## SUBSTITUTE FOR HOUSE BILL NO. 4834

A bill to amend 1945 PA 327, entitled "Aeronautics code of the state of Michigan," by amending the title and sections 2, 3, 7, 8, 9, 26, 27, 33, 34, 35, 51, 52, 53, 55, 76, 76a, 77, 80b, 80e, 82, 86, 109, and 155 (MCL 259.2, 259.3, 259.7, 259.8, 259.9, 259.26, 259.27, 259.33, 259.34, 259.35, 259.51, 259.52, 259.53, 259.55, 259.76, 259.76a, 259.77, 259.80b, 259.80e, 259.82, 259.86, 259.109, and 259.155), the title as amended by 2015 PA 95, sections 2, 3, 8, 9, 51, and 86 as amended by 2002 PA 35, section 7 as amended by 2015 PA 261, section 26 as amended by 1992 PA 308, section 34 as amended by 2015 PA 259, section 35 as amended by 2015 PA 258, section 76 as amended by 1988 PA 391, sections 76a, 77, 82, and 155 as amended and sections 80b and 80e as added by 1996 PA 370, and section 109 as





added by 2002 PA 90, and by adding section 89c; and to repeal acts and parts of acts.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 TITLE 2 An act relating to aeronautics in this state; providing for 3 the development and regulation of aeronautics; creating a state aeronautics commission; prescribing powers and duties; providing 4 5 for the licensing, registration, and supervision and control of all aircraft, airports and landing fields, schools of aviation, flying 6 7 clubs, airmen, aviation instructors, airport managers, 8 manufacturers, dealers, and commercial operation in intrastate commerce; providing for rules pertaining thereto; prescribing a 9 privilege tax for the use of the aeronautical facilities on the 10 11 lands and waters of this state; providing for the acquisition, 12 development, and operation of airports, landing fields, and other aeronautical facilities by this state, by political subdivisions, 13 or by airport authorities; providing for the incorporation of 14 15 airport authorities and providing for the powers, duties, and obligations of airport authorities; providing for the transfer of 16 17 airport management to airport authorities, including the transfer of airport liabilities, employees, and operational jurisdiction; 18 19 providing jurisdiction of crimes, torts, and contracts; providing 20 police powers for those entrusted to enforce this act; for the 21 inspection of aeronautical facilities; providing for civil 22 liability of owners, operators, and others; making hunting from 23 aircraft unlawful; providing for a repair station operators lien; 24 providing for appeals from rules or orders issued by the commission; providing for the transfer from the Michigan board of 25

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aeronautics to the aeronautics commission all properties and funds

- 1 held by the board of aeronautics; providing for a state aeronautics
- 2 fund and making an appropriation therefor; prescribing penalties;
- 3 and making uniform the law with reference to state development and
- 4 regulation of aeronautics.
- 5 Sec. 2. As used in this act:
- 6 (a) "Accident" means an event involving an aircraft that is
- 7 in-flight in flight or taxiing, resulting in death or injury to any
- 8 person, individual, damage to the aircraft affecting its ability to
- 9 safely operate, or damage to public property or property of another
- 10 person.
- 11 (b) "Aeronautical facilities" means any device, physical or
- 12 otherwise, that is an object of nature or that is human-made, that
- 13 aids and is used in aeronautics.
- 14 (c) "Aeronautics" means any act or matter that treats or deals
- 15 with flight in the airspace.
- 16 (d) "Air navigation" means the operation or navigation of
- 17 aircraft in the airspace over the land and waters of this state.
- 18 (e) "Aircraft" means any contrivance used or designed for
- 19 navigation of or flight in the air. Aircraft does not include an
- 20 unmanned aircraft.
- 21 (f) "Aircraft, civil" means any aircraft other than a public
- 22 aircraft.
- 23 (g) "Aircraft, public" means any aircraft used exclusively in
- 24 the service of any government or of any political subdivision of a
- 25 government, including the government of any state, territory, or
- 26 possession of the United States, or the District of Columbia, but
- 27 not including any government-owned aircraft engaged in carrying
- 28 persons individuals or property for commercial purposes.
- 29 (h) "Airman" means any individual, including the 1-one in

- 1 command, and any pilot, mechanic, or member of the crew, who
- 2 engages in the navigation of aircraft while under way, and any
- 3 individual who is in charge of the inspection, overhauling, or
- 4 repair of aircraft, and any individual who serves in the capacity
- 5 of aircraft dispatcher or air traffic control tower operator.
- 6 (i) "Airport" means any location, either on land or water,
- 7 that is used for the landing or take-off of aircraft, and includes
- 8 the buildings and facilities, if any, on that location. Airport
- 9 does not include a droneport or vertiport.
- 10 (j) "Airport approach plan" means a plan, or an amendment to a
- 11 plan, adopted under section 12 of the airport zoning act, 1950 (Ex
- 12 Sess) PA 23, MCL 259.442.
- (k) "Airport layout plan" means a plan, or an amendment to a
- 14 plan, that shows current or proposed layout of an airport and that
- 15 is approved by the commission.
- 16 (l) "Airport manager" means any individual who is properly
- 17 appointed and designated by the airport owner as the airport
- 18 manager, and who is responsible for the supervision and operation
- 19 of the airport to the airport owner.
- 20 (m) "Airspace approval" means that approval issued by the
- 21 appropriate federal authority pertaining to the safe and efficient
- 22 use of airspace by aircraft for an established or proposed airport
- 23 or landing field.
- 24 (n) "Airspace, navigable" means airspace at and above the
- 25 minimum flight altitudes prescribed in the federal air regulations
- 26 including airspace needed for safe takeoff and landing.
- Sec. 3. As used in this act:
- 28 (a) "Balloon" means a lighter-than-air aircraft that is not
- 29 engine driven and that sustains flight through the use of either

- 1 gas buoyancy or an airborne heater.
- 2 (b) "Commercial activity or operations" means, except as otherwise provided in this subdivision, an activity or operation 3 such as the sale of gasoline or oil, the soliciting or engaging in 4 5 charter flying or flight instruction, the provision of skydiving 6 services in any form, the provision of shelter or the tie-down of an aircraft, the overhaul or repair of an aircraft or of engines, or other activity or operation that offers aeronautic facilities or 8 9 services to the public. Commercial activity or operations does not include agricultural, ballooning, or medical evacuation landing 10
- sites or other facilities associated with medical transport. (c) "Commission" means the Michigan aeronautics commission. 12
  - (d) "Dealer" means a person engaged in the business of purchasing, selling, brokering, exchanging, or dealing in aircraft parts or in aircraft of a type required to be registered.
- (e) "Decal plate" means that distinctive tab, sticker, decal, 16 or plate issued by the commission with the registration certificate 17 18 for an aircraft.
  - (f) "Department" means the state transportation department  $\tau$ bureau office of aeronautics.
  - (q) "Director" means the deputy director of the department, bureau executive administrator of the office of aeronautics who is the director of the Michigan aeronautics commission.
  - (h) "Droneport" means a fixed or mobile location for the housing, maintenance, fueling, and piloting of commercial fleets of unmanned aircraft, and the safe flying of unmanned aircraft.
- 27 Sec. 7. As used in this act:
- (a) "Person" means an individual, partnership, corporation, 28 29 association, governmental entity, or other legal entity.

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- 1 (b) "Political subdivision" means a county, city, village, or
- 2 township of this state, and any other political subdivision, public
- 3 corporation, authority, or district in this state that is or may be
- 4 authorized by law to acquire, establish, construct, maintain,
- 5 improve, and operate airports, landing fields, and other
- 6 aeronautical facilities.
- 7 (c) "Private airport" or "private landing area" means any
- 8 location, either on land or water, that is used for the takeoff or
- 9 landing of aircraft and the use of which is restricted to the owner
- 10 or persons authorized by the owner. Notwithstanding any existing
- 11 limitation or regulation to the contrary, the owner and any person
- 12 authorized by the owner has the right to use the **private airport or**
- 13 private landing area. Commercial operations shall not be conducted
- 14 on a private landing area.
- 15 (d) "Public use facility" means an a publicly or privately
- 16 **owned** airport, landing field, or other aeronautical facility that
- 17 is available for use by the general public without prior approval
- 18 of the owner or operator.
- 19 (e) "Qualified airport" means that term as defined in section
- 20 109.
- 21 (f) "Rule" means a rule promulgated pursuant to the
- 22 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
- 23 24.328.
- 24 Sec. 8. As used in this act:
- 25 (a) "Seaplane" means an aircraft that is capable of landing
- 26 and taking off on the water.
- (b) "Seaplane base" means an area of water used or intended to
- 28 be used for the landing and takeoff of aircraft, together with
- 29 appurtenant shoreside buildings and facilities.



- 1 (c) "State approach surface" means an imaginary plane
  2 longitudinally centered on the extended runway centerline and
  3 extending outward and upward from each end of the state primary
  4 surface.
  - (d) "State primary surface" means a surface longitudinally centered on a runway. For a paved runway, the state primary surface extends 200 feet beyond each end of that runway. for For an unpaved runway, or a planned paved runway, the state primary surface ends at each end of that runway. The elevation of any point on the state primary surface is the same as the elevation of the nearest point on the runway centerline. The width of a state primary surface is as follows:
- (i) One hundred feet for basic utility airports.
- 14 (ii) Two hundred and fifty feet for general utility airports.
- 15 Sec. 9. As used in this act:
- 16 (a) "Taxi" means the moving of an aircraft under its own power 17 either on the ground or on the surface of the water, prior to the 18 beginning of the take-off run and after the end of the landing run.
- 19 (b) "Temporary commercial operations" means any commercial operation conducted for a period not to exceed 120 days per calendar year.
- 22 (c) "Ultralight" means an aircraft meeting requirements of 14 23 C.F.R. part 103.
  - (d) "Unmanned aircraft" means an aircraft flown by a remote pilot via a ground control system, or autonomously through use of an on-board computer, communication links, and any additional equipment that is necessary for the unmanned aircraft to operate safely.
  - (e) <del>(d) "Vehicle" means any device in, upon, or by which a</del>

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- 1 person or property is or may be transported, except an aircraft.
  - (f) "Vertiport" means an area of land, an area of water, or a structure used for the landing and takeoff of VTOL aircraft.
    - (g) "VTOL" means vertical takeoff and landing.
- Sec. 26. (1) There is created and established an aeronautics commission to be known as the The Michigan aeronautics commission is created.
  - (2) The commission shall consist consists of the director of the state transportation department, the director of the department of state police, the director of the department of natural resources, the director of the department of military and veterans affairs, and 5 other members who shall be are appointed by the governor with the advice and consent of the senate and who shall continue in office until their successors are appointed.
- 15 (3) Members of the commission shall be are appointed for terms 16 of 4 years.
  - Sec. 27. Director of aeronautics. There is hereby established and created the The office of director of aeronautics is created within the department. of aeronautics. The state transportation department shall appoint the director shall be appointed by the commission, to serve for an indefinite term, during his efficient, honest and businesslike execution of his duties. He shall be appointed with due regard to his the individual's fitness and by reason of his the individual's aeronautical knowledge and practical experience in the field of aeronautics. He The director shall devote his the director's entire time to the duties of his the office as required and prescribed by this act, and shall not be actively engaged or employed in any other business, vocation, or employment. , nor shall he The director shall not have any

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- 1 pecuniary interest in or any stock in or bonds of any civil
- 2 aeronautics enterprise. He—The director shall receive such
- 3 compensation as **determined by** the <del>commission may determine state</del>
- 4 transportation department and shall be reimbursed for all traveling
- 5 and other expenses incurred by him in the discharge of his in
- 6 discharging the director's official duties.
- 7 Sec. 33. Office and expense-employees of department of
- 8 aeronautics. The commission is hereby authorized to The department
- 9 may employ such assistants, clerks, stenographers, staff and other
- 10 help , and to make such expenditures as it may deem the department
- 11 **considers** necessary for the carrying out of the provisions of this
- 12 act.
- 13 Sec. 34. (1) The state aeronautics fund is created. All money
- 14 received from aviation fuel taxes imposed under section 203(1), the
- 15 portion of sales and use taxes to be deposited into the state
- 16 aeronautics fund under section 25 of the general sales tax act,
- 17 1933 PA 167, MCL 205.75, and section 21 of the use tax act, 1937 PA
- 18 94, MCL 205.111, any money required to be deposited into the state
- 19 aeronautics fund under section 35(3), and all money received from
- 20 licensing of schools of aviation, airports, landing fields, airport
- 21 managers, registration of aircraft and airmen, and from the
- 22 operation of state operated state-operated airports, landing
- 23 fields, state-owned or state-maintained weather observation
- 24 stations, from transportation reimbursements, and from any other
- 25 aeronautical facilities or services, must be paid into the state
- 26 treasury and credited to the state aeronautics fund.
- 27 (2) The qualified airport fund is created. All money to be
- 28 deposited into the qualified airport fund under section 25 of the
- 29 general sales tax act, 1933 PA 167, MCL 205.75, and section 21 of

the use tax act, 1937 PA 94, MCL 205.111, must be paid into the state treasury and credited to the qualified airport fund.

Sec. 35. (1) All money in and credited to the state aeronautics fund created under section 34(1) is appropriated for carrying out this act, and to meet the expenses of the department. However, money in and credited to the state aeronautics fund is not appropriated for carrying out subsection (2), except as provided in subsection (4). Upon appropriation, the state treasurer may draw a warrant on the state treasury to make payments in the amounts and to the persons as directed by the department. subject to approval and release by the state administrative board of the authorized amounts. However, money appropriated under this subsection or later made available must not be expended on an aviation project not carried out under the supervision and direction of the department and with the approval of the commission.

(2) Subject to subsection (3), all money in and credited to the qualified airport fund created under section 34(2) is appropriated for carrying out the purposes described in this subsection. On a quarterly basis, the state treasurer shall disburse from the qualified airport fund to the operator of a qualified airport an amount equal to the amount deposited into the qualified airport fund. If there is more than 1 qualified airport, the state treasurer shall disburse the amount deposited into the qualified airport fund to each operator of a qualified airport in the same proportion that the amount of taxable gallons of fuel sold at the qualified airport during the preceding fiscal year bears to the total amount of taxable gallons of fuel sold at all qualified airports during the preceding fiscal year. An operator of a qualified airport shall use money disbursed to the operator under

- 1 this subsection in the following order of priority:
- 2 (a) For deposit in a bond and interest redemption account
- 3 created by ordinance of the qualified airport solely to pay the
- 4 next scheduled payments for revenue bonds issued by the operator of
- 5 the qualified airport pursuant to an ordinance under the revenue
- 6 bond act of 1933, 1933 PA 94, MCL 141.101 to 141.140, to finance
- 7 capital improvements to landing areas at the qualified airport. The
- 8 capital improvements to landing areas may include, but are not
- 9 limited to, runway and taxiway design, construction, repair or
- 10 rehabilitation, lighting, drainage systems, land acquisition,
- 11 airfield roadways, noise mitigation systems, deicing pads, and
- 12 surveillance systems at the qualified airport.
- 13 (b) To defray the costs of capital improvements to landing
- 14 areas of the qualified airport. The capital improvements to landing
- 15 areas may include, but are not limited to, runway and taxiway
- 16 design, construction, repair or rehabilitation, lighting, drainage
- 17 systems, land acquisition, airfield roadways, noise mitigation
- 18 systems, deicing pads, and surveillance systems at the qualified
- 19 airport.
- 20 (3) If the Federal Aviation Administration or a federal court
- 21 of competent jurisdiction issues a final decision, decision and
- 22 order, or order in a proceeding finding that the deposit or credit
- 23 of money to the qualified airport fund under this act, section 25
- of the general sales tax act, 1933 PA 167, MCL 205.75, and section
- 25 21 of the use tax act, 1937 PA 94, MCL 205.111, does not comply
- 26 with, or disbursements from the qualified airport fund as
- 27 authorized under subsection (2) do not comply with, the federal
- 28 airport revenue use requirements under 49 USC 47107(b) or 49 USC
- 29 47133, the state treasurer shall transfer money in the qualified

- 1 airport fund to the state aeronautics fund as necessary to comply
- 2 with the final decision, decision and order, or order. The state
- 3 treasurer shall only transfer money from the qualified airport fund
- 4 under this subsection while the final decision, decision and order,
- 5 or order is in effect and binding on this state.
- 6 (4) The department shall, on a quarterly basis, disburse all
- 7 money transferred from the qualified airport fund to the state
- 8 aeronautics fund under subsection (3) to the operator of a
- 9 qualified airport. The department shall not disburse money under
- 10 this subsection if the disbursement would violate the terms of the
- 11 final decision, decision and order, or order of the Federal
- 12 Aviation Administration or federal court. If there is more than 1
- 13 qualified airport, the department shall disburse the money to each
- 14 operator of a qualified airport in the same proportion that the
- 15 amount of taxable gallons of fuel sold at the qualified airport
- 16 during the preceding fiscal year bears to the total amount of
- 17 taxable gallons of fuel sold at all qualified airports during the
- 18 preceding fiscal year. An operator of a qualified airport that
- 19 receives money under this subsection shall only use the money for
- 20 the purposes, and in the order of priority, described in subsection
- 21 (2).
- 22 (5) By April 1 , 2017, and by April 1 of each year, after
- 23 <del>2017,</del> the operator of a qualified airport shall file a report with
- 24 the department describing how the money disbursed to the operator
- 25 of the qualified airport under this section was spent or otherwise
- 26 used by the operator of the qualified airport during the preceding
- 27 calendar year. The report must be on a form or in a format
- 28 prescribed or approved by the department.
- 29 (6) As used in this section, "ordinance" means that term as

- defined in section 3 of the revenue bond act of 1933, 1933 PA 94, 1 2 MCL 141.103. Sec. 51. (1) The commission has general supervision over 3 aeronautics within this state. The commission shall encourage, 4 5 foster, and participate with and provide grants to the political 6 subdivisions of this state in the development of aeronautics within this state. The commission shall establish and encourage the 8 establishment of airports, landing fields, and other aeronautical 9 facilities. The commission shall promulgate rules that it considers necessary and advisable for the public safety governing the 10 designing, laying out, location, building, equipping, and operation 11 of airports and landing fields and shall exercise exclusive 12 authority to approve the location and operation of airports, 13 landing fields, and other aeronautical facilities within the this 14 15 state, so as to assure ensure a uniformity in regulations covering aeronautics. In order to implement this act, the commission may 16 establish programs of state financial assistance in the form of 17 18 grants, leases, loans, and purchases, or a combination of grants, leases, loans, and purchases, for assisting political subdivisions 19
- 22 issuance of appropriate and effective rules register pilot's
- 23 certificates issued by the <del>civil aeronautics authority </del>**Federal**
- 24 Aviation Administration or other similar federal authority to
- 25 resident pilots of  $\frac{\text{the-this}}{\text{this}}$  state, for which it may charge a fee
- 26 not to exceed \$5.00; govern and regulate commercial operations in
- 27 intrastate commerce, for which it may charge a fee of not more than

or other persons. The commission shall not grant an exclusive right for the use of an aeronautical facility. The commission may by the

- 28 \$25.00; and provide for the licensing of aircraft dealers, for
- 29 which it may charge a fee of not more than \$25.00.

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- (2) The commission shall cooperate with and assist the federal 1 2 government, state governments, authorities of political subdivisions, and individuals engaged in aeronautics or the 3 development of aeronautics, and shall seek to coordinate the 4 5 aeronautical activities of these entities. The commission may 6 confer with or hold joint hearings with any federal or state governments, their agencies, the authorities of political 8 subdivisions, and individuals, in connection with any matter 9 arising under this act, and avail itself of the cooperation, 10 services, records, and facilities of those agencies in the 11 administration and enforcement of this act. The commission shall reciprocate by furnishing governments and their agencies its 12 cooperation, services, records, and facilities, insofar as may be 13 to the extent that it is practicable. 14
  - (3) The commission may perform acts, issue and amend orders, and make, promulgate, and amend reasonable general or special rules and procedures, and establish minimum standards, consistent with this act, which that it considers necessary to implement this act and to perform its the commission's duties under this act, all commensurate with and for the purpose of protecting and insuring ensuring the general public interest, health, welfare, and safety. The commission may adopt and enforce the provisions of the currently effective federal legislation governing aeronautics. The commission shall promulgate rules to implement this act. The commission may deviate from or add to rules if necessary for the public safety and for the safety of aircraft and airmen within the this state. A rule of the commission shall does not apply to aeronautical facilities owned by the federal government.
    - (4) For the safety of aircraft and airmen within this state,

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- the commission may designate, establish, or modify a state airways system. The commission may publish and distribute maps, charts, and information relating to that system.
- (5) The commission, a commission member or employee, the 4 5 director, and every state, county, and municipal officer charged 6 with the enforcement of state and municipal laws shall enforce and 7 assist in the enforcement of this act and of rules promulgated 8 under this act, and of all other laws of this state relating to 9 aeronautics. In the aid of enforcement, general police powers are 10 conferred upon the commission, each of its members, the director, 11 and the officers and employees of the commission designated by the commission to exercise those powers. The commission is further 12 authorized to enforce this act and rules promulgated under this act 1.3 by injunction in the circuit court. The prosecuting attorney of the 14 15 county in which an offense is committed shall prosecute offenders against this act and other aeronautical laws of this state, or any 16 rule promulgated under this act or order issued by the commission. 17 18 When a complaint is made before a municipal court in a city having 19 such a court, or the district court in the county, district, or 20 political subdivision in which venue is proper, that court may take 21 cognizance, hear, try, and determine such matters and pass sentence 22 upon offenders in accordance with law.
  - (6) The commission, a commission member, the director, or an employee designated by the commission may hold investigations, inquiries, and hearings concerning matters covered by this act, aircraft accidents, or orders and rules of the commission. Each person—individual designated may administer oaths and affirmations, certify to official acts, issue subpoenas, and compel the attendance and testimony of witnesses, and the production of

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- 1 papers, books, and documents. In case of failure to comply with a
- 2 subpoena or order issued under this act, the commission, or its
- 3 authorized representative, may invoke the aid of a court of general
- 4 jurisdiction. The court may order the witness to comply with the
- 5 requirements of the subpoena or order, or to give evidence touching
- 6 the matter in question. Failure to obey the order of the court may
- 7 be punished by the court as contempt.
- 8 (7) In order to To facilitate investigations by the commission
- 9 in the interest of public safety and development of aeronautics,
- 10 the reports of investigations or hearings, or any part of them,
- 11 shall must not be admitted in evidence or used for any purpose in
- 12 an action or proceeding growing out of a matter referred to in the
- 13 investigation, hearing, or report, except in case of criminal or
- 14 other proceedings instituted in behalf of the this state under this
- 15 act or any other law of this state relating to aeronautics. A
- 16 commissioner, director, or an officer or employee of the commission
- 17 shall must not be required to testify to facts ascertained in, or
- 18 information gained by reason of, his or her that individual's
- 19 official capacity, or be required to testify as an expert witness
- 20 in an action or proceeding involving an aircraft. Except as
- 21 otherwise provided in this section, the commission may make
- 22 available to appropriate federal and state agencies information and
- 23 material developed in the course of its hearings and
- 24 investigations.
- 25 (8) For the purposes of executing its powers and duties under
- 26 this act, the commission, upon recommendations to of the state
- 27 administrative board, department, may enter into necessary
- 28 contracts.
- 29 Sec. 52. Powers and duties of director of aeronautics. The



director of aeronautics shall be is the executive officer of the commission and the department of aeronautics and under the commission's supervision shall administer the provisions of this and all other acts relating to aeronautics within this state.

Sec. 53. Delegation of powers to director of aeronautics. The commission may shall delegate to the director of aeronautics—any of the powers or duties vested in or imposed upon it on the commission by this act. Such The delegated powers and duties may be exercised by such the director in the name of the commission.

Sec. 55. (1) The commission may prescribe the duties and conditions of employment of its enforcement—inspection officers. The inspection officers shall be law enforcement officers of the state and shall have the authority of police officers as provided by law, except as otherwise provided in this section. The officers shall be vested with power and authority of deputy sheriffs except that such power and authority shall be restricted to the investigation and enforcement of investigate violations of and enforce rules promulgated and orders issued by the commission, and to the statutes relating to Michigan airports, and the Michigan aeronautics code. The officers may issue summons, make arrests, and initiate criminal proceedings against offenders. The commission shall be responsible for all actions of its officers committed under color of their official position and authority.this act.

(2) A summons issued by the law enforcement officers of the commission for violations of the aeronautics code, the statutes relating to Michigan airports, or the rules and orders promulgated by the commission, shall be answerable before the recorder's court or municipal court of the city in which the violation took place or before the district court in the county, district or political

- 1 subdivision in which the violation took place. An aeronautical
- 2 facility or facility licensed, permitted, or approved by the
- $\ensuremath{\mathtt{3}}$  commission is subject to inspection by an inspection officer at any
- 4 time.

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- 5 Sec. 76. (1) An aircraft tied down, moored, hangared, or based
- 6 within this state and the number assigned to that aircraft by the
- 7 federal aviation administration shall must be registered annually
- 8 every 3 years with the commission and a registration fee must be
- 9 paid as described in section 77. An aircraft shall not be issued a
- 10 state registration certificate when it does not have a valid and
- 11 effective registration certificate as issued by the federal
- 12 aviation administration or a foreign government.
  - (2) An aircraft <del>shall be </del>**is** subject to the registration
- 14 provisions of this act except when it is 1 of the following:
- 15 (a) An aircraft engaged in scheduled passenger service flying
- 16 in interstate or foreign commerce or in that part of interstate or
- 17 foreign commerce which is intrastate in character, and operating
- 18 exclusively under the provisions of a federal certificate issued
- 19 under 14 CFR Part part 121.
- 20 (b) An aircraft owned by the United States government.
- 21 (c) An aircraft of a resident of another state or an aircraft
- 22 of a resident of this state that is tied down, moored, hangared, or
- 23 based within another state, having complied with the registration
- 24 requirements of that state, and operating within this state for a
- 25 period of not more than 90 days in a calendar year. This An
- 26 aircraft **described in this subdivision** shall not engage in
- 27 intrastate commercial activity within this state.
- 28 (d) Aircraft owned by or registered to the United States,
- 29 aircraft of the civil air patrol, Civil Air Patrol, or aircraft

- 1 licensed by a foreign country with which the United States has
- 2 reciprocal relations. This An aircraft described in this
- 3 **subdivision** shall not engage in commercial activity within this
- 4 state.
- 5 (e) An aircraft which, in the opinion of the commission, is in
- 6 a condition that would reasonably preclude its operation during the
- 7 registration period.
- 8 Sec. 76a. (1) A person shall not operate nor shall and an
- 9 owner **shall not** knowingly permit to be operated, except as provided
- 10 in this act, an aircraft of a type required to be registered, which
- 11 is not registered or for which a current certificate of
- 12 registration has not been issued, or for which the current fee has
- 13 not been paid.
- 14 (2) A person shall not operate nor shall and an owner shall
- 15 **not** knowingly permit to be operated, except as provided in this
- 16 act, an aircraft of a type required to be registered, unless there
- 17 is carried in the aircraft, as required by this act, a valid
- 18 registration certificate issued by the commission for the current
- 19 registration year.
- 20 (3) An application for registration shall must be made on
- 21 forms provided by the commission, and shall must be signed and
- 22 sworn to by the applicant. The registration shall must be issued
- 23 subject to approval of the commission. Fees shall must be paid to
- 24 the commission in the form of cash paid in person or in the form of
- 25 an electronic credit card payment, a check, money order, or bank
- 26 draft made payable to the state of Michigan.
- Sec. 77. (1) If an aircraft is registered under this act, the
- 28 commission shall send an application for renewal registration to
- 29 the owner of the aircraft on or after November 1 preceding before

- 1 the year 3-year registration period to be designated on the
- 2 registration. The registration application shall must be executed
- 3 and returned to the commission with payment of the registration fee
- 4 as provided by this section before the expiration date of the prior
- 5 registration. If an owner of an aircraft fails to receive a
- 6 registration application form by December 1, he or she as described
- 7 in this section, the owner shall inform the commission.
- 8 (2) The owner of an aircraft that had was not been previously
- 9 subject to registration under this act but has become subject to
- 10 registration under this act shall inform the commission within 30
- 11 days after becoming subject to registration, shall register the
- 12 aircraft, and shall pay the appropriate fee as provided by this
- 13 section.
- 14 (3) A registration fee shall be is payable annually on or
- 15 before December 31. However, for an aircraft being registered for
- 16 the first time, a registration certificate issued after July 1
- 17 shall be issued at the rate of 50% of the annual fee. All aircraft
- 18 registrations shall expire on January 1 of each year.every 3 years.
- 19 (4) A registration fee shall be is in lieu of all property
- 20 taxes on the aircraft, either general or local.
- 21 (5) A registration fee  $\frac{1}{2}$  be paid at the rate of  $\frac{1}{2}$
- 22 cent 3 cents per pound of either maximum gross weight or maximum
- 23 takeoff weight, whichever is greater, for which the aircraft is
- 24 certified under the federal aviation administration Federal
- 25 Aviation Administration airworthiness certificate.
- 26 (6) If an aircraft owner fails to register or pay the aircraft
- 27 registration fee due under this act by the time specified, a
- 28 penalty of \$50.00 shall must be added if the failure is not more
- 29 than 1 month, with an additional \$5.00 penalty for each additional

- 1 month or fraction of a month during which the registration fee and 2 penalty are not paid.
- 3 (7) If an aircraft registration fee is not paid within the 4 time specified and it is shown to the satisfaction of the
- 5 commission that the failure or refusal was due to reasonable cause
- 6 and not willful neglect, the penalty may be waived at the
- 7 discretion of the director of the state transportation department
- 8 or his or her the director's designated representative. The period
- 9 for which a penalty is assessed  $\frac{\text{shall must}}{\text{must}}$  not exceed  $\frac{1}{\text{year.}}$ 3
- 10 years.

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- 11 (8) If an aircraft registration fee is paid by mail, the 12 postmark date is the date of payment.
- Sec. 80b. (1) A person operating an aircraft shall conform to standard traffic patterns recommended by federal air regulations except as follows:
  - (a) When If meteorological conditions are such that cause compliance with visual flight rules as prescribed by federal air regulations is to be impossible at the prescribed traffic pattern altitudes, altitudes may be reduced as necessary down to but no lower than altitudes in accordance with the appropriate federal air regulations, this act, and the rules promulgated under this act.
  - (b) If local conditions require, and the traffic pattern has been altered to fit these conditions and approved by the commission.
- 25 (2) Aircraft shall conform with properly established to local 26 noise abatement procedures approved by the Federal Aviation 27 Administration.
- 28 (3) A person shall not fly an aircraft acrobatically over a 29 licensed aeronautical facility except upon written authority of the

- 1 airport manager, and then only when the site is closed to traffic.
- 2 (4) Airmen, before departing from a licensed aeronautical
- 3 facility, shall make satisfactory arrangements for the payment of
- 4 storage, repair, and supply charges.
- 5 (5) The owner, operator, or pilot of an aircraft, or a person
- 6 to whom he or she the owner, operator, or pilot has given
- 7 permission to use the aircraft, is directly responsible for its the
- 8 aircraft's safe operation.
- 9 (6) When If an aircraft is involved in an accident in this
- 10 state that causes injury or death, the owner or person in control
- 11 of the aircraft shall immediately report the accident to the
- 12 nearest state police post.
- 13 (7) A person shall not operate an aircraft in a careless or
- 14 reckless manner so as to endanger, or be likely to endanger, the
- 15 life or property of another. Other than at a licensed or approved
- 16 landing area, a person shall not fly an aircraft less than 25 feet,
- 17 (7.6 meters) or 7.6 meters, above the ground at the field boundary,
- 18 or closer than 25 feet, <del>(7.6 meters)</del> or **7.6 meters**, to any object
- 19 or structure while landing or taking off.
- 20 (8) A person shall not fly an aircraft within 500 feet,  $\frac{(153)}{(153)}$
- 21 meters) or 153 meters, of another aircraft, except by
- 22 prearrangement of each aircraft's pilot in command.
- 23 Sec. 80e. (1) Except when as otherwise provided in this
- 24 **section, or except if** necessary for takeoff or landing, an aircraft
- 25 shall must not be flown at any of the following locations:
- 26 (a) Over any congested area of a city or village at an
- 27 altitude below that which, if a power unit fails, will permit an
- 28 emergency landing without undue hazard to persons individuals or
- 29 property on the surface, and in no case not less than 1,000 feet

- above the highest obstacle within a horizontal radius of 2,000 feet from the aircraft.
- 3 (b) Over Except as otherwise provided in this subdivision, any
  4 other area at an altitude of less than 500 feet, (153 meters) or
  5 153 meters, above the surface. , except An aircraft may be operated
  6 at an altitude of less than 500 feet, or 153 meters, above the
  7 surface over open water or sparsely populated areas, in which case
  8 the aircraft shall but must not be operated less than 500 feet from
  9 any person, individual, vessel, vehicle, or structure.
  - (2) A helicopter may be flown at altitudes less than the minimums prescribed in subsection (1), if the operation is conducted without hazard to persons individuals or property on the surface.
    - (3) Unmanned aircraft must be operated in accordance with applicable federal regulations for the operation of unmanned aircraft.
- Sec. 82. (1) A person shall not engage in the business of buying, selling, brokering, or dealing in aircraft of a type required to be registered, unless he or she the person has received a license from the commission.
  - (2) An application for a dealer's license shall must be accompanied by a \$25.00 license fee per year, or \$75.00 for a 3-year period, and shall must be submitted on the appropriate form furnished by the commission. Applications shall must be signed and accompanied by a sworn statement containing the information required by the commission to determine whether the applicant is lawfully entitled to the license.
- 28 (3) A license granted under subsection (1) expires on January
  29 1 of each calendar year after 1 or 3 years and may be renewed upon

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- application and payment of the required fee. The commission may

  issue a 1/2-year license for the balance of the current year if

  application is made after July 1 upon payment of 1/2 of the fee.
  - (4) A dealer or manufacturer shall display a dealer's license in a prominent location at his or her the dealer's or manufacturer's place of business.
  - (5) A licensee shall maintain a record , to be that is open to inspection by any law enforcement officer or authorized officer or investigator of the commission, of every aircraft subject to registration which that is bought, sold, exchanged, received, or accepted by the licensee for sale or exchange. A licensee shall submit a report to the commission of aircraft sold to a resident of another state and include the notice of sale or transfer and the registration certificate, if any.
  - (6) The commission shall issue to aircraft manufacturers, aircraft engine manufacturers, and dealers a distinctive general registration number for each aircraft owned or controlled by them. These—The aircraft shall—described in this subsection must not be used except for demonstration, for sale, for ferrying, or for testing. General registration numbers for manufacturer and dealer aircraft shall—must be issued annually under the same conditions as registration certificates and a \$5.00 charge made for the general registration numbers for manufacturer and dealer aircraft. The general registration number issued to a manufacturer or dealer shall—must be displayed in the aircraft at all times.
  - (7) A manufacturer or dealer selling or exchanging aircraft subject to registration, before delivering an aircraft to the purchaser, shall apply to the commission for aircraft registration.

    7 and the The purchaser shall sign the application for registration

- and other necessary papers to enable the manufacturer or dealer to apply to the commission.
- 3 (8) A dealer Within 15 days after dismantling or wrecking any 4 registered aircraft, a dealer shall forward the registration 5 certificate for that aircraft to the commission within 15 days for 6 cancellation.
  - (9) The commission may cancel, revoke, or suspend the a dealer's license for failure to comply with this section.

Sec. 86. (1) Any individual appointed as an airport manager by the owner of a licensed aeronautical facility, before operating as an airport manager, shall be licensed by the department for which the department may make a reasonable charge not to exceed \$5.00. An airport manager license expires on December 31 —annually.

- (2) All airports, landing fields, and other aeronautical facilities, except those owned or operated by the United States government, before operating as such, shall must be approved by the department before operating as an airport, landing field, or other aeronautical facility.
- (3) The department shall issue annually a license of approval in each case and charge an annual fee of not in excess of more than \$100.00. The fee shall be is in lieu of all real property taxes on the landing area and improvements to the landing area to the extent permitted by section 7y of the general property tax act, 1893 PA 206, MCL 211.7y.
- 25 (4) Commercial operations shall not be performed on any land 26 based landing area other than at a licensed aeronautical facility 27 except that temporary field permits may be issued under this 28 section. All commercial operations shall be based out of a licensed 29 aeronautical facility.

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- (5) If the owner of an aircraft uses, or proposes to use, an area of land for temporary commercial landing areas, he or she the owner shall apply to the commission for a temporary field permit on forms furnished by the commission.
- 5 (6) The annual license of approval issued pursuant to
  6 subsection (2) shall must include a statement, certified by the
  7 director, describing the approach clear zones and transitional
  8 surface areas for the airport for which the license is applicable.
  9 Standards for describing approach clear zones and transitional
  10 surface areas shall must be uniform according to type of runway and
  11 shall must conform with regularly accepted definitions and usage in
  12 the aeronautics field.
  - (7) If an airport requires more than 2 safety inspections by the department before curing safety deficiencies sufficiently to receive or renew a license, the department may charge a reinspection fee of not more than \$500.00 for each inspection after the first 2 safety inspections.
  - Sec. 89c. The department may promulgate rules under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, establishing licensing standards for droneports and vertiports. The licensing standards for droneports and vertiports must be limited to those necessary for the safe integration of unmanned aircraft systems in this state and must include, but are not limited to, standards related to physical placement, communication infrastructure minimums, obstruction clearance, visual markings, and security. The rules described in this section must account for all of the following regarding a droneport or vertiport:
    - (a) The frequency of use.

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- 1 (b) The type of operations conducted.
- 2 (c) The surrounding land use.
- 3 Sec. 109. As used in this chapter:
- 4 (a) "Airport" means a publicly owned airport licensed by the
- 5 state transportation department, bureau of aeronautics department
- 6 under section 86 and includes all airport facilities at the
- 7 airport. An airport is "publicly owned" if the portion used for the
- 8 landing and taking off of aircraft is owned, operated, controlled,
- 9 leased to, or leased by the United States or any agency or
- 10 department of the United States, this state, a local government or
- 11 any municipality or other political subdivision of this state, or
- 12 any other governing body, public agency, or other public
- 13 corporation. Property to be All of the following property is
- 14 included as part of an airport: shall include all of the following:
- 15 (i) Property within the area identified in the latest exhibit
- 16 A, the property map based on deeds, title opinions, land surveys,
- 17 an approved airport layout plan, and project documentation included
- 18 with or attached to federal grant agreements executed by the local
- 19 government that owns or operates the airport prior to before the
- 20 transfer of operational jurisdiction over the airport to an
- 21 authority created under this chapter, and lands purchased with
- 22 federal funds and passenger facility charges related to the
- 23 airport.
- 24 (ii) Other property acquired with the proceeds of any airport
- 25 generated revenues, passenger facility charges, federal grants-in-
- 26 aid related to the airport, or other federal grants for airport
- 27 purposes by the local government that owns the airport over which
- 28 operational jurisdiction is being transferred to an authority.
- 29 (iii) Other property owned or acquired by an authority for

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- 2 (b) "Airport facilities" means any of the following at an 3 airport:
- 4 (i) Real or personal property, or **an** interest in real or 5 personal property, used for the landing, taking off, taxiing, 6 parking, storing, shelter, supply, or care of aircraft, or for 7 receiving or discharging passengers or cargo, and all appurtenant 8 areas used for airport buildings or other airport facilities, and 9 all appurtenant rights-of-way.
  - (ii) Real or personal property, and easements above, on, or under the surface of real or personal property, used or intended to be used for over-flight, for noise abatement or noise buffers, for clear zones, or for side transition zones.
  - (iii) Real or personal property, and easements above, on, or under the surface of real or personal property, used or intended to be used for the full or partial satisfaction of environmental mitigation requirements imposed by any federal, state, county, or other municipal government or agency as a condition of approving the acquisition, construction, expansion, or operation of other airport facilities, whether or not located within the boundaries of the local unit of government that owns the airport over which operational jurisdiction is transferred pursuant to this chapter.
  - (iv) Other structures, improvements, and buildings of all types used or useful for airport related purposes for the convenience of the public or for commercial or general aviation activities, located on the property acquired by or under the operational jurisdiction of the authority, including, but not limited to, restaurants, hotels, motels, exhibition halls, convention facilities, automotive parking facilities, retail stores, aircraft

- 1 fueling systems, automotive service centers, cargo buildings,
- 2 warehouses, kitchen facilities, drainage systems, utilities,
- 3 roadways, automobile and aircraft bridges, and surface
- 4 transportation terminals and facilities.
- 5 (v) Beacons, markers, communications systems, automated
- 6 weather systems, and all navigation facilities for use in aid of
- 7 air navigation.
- 8 (vi) Any and all other improvements or facilities necessary,
- 9 useful, or desirable to serve the occupants, passengers, users,
- 10 employees, operators, airlines, or lessees of any portion of the
- 11 property or facilities of the authority, or which that are
- 12 otherwise deemed considered by the authority to be in the public
- 13 interest, including, but not limited to, facilities necessary,
- 14 used, useful, or intended for use for handling, parking, storing,
- 15 display, sale, displaying, selling, or servicing of aircraft,
- 16 either private or commercial; for the accommodation of persons
- 17 individuals and handling of freight, mail, and other items
- 18 transported by air, for the furnishing and supplying of goods,
- 19 commodities, services, things, and facilities that are deemed
- 20 **considered** by the authority to be appropriate for the safety or
- 21 convenience of the traveling public or of the operators of
- 22 aircraft, or otherwise in the public interest; and in or for the
- 23 equipping, operation, operating, and maintenance maintaining of any
- 24 airport facilities of the authority.
- 25 (c) "Approval date" means the effective date of the issuance
- 26 by the federal aviation administration FAA to the authority
- 27 assuming operational jurisdiction of an airport of a certificate
- 28 under part 139 of chapter 14 of the code of federal regulations 14
- 29 CFR part 139 with respect to the airport, and the concurrence by

- 1 the FAA of the designation of the authority as a sponsor of the
- 2 airport, including the FAA's approval of the assignment of existing
- 3 grant agreements to the authority.
- 4 (d) "Authority" means a public airport authority created by or
- 5 pursuant to section 110 and governed by a board.
- 6 (e) "Board" means the governing body of an authority appointed 7 pursuant to section 111.
  - (f) "Department" means the state transportation department.
- 9 (g) "Enplanement" means a domestic, territorial, or
- 10 international revenue passenger who boards an aircraft at an
- 11 airport in scheduled or nonscheduled service of aircraft in
- 12 intrastate, interstate, or foreign service and includes an in-
- 13 transit passenger who boards an international flight that transits
- 14 an airport in the United States for nontraffic purposes.
- 15 (h) "FAA" means the federal aviation administration Federal
- 16 Aviation Administration of the United States department of
- 17 transportation, Department of Transportation, or any successor
- 18 agency.

- 19 (i) "Fiscal year" means that annual period that is the fiscal
- 20 year of the local government that owns the airport over which an
- 21 authority has assumed operational jurisdiction or, if the local
- 22 government is not required to include the authority in the
- 23 financial statements of the local government, that annual period
- 24 established by the board.
- 25 (j) "Legislative body" means the elected body of a local
- 26 government having legislative powers.
- 27 (k) "Local chief executive officer" means the mayor or manager
- 28 of a city or village, the township supervisor of a township, or the
- 29 county executive of a county or, if a county does not have a county

- 1 executive, the chairperson of the county board of commissioners.
- 2 (1) "Local government" means a county, city, township, or 3 village that owns or operates an airport.
- 4 (m) "Passenger facility charge" or "PFC" means a passenger
  5 facility fee authorized under section 40117 of title 49 of the
  6 United States Code, 49 U.S.C. USC 40117, and designated as a
  7 passenger facility charge under part 158 of title 14 of the code of
- 8 federal regulations.14 CFR part 158.
- 9 (n) "Qualified airport" means an airport, other than a
  10 military airport, that has 10,000,000 or more enplanements in any
  11 12-month period.
  - (o) "Sponsor" means the public agency authorized by subchapter I of chapter 471 of title 49 of the United States Code, 49 U.S.C. under 49 USC 47101 to 47134, 47146 to submit requests for, and thereafter accept, and be responsible for performing all of the assurances associated with accepting grant agreements with respect to airports from the FAA or this state and to impose a passenger facility charge at airports, and to perform certain duties and responsibilities previously assumed by the local government that owns or operates the airport prior to before the transfer of operational jurisdiction of the airport to an authority created under this chapter by virtue of the local government's acceptance prior to before the approval date of grants for the benefit of the airport from the FAA or any other agency of the United States or this state.
  - Sec. 155. Whenever—If any obstructions of whatever nature shall be—are determined to be a hazard adjacent to or surrounding a state—owned airport, landing field, or other aeronautical facility, the commission shall notify the state administrative board

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- 1 department of the hazard with an order for its abatement, and the
- 2 state administrative board department may institute proper
- 3 proceedings in the name of and for the this state of Michigan for
- 4 the abatement of the hazard. Failure to effectively comply with an
- 5 order shall subject subjects the airport, landing field, or other
- 6 aeronautical facility to either restrictive use of the airport,
- 7 landing field, or other aeronautical facility, or its entire
- 8 closing, in the interest of the safety, health, and welfare of the
- 9 public, and the safe use of aeronautical facilities in this state.
- 10 Enacting section 1. Section 36 of the aeronautics code of the 11 state of Michigan, 1945 PA 327, MCL 259.36, is repealed.
- 12 Enacting section 2. This amendatory act does not take effect
- 13 unless House Bill No. 4835 of the 103rd Legislature is enacted into
- 14 law.

