

# 2020 South Dakota Airports Conference

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Conference

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Federal Aviation  
Administration



# Illegal Charter Operations – How Can Airports Help and Why Should They Bother?



# An illegal charter is.... A lot of things, but some examples are....

- Fraudulent “time-share agreements” under 14 C.F.R. 91.501(c)(1) (large aircraft) or NBAA exemption (smaller aircraft)
- Fraudulent lease agreements – invalid dry leases
- Internet multi-service “facilitators” – risk is to pilot
- 2014 – AirPooler/Flytenow
- 2019 – Blackbird Air



# Why do we Care?

- **Significant safety concern –**
  - parts 121 and 135 have stricter requirements and better oversight by the FAA;
  - Air carriers required by statute to assure “the highest level of safety.”
- Platinum accident (2005) could have resulted in several Fatalities.



# Why do we Care?

- **People should understand the level of safety they are entitled to –**
  - Dry lease – lessee accepts all elements of operational control;
  - Wet lease – lessor retains operational control (in whole or in part).



# Operational Control Means....

- **The exercise of authority over initiating, conducting or terminating a flight.**
- **Indicators of control –**
  - Responsibility for crew training;
  - Responsibility for compliance with all applicable regulations;
  - Responsibility for providing a qualified flightcrew;
  - Responsibility for delaying, diverting, re-routing, or canceling a flight if the flight cannot be continued as planned;
  - Responsibility for maintenance.

**\*\* Above list is not exhaustive!\*\***



# Why do Owners Engage in Illegal Charter Operations?

- Generally, issue is a desire to improve the value of an underutilized resource.
- Value can often be improved through trip specific leases rather than long term arrangements.
- Types of entities involved in illegal charter operations run the gamut of the aviation sector.



# Why Should Airports Care?

- Potential implications under grant assurance # 22
- Depending on aircraft size and type of operation, may trigger 14 CFR Part 139 –
  - Scheduled operations -- > 9 passenger seats
  - Unscheduled operations -- > 31 passenger seats
- Adverse publicity if accident occurs on airport or flight originating from airport.
- Your good actors will thank you!





# What can you do?

- **See something, say something** –
  - Social media posts (heavy reliance);
  - Questionable behavior at your airport.
  - No need to directly confront the operator – call the FSDO!
- Rapid City FSDO (605) 737-3050



# What can you do?

- **Won't be able to identify all types of illegal charter operations.**
- **May be able to require tenants to provide certain documentation under grant assurance #22(i)**
  - Grant Assurance No. 22(a) - The sponsor “will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities...”
  - Grant Assurance No. 22(h) - “The sponsor may establish such reasonable, and not unjustly discriminatory conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.”
  - Grant Assurance No. 22(i) - “The sponsor may prohibit or limit any type, kind or class of aeronautical use of the airport if such action is necessary to serve the civil aviation needs of the public.”

**\*\* The FAA asks you to be a good neighbor and help us address this significant safety risk!\*\***





# What else can you do?

- [https://www.faa.gov/about/initiatives/safe charter operations/](https://www.faa.gov/about/initiatives/safe_charter_operations/)
- **Phone: 1-888-SKY-FLT1 or 1-888-759-3581**



# What else can you do?



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# Questions?

