

## **Proponent Testimony for SB206 Establish process for selling abandoned or derelict aircraft**

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**T. Alex Beres, Executive Director, Clinton County Port Authority**

Chair Kunze, Vice Chairman Reineke, Ranking Member Antonio, and members of the Senate Transportation Committee, my name is Alex Beres and I have the pleasure of leading the Clinton County Port Authority. Thank you for the opportunity to present testimony in support of Senate Bill 206.

The Clinton County Port Authority has a dual mandate: we are the lead economic development agency for all of Clinton County, representing the county as one voice in matters of development opportunities. But most fundamentally, we are also the owners, and tasked with the revitalization, of the Wilmington Air Park.

Nearly 14 years ago, the Wilmington Air Park's assets were donated to the Clinton County Port Authority from DHL, after DHL decided to reorganize and move its operations out of Wilmington. This resulted in a rapid loss of 8000 jobs.

Thanks to the dedication and determined growth of our credit tenant, ATSG, the largest lessor of freight airplanes in the world, and the decision by Amazon Air to locate its second largest hub at the Air Park, we now have 4,600+ employees working within the Air Park. Additionally, for the past four years we've been the busiest air cargo hub in the State of Ohio, the 3rd busiest "cargo-focused airport" in the nation, and the 22<sup>nd</sup> busiest air cargo hub for any commercial or cargo-focused airport in the country. We're the leader in the state's air cargo system as well as a reliable relief valve for the

nation's supply chain. And we take pride in continuing to be the largest employment center and economic engine for not just Clinton County but the entire multi-county region.

I come here today in support of Senate Bill 206 as it would directly benefit the safety, infrastructure viability, and economic development of the Wilmington Air Park. The Air Park has multiple large commercial jet airplanes that have sat abandoned and now derelict for years due to the unique nature of the Air Park's transition to public ownership. The inability to track down transfers of ownership let alone have the legal means to perfect liens or foreclose on these planes in the State of Ohio leaves the Port Authority powerless to address a major safety concern. One airplane has sat derelict and abandoned since the Port Authority took ownership of the Wilmington Air Park nearly 14 years ago and I share a picture of that plane as well as other examples with you today.

### The Bill

The Ohio Revised Code (ORC) currently does not provide any procedures for a public airport to dispose of an aircraft that has been abandoned on a public airport's property and is often in derelict or not airworthy condition. This bill provides extensive time periods, robust notification procedures, and reasonable criteria to ensure that only aircraft that have truly become abandoned and derelict can be disposed of by public airports. The bill provides the aircraft's ownership with clear procedures and a reasonable amount of time to address deficiencies and take proper corrective actions in order to maintain ownership of their aircraft.

The bill provides definitions and differing procedures depending upon whether an abandoned aircraft is airworthy or derelict.

### Abandoned Aircraft

An abandoned aircraft is an aircraft located at a public use airport where the aircraft owner has not paid any tie-down, rent, or storage costs for use of the premises for at least ninety consecutive days. After a public airport determines that an aircraft is abandoned, the legislation provides procedures to attempt to notify the aircraft owner and with extensive time periods to permit the aircraft

owner to cure any issue. It then allows for a procedure to place a lien on the aircraft for accrued fees and charges.

### Derelict Aircraft

A derelict aircraft is separately defined as an aircraft located at a public-use airport where the owner has not paid any tie-down, rent, or storage costs for use of the premises for at least ninety consecutive days and in addition, the aircraft is not in flyable condition, does not comply with the FAA's regulations allowing for it to be operated or flown, and it does not have an approved written repair plan. The bill then provides additional time for the current owner or lienholder to be notified of the potential disposition of their aircraft. If after 30 days of the notice having been made, the owner does not remove the aircraft, the public airport may sell the aircraft or have it scrapped and demolished. Any funds received beyond the total of the fees accrued and costs associated with the sale or demolition of the aircraft would be distributed to any other known lienholders, the current owner(s), or ultimately treated as unclaimed funds and sent to the State.

Despite the determined efforts that have rejuvenated an airport to now serve as the State of Ohio's #1 air cargo hub this abandoned plane (referenced above with picture) sits as an open wound to the community, a safety hazard, an impediment to maintaining the critical infrastructure underneath it, and a detraction from several economic development pursuits. We look forward to working with the legislature to finally let this wound heal and provide airports in Ohio, like the Wilmington Air Park, the ability to provide clarity and put teeth into an abandoned and derelict airplane law.

Chair Kunze, and Senators, thank you, again, for this opportunity and for your help in continuing our Ohio success story at the Wilmington Air Park. We invite all of you to Wilmington for a tour of the airport.