

Representative Derek E. Brown proposes the following substitute bill:

AMENDMENTS TO TRANSPORTATION PROVISIONS

2011 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Derek E. Brown

Senate Sponsor: Wayne L. Niederhauser

LONG TITLE

General Description:

This bill modifies the Transportation Code by amending provisions relating to aircraft registrations.

Highlighted Provisions:

This bill:

- ▶ requires the Tax Commission to annually provide the Utah Division of Aeronautics a list of all aircraft registered in this state;

- ▶ requires an interim committee designated by the Legislative Management Committee to:

- hear reports from the Department of Transportation and the Tax Commission on aircraft based within the state and aircraft registrations within the state; and

- study the progress and results of updating the information contained in the statewide database of all aircraft based within the state and the compliance rates for aircraft registrations for aircraft that are based within the state.

Money Appropriated in this Bill:

None

Other Special Clauses:

None



26 **Utah Code Sections Affected:**

27 AMENDS:

28 **72-10-110**, as last amended by Laws of Utah 2009, Chapters 226 and 358

29 **Uncodified Material Affected:**

30 ENACTS UNCODIFIED MATERIAL

31

32 *Be it enacted by the Legislature of the state of Utah:*

33 Section 1. Section **72-10-110** is amended to read:

34 **72-10-110. Aircraft registration information requirements -- Registration fee --**

35 **Administration -- Partial year registration.**

36 (1) All applications for aircraft registration shall contain:

37 (a) a description of the aircraft, including:

38 (i) the manufacturer or builder;

39 (ii) the aircraft registration number, type, year of manufacture, or if an experimental
40 aircraft, the year the aircraft was completed and certified for air worthiness by an inspector of
41 the Federal Aviation Administration; and

42 (iii) gross weight;

43 (b) the name and address of the owner of the aircraft; and

44 (c) where the aircraft is located, or the address where the aircraft is usually used or
45 based.

46 (2) (a) Except as provided in Subsection (3), at the time application is made for
47 registration or renewal of registration of an aircraft under this chapter, an annual registration
48 fee of 0.4% of the average wholesale value of the aircraft shall be paid.

49 (b) For purposes of calculating the value of the aircraft under Subsection (2)(a) or
50 (3)(d), the Tax Commission shall use the average wholesale value as stated in the Aircraft
51 Bluebook Price Digest.

52 (3) (a) Notwithstanding Subsection (2), the following aircraft shall pay an annual
53 registration fee of \$100:

54 (i) an aircraft not listed in the Aircraft Bluebook Price Digest; or

55 (ii) an experimental aircraft.

56 (b) Notwithstanding Subsection (2), an aircraft 50 years or older shall pay the lesser of:

- 57 (i) \$100; or
- 58 (ii) the uniform fee provided for under Subsection (2)(a).
- 59 (c) Notwithstanding Subsection (2), an aircraft that does not have a valid airworthiness
- 60 certificate for a period of six months or more:
 - 61 (i) may not apply for a certificate of registration required under Section 72-10-109; and
 - 62 (ii) is exempt from paying a registration fee until the aircraft has a valid airworthiness
 - 63 certificate.
- 64 (d) Notwithstanding Subsection (2), an aircraft shall pay an annual registration fee of
- 65 .25% of the average wholesale value of the aircraft if:
 - 66 (i) used by an air charter service for air charter; and
 - 67 (ii) owned by a person other than the air charter service.
- 68 (4) (a) The Tax Commission shall provide a registration card to an owner of an aircraft
- 69 if:
 - 70 (i) the owner complies with the registration requirements of this section; and
 - 71 (ii) the owner of the aircraft states that the aircraft has a valid airworthiness certificate.
- 72 (b) An owner of an aircraft shall carry the registration card in the registered aircraft.
- 73 (5) The registration fees assessed under this chapter shall be collected by the Tax
- 74 Commission to be distributed as provided in Subsection (6).
- 75 (6) After deducting the costs of administering all aircraft registrations under this
- 76 chapter, the Tax Commission shall deposit all remaining aircraft registration fees in the
- 77 Aeronautics Restricted Account created by Section 72-2-126.
- 78 (7) Aircraft which are registered under this chapter for less than a full calendar year
- 79 shall be charged a registration fee which is reduced in proportion to the fraction of the calendar
- 80 year during which the aircraft is registered in this state.
- 81 (8) (a) The Utah Division of Aeronautics shall maintain a statewide database of all
- 82 aircraft based within the state.
 - 83 (b) On or before October 1 of each year, the Utah Division of Aeronautics shall
 - 84 provide the Tax Commission with the data the Tax Commission requires from the database
 - 85 described in Subsection (8)(a).
- 86 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 87 commission may by rule define the contents of the database described in Subsection (8)(a).

88 (d) The Tax Commission shall annually provide the Utah Division of Aeronautics a list
89 of all aircraft registered in this state.

90 (9) The Tax Commission may suspend or revoke a registration if it determines that the
91 required fee has not been paid and the fee is not paid upon reasonable notice and demand.

92 Section 2. **Study.**

93 (1) During the 2011 interim, the Legislative Management Committee shall designate an
94 appropriate interim committee of the Legislature to study the progress and results of updating
95 the information contained in the statewide database of all aircraft based within the state and the
96 compliance rates for aircraft registrations for aircraft that are based within the state.

97 (2) The Department of Transportation shall report to the designated interim committee
98 on the progress of updating the information contained in the statewide database of all aircraft
99 based within the state maintained by the Division of Aeronautics.

100 (3) The Tax Commission shall report to the designated interim committee on aircraft
101 registration compliance rates for aircraft that are based within the state.

102 (4) The designated interim committee shall:

103 (a) hear the reports required under Subsections (2) and (3); and

104 (b) consider appropriate legislative remedies for increased enforcement of aircraft
105 registration compliance, including providing compensation to airport operators for the costs of
106 disclosing information regarding aircraft that are based within the state to the Division of
107 Aeronautics.

FISCAL NOTE

H.B. 261 1st Sub. (Buff)

SHORT TITLE: **Amendments to Transportation Provisions**

SPONSOR: **Brown, D.**

2011 GENERAL SESSION, STATE OF UTAH

STATE GOVERNMENT (UCA 36-12-13(2)(b))

Enactment of this bill likely will not materially impact the state budget.

LOCAL GOVERNMENTS (UCA 36-12-13(2)(c))

Enactment of this bill likely will not result in direct, measurable costs for local governments.

DIRECT EXPENDITURES BY UTAH RESIDENTS AND BUSINESSES (UCA 36-12-13(2)(d))

Enactment of this bill likely will not result in direct, measurable expenditures by Utah residents or businesses.