

SENATE BILL REPORT

SHB 1379

As Reported by Senate Committee On:
Transportation, March 30, 2021

Title: An act relating to establishing an unpiloted aircraft system state coordinator and program funding source.

Brief Description: Establishing an unpiloted aircraft system state coordinator and program funding source.

Sponsors: House Committee on Transportation (originally sponsored by Representatives Lovick, Boehnke, Sutherland, Ryu and Dent).

Brief History: Passed House: 3/4/21, 92-6.

Committee Activity: Transportation: 3/15/21, 3/30/21 [DPA].

Brief Summary of Amended Bill

- Establishes the Unpiloted Aircraft System State Coordinator in the Aviation Division of the Washington State Department of Transportation.
- Requires state registration of commercial unpiloted aircraft systems.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass as amended.

Signed by Senators Hobbs, Chair; Saldaña, Vice Chair; King, Ranking Member; Cleveland, Das, Fortunato, Hawkins, Lovelett, Nguyen, Nobles, Padden, Randall, Sheldon, Wilson, C. and Wilson, J.

Staff: Daniel Masterson (786-7454)

Background: Unmanned Aircraft Systems. Unmanned aircraft systems (UAS), also

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known as drones, are aircraft without a human pilot on board. The flight is controlled either autonomously by computers, or under remote control by a pilot. Washington has no laws that specifically regulate drones.

Federal Aircraft Registration. The Federal Aviation Administration (FAA) has broad authority to regulate the use of airspace. Aircraft must be registered with the FAA. The registration fee for UAS is \$5 for three years. Since 2015, the FAA has finalized several rules governing operation and certification of small civil UAS under 55 pounds. In 2020, more than 14,000 non-hobbyist small UAS with a Washington address were registered with the FAA.

Aircraft Registration in Washington. Aircraft must be registered with the Washington State Department of Transportation (WSDOT) in January of each calendar year in which the aircraft is operated or based within Washington.

UAS are not required to register in Washington. The state registration fee is \$15 and is deposited into the Aeronautics Account. The Aeronautics Account supports the WSDOT Aviation Division's airport preservation and improvement programs, education outreach, and air search and rescue operations.

Aviation Division. The Aviation Division within WSDOT is responsible for registering aircraft, aviation planning, and administering small airport financial assistance programs. The Aviation Division also coordinates UAS activities within WSDOT.

Summary of Amended Bill: Unpiloted Aircraft System Coordinator. The Unpiloted Aircraft System State Coordinator (coordinator) is established in the Aviation Division of WSDOT to serve primarily in an advisory role. The director of the division or the director's designee is appointed as the coordinator. The coordinator's duties include:

- assisting with UAS training and continuing education for state agencies;
- coordinating with local governments on state and federal UAS policies and laws;
- acting as a state-level coordinator in times of emergency;
- coordinating with the FAA and state agencies on UAS trends;
- identifying and disseminating information on unpiloted aircraft system training sites;
- establishing and maintaining an unpiloted aircraft system coordination website for state and local governments;
- assisting with the advancement of UAS across the state in coordination with the Department of Commerce (Commerce); and
- other duties as they relate to UAS in the state.

An unpiloted aircraft system is defined in statute and must meet the same criteria and standards for a UAS established by the FAA.

Registration of Commercial Drones. Commercial unpiloted aircraft systems must be registered with WSDOT and pay a \$15 annual fee. Unpiloted aircraft systems used

exclusively for hobby or recreation are exempt from the registration fee. "Commercial" is defined as an aircraft, piloted or unpiloted, not used exclusively for hobby or recreation.

WSDOT, in collaboration with Commerce, the Department of Revenue, and other industry representatives, must review the fee schedule based on the number of drones registered under any single entity. Consideration should be given to the cost to administer the program and the number of commercial aircraft registered in the state. WSDOT must make recommendations and report to the transportation committees of the Legislature by December 1, 2022.

WSDOT must report additional information to the Legislature, Commerce, and to interested aviation and aerospace stakeholders by December 1, 2022. The additional required information includes:

- information on the specific activities, accomplishments, and opportunities undertaken by the coordinator;
- a statement on the justification and need for continuation of the activities of the coordinator; and
- recommendations on any changes to the scope of the work and duties of the coordinator, including recommendations on the reassignment of duties of the coordinator to WSDOT's Aviation Division, and termination of the coordinator position.

EFFECT OF TRANSPORTATION COMMITTEE AMENDMENT(S):

WSDOT must report additional information to the Legislature, Commerce, and to interested aviation and aerospace stakeholders by December 1, 2022. The additional required information includes:

- information on the specific activities, accomplishments, and opportunities undertaken by the coordinator;
- a statement on the justification and need for continuation of the activities of the coordinator; and
- recommendations on any changes to the scope of the work and duties of the coordinator, including recommendations on the reassignment of duties of the coordinator to WSDOT's Aviation Division, and termination of the coordinator position.

Appropriation: None.

Fiscal Note: Available.

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

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2021.

Staff Summary of Public Testimony on Substitute House Bill: *The committee recommended a different version of the bill than what was heard.* PRO: Washington State is one of the few states that can claim almost a birth right to the aviation industry. Drones have become critical tools for industries ranging from agriculture to telecommunications. They are used by law enforcement to process crime scenes, collision scenes, and also do an overall assessment of those scenes. Drones are the future of the aerospace industry. Designating a statewide coordinator will be critical to coordinating intergovernmental and industry efforts to further future expansion. In 2018, the drone industry was worth \$4.4 billion, it is estimated that the industry will be worth \$64 billion by 2025. We need someone who will create the necessary framework to coordinate future efforts in unpiloted aerospace operations.

OTHER: The coordinator position is about looking at industry and the opportunities for the state, but it is also about educating people as they look to adopt UAS. It is about working with agencies. WSDOT is working with the FAA to help shape policy on the national level. This is a good fit for WSDOT to continue its work.

Persons Testifying: PRO: Representative John Lovick, Prime Sponsor.

OTHER: David Fleckenstein, Washington State Department of Transportation.

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