

Proponent Testimony on SB 206

Before the Senate Transportation Committee

By Tony Fiore, Executive Director, Ohio Aviation Association

Wednesday, May 8, 2024

Chair Kunze, Vice Chair Reineke, Ranking Member Antonio, and members of the Senate Transportation Committee, thank you for the opportunity to provide proponent testimony on **Senate Bill 206**.

My name is Tony Fiore and I serve as the Executive Director for the Ohio Aviation Association. OAA represents the 104 public-owned, public-use airports in the State of Ohio and numerous businesses that use and rely on airports. Dozens of airports across the state, likely one in or close to your districts, have dealt with derelict or abandoned aircraft in the past or maybe dealing with one or more today. SB 206 is the solution.

States have been addressing this issue with legislation for more than a decade. Texas uses its Property Code for Repair and Storage. Most states enact a statute as is being proposed in <u>SB 206</u> to address disposal of derelict and abandoned aircraft on the premises of public-use airports, including Indiana, Florida, Missouri, and Utah. If <u>SB 206</u> becomes law some aircraft will be sold while others scrapped and dismantled. Some abandoned or derelict aircraft owners will show up, pay what is due to the airport and/or remove the aircraft like the airport has been asking them to do for years (or decades).

Modern lease agreements can address a lot of the problems with nonpayment for space occupied by these derelict or abandoned aircraft on airports, but difficulty in finding the current owner can prove to be nearly impossible especially if the planes were owned by overseas companies and transferred repeatedly. Wilmington Air Park has at least five derelict aircraft that have sat untended and without paying any storage fees for multiple consecutive years. Akron-Canton Airport has an aircraft that is obstructing a taxiway project. Other smaller general aviation airports have smaller aircraft occupying space without payment. Unfortunately, Ohio law 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 derelict or unable to fly. Therefore, the statute needs to be more clear on the rights and responsibilities of the airport and the aircraft owner.

In short, an <u>abandoned aircraft</u> is: 1) located on a public-owned, public-use airport, and 2) the owner or operator has not paid any tie-down, hanger, rent, or storage costs for use of the premises for at least 90 days. The airport must search records at the FAA and ODOT-Office of Aviation for the last known owner's name and address. The airport shall send notice within 21



days of determining the last known owner with: a) the description and location of the aircraft, b) the amount of fees and charges due and payable, c) that the airport may seek to perfect a lien if, within 30 days, the owner doesn't remove the aircraft and pay all accrued fees and charges. A lien claimant (the airport) shall file the affidavit 90 days after the date by which the abandoned aircraft owner was required to remove the aircraft. As you can see, we are talking about well over 7 months' worth of lost revenue to the airport for an aircraft owner that doesn't want to comply with their obligations.

On the other hand, a <u>derelict aircraft</u> is: 1) located on a public-owned, public-use airport, and 2) not in a flyable condition, 3) it does not comply with FAA regulations that would allow it to be operated or flown, 4) it does not have a written repair plan approved and signed by either the FAA certified airframe and power plant mechanic or other certified aircraft mechanic professional, and 5) the owner or operator has not paid any tie-down, hanger, rent, or storage costs for use of the premises for at least 90 days. Notice provisions similar to abandoned aircraft are prescribed, but instead of a lien the airport may remove, sell, scrap, or otherwise dispose of the derelict aircraft within 30 days of the notice. In addition to the written notice to the owner the airport shall also file notice with the FAA aircraft registration branch and the airport's website. The airport can dispose of the aircraft through a salvage or scrap metal dealer or sell it at a public auction. Any excess funds 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) of the aircraft, or ultimately treated as unclaimed funds and sent to the State.

While the bill doesn't directly specify this option as introduced, another means of disposal may be to donate the aircraft to their Aircraft Rescue and Fire Fighting (ARFF) team or local fire department that serves the airport. This would provide real planes for those local teams to train on.

In summary, some of these aircraft have become hazards on our public-owned, public-use airports. They also detract from operations resulting in lost revenue. These aircraft stall efforts to attract businesses to locate their operation at a public airport. <u>SB 206</u> provides reasonable timeframe for the airport and aircraft owners, robust notification procedures, and reasonable criteria to ensure that only aircraft that are abandoned or derelict can be disposed of by public airports.

The Ohio Aviation Association urges your support for SB 206 and asks the Senate to pass the bill as soon as possible before the summer break to begin our advocacy efforts in the House.

I would be happy to answer any questions.