

January 30, 2012

The Honorable Phil P. Leventis  
South Carolina Senate  
608 Gressette Building  
Columbia, South Carolina 29201

Dear Senator Leventis:

The National Air Transportation Association (NATA), the voice of aviation business, is the public policy group representing the interests of aviation businesses before the Congress, federal agencies and state governments. NATA's more than 2,000 member companies own, operate and service aircraft and provide for the needs of the traveling public by offering services and products to aircraft operators and others such as fuel sales, aircraft maintenance, parts sales, storage, rental, airline servicing, flight training, Part 135 on-demand air charter, fractional aircraft program management and scheduled commuter operations in smaller aircraft. NATA members are a vital link in the aviation industry providing services to the general public, airlines, general aviation and the military.

On behalf of NATA's member companies, I write in strong opposition to S. 1109, legislation that you recently introduced to prohibit fixed base operators (FBO) from charging a ramp fee to aircraft that use their facilities. As you are a former small business owner yourself, I am disappointed that you fail to realize the harm to small businesses at airports throughout the state your bill will cause. Additionally, I believe you have wrongly characterized aircraft that come to an FBO, park their plane, and use the FBO's physical facilities as not using an FBO's services. Nothing could be farther from the truth.

The services that FBOs provide, including aircraft parking, waiting areas, restrooms and security for both passengers and aircraft, are the reason that aircraft use these FBOs as opposed to dropping their passengers near any airport gate. FBOs are costly to build and maintain and recouping a reasonable return on investment is the goal of any business. In some locations, due to local market conditions, ramp fees play an important role in that business model. FBOs that do charge "ramp fees" are simply unbundling their services due to market conditions. Your bill would, in effect, prohibit a portion of this unbundling and force those aircraft operators who do purchase fuel, maintenance or other products to pay for those who use an FBO but choose not to purchase a product. This transfer of cost will allow aircraft operators who do not purchase a product to receive a "free ride" while those who do purchase products must pay the price for all users of the FBO. Using the power of the state legislature to treat FBOs as if they are a public accommodation is inappropriate.

It is not in the best interest of any business to have government control their pricing policies and procedures. While public airports receive public funding, most FBOs are private businesses built with an investment of private capital. This capital is put to use not only providing valuable aeronautical services at an airport but also relieving the taxpayers from having to provide these services.

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According to the South Carolina Department of Commerce, general aviation supports 5,167 jobs and contributes more than \$417 million to the state's economy. In addition, general aviation generates \$9.4 million in personal property taxes and \$1.6 million in jet fuel taxes. South Carolina is home to 22 charter flight companies, 34 repair stations and 52 FBOs. FBOs are a valuable resource in both aeronautical services and airport development. Your bill, by allowing government to intervene in the management of these businesses, will reduce their ability to provide quality services and facilities at our nation's airports.

I hope that you will withdraw S. 1109 to ensure that valuable aviation businesses in South Carolina are protected. To discuss this matter or any other issues related to general aviation, please contact me at (703) 845-9000.

Sincerely,



Eric R. Byer  
Vice President for Government and Industry Affairs