

Introduced by

1 A BILL for an Act to create and enact chapter 2-05.1 of the North Dakota Century Code, relating  
2 to the creation of a central management system for state-owned or state-leased aircraft and to  
3 create a central aircraft management fund; and to provide for the transfer of aircraft to the  
4 central aircraft management system.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1.** Chapter 2-05.1 of the North Dakota Century Code is created and enacted as  
7 follows:

8 **2-05.1-01. Definitions.**

9 As used in this chapter unless the context otherwise requires:

- 10 1. "Aircraft" means an airplane or a helicopter.  
11 2. "Commission" means the aeronautics commission.  
12 3. "Director" means the director of the aeronautics commission or the director's  
13 designee.  
14 4. "State agency" means an agency, board, bureau, commission, department, institution,  
15 office, or any other entity of the executive branch of state government, excluding:  
16 a. The office of the adjutant general; and  
17 b. Entities under the control of the state board of higher education.

18 **2-05.1-02. Central management system for state-owned aircraft.**

- 19 1. The director shall establish within the commission a central management system to  
20 regulate the operation, maintenance, and management of all aircraft owned or leased  
21 by the state for use by state agencies subject to this chapter. The director shall provide  
22 a uniform method of recording and reporting the utilization, aircraft hours, and other  
23 costs of operating the aircraft. The director, within legislative authorizations, may  
24 employ personnel necessary to carry out the duties prescribed by this chapter. The

1            director shall advise the director of the office of management and budget regarding the  
2            need to acquire or dispose of system aircraft.

3            2. Every state agency must use the central management system for air-related  
4            transportation or other aircraft operations. However, a state agency may authorize an  
5            officer or employee to use a private passenger airplane pursuant to section 54-06-09  
6            or a commercial air service. Upon agreement between a state agency and the director,  
7            the director may purchase or lease specialized aircraft for use by the agency that  
8            meets specifications set by the agency.

9            **2-05.1-03. User charges - Incidental revenues.**

10          Each agency using the central aircraft management system shall pay a user charge to the  
11          director. The director shall determine the user charge which must be based upon the actual cost  
12          of operating the aircraft, including applicable pilot costs and other operational costs,  
13          depreciation costs, and estimated aircraft replacement costs. The user charges and any  
14          proceeds from insurance claims, aircraft sales, commercial refunds or rebates, or similarly  
15          derived proceeds must be remitted to the state treasurer for deposit in the central aircraft  
16          management fund.

17          **2-05.1-04. Central aircraft management fund.**

18          The central aircraft management fund is a special fund in the state treasury. Moneys in the  
19          fund are available, subject to legislative appropriations, to the aeronautics commission for  
20          expenses related to the operation of the central aircraft management system.

21          **SECTION 2. TRANSFER OF STATE-OWNED OR STATE-LEASED AIRCRAFT.** The title or  
22 other documents representing ownership of aircraft owned or leased by a state agency subject  
23 to chapter 2-05.1 must be transferred to the director of the aeronautics commission on July 1,  
24 2013.

**NOTE:** An appropriation will need to be provided to the Aeronautics Commission from the central aircraft management fund in either this bill or the commission's appropriation bill for expenses related to the central aircraft management system for the 2013-15 biennium.