

Aviation Division Timeline

1920	<p>During the 1920's, the General Assembly of North Carolina enacted the first aeronautical statutes to guide airmen and local governments in their activities. A review of the current North Carolina General Statutes Chapter 63 shows that many of the provisions enacted during that period are still in force today.</p>
1958	<p>While information is sketchy about state government's role in early aviation, it is known that the state had some type of aviation advisory committee from shortly after the end of World War II until about 1960. The role of this group was apparently to assist in developing policies for state government and evaluating the long term effects of this rapidly growing mode on North Carolina and its citizens. In 1958, Congress passed the Federal Aviation Act to create an independent Federal Aviation Agency and to provide federal funding for airport development. Shortly after this, North Carolina disbanded its advisory committee, believing that the federal role would negate any need for the states to be involved in aviation.</p>
1965	<p>By the mid-1960's, it became obvious that the federal emphasis would be on large airports and that small community airports served exclusively by general aviation would not receive a lot of national assistance. At the same time, the explosive growth of business aviation made it mandatory that a community have good airport access in order to be competitive for new industries and their jobs. While eastern North Carolina was blessed with numerous surplus military training fields, the central and western portions of the state had very little in the way of a small community airport system.</p> <p>In 1965 the legislature established the position of "Aviation Specialist" in the industry section of the Department of Conservation and Development. The primary role of this position was to act as an information source and liaison among and between aviation interests and various levels of governments on matters affecting airports and aviation.</p>
1967	<p>In 1967 the General Assembly passed the first State Aid to Airports Program with a biennial appropriation of \$250,000 and severe restrictions such as (1) no funds were made available to airports with airline service, regardless of the project type, (2) the maximum grant of funds was \$50,000 to any one airport, and (3) notwithstanding this dollar limit, no state grant could exceed 25% of the total cost of the project. As could be expected there were a limited number of state grants made each year and the overall impact of the program was modest.</p>
1973	<p>In 1973, state government reorganization was implemented to reduce some 250 independent departments, boards, and agencies, into about 15 functional departments. The aviation function was incorporated into the new Department of Transportation and Highway Safety (DOT) and, at the same time, major new funding amounts were approved.</p>
1974	<p>For Fiscal Year 1974 funds for general aviation airports were increased to \$1 million for the year and, for the first time, airline service airports got their own allocation for \$1 million.</p>
1975	<p>For Fiscal Year 1975 and following, the division between airline and general aviation airports was eliminated and since then there has been a single State Aid to Airports Program for all eligible airports.</p>
1987 - Present	<p>Until 1987, State funds were allocated on a biennial basis with no long range projections of availability. This made it very difficult to develop multi-year programs and for the aviation mode to participate in the Transportation Improvement Program. In 1987, the General Assembly revised its aviation funding approach to credit the aviation users with the general taxes paid into the state treasury. While North Carolina does not have any aviation-specific taxes like some other states (i.e. fuel tax, registration fee, etc.), each purchaser of aviation products and services is subject to payment of the statewide 4% sales tax. The Continuing Aviation Appropriations statute passed by the legislature in 1987 provides that the Department of Revenue will, each year, develop an estimate of the total amount of sales taxes paid on aviation products and services and that figure will then be used by the General Assembly in setting the biennial amount of the State Aid to Airports Program. Although this statute was modified in recent years to reflect growth rates associated with North Carolina's General Fund, the program has grown to in excess of \$10 million and has allowed the development of a more reliable multi-year aviation funding program for use in the DOT's Transportation Improvement Program. However state budget cuts have had a negative impact lately.</p> <p>State Aid to Airports has several major facets to it, currently including administration of the Federal - State Block Grant Program. Regardless of the part of the program, however, one common thread throughout all elements is that state funds are limited to airports which (1) are owned by a unit of local government, (2) are open to the general public without unfair discrimination, and (3) have signed a Grant Agreement with the Department of Transportation and are willing to abide by the terms of that agreement.</p>