

Senator Wayne A. Harper proposes the following substitute bill:

AERONAUTICS AMENDMENTS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: Walt Brooks

LONG TITLE

General Description:

This bill amends provisions related to aeronautics.

Highlighted Provisions:

This bill:

- ▶ transfers certain functions related to aeronautics from the State Tax Commission to the Department of Transportation;
- ▶ grants rulemaking authority to the Department of Transportation;
- ▶ permits the Department of Transportation to assess the value of certain aircraft;
- ▶ requires an aircraft without a valid airworthiness certificate to apply for a certificate of registration; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

⚡→ [None] This bill provides a special effective date. ←⚡

Utah Code Sections Affected:

AMENDS:

59-2-404, as last amended by Laws of Utah 2008, Chapter 206



26 **72-10-109**, as last amended by Laws of Utah 2017, Chapter 364

27 **72-10-110**, as last amended by Laws of Utah 2016, Chapters 224 and 333

28 **72-10-112**, as last amended by Laws of Utah 2016, Chapter 333

29

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

31 Section 1. Section **59-2-404** is amended to read:

32 **59-2-404. Uniform fee on aircraft -- Collection of fee by Department of**
 33 **Transportation -- Distribution of fee.**

34 (1) In accordance with Utah Constitution Article XIII, Section 2, Subsection (6),
 35 beginning on January 1, 2009, an aircraft, required to be registered with the state is:

36 (a) exempt from the tax imposed by Section **59-2-103**; and

37 (b) in lieu of the tax imposed by Section **59-2-103**, subject to a uniform statewide fee
 38 of \$25.

39 (2) (a) The Department of Transportation shall collect the uniform fee [~~shall be~~
 40 ~~collected by the commission with the registration fee and distributed~~] and ~~and~~ **§→ [provide]**
 40a **distribute ←§** the uniform
 41 fee **§→ [to the commission for distribution]** ~~←§~~ to the county in which the aircraft is based.

42 (b) A based aircraft is an aircraft which is hangared, tied down, [~~or parked at the~~
 43 ~~airport~~] parked, or domiciled in the state for a plurality of the year.

44 (3) (a) The uniform fees received by a county under Subsection (2) shall be distributed
 45 to each taxing entity within the county in the same proportion in which revenues collected from
 46 the ad valorem property tax are distributed.

47 (b) Each taxing entity described in Subsection (3)(a) that receives revenues from the
 48 uniform fee imposed by this section shall distribute the revenues in the same proportion in
 49 which revenues collected from the ad valorem property tax are distributed.

50 (4) [~~The commission shall promulgate~~] In accordance with Title 63G, Chapter 3, Utah
 51 Administrative Rulemaking Act, the Department of Transportation may make rules to
 52 implement this section.

53 Section 2. Section **72-10-109** is amended to read:

54 **72-10-109. Certificate of registration of aircraft required -- Exceptions.**

55 (1) (a) A person may not operate, pilot, or navigate, or cause or authorize to be
 56 operated, piloted, or navigated within this state any civil aircraft [~~located~~] domiciled in this

150 ~~Aeronautics a list of all aircraft registered in this state.]~~

151 (10) The ~~[State Tax Commission]~~ department may suspend or revoke a registration if
152 ~~[it]~~ the department determines that the required fee has not been paid and the fee is not paid
153 upon reasonable notice and demand.

154 Section 4. Section **72-10-112** is amended to read:

155 **72-10-112. Failure to register -- Penalty -- Compliance audits and inspections --**
156 **Rulemaking.**

157 (1) Failure to register any aircraft required to be registered with the state ~~[in the county~~
158 ~~in which the aircraft is located]~~ subjects the owners of the aircraft to the same penalties
159 provided for motor vehicles under Sections [41-1a-1101](#), [41-1a-1301](#), and [41-1a-1307](#).

160 (2) (a) The ~~[division]~~ department shall conduct compliance audits and inspections as
161 needed to enforce state laws related to the registration of aircraft.

162 (b) The ~~[division]~~ department shall coordinate with airport operators to determine and
163 verify accurate reporting of aircraft that are based within the state for the purpose of
164 administering and enforcing state aircraft registration laws.

165 (3) (a) In addition to the penalties described in Subsection (1), the ~~[division]~~
166 department may impose a fine of 10% of the registration fee for the first month and 5% of the
167 registration fee for each subsequent month an aircraft is operated in violation of Section
168 [72-10-109](#).

169 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
170 ~~[division]~~ department shall makes rules establishing procedures for the enforcement of state
171 aircraft registration laws and the administration of penalties described in this section.

172 (c) The ~~[division]~~ department shall comply with the procedures and requirements of
173 Title 63G, Chapter 4, Administrative Procedures Act, in all adjudicative proceedings conducted
174 for the enforcement of penalties under this section.

174a **§→ Section 5. Effective date.**

174b **This bill takes effect on January 1, 2019. ←§**