodate increasing aviation demand, and maintain safe and efficient access to the national air transportation system.

ACCOUNTABILITY OF FUNDS

Strategy 2 – Public Infrastructure and Economic Development

2.1 Investment in airport infrastructure supports statewide economic development by increasing airport capacity, improving operational efficiency, supporting business recruitment and expansion, and facilitating tourism, commerce, and job creation. A predictable recurring funding program will allow the State and its airports to plan and execute major capital improvements strategically over multiple years rather than relying primarily on periodic one-time appropriations.

Accountability and Administration of Funds

Funds will be administered through the Aeronautics Commission's established Airport Development Grant Program. Projects will be evaluated based on documented airport capital needs, project eligibility, available federal and local participation, statewide aviation priorities, and the anticipated safety, capacity, and economic benefits of the proposed improvements.

The Airport Development Grant Program provides an established and transparent mechanism for the award, administration, reimbursement, and closeout of airport grants. Grant agreements, project documentation, expenditure verification, and agency financial controls will provide accountability for the use of appropriated funds and ensure that State resources are directed toward eligible airport infrastructure investments.

What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS

The additional recurring funding will benefit South Carolina's statewide system of 57 publicly owned, public-use airports, consisting of six commercial service airports and 51 general aviation airports.

A significant portion of the additional funding will be used to establish a recurring grant program for the State's six commercial service airports. These airports have substantial documented capital infrastructure needs associated with passenger growth, capacity, safety, modernization, and continued economic development. Funding will be awarded through the South Carolina Aeronautics Commission's Airport Development Grant Program based on documented capital needs and eligible projects.

The additional recurring appropriation will also strengthen the State's existing investment in its 51 general aviation airports. These airports provide critical transportation access, support business and economic development, accommodate emergency and public-service aviation, and serve communities throughout South Carolina. Funding will support eligible safety, preservation, rehabilitation, and development projects identified through airport capital improvement planning and the Commission's statewide airport development program.

Together, the six commercial service airports and 51 general aviation airports

comprise an interconnected statewide aviation system. The recurring appropriation will provide a predictable source of State investment to address documented capital needs across that system and allow airport improvements to be planned and implemented strategically over multiple years.

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

South Carolina's 57 publicly owned, public-use airports are critical components of the State's transportation infrastructure and economic development network. The system includes six commercial service airports and 51 general aviation airports, each of which plays an important role in connecting South Carolina's communities and businesses to regional, national, and global markets.

Historically, the State Aviation Fund (SAF), supported primarily by aviation fuel tax and airline property tax revenues, has provided the foundation for South Carolina's airport development program. These revenues have largely supported the State's general aviation airport system, including State participation in federally funded projects and State/local airport improvement projects. While limited funding has also been made available to commercial service airports, South Carolina has historically lacked a predictable recurring State funding program sufficient to address the substantial capital needs of its six commercial service airports.

The General Assembly has made significant progress toward addressing this need. In recent budget cycles, Aeronautics has received additional recurring funding for airport development as well as substantial non-recurring appropriations for airport infrastructure. These investments have provided critical resources for projects throughout the statewide airport system and demonstrate the State's recognition of airports as essential public infrastructure.

Recent independent assessments demonstrate that South Carolina's investment in aviation infrastructure is producing measurable progress. The American Society of Civil Engineers' 2026 Report Card for South Carolina's Infrastructure increased the State's aviation infrastructure grade from D+ in 2021 to C-. South Carolina aviation now rates above the national aviation infrastructure grade of D+ (the aviation sector report is attached).

ASCE cited recent State and federal infrastructure investment as contributing to improvements in South Carolina's transportation infrastructure while emphasizing that sustained investment is necessary to maintain this progress. The improved aviation grade demonstrates the value of recent infrastructure investments while reinforcing the need for a predictable, recurring funding program to continue addressing documented airport capital needs.

The FY 2027–28 request builds upon that progress by seeking $90 million in additional recurring General Fund appropriations for airport infrastructure. The objective is to establish a sustainable, year-over-year State airport development program capable of supporting the long-term capital needs of both commercial service and general aviation airports. A recurring program will provide greater predictability for the State and airport sponsors, allow projects to be programmed strategically over multiple years, and improve the ability to coordinate State investments with federal, local, and other available funding.

The need for this investment is substantial and well documented. The six commercial service airports maintain multi-year Capital Improvement Programs identifying major investments in runways, taxiways, terminal facilities, aprons, safety improvements, capacity enhancements, and other critical infrastructure. Collectively, their current programmed capital needs total approximately $606,476,000 over the next FIVE years. South Carolina's 51 general aviation airports likewise require continuing investment in pavement preservation and rehabilitation, airfield safety, infrastructure modernization, hangar and apron development, and projects necessary to maintain and improve access to communities throughout the State.

Airport activity and demand further reinforce the need for sustained investment.

JUSTIFICATION OF REQUEST

South Carolina's commercial airports continue to experience significant passenger demand, placing additional pressure on terminal, airfield, parking, roadway, and other airport facilities. At the same time, general aviation airports support business aviation, emergency response, medical transportation, flight training, military and governmental operations, tourism, and economic development in communities across South Carolina.

South Carolina must also remain competitive with other states that recognize airport infrastructure as an important component of economic development.:

- Florida: $374.7 million; approximately $2,927,345 per airport
- Tennessee: $181.9 million; approximately $2,393,420 per airport
- North Carolina: $132 million; approximately $1,833,300 per airport
- South Carolina: $110 million; approximately $1,929,825 per airport
- Georgia: $30 million; approximately $285,715 per airport
- Kentucky: $78.4 million; approximately $1,351,725 per airport
- Alabama: $17.5 million; approximately $224,400 per airport
- Mississippi: $9 million; approximately $112,500 per airport

These comparisons are important because airports increasingly compete across state lines for passengers, aviation activity, business investment, tourism, and economic development opportunities. Continued investment by neighboring states places South Carolina at a competitive disadvantage if its airports cannot provide the safety, capacity, efficiency, and facilities necessary to accommodate current and future demand.

In previous budget requests, Aeronautics has demonstrated airport infrastructure needs primarily through requests for non-recurring appropriations supported by the Capital Improvement Programs of the six commercial service airports. Those CIPs have consistently documented hundreds of millions of dollars in planned capital improvements. While non-recurring appropriations have allowed the State to address important individual projects, they do not provide the predictability necessary to develop and manage a long-term statewide airport capital program.

The FY 2027–28 request therefore represents a deliberate transition from reliance on periodic non-recurring appropriations toward a sustainable recurring airport infrastructure program. Establishing a recurring funding level will allow Aeronautics and airport sponsors to identify priorities, develop multi-year funding strategies, leverage federal and local resources where available, and advance projects in a more orderly and cost-effective manner.

The additional funding will be administered through the South Carolina Aeronautics Commission's established Airport Development Grant Program. This provides an existing framework for project eligibility, grant agreements, expenditure verification, reimbursement, financial accountability, and project closeout. Funding decisions will be based on documented capital needs, project eligibility, available federal and local participation, statewide aviation priorities, and the anticipated safety, capacity, and economic benefits of proposed improvements.

	Failure to establish an adequate and predictable funding program will make it increasingly difficult for South Carolina's airports to plan and execute major capital projects. Deferred improvements can result in deteriorating infrastructure, capacity constraints, higher future construction costs, and lost opportunities for economic growth. More importantly, an inconsistent funding model makes it difficult for the State to strategically address airport infrastructure as a statewide transportation and economic development asset. The FY 2027–28 request for $90 million in additional recurring funding is intended to build upon the General Assembly's recent investments by establishing a stable, long-term State commitment to airport infrastructure. This investment will allow South Carolina to move from addressing airport needs through periodic appropriations to maintaining a predictable statewide program that keeps its airports safe, efficient, competitive, and capable of supporting the State's continued economic growth.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Agency Name:	Division Of Aeronautics		
Agency Code:	U300	Section:	87

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY

2

Provide the Agency Priority Ranking from the Executive Summary.

TITLE

Organizational Restructuring and Personnel Funding — $200,000 Recurring General Funds

Provide a brief, descriptive title for this request.

AMOUNT

General: $200,000

Federal: $0

Other: $0

Total: $200,000

What is the net change in requested appropriations for FY 2027-2028? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS

0.00

Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST

Mark "X" for all that apply:	
X	Change in cost of providing current services to existing program audience
	Change in case load/enrollment under existing program guidelines
	Non-mandated change in eligibility/enrollment for existing program
	Non-mandated program change in service levels or areas
	Proposed establishment of a new program or initiative
	Loss of federal or other external financial support for existing program
	Exhaustion of fund balances previously used to support program
	IT Technology/Security related
X	HR/Personnel Related
	AI Related
	Related to a Non-Recurring request – If so, Priority #

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES

Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	Education, Training, and Human Development
	Healthy and Safe Families
X	Maintaining Safety, Integrity, and Security
	Public Infrastructure and Economic Development
	Government and Citizens

ACCOUNTABILITY OF FUNDS

Additional recurring General Funds will support the Maintaining Safety, Integrity, and Security strategy by providing sufficient salary and fringe funding to implement and sustain organizational restructuring within the Aeronautics Commission's Flight Operations and Airport Development programs. Funding will support updated pilot classifications necessary to recruit and retain qualified aviation professionals and the restructuring of the Airport Development Program Manager position to include Deputy Director responsibilities, strengthening management capacity and organizational continuity. Funds will be limited to personnel and associated employer fringe costs and administered through the State's established human resources and payroll processes.

What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

The direct recipients of these funds will be the South Carolina Aeronautics Commission employees whose positions are affected by the organizational

RECIPIENTS OF FUNDS	restructuring within Flight Operations and Airport Development. The funding will support salary and associated employer fringe costs for updated pilot classifications and the restructured Program Manager III/Deputy Director position. No additional employees or FTEs are created through this request. The broader beneficiaries are the State agencies and officials served by Flight Operations and South Carolina's publicly owned, public-use airports served through the Airport Development Program.

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST	The Aeronautics Commission requests $200,000 in additional recurring General Funds to support organizational restructuring and establish a sustainable salary and fringe funding base for Flight Operations and Airport Development. The Commission's FY 2026–27 recurring General Fund allocation for salaries and fringe is approximately $1.70 million. Planned organizational and classification changes, together with normal salary progression and increasing employer fringe costs, require additional recurring support to maintain these functions over the next several fiscal years. Within Flight Operations, existing pilot positions are being restructured using classifications that better reflect the qualifications, responsibilities, and experience required to safely operate and manage the State aircraft fleet. The restructuring is intended to improve recruitment and retention of highly qualified aviation professionals in a competitive employment environment and provide an appropriate career structure for the State's pilots. Within Airport Development, the existing Program Manager position is being restructured as a Program Manager III with additional responsibilities as Deputy Director. This change strengthens agency management, provides greater organizational continuity and succession capacity, and recognizes the increased responsibilities associated with administering the statewide airport development program. These responsibilities are expected to grow further as State investment in airport infrastructure increases. This request does not add employees or increase the Commission's authorized FTE count. Existing positions will be reclassified or replaced as part of the restructuring, with a net staffing change of zero. The additional funding represents the salary and associated employer fringe costs necessary to implement and sustain the revised organizational structure. Based on projected FY 2027–28 personnel costs, the Commission's existing recurring salary and fringe appropriation is insufficient to fully support the reorganized structure and provides little capacity for future salary progression, recruitment and retention adjustments, or increases in employer fringe costs. The requested $200,000 recurring increase will provide a more sustainable personnel funding base and reduce the need for repeated incremental funding requests in future years. Without the additional funding, the Commission's ability to implement and maintain the proposed organizational structure and competitively recruit and retain qualified personnel would be constrained.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Agency Name:	Division Of Aeronautics		
Agency Code:	U300	Section:	87

FORM D – PROVISO REVISION REQUEST

NUMBER	87.3
	Cite the proviso according to the renumbered list (or mark "NEW").
TITLE	Funding Sequence
	Provide the title from the renumbered list or suggest a short title for any new request.
BUDGET PROGRAM	Section 87 – U300 – SC Aeronautics
	Identify the associated budget program(s) by name and budget section.
RELATED BUDGET REQUEST	Priority 1 – Recurring Funding for Airport Development Program
	Is this request associated with a budget request you have submitted for FY 2027-2028? If so, cite it here.
REQUESTED ACTION	Delete
	Choose from: Add, Delete, Amend, or Codify.
OTHER AGENCIES AFFECTED	None
	Which other agencies would be affected by the recommended action? How?
SUMMARY & EXPLANATION	The Aeronautics Commission's FY 2027–28 budget request includes $90 million in additional recurring General Funds to establish a sustainable statewide airport infrastructure program serving South Carolina's six commercial service airports and 51 general aviation airports. The existing funding sequence established by Proviso 87.3, which requires general aviation airports to receive funding before commercial service airports, reflects an earlier funding structure and is no longer consistent with the State's evolving approach to airport investment. Passage of S.675 directed all airline property tax revenue to the State Aviation Fund and provided the Commission with the ability to establish a modest recurring commercial service airport grant program, currently providing up to $250,000 per airport annually, with funds permitted to carry forward for one year to support a maximum grant of $500,000. More recently, the General Assembly has made substantial nonrecurring investments specifically benefiting commercial service airports, including $85 million for airport improvements for statewide airport infrastructure improvements, primarily allocated among the State's six commercial service airports. These legislative actions recognize that both commercial service and general aviation airports have legitimate State infrastructure funding needs and have effectively made the sequencing requirement obsolete. Deletion of Proviso 87.3, together with the requested $90 million recurring appropriation, will allow the Commission to administer a unified statewide Airport Development Grant Program based on documented capital needs, project eligibility and readiness, available federal and local participation, and statewide aviation priorities rather than airport classification or a prescribed funding sequence.

Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

Deletion of Proviso 87.3 will have no independent fiscal impact on the State, the South Carolina Aeronautics Commission, or eligible airport sponsors. The proviso establishes a funding sequence for existing airport grant funds but does not appropriate funding or establish a required level of expenditure. Its deletion will provide the Commission greater flexibility in administering available airport development funds but will not, by itself, increase State expenditures.

The Commission's separate FY 2027–28 budget request for $90 million in additional recurring General Funds represents the fiscal impact associated with the proposed expansion of the statewide Airport Development Grant Program.

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

PROPOSED PROVISO TEXT

~~87.3. (AERO: Funding Sequence) All General Aviation Airports will receive funding prior to the six air carrier airports (i.e. Columbia, Charleston, Florence, Hilton Head Island, Greenville-Spartanburg, and Myrtle Beach International) as these qualify for special funding under the DOT/FAA appropriations based on enplanements in South Carolina.~~

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

Agency Name:	Division Of Aeronautics		
Agency Code:	U300	Section:	87

FORM D – PROVISO REVISION REQUEST

NUMBER	87.5 *Cite the proviso according to the renumbered list (or mark "NEW").*
TITLE	Aviation Grants *Provide the title from the renumbered list or suggest a short title for any new request.*
BUDGET PROGRAM	Section 87 – U300 – SC Aeronautics *Identify the associated budget program(s) by name and budget section.*
RELATED BUDGET REQUEST	Priority 1 – Recurring Funding for Airport Development Program *Is this request associated with a budget request you have submitted for FY 2027-2028? If so, cite it here.*
REQUESTED ACTION	Amend *Choose from: Add, Delete, Amend, or Codify.*
OTHER AGENCIES AFFECTED	None *Which other agencies would be affected by the recommended action? How?*
SUMMARY & EXPLANATION	Proviso 87.5 governs the use and administration of Aviation Grant funds deposited into the State Aviation Fund. The existing proviso establishes eligible uses, airport eligibility, grant priorities and distribution requirements, State/local participation parameters, legislative reporting, and carry-forward authority. It also requires certain elements of the grant program to be established through regulation. The requested revision modernizes the proviso by retaining the broad purposes, eligibility, reporting, and carry-forward provisions while allowing grant eligibility, project prioritization, State participation levels, and distribution of available funds to be administered through Commission-adopted policies and procedures. This change is needed to provide the flexibility necessary to manage a growing statewide airport development program, including the proposed $90 million recurring appropriation. Funding levels and airport needs vary from year to year, and Commission policy allows participation rates and program priorities to be adjusted accordingly while maintaining established grant approval, financial accountability, and reporting requirements.

Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

The requested revision to Proviso 87.5 has no independent fiscal impact. The changes provide the Aeronautics Commission greater flexibility in administering appropriated Aviation Grant funds through Commission-adopted policies and procedures but do not appropriate additional funds or require additional expenditures. The Commission's separate FY 2027–28 request for $90 million in additional recurring General Funds represents the fiscal impact associated with expansion of the statewide Airport Development Grant Program.

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

PROPOSED PROVISO TEXT

87.5. (AERO: 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~~ **and used for the** purposes **provided in this proviso**:

(1) ~~to allow the maximization of grant funds available through the Federal Aviation Administration for capital improvement projects~~ **for airport planning, capital improvement, preservation, maintenance, safety, capacity, and development projects at eligible publicly owned, public-use airports, including projects that maximize available federal funding;**

(2) ~~for maintenance projects of general aviation airports; and~~

~~(3)~~ for aviation education ~~related~~ programs **and the promotion of aviation within the state.** ~~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.~~ **subject to the eligibility requirements established by the Aeronautics Commission.**

~~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.~~

The Aeronautics Commission shall administer airport grants pursuant to policies and procedures adopted by the Commission governing airport and project eligibility, project prioritization, State participation, grant administration, and the distribution of available funds.

~~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.~~

The Aeronautics Commission may establish by policy State and local participation requirements for airport grants based upon available funding, program objectives, project type, and other relevant considerations.

~~A report on the expenditure of these funds shall be submitted to the Senate Finance Committee and the House Ways and Means Committee.~~

The Division shall annually submit a report on the expenditure of funds appropriated for Aviation Grants 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.

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

Agency Name:	Division Of Aeronautics		
Agency Code:	U300	Section:	87

FORM E – AGENCY COST SAVINGS AND GENERAL FUND REDUCTION CONTINGENCY PLAN

TITLE	Agency Cost Savings and General Fund Reduction Contingency Plan
AMOUNT	$398,201 *What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.*
ASSOCIATED FTE REDUCTIONS	None *How many FTEs would be reduced in association with this General Fund reduction?*
PROGRAM / ACTIVITY IMPACT	The General Funds identified support the Aeronautics Commission's Airport Development Program, including statewide airport maintenance activities such as pavement maintenance and vegetation control. A 3% General Fund reduction would be managed primarily through the temporary reduction or deferral of selected maintenance projects. Safety-critical activities, existing contractual commitments, and time-sensitive projects would receive priority. *What programs or activities are supported by the General Funds identified?*
SUMMARY	The Aeronautics Commission would accommodate the $398,201 General Fund reduction primarily through the temporary reduction or deferral of selected expenditures within its Airport Development maintenance program. Projects would be evaluated based on safety, infrastructure condition, urgency, contractual commitments, and available funding, with safety-critical and time-sensitive activities receiving priority. The reduction would not require the elimination of FTEs or programs. However, some airport sponsors would experience delays in planned pavement maintenance, vegetation control, or other eligible maintenance activities. Because airport maintenance needs can generally be programmed over multiple fiscal years, a temporary reduction could be managed by moving lower-priority work into subsequent years as funding becomes available. A prolonged reduction would have a greater impact because continued deferral of maintenance can contribute to infrastructure deterioration and increase future rehabilitation costs.

Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations and provide the method of calculation for anticipated reductions. Agencies should prioritize reduction in expenditures that have the least significant impact on service delivery.

AGENCY COST SAVINGS PLANS

The Aeronautics Commission continually evaluates opportunities to reduce operating costs and improve efficiency; however, the agency has not identified a specific cost-savings initiative for FY 2027–28 that is expected to generate savings in excess of $50,000. Aeronautics operates with a relatively small staff and lean administrative structure, and significant reductions in current operating expenditures would generally require deferral of necessary facility maintenance, reduction of airport services, or other actions that would shift costs to future fiscal years rather than produce sustainable savings. The Commission will continue to pursue operational efficiencies where practicable while prioritizing the maintenance of State assets and delivery of its core aviation programs.

What measures does the agency plan to implement to reduce its costs and operating expenses by more than $50,000? Provide a summary of the measures taken and the estimated amount of savings. How does the agency plan to repurpose the savings?