SENATE BILL REPORT SB 5138

As Reported by Senate Committee On: Transportation, February 28, 2019

Title: An act relating to aircraft registration.

Brief Description: Concerning aircraft registration.

Sponsors: Senators Honeyford and Wagoner.

Brief History:

Committee Activity: Transportation: 2/04/19, 2/28/19 [DPS, w/oRec].

Brief Summary of First Substitute Bill

- Requires state registration of commercial drones
- Exempts certain non-residents from the aircraft registration fee.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 5138 be substituted therefor, and the substitute bill do pass.

Signed by Senators Hobbs, Chair; Saldaña, Vice Chair; Cleveland, Fortunato, Lovelett, Padden, Takko and Wilson, C..

Minority Report: That it be referred without recommendation. Signed by Senators King, Ranking Member; Das, Nguyen, O'Ban and Randall.

Staff: Hayley Gamble (786-7452)

Background: <u>Aircraft Registration in Washington</u>. Aircraft must be registered with the Washington State Department of Transportation (DOT) in January of each calendar year in which the aircraft is operated or based within Washington. The state registration fee is \$15 and is deposited into the Aeronautics Account. The Aeronautics account is used by the DOT Aviation Division for aviation related grants and activities. Aircraft that are specifically exempt from registration include:

- most commercial aircraft
- government aircraft

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- foreign aircraft
- certain non-resident owned aircraft, and
- large private airplanes in Washington for repair, alteration, reconstruction, or storage for more than a year.

Unmanned aircraft, also know as drones, are not required to register in Washington.

<u>Federal Registration</u>. Aircraft must be registered with the Federal Aviation Authority (FAA). Renewals are required every three years and cost \$5. Federal regulations relating to drone registration have been in place in some form since 2015. Federal law requires drones used for recreation and weighing over 0.55 pounds to be registered with the FAA. Registration is \$5 for three years. Drones used for commercial purposes must also be registered and operators must hold a remote pilot certificate. In 2018, there were over 5000 non-hobbyist drones registered with the FAA and listed with a Washington address.

<u>Airport Governance.</u> The Pullman-Moscow Regional Airport is operated under a joint agreement with the city of Pullman, Washington and the city of Moscow, Idaho. The Dalles Municipal Airport is owned by the city of The Dalles, Oregon and Klickitat County, Washington.

Summary of Bill (First Substitute): <u>Registration of Commercial Drones.</u> Commercial unmanned aircraft must be registered with DOT and pay a \$15 annual fee. In the aeronautics chapter of the Revised Code of Washington "commercial" means an aircraft, manned or unmanned, not used exclusively for hobby or recreation.

<u>Registration Exemption.</u> Nonresident owners of aircraft kept at certain Washington airports are exempt from paying the Washington registration fee, if they provide proof of payment that all taxes, licenses, and registration fees required in their home-state have been paid. This registration exemption applies only to aircraft based at an airport jointly owned or operated by a municipal corporation or other governmental entity within Washington and another state.

EFFECT OF CHANGES MADE BY TRANSPORTATION COMMITTEE (First Substitute):

- Changes the definition of "commercial" to: an aircraft, manned or unmanned, not used exclusively for hobby or recreation.
- Clarifies the exemption from aircraft registration for aircraft engaged principally in commercial flying constituting an act of interstate or foreign commerce is for manned aircraft only (not drones.)
- Specifically exempts unmanned aircraft (drones) from the registration fee if they are used exclusively for hobby or recreation.
- Updates registration document requirements to contain the federal number of an aircraft rather than specific N, NC, NR, NL, or NX numbers.
- Adds a delayed effective date of January 1, 2020 for drone registration.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill: *The committee recommended a different version of the bill than what was heard.* PRO: This adds drones to the list. For safety reasons it would be good to register commercial drones. WPA is in support of the changes to registration and the clarification on non-resident exemptions.

Persons Testifying: PRO: Senator Jim Honeyford, Prime Sponsor; John Dobson, Washington Pilots Association.

Persons Signed In To Testify But Not Testifying: No one.