

FINAL BILL REPORT

ESHB 1562

C 302 L 99

Synopsis as Enacted

Brief Description: Changing provisions relating to the adoption of regulations by airport operators.

Sponsors: By House Committee on Transportation (Originally sponsored by Representatives Scott, Mulliken and G. Chandler).

House Committee on Transportation
Senate Committee on Transportation

Background:

Airports are generally owned and operated by port districts, cities, and counties. Airport operators may adopt regulations necessary for use of airport facilities and collecting airport charges.

The regulations allow airport personnel to take reasonable measures to secure an aircraft in the airport to prevent its removal if the owner fails to pay airport charges after 60 days. When the aircraft is impounded, personnel must attach a notice to the aircraft and mail a copy of the notice to the owner's last known address by both registered mail and by first class mail.

If the account is not paid in full within 180 days from the date the notice was attached, the aircraft may be sold at a public auction to satisfy the airport charges. The notice must state the time and place of the sale.

The airport may adopt regulations that allow airport personnel to place aircraft in an area for storage. Reasonable costs for any such procedure must be paid by the aircraft's owner.

The aircraft is be considered abandoned if it has not been released to the owner under the bonding provisions within 180 days after the owner is notified.

Before the aircraft is sold, the owner must be given at least 20 days notice of the sale by registered mail and by newspaper. The notice must include a reasonable description of the aircraft to be sold, the time of sale, and that the airport operator may become a purchaser at the sale.

The airport regulations, including any and all impoundment rules for delinquent charges, must be posted in the airport manager's office.

Under current revenue distribution laws, 90 percent of the excise tax collected for aircraft registration is deposited in the general fund and 10 percent is deposited in the Aeronautics Account of the Transportation Fund. There is a \$4 fee attached to every aircraft registration which is dedicated to the Aeronautics Account. Despite the imbalance of current revenue distribution, the aircraft registration program is entirely administered by the Department of Transportation Aviation Division.

Summary:

Airport personnel may take reasonable measures to secure an aircraft if the owner fails to pay the airport charges or fails to commence legal proceedings after being notified that: (1) the charges are owing, and (2) the owner has a right to contest those charges. The 60-day waiting period before an aircraft may be impounded is removed.

If an aircraft owner's address is unknown, the airport operator must make a reasonable effort to notify the owner before securing the aircraft.

The airport owner must make a reasonable attempt to send a copy of the notice that the aircraft has been secured to the owner's last known address by registered mail, and a reasonable attempt to send an additional copy by first class mail.

The 180-day waiting period for payment that must lapse before an aircraft may be secured is reduced to 90 days after the notice was posted. The original notice no longer must state the time and place of the auction.

Procedures for airport personnel to move aircraft are clarified. An aircraft may be moved to areas under the operator's control for storage purposes. The requirement that moving costs be reasonable is eliminated.

To regain possession of an aircraft, an owner may post money in a trust account which terminates following either a judicial resolution in court or upon a written agreement.

The 20-day notice of sale by registered mail must be made only if the owner's name and address are known.

Before the aircraft is sold, any person seeking to redeem an impounded aircraft may commence a lawsuit to contest the validity of the impoundment or the airport charges owed. The lawsuit must begin within 10 days from the date of notification under the statute. If not commenced within 10 days then the right to a hearing is waived and

the owner is liable for any airport charges owed to the airport operator. If there is litigation, the prevailing party is entitled to attorneys' fees and costs.

The airport operator gains title to an impounded aircraft if no one purchases the aircraft at a sale, if the aircraft is not removed from the premises, or if other arrangements are not made within 10 days of the sale., then the airport operator shall gain title to the aircraft.

The current \$4 aircraft registration fee is increased to \$8.

Airplanes housed at airports jointly owned or operated by governmental entities from two or more states, and whose owners are nonresidents of Washington, are exempt from paying Washington's aircraft registration excise tax if they can show proof that they have paid all taxes, license fees, and registration fees required by the state in which they reside. (Example: Idaho residents whose planes are housed at the Pullman Moscow airport are exempt from Washington's aircraft registration excise tax.)

Votes on Final Passage:

House 96 0
Senate 42 3 (Senate amended)
House (House refused to concur)
Senate (Senate refused to recede)
House 89 7 (House concurred)

Effective: July 25, 1999