

AERONAUTICS

CHAPTER 57

HOUSE BILL NO. 1139
(Committee on Transportation)
(At the request of the Aeronautics Commission)

AERONAUTICS COMMISSION SPECIAL FUND

AN ACT to amend and reenact sections 2-05-10, 2-05-11, 2-05-11.3, 2-05-12, 2-05-18, 2-08-03, 2-08-04, 57-40.5-09, 57-43.3-06, and 57-43.3-07 of the North Dakota Century Code, relating to the distribution of funding for the aeronautics commission; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 2-05-10 of the North Dakota Century Code is amended and reenacted 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 four years thereafter in which he pilots, maintains, or certifies airworthiness of an aircraft or helicopter within this state. The commission shall charge for any one or more such registrations for each individual or company, and for each four-year renewal thereof, a fee of eight dollars, except that the commission shall charge three dollars for each two-year registration or renewal thereof for student pilots. These fees must be deposited into the aeronautics commission special fund.

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

2-05-11. Aircraft registration - Fees. The following procedures governing fees and registration apply:

1. Except as provided in section 2-05-11.3, every aircraft or ultralight vehicle operating within this state for more than thirty days must be registered with the aeronautics commission for each year in which the aircraft or ultralight vehicle is operated within this state, subject to rules adopted by the commission. The commission shall charge a fee for each such registration. The following fees apply:

Gross Weight in Pounds	Registration Fees
0 to 500	\$ 15.00
501 to 1,000	30.00
1,001 to 1,500	38.00
1,501 to 2,000	45.00
2,001 to 2,500	60.00
2,501 to 3,000	75.00
3,001 to 3,500	90.00
3,501 to 4,000	105.00

4,001 to 5,000	120.00
5,001 to 6,000	150.00
6,001 to 7,000	180.00
7,001 to 8,000	210.00
8,001 to 9,000	240.00
9,001 to 10,000	270.00
10,001 to 15,000	300.00
15,001 to 20,000	450.00
20,001 to 30,000	600.00
30,001 to 40,000	900.00
40,001 to 50,000	1,200.00
50,001 to 75,000	1,500.00
75,001 to 100,000	2,250.00
100,001 and over	3,000.00

The fees must 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 must 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 is the fee each year thereafter.

2. All weights must be based upon the maximum permissible take-off weight, except that the weights must be empty weights for all ultralight vehicles which are not certificated for maximum permissible take-off weight.
3. 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.
4. There is hereby created an aeronautics distribution fund in the state treasury. All fees received under this section must be deposited in the aeronautics distribution commission special fund. The fees must be distributed as follows:
 - a. Seventy five percent of the fees so collected and deposited in the aeronautics distribution fund must 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. The county treasurer shall pay such remittances over to the municipality or airport authority operating an airport within the county. If there is more than one publicly owned or operated airport within the county, the moneys must be prorated between the public airports on the same ratio that the assessed value of each municipality with a public airport bears to the total assessed value of all municipalities with airports within the county. If there are no publicly owned or operated airports in the county, the remittances so paid to the county treasurer must be held and retained by the treasurer in a separate fund to be used in the future for airport purposes.

~~b. The remaining twenty-five percent must be transferred to the state general fund.~~

~~The distribution of the fees in the aeronautics fund as hereinbefore provided must be accomplished at the end of each calendar year.~~

SECTION 3. AMENDMENT. Section 2-05-11.3 of the North Dakota Century Code is amended and reenacted as follows:

2-05-11.3. Fee for a permanent registration - Issuance of registration decal - Disposition of fee. The fee for a permanent registration under section 2-05-11.2 is eighty-five dollars. The commission shall prepare a distinctive decal denoting permanent registration under section 2-05-11.2. That decal must be displayed in the aircraft in the same manner required for the registration decal otherwise issued under this chapter. ~~Of the fee received for the registration, the commission may retain ten dollars for administering sections 2-05-11.1 through 2-05-11.3 and providing the distinctive decal required under this section. The rest of the fee must be deposited in the aeronautics distribution fund for distribution as provided by section 2-05-11 commission special fund.~~

SECTION 4. AMENDMENT. Section 2-05-12 of the North Dakota Century Code is amended and reenacted as follows:

2-05-12. Licensing of air schools and aeronautics instructors. The commission may provide for the licensing of air schools, and of aeronautics instructors giving instructions in ground subjects pertaining to aeronautics. For each license it shall charge an annual fee of ten dollars. These funds must be deposited into the aeronautics commission special fund.

SECTION 5. AMENDMENT. Section 2-05-18 of the North Dakota Century Code is amended and reenacted as follows:

2-05-18. License for aerial spraying - Regulations - Penalties. No person may engage in aerial spraying without first obtaining a license for each aircraft used in such activities as provided in this section. Application must be made for such license to the North Dakota aeronautics commission upon forms provided by the commission for such purpose. Upon the payment of a license fee of fifteen dollars for each aircraft to be licensed, and upon compliance with such reasonable rules and regulations as may be promulgated by the aeronautics commission for the safety and protection of persons and property, the commission shall issue a license for such aircraft to be used in aerial spraying. Persons engaged in private spraying are required to pay same fee for the use of aircraft for this purpose, and shall comply with all rules and regulations promulgated by the commission for aerial spraying. The license and fees provided in this section are in addition to any other license or registration required by law, and the proceeds ~~shall~~ must be deposited in the aeronautics ~~distribution~~ commission special fund. ~~One-half of the proceeds must be distributed by the state treasurer from the aeronautics distribution fund to the county treasurer upon vouchers prepared by the commission, to be divided equally to approved publicly owned or operated airfields in said county. The remaining fifty percent must be transferred to the state general fund.~~

Any person violating any provision of this section or rules or regulations promulgated under the authority of this section shall be guilty of a class B misdemeanor.

SECTION 6. AMENDMENT. Section 2-08-03 of the North Dakota Century Code is amended and reenacted as follows:

2-08-03. 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 must be issued one dealer's registration for one demonstrator aircraft. Additional dealer's demonstrator aircraft registrations must 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 must be deposited with the state treasurer and credited to the state general aeronautics commission special fund. Fees received for additional aircraft registrations for demonstrator aircraft must be deposited with the state treasurer, who shall deposit such funds in the aeronautics distribution commission special fund, and such funds must 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 means 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 must be adequate to conduct an aircraft dealer's business where selling, trading, and bartering of aircraft may be conducted and may 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.

SECTION 7. AMENDMENT. Section 2-08-04 of the North Dakota Century Code is amended and reenacted as follows:

2-08-04. 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 must be issued one dealer's registration for one demonstrator ultralight vehicle. Additional dealer's demonstrator ultralight vehicle registrations must 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 and any other fees received for additional demonstrator ultralight vehicle registrations must be deposited with the state treasurer, who shall deposit such funds in the aeronautics distribution commission special fund, and such funds must 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 shall 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 has the option of inspection of each ultralight dealer prior to issuing a dealer's license or a renewal.

SECTION 8. AMENDMENT. Section 57-40.5-09 of the North Dakota Century Code is amended and reenacted as follows:

57-40.5-09. Allocation of revenue. All moneys collected and received under this chapter shall be transmitted monthly by the director to the ~~state tax commissioner who shall pay them to the state treasurer to be credited to the state general fund~~ aeronautics commission special fund. These funds may be used for airport construction or improvement projects as approved by the aeronautics commission in an amount as allowed by the commission.

SECTION 9. AMENDMENT. Section 57-43.3-06 of the North Dakota Century Code is amended and reenacted as follows:

57-43.3-06. Distribution of revenue. The tax collected by the commissioner pursuant to section 57-43.3-04 shall be deposited by the commissioner in the office of the state treasurer, who shall deposit such moneys in a special fund known as the state aeronautics commission ~~construction~~ special fund. These funds are hereby appropriated to the commission and shall be disbursed by warrant-check prepared by the office of management and budget upon vouchers submitted by the commission and approved by the office of management and budget, for commission administration and the purpose of matching of any funds made available by political subdivisions or airport authorities of this state, the state, or the United States, only if the political subdivision or airport authority is not qualified for or does not receive any funds under section 2-05-06.5. These funds shall be used for airport construction or improvement projects including airport administration and terminal buildings, hangars, landing strips for aircraft, and purchase of sites for airports or landing fields and easements; and for maintenance, clearing of sites, marking, lighting, and engineering and navigational aids, all related to aeronautics in amounts as the commission may determine and upon projects as the commission may approve.

SECTION 10. AMENDMENT. Section 57-43.3-07 of the North Dakota Century Code is amended and reenacted as follows:

57-43.3-07. Allocation of unclaimed refund revenue - Appropriation. The tax collected by the commissioner pursuant to section 57-43.3-02, upon which no refund is claimed, and those revenues remaining as unclaimed refunds shall be deposited in the office of the state treasurer, who shall deposit such moneys in a special fund known as the state aeronautics commission special fund. These funds are hereby appropriated to the commission and shall be disbursed by warrant-check prepared by the office of management and budget upon vouchers submitted by the commission and approved by the office of management and budget and shall be administered and expended by the commission for administration, construction, reconstruction, repair, maintenance, and operation of airports near communities, recreational areas, or parks including the international peace garden airport and for necessary expenses and for the purchase of land and easements for such facilities.

SECTION 11. EMERGENCY. Sections 1 through 9 of this Act are declared to be an emergency measure.

Approved April 5, 1991
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