

AERONAUTICS

CHAPTER 83

HOUSE BILL NO. 1206
(Committee on Transportation)
(At the request of the Aeronautics Commission)

AIRMEN REGISTRATION

AN ACT to amend and reenact section 2-05-10 of the North Dakota Century Code, relating to registration of airmen; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 2-05-10 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

2-05-10. Registration of airmen. Every individual who pilots, maintains, and certifies airworthiness of an aircraft or helicopter within this state shall register with the aeronautics commission and shall renew such registration every ~~two~~ four years thereafter in which he pilots, maintains, or certifies airworthiness of an aircraft or helicopter within this state. The aeronautics commission shall charge for any one or more such registrations for each individual or company, and for each ~~two-year~~ four-year renewal thereof, a fee of ~~three~~ eight dollars, except that the aeronautics commission shall charge ~~one dollar and fifty cents~~ three dollars for each two-year registration or renewal thereof for student pilots.

SECTION 2. EMERGENCY. This Act is hereby declared to be an emergency measure and is in effect from and after its passage and approval.

Approved March 15, 1983

CHAPTER 84

HOUSE BILL NO. 1167
(Committee on Transportation)
(At the request of the Aeronautics Commission)

ULTRALIGHT VEHICLE REGISTRATION FEES

AN ACT to amend and reenact section 2-05-11 of the North Dakota Century Code, relating to aircraft and ultralight vehicle registration fees, distribution of proceeds; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 2-05-11 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

2-05-11. Aircraft registration - Fees. Every aircraft or ultralight vehicle operating within this state for more than thirty days shall be registered with the aeronautics commission for each year in which the aircraft or ultralight vehicle is operated within this state, subject to rules and regulations established by the commission. The commission shall charge for each such registration, and for each annual renewal thereof, the following fees:

Gross Weight in Pounds		License Fees
0 to	1,000 -----	\$ 15-00
1,001 to	1,500 -----	18-75
1,501 to	2,000 -----	22-50
2,001 to	2,500 -----	30-00
2,501 to	3,000 -----	37-50
3,001 to	3,500 -----	45-00
3,501 to	4,000 -----	52-50
4,001 to	5,000 -----	60-00
5,001 to	6,000 -----	75-00
6,001 to	7,000 -----	90-00
7,001 to	8,000 -----	105-00
8,001 to	9,000 -----	120-00
9,001 to	10,000 -----	135-00
10,001 to	15,000 -----	150-00
15,001 to	20,000 -----	225-00
20,001 to	30,000 -----	300-00
30,001 to	40,000 -----	450-00
40,001 to	50,000 -----	600-00

Gross Weight in Pounds	Registration Fees	
	Effective	Effective
	January 1, 1984	January 1, 1985
0 to 500	\$ 10.00	\$ 15.00
501 to 1,000	22.00	30.00
1,001 to 1,500	28.00	38.00
1,501 to 2,000	34.00	45.00
2,001 to 2,500	45.00	60.00
2,501 to 3,000	56.00	75.00
3,001 to 3,500	68.00	90.00
3,501 to 4,000	79.00	105.00
4,001 to 5,000	90.00	120.00
5,001 to 6,000	113.00	150.00
6,001 to 7,000	135.00	180.00
7,001 to 8,000	158.00	210.00
8,001 to 9,000	180.00	240.00
9,001 to 10,000	203.00	270.00
10,001 to 15,000	225.00	300.00
15,001 to 20,000	338.00	450.00
20,001 to 30,000	450.00	600.00
30,001 to 40,000	675.00	900.00
40,001 to 50,000	900.00	1,200.00
50,001 to 75,000	1,125.00	1,500.00
75,001 to 100,000	1,688.00	2,250.00
100,001 and over	2,250.00	3,000.00

Registration fees effective on January 1, 1984 are for calendar year 1984. Registration fees effective on January 1, 1985 are for calendar year 1985. The above fees are to be reduced ten percent each year after the initial registration, or if the aircraft is one year old or older and being registered for the first time the fees shall be reduced ten percent for each year after the year of manufacture of the aircraft, until the fee reaches a figure equal to fifty percent of the original registration fee, which shall be the fee each year thereafter. All weights shall be based upon the maximum permissible take-off weight, except the weights shall be empty weights for all ultralight vehicles which are not certificated for maximum permissible take-off weight. The above registration fee shall be in lieu of personal property taxes upon such aircraft. The aeronautics commission may charge a reasonable cost of service fee for registration of aircraft operated by state agencies, political subdivisions, or the civil air patrol in lieu of the regular registration fee. There is hereby created an aeronautics distribution fund within the treasury of the state of North Dakota. All fees received from the provisions of this section shall be deposited in the aeronautics distribution fund. Seventy-five percent of the fees so collected and deposited in the aeronautics distribution fund shall be distributed by the state treasurer on vouchers prepared by the commission to the treasurer of the county of the registrant's residence or if the registrant is not a resident of North Dakota then to the treasurer of the county in which is

located the airport at which the registrant's aircraft or ultralight vehicle is based and the county treasurer shall pay such remittances over to the municipality or airport authority operating an airport within said county; provided that if there is more than one publicly owned and or operated airport within said county, that the said moneys shall be prorated between said public airports on the same ratio that the assessed value of each municipality ~~operating an airport~~ with a public airport shall bear to the total assessed value of all municipalities ~~operating with~~ airports within said county; and if there are no publicly owned or operated airports in said county, said remittances so paid to the county treasurer shall be held and retained by said treasurer in a separate fund to be used in the future for airport purposes.

The remaining twenty-five percent shall be transferred to the state general fund. The distribution of the fees in the aeronautics fund as hereinbefore provided shall be accomplished at the end of each calendar year.

SECTION 2. EFFECTIVE DATE. This Act becomes effective on January 1, 1984.

Approved April 6, 1983

CHAPTER 85

SENATE BILL NO. 2491
(Lashkowitz, Kilander, Tennefos, Matchie)

**AIRPORT AUTHORITY
GENERAL OBLIGATION BONDS**

AN ACT to amend and reenact section 2-06-10 of the North Dakota Century Code, relating to issuance of general obligation bonds for airport authorities; and providing that this Act does not affect transactions occurring before the effective date of this Act; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

* SECTION 1. AMENDMENT. Section 2-06-10 of the 1981 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

2-06-10. Bonds and other obligations.

1. An authority shall have the power to may borrow money for any of its corporate purposes and issue its bonds therefor, including refunding bonds, in such form and upon such terms as it may determine, payable out of any revenues of the authority, including grants or contributions from the federal government or other sources, which bonds may be sold at not less than ninety-eight percent of par plus the interest accrued on the bonds to the date of the delivery thereof.
2. Bond issues sold at private sale shall bear interest at a rate or rates and be sold at a price resulting in an average net interest cost not exceeding twelve percent per annum. There is no interest rate ceiling on those issues sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities.
3. Any bonds issued pursuant to this chapter by an authority, or by a governing body exercising the powers thereof, shall be payable, as to principal and interest, solely from revenues of an airport or air navigation facility or facilities, and shall so state on their face, but if any such issue of bonds constitutes an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction, each bond of the issue shall be is,

* NOTE: Section 2-06-10 was also amended by section 2 of House Bill No. 1058, chapter 82.

subject to the requirements of subsection 9, an equally valid and binding special obligation of the authority or municipality, as the case may be, in accordance with its terms, in an amount proportionate to the total amount of the issue which is within such limitation or restriction. Neither the commissioners of an authority nor the governing body of a municipality nor any person executing such bonds shall be liable personally thereon by reason of the issuance thereof, except to the extent that the bonds, if constituting an indebtedness, exceed any applicable limitation or restriction.

4. In case any of the commissioners or officers of an authority or municipality whose signatures appear on any bonds or coupons cease to be such commissioners or officers after authorization but before the delivery of the bonds, the signature shall, nevertheless, be valid and sufficient for all purposes, the same as if the commissioners or officers had remained in office until delivery. Any provision of any law to the contrary notwithstanding, any bonds issued pursuant to this chapter shall be fully negotiable.
5. Any bond reciting in substance that it has been issued by the authority or municipality pursuant to this chapter and for a purpose or purposes authorized by this chapter shall be conclusively deemed, in any suit, action, or proceeding involving the validity or enforceability of the bond or the security therefor, to have been issued pursuant to this chapter and for such purpose or purposes.
6. Bonds issued by an authority or municipality pursuant to this chapter are declared to be issued for an essential public and governmental purpose and, together with interest thereon, and income therefrom, shall be exempt from all taxes.
7. For the security of any such bonds the authority or municipality may by resolution make and enter into any covenant, agreement, or indenture authorized to be made as security for revenue bonds issued under chapter 40-35. The sums required from time to time to pay principal and interest and to create and maintain a reserve for the bonds may be made payable from any and all revenues referred to in this chapter, prior to the payment of current costs of operation and maintenance of the facilities.
8. Whenever bonds are issued under this chapter and made payable from revenues of an airport involving municipalities with over ten thousand population, subject to requirements of subsection 9, the governing body of the municipality, if at any time all revenues, including taxes, appropriated and theretofore collected for such

bonds are insufficient to pay principal or interest then due, shall levy a general tax upon all of the taxable property in the municipality for the payment of the deficiency. If at any time a deficiency is likely to occur within one year for the payment of principal and interest due on the bonds, the governing body, in its discretion, may levy a general tax upon all the taxable property in the municipality for the payment of the deficiency. The taxes shall not be subject to any limitation of rate or amount applicable to other municipal taxes; provided that the initial resolution authorizing bonds for airport financing shall be published in the official paper; and any owner of taxable property within the city may within sixty days after such publication file with the city auditor a protest against the adoption of the resolution. If the governing body finds the protests to have been signed by the owners of taxable property having an assessed valuation equal to twenty percent or more of the assessed valuation of all taxable property within the city, as theretofore last finally equalized, all further proceedings under the initial resolution shall be barred.

9. For bonds issued under this section to be an obligation of a municipality or authority, the issuance of the bonds must be approved by a majority vote of the governing body of each municipality involved or, within thirty days after the authority decides it wishes to issue the bonds, the municipality or authority must put the question, specifying the amount of the bond at issue, to the people at an election. The question may be put at a general election, a primary election, a municipal election, or at an election called for the purpose. If a majority of the qualified electors voting on the issue vote in favor of issuing the bonds, the authority or municipality may, to the amount authorized in the election, pledge the general obligation of the authority or municipality to guarantee the repayment of the principal and interest on the bonds.

SECTION 2. PROSPECTIVE EFFECT OF ACT. This Act does not impair the validity of bonds issued before the effective date of this Act nor does this Act affect commissioners holding office before the effective date of this Act for the remainder of the terms of their office.

SECTION 3. EMERGENCY. This Act is hereby declared to be an emergency measure and is in effect from and after its passage and approval.

Approved April 13, 1983

CHAPTER 86

SENATE BILL NO. 2320
(Senator Nelson)
(Representatives Peltier, Sinner)

AIRPORT MILL LEVY AUTHORITY

AN ACT to amend and reenact section 2-06-15 of the North Dakota Century Code, relating to county mill levies for airport authorities.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF NORTH DAKOTA:

* SECTION 1. AMENDMENT. Section 2-06-15 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

2-06-15. County tax levy for airport purposes. In counties supporting airports or airport authorities, a levy in addition to all other levies permitted by law, not to exceed four mills on the net taxable valuation of property in such county, may be made for such purposes, but such levy shall not apply to any city, township, or park district that already has an airport levy.

Approved March 15, 1983

* NOTE: Section 2-06-15 was also amended by section 1 of Senate Bill No. 2071, chapter 593, and section 1 of Senate Bill No. 2065, chapter 606.

CHAPTER 87

HOUSE BILL NO. 1630
(Representative Goetz)
(Senator Todd)

ULTRALIGHT VEHICLE AND AIRCRAFT DEALER LICENSURE

AN ACT to create and enact a new chapter to title 2 of the North Dakota Century Code, relating to aircraft and ultralight vehicle dealer licensing, grounds for denial or revocation of dealer's license, and powers of the aeronautics commission; to provide a penalty; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. A new chapter to title 2 of the North Dakota Century Code is hereby created and enacted to read as follows:

Definitions. The following words, terms, and phrases, when used in this chapter, have the meaning ascribed to them in this section, except where the context clearly indicates a different meaning:

1. "Aircraft" includes airplanes and helicopters.
2. "Aircraft dealer" means every person, partnership, association, or corporation engaged in the business of buying, selling, leasing, or exchanging more than three aircraft in any twelve consecutive months, except for a business liquidation of used aircraft, or who advertises or holds himself out to the public as being engaged in the business of buying, selling, leasing, or exchanging of aircraft. Any person, partnership, association, or corporation doing business in several locations or airports shall be considered a separate dealer in each location.
3. "Ultralight vehicle dealer" means every person, partnership, association, or corporation engaged in the business of buying, selling, leasing, or exchanging more than two ultralight vehicles in any twelve consecutive months, or who advertises or holds himself out to the public as being engaged in the business of buying, selling, leasing, or exchanging of ultralight vehicles. Any person, partnership, association, or corporation doing

business in several locations shall be considered a separate dealer at each location.

4. "Ultralight vehicles" means piloted vehicles which are flown in airspace and are not required by the federal aviation administration to have a federal certificate of airworthiness. All other piloted ultralight vehicles required to have a federal experimental airworthiness certificate are defined as aircraft.

Exemption. This chapter does not apply to any person who only leases aircraft to state institutions of higher education.

Aircraft dealer's license - Fees - Dealer's place of business. No person, partnership, association, or corporation may engage in the business of buying, selling, leasing, or exchanging aircraft, or advertise or hold out to the public as being in the business of buying, selling, leasing, or exchanging of aircraft without first being licensed as provided in this chapter.

The aeronautics commission shall prescribe and furnish license and renewal license application forms. A nonrefundable fee of twenty-five dollars must accompany each application for each dealer location. A dealer's license expires on December thirty-first of each year, and application for renewal must be made before the expiration of the current dealer's license. For each annual twenty-five dollar license fee or renewal, the dealer shall be issued one dealer's registration for one demonstrator aircraft. Additional dealer's demonstrator aircraft registrations shall be issued to a licensed dealer upon the payment of ten dollars for each additional demonstrator aircraft, provided such demonstrator aircraft are not used for commercial purposes to produce rental or air taxi revenue, or used for aerial spraying while awaiting sale or trade. All new or used demonstrator aircraft which are for resale but are used by a dealer to produce commercial revenue, or air taxi or rental revenue or for aerial spraying must be registered with the commission and the annual registration fees paid in accordance with the laws of this state. Fees from license applications of aircraft dealers shall be deposited with the state treasurer and credited to the state general fund. Fees received for additional aircraft registrations for demonstrator aircraft shall be deposited with the state treasurer, who shall deposit such funds in the aeronautics distribution fund, and such funds shall be distributed by the state treasurer in accordance with section 2-05-11.

The aeronautics commission shall issue dealer's licenses only to dealers who maintain a permanent place of business on an airport open for public use, whether publicly or privately owned in the state of North Dakota, with runway length, aprons, and safe aircraft approaches adequate for fixed wing aircraft or helicopters of the type sold by such a dealer. An established central place on an airport shall mean that such dealer has an enclosed office, building or structure owned or leased with adequate facilities and equipment for the maintenance, service, and repair of aircraft. The dealer

shall maintain business records in the dealer's place of business. The dealer's place of business shall be adequate to conduct an aircraft dealer's business where selling, trading, and bartering of aircraft may be conducted and shall not be a residence or temporary quarters or so-called permanent quarters occupied pursuant to temporary arrangements. An applicant for an aircraft dealer's license cannot qualify with only a privately owned aircraft hangar as a place of business, which is usually used for storage of aircraft on an airport open for public use. An aircraft dealer to qualify for a dealer's license must maintain an aircraft or helicopter service and repair shop on an airport open for public use with a minimum of five thousand dollars in tools, equipment, aircraft parts and supplies, as determined by a representative of the director of the aeronautics commission.

The aeronautics commission shall issue a license only after inspection and approval of the aircraft dealer's facilities.

Ultralight vehicle dealer's license - Fees - Dealer's place of business. No person, partnership, association, or corporation may engage in the business of buying, selling, leasing, or exchanging ultralight vehicles, or advertise or hold out to the public as being in the business of buying, selling, leasing, or exchanging of ultralight vehicles without first being licensed as provided in this chapter.

The aeronautics commission shall prescribe and furnish license and renewal license application forms. A nonrefundable fee of fifteen dollars must accompany each application for each dealer location. A dealer's license expires on December thirty-first of each year, and application for renewal must be made before the expiration of the current dealer's license. For each annual fifteen dollar license fee or renewal, the dealer shall be issued one dealer's registration for one demonstrator ultralight vehicle. Additional dealer's demonstrator ultralight vehicle registrations shall be issued to a licensed dealer upon the payment of ten dollars for each additional demonstrator ultralight vehicle. Fees from license applications of ultralight vehicle dealers shall be deposited with the state treasurer and credited to the state general fund. Fees received for additional demonstrator ultralight vehicle registrations shall be deposited with the state treasurer, who shall deposit such funds in the aeronautics distribution fund, and such funds shall be distributed by the state treasurer in accordance with section 2-05-11.

An ultralight vehicle dealer shall maintain a permanent place of business in North Dakota which may be off or on an airport, provided, if the place of the business is off an airport, such dealer shall maintain a cleared area of sufficient size and length to safely demonstrate ultralight vehicles without undue approach hazards, or hazards to other persons or property. The dealer shall maintain business records in the dealer's place of business. An ultralight dealer to qualify for a dealer's license must maintain at least one flyable ultralight vehicle for demonstration purposes and shall maintain a minimum of five hundred dollars in tools,

equipment, parts or supplies to provide service for ultralight vehicles. The aeronautics commission shall have the option of inspection of each ultralight dealer prior to issuing a dealer's license or a renewal.

Dealers to furnish information to director of aeronautics commission. All dealers engaged in the sale of aircraft or ultralight vehicles in this state shall furnish the director of the aeronautics commission and purchasers with information as to model, specification, selling price, with no trade-in allowances, and names and addresses of purchasers and such other data requested by the director of the aeronautics commission as may be necessary in carrying out the provisions of this chapter. All dealers shall keep records of all aircraft and ultralight vehicle sales for two years.

Examination of books and records. The director of the aeronautics commission or his duly authorized representative may inspect the pertinent books, letters, records, and contracts of any licensed aircraft or ultralight vehicle dealer relating to specific complaints made against such dealer and which may be in violation of any provisions of this chapter or title 2 or 57.

Powers of the aeronautics commission. In addition to other powers provided by law, the aeronautics commission shall have the following powers and duties which shall be exercised in conformity with this chapter:

1. To cancel, revoke, or suspend a dealer's license as provided for in this chapter.
2. To prescribe rules and regulations not inconsistent with this chapter governing the application for dealer's licenses and the cancellation or suspension or revocation of dealer's licenses.
3. To employ and pay such persons as may be necessary to inspect dealers in this state, investigate dealers for the information needed by the aeronautics commission, to procure evidence in connection with any prosecution or other action to suspend, revoke, or cancel a dealer's license in relation to any matter in which the aeronautics commission and the director has any duty to perform.

Grounds for denial, suspension, cancellation or revocation of dealer's license. The director of the aeronautics commission may deny an application for a dealer's license or suspend, revoke, or cancel such a license after it has been granted for the following reasons:

1. For any material misstatement by an applicant in the application for the license.
2. For any willful failure to comply with the provisions of this chapter or with any rule or regulation promulgated by the aeronautics commission.

3. For knowingly permitting any salesman to sell or exchange, or offer or attempt to sell or exchange any aircraft or ultralight vehicle except for the licensed dealer by whom he is employed, or to offer, transfer or assign any sale or exchange that he may have negotiated to any other dealer.
4. For having violated any law relating to the sale, distribution, or financing of aircraft or ultralight vehicles.
5. For having ceased to have an established place of business as herein defined.

Such cancellation and revocation shall be done in the manner and according to the procedure described in chapter 28-32, the Administrative Agencies Practice Act.

Dealer permitting license to be used by another dealer - Licensed revoked. Any dealer who permits any other dealer to use his dealer's license, or permits the use of such license for the benefit of any other dealer, shall have his dealer's license revoked.

Officers to administer the provisions of chapter. The aeronautics commission, its director and staff, shall be responsible for the administration of the provisions of this chapter.

Penalty for violation of provisions of chapter. Any person violating any of the provisions of this chapter is guilty of an infraction for which a maximum fine of five hundred dollars may be imposed. For a second and subsequent offense, such person shall be guilty of a class B misdemeanor.

SECTION 2. EFFECTIVE DATE. This Act becomes effective on January 1, 1984.

Approved April 5, 1983