As Introduced

135th General Assembly Regular Session 2023-2024

S. B. No. 206

Senator Hackett

A BILL

To amend sections 1311.71, 1311.72, 1311.73,	1
1311.75, 1311.76, 1311.77, and 4561.01 and to	2
enact sections 1311.721, 4561.26, and 4561.27 of	3
the Revised Code to establish a process by which	4
an abandoned or derelict aircraft may be sold.	5

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 1311.71, 1311.72, 1311.73,	6
1311.75, 1311.76, 1311.77, and 4561.01 be amended and sections	7
1311.721, 4561.26, and 4561.27 of the Revised Code be enacted to	8
read as follows:	9
Sec. 1311.71. As used in sections 1311.71 to 1311.80 of	10
the Revised Code:	11
(A) "Aircraft" has the same meaning as in section 4561.01	12
of the Revised Code and includes any part or equipment of the	13
aircraft. "Aircraft" includes an abandoned aircraft, unless	14
otherwise specified.	15
(B) <u>"Abandoned aircraft" means an aircraft to which both</u>	16
of the following apply:	17
(1) It is located on the premises of a public-use airport.	18

(2) The owner or operator has not paid any tie-down,	19
hanger, rent, or storage costs for use of the premises for at	20
least ninety consecutive days.	21
(C) "Director" means the director or other chief executive_	22
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officer of a public-use airport. "Director" includes the	
<u>director's or chief's designee.</u>	24
<u>(D)</u> "Labor" means to repair, service, store, or maintain	25
an aircraft.	26
(C) (E) "Materials" means all products and substances,	27
including gasoline, oil, lubricants, accessories, parts, and	28
equipment, that are furnished for an aircraft.	29
(F) "Public-use airport" means an airport owned or	30
operated by a political subdivision.	31
(G) "Stores" means to keep an aircraft on real property	32
owned by a person that is not the owner of the aircraft.	33
"Stores" includes any necessary transportation of the aircraft	34
to an appropriate location for its storage.	35
Sec. 1311.72. (A) Except as provided in division (B) of	36
this section, any person who performs labor upon <u>, stores,</u> or	37
furnishes materials for an aircraft has a lien upon the aircraft	38
to secure payment for the labor, storage, and materials. Except	39
as provided in division (B) of this section, any person who owns	40
or operates an airport or repair shop and whose employee	41
performs labor upon, stores, or furnishes materials for an	42
aircraft has a lien upon the aircraft to secure payment for the	43
labor, storage, and materials.	44
(B) No <u>Unless</u> the aircraft is an abandoned aircraft, no	45
person shall have a lien pursuant to division (A) of this	46
section if the person has possession of the aircraft or if the	47

cost of the storage, the labor performed, or the materials 48 furnished for the aircraft is greater than or equal to one 49 thousand dollars and the owner of the aircraft has not requested 50 or consented to the performance of the storage, labor, or 51 furnishing of the materials. 52 (C) A lien that arises under this section is valid against 53 any person except a purchaser or encumbrancer who in good faith, 54 without notice, and for value acquired rights prior to the 55 recording of an affidavit for lien pursuant to section 1311.73 56 of the Revised Code. 57 Sec. 1311.721. (A) Before perfecting a lien that arises 58 under section 1311.72 of the Revised Code for an abandoned 59 aircraft, the director of a public-use airport shall search the 60 appropriate records of the airport and contact both of the 61 following entities to determine the name and address of the last 62 registered owner: 63 (1) The federal aviation administration's aircraft 64 registration branch; 65 (2) The office of aviation. 66 (B) (1) Within twenty business days after receipt of the 67 information obtained under division (A) of this section, the 68 director shall send notice to the owner of the abandoned 69 aircraft that was identified in accordance with division (A) of 70 this section that includes all of the following information: 71 (a) A description of the abandoned aircraft that includes 72 its federal aviation administration n-number, manufacturer name, 73 model designation, and serial number; 74 (b) The location of the abandoned aircraft on the airport 75 76 premises;

(c) The amount of any fees and charges for the use of the	77
airport by the abandoned aircraft that have accrued;	78
(d) That the airport may seek to perfect a lien in	79
accordance with section 1311.73 of the Revised Code if, within	80
thirty calendar days after the date of receipt of such notice or	81
notification that delivery was not possible, the owner does not	82
remove the abandoned aircraft from the airport and pay all	83
accrued fees and charges.	84
(2) The notice described in division (B)(1) of this	85
section may be sent by any of the following methods:	86
(a) Certified or express mail with return receipt	87
requested;	88
(b) Certified mail with electronic tracking;	89
(c) A commercial carrier service utilizing any form of	90
delivery requiring a signed receipt;	91
(d) Personal service.	92
(C) The director may proceed in accordance with section	93
1311.73 of the Revised Code if the owner of the abandoned	94
aircraft does not pay the accrued fees and charges in full and	95
does not remove the abandoned aircraft within thirty days of the	96
acknowledged receipt, or notification that the delivery was not	97
possible, of a notice sent in accordance with division (B) of	98
this section.	99
(D) Failure of the owner to receive a notice of removal	100
does not invalidate a lien perfected under section 1311.73 of	101
the Revised Code if the director complies with division (B) of	102
this section.	103
Sec. 1311.73. (A) (1) To perfect a lien that arises	104

under section 1311.72 of the Revised Code, the person claiming105the lien shall make and file for record with the United States106federal aviation administration an affidavit verified under oath107that includes all of the following information:108

(a) The amount owed to the lien claimant for the labor, 109 storage, or materials, a; 110

(b) A description of the aircraft that reasonably 111 identifies it including the manufacturer, model, serial number, 112 and registration number of the aircraft, the; 113

(c) The name of the person for whom the labor was 114 performed, the storage was provided, or the materials were 115 furnished, the if applicable; 116

(d) The name of the owner of the aircraft, if known, the; 117
(e) The name and address of the lien claimant, the; 118

(f) The date that the lien claimant or histhe lien119claimant's employee last performed any labor upon, stored, or120furnished any materials for the aircraft, theor if the storage121is ongoing;122

(g) The date that the lien claimant surrendered possession 123 of the aircraft, if hethe lien claimant surrendered it, and the; 124

(h) The name and address of the person who prepared the 125 affidavit.

(2) The omission or inaccuracy of any address in the127affidavit does not invalidate the affidavit. The lien claimant128may verify the affidavit before any person authorized to129administer oaths, including an agent for the owner, the lien130claimant, or any other interested party. An agent of the lien131claimant may sign the affidavit for the lien claimant, provided132

that the agent states his the agent's capacity with respect t	133
the lien claimant. A lien claimant is considered to have fil	.ed 134
for record with the United States federal aviation	135
administration an affidavit upon receipt of the affidavit by	7 the 136
United States federal aviation administration as evidenced b	oya 137
certified mail return receipt.	138
(B) The affidavit may be in the following form:	139
"Affidavit for Artisan's L ien on Aircraft	140
State of Ohio,	141
County of, ss:	, 142
of	143
whose address is	_, 144
being first duly sworn, says that <u>hesuch lien claimant</u> or	145
hissuch lien claimant's employee performed labor, repairs,	146
services, or maintenance upon, provided storage, or furnishe	ed 147
storage, materials, products, substances, accessories, parts	s, or 148
equipment for a certain aircraft or part or equipment of a	149
certain aircraft at the request of, w	nhose 150
address is, and of which	151
is the titled owner.	152
The owner's address is	153
The aircraft upon which labor, repairs, services, or	154
maintenance were performed, or storage was provided, or	155
materials, products, substances, accessories, parts, or	156
equipment were furnished is identified as follows:	157
Manufacturer:	158
Model:	159

Serial number	160
Registration number	161
The last date that labor, repairs, services, or	162
maintenance were performed upon $_{\scriptstyle L}$ or storage was provided, or	163
materials, products, substances, accessories, parts, or	164
equipment were furnished for the aircraft herein identified,	165
including any part or equipment of that aircraft, was	166
, or alternatively,	167
storage is still ongoing as of the following date:	168
//	169
The lien claimant states there is justly and truly due,	170
over and above all legal setoffs, the sum of dollars,	171
for which the lien claimant claims a lien on the aircraft	172
identified herein.	173
The lien claimant states that he<u>the lien claimant</u> is (is	174
not) currently in possession of the aircraft. (The lien claimant	175
states that he<u>the lien claimant</u> surrendered possession of the	176
aircraft on the day of,)	177
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Lien claimant	179
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Capacity with respect to lien	181
claimant	182
Sworn to before me and subscribed in my presence this	183
day of,	184
	185
Notary public	186

This instrument was prepared by _____ 187 whose address is _____ 188 (C) A lien claimant shall file the affidavit within one of 189 the following periods: 190 (1) Ninety days after the date on which hethe lien 191 <u>claimant</u> or <u>histhe lien claimant's</u> employee last performed labor 192 upon or furnished materials for the aircraft that is subject to 193 the lien, if hethe lien claimant or histhe lien claimant's 194 employee is in possession of the aircraft at the time of filing; 195 (2) Ninety days after the date on which hethe lien 196 claimant or histhe lien claimant's employee surrendered 197 possession of the aircraft that is subject to the lien; 198 (3) Ninety days after the date by which the owner of an 199 abandoned aircraft that is subject to the lien was required to 200 remove the aircraft from the lien claimant's property in 201 accordance with section 1311.721 of the Revised Code. 202 (D) Any lien claimant who files an affidavit may file a 203 copy of the affidavit in the office of the county recorder in 204 the county in which the labor was performed upon or the 205 materials were furnished for the aircraft or where the aircraft 206

was stored. The lien claimant shall pay to the county recorder 207 the fee for recording an affidavit as determined under section 208 317.32 of the Revised Code. 209

Sec. 1311.75. (A) A lien claimant who perfects a lien in 210 accordance with section 1311.73 of the Revised Code has priority 211 over all other liens, claims, or encumbrances, except wage and 212 salary claims of workers who have no ownership interests in the 213 business of the lien claimant and amounts that are owed by the 214 lien claimant to the aircraft owner and that are subject to 215

setoff against the amounts due for the labor<u>, storage</u>, and 216 materials that are the basis for the lien. 217

(B) If more than one lien is perfected by more than one
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lien claimant in accordance with section 1311.73 of the Revised
Code on the same aircraft, liens shall be ranked in priority in
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the order of earliest filing with the United States federal
aviation administration, except as provided in division (A) of
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Sec. 1311.76. (A) A lien claimant may enforce a lien that arises under section 1311.72 of the Revised Code by bringing an action to recover the monetary amount secured by the lien in a court having jurisdiction in the county in which <u>either of the</u> <u>following occurred:</u>

(1) The storage took place, the labor that is the basis of the lien was performed, or the materials that are the basis of the lien were furnished or in the;

(2) The county in which the lien claimant's primary place 232 of business is located, if it is located within this state. 233

(B) If a lien claimant obtains a judgment or order of a court having jurisdiction enforcing a lien that arises under section 1311.72 of the Revised Code, the lien claimant shall send a certified copy of the judgment or order to the United States federal aviation administration.

(C) A lien that arises under section 1311.72 of the Revised Code remains in effect for six years after the date an affidavit is filed pursuant to section 1311.73 of the Revised Code, or until one of the following occurs within that six-year period:

(1) The lien claimant receives full payment of the amount

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due him
the lien claimant
pursuant to section 1311.73 of the Revised Code or in the245judgment or order granted pursuant to this section by a court247having jurisdiction;248

(2) The lien claimant accepts less than the full amount secured by the lien pursuant to a written agreement with the owner of the aircraft that is subject to the lien;

(3) The owner files a bond in accordance with section1311.77 of the Revised Code;

(4) A final judgment is entered by a court having254jurisdiction in an action releasing the lien against the255aircraft.

(D) Within thirty days after a lien has been satisfied or 257 released in accordance with division (C) of this section, the 258 lien claimant shall cause the lien to be released by notifying 259 the United States federal aviation administration, and by 260 notifying the county recorder in whose office the copy of the 261 affidavit or court judgment or order was filed, if the lien 262 claimant filed any of those documents with the county recorder. 263

Sec. 1311.77. The owner of an aircraft that is subject to 264 a lien that is perfected pursuant to section 1311.73 of the 265 Revised Code may release histhe owner's aircraft from the lien 266 by filing with a court having jurisdiction in the county in 267 which the labor that is the basis of the lien was performed, in 268 which the aircraft was stored, or in which the materials that 269 are the basis of the lien were furnished, a bond, payable to the 270 lien claimant, for the full amount owed to the lien claimant as 271 stated in an affidavit filed pursuant to section 1311.73 of the 272 273 Revised Code for the labor or materials, and conditioned for the

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aircraft.

costs. 275 All bonds filed pursuant to this section shall be executed 276 by a corporate surety licensed by the state and authorized to 277 execute surety bonds in this state pursuant to Chapter 3929. of 278 the Revised Code. 279 Sec. 4561.01. As used in sections 4561.01 to 4561.25 280 4561.27 of the Revised Code: 281 (A) "Aviation" means transportation by aircraft; operation 282 of aircraft; the establishment, operation, maintenance, repair, 283 and improvement of airports, landing fields, and other air 284 navigation facilities; and all other activities connected 285 therewith or incidental thereto. 286 (B) "Aircraft" means any contrivance manned device used or 287 designed_intended_for mavigation or flight in the air, excepting 288 a parachute or other contrivance for such navigation used-289 primarily as safety equipment. "Aircraft" does not include an 290 291 ultralight vehicle as defined by 14 C.F.R. part 103. (C) "Airport" means any location either on land or water 292 which is used for the landing and taking off of aircraft. 293 (D) "Landing field" means any location either on land or 294 water of such size and nature as to permit the landing or taking 295 off of aircraft with safety, and used for that purpose but not 296 equipped to provide for the shelter, supply, or care of 297

payment of any judgment that may be recovered on the lien, with

(E) "Air navigation facility" means any facility used,
available for use, or designed for use in aid of navigation of
aircraft, including airports, landing fields, facilities for the
servicing of aircraft or for the comfort and accommodation of
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air travelers, and any structures, mechanisms, lights, beacons,303marks, communicating systems, or other instrumentalities or304devices used or useful as an aid to the safe taking off,305navigation, and landing of aircraft, or to the safe and306efficient operation or maintenance of an airport or landing307field, and any combination of such facilities.308

(F) "Air navigation hazard" means any structure, object of 309
natural growth, or use of land, that obstructs the air space 310
required for the flight of aircraft in landing or taking off at 311
any airport or landing field, or that otherwise is hazardous to 312
such landing or taking off. 313

(G) "Air navigation," "navigation of aircraft," or 314
"navigate aircraft" means the operation of aircraft in the air 315
space over this state. 316

(H) "Airperson" means any individual who, as the person in command, or as pilot, mechanic, or member of the crew, engages in the navigation of aircraft.

(I) "Airway" means a route in the air space over and above
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the lands or waters of this state, designated by the Ohio
aviation board as a route suitable for the navigation of
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aircraft.

(J) "Person" means any individual, firm, partnership,
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 corporation, company, association, joint stock association, or
 body politic, and includes any trustee, receiver, assignee, or
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 other similar representative thereof.
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(K) "Government agency" means a state agency, state
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institution of higher education, regional port authority, or any
other political subdivision of the state, or the federal
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government or other states.
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Sec. 4561.26. (A) As used in sections 4561.26 and 4561.27	332
of the Revised Code:	333
(1) "Derelict aircraft" means an aircraft that meets all	334
of the following conditions:	335
(a) It is located on the premises of a public-use airport.	336
(b) It is not in a flyable condition.	337
(c) It does not comply with the United States federal	338
aviation administration regulations that would allow it to be	339
operated or flown.	340
(d) It does not have a written repair plan approved and	341
signed by either a federal aviation administration certified	342
airframe and power plant mechanic or a person otherwise	343
authorized to perform maintenance on the aircraft in accordance	344
with the federal aviation administration regulations.	345
(e) The owner or operator of the aircraft has not paid any	346
tie-down, hanger, rent, or storage costs for use of the premises	347
for at least ninety consecutive days.	348
(2) "Director" means the director or other chief executive	349
officer of a public-use airport. "Director" includes the	350
<u>director's or chief's designee.</u>	351
(3) "Public-use airport" means an airport owned or	352
operated by a political subdivision.	353
(B) The director of a public-use airport may dispose of	354
any derelict aircraft located on the premises of that airport in	355
accordance with the procedures established in this section and	356
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in section 4561.27 of the Revised Code.	221
(C) Before disposing of a derelict aircraft, the director	358

shall search the appropriate records of the airport and contact	359
both of the following entities to determine the name and address	360
of the last registered owner and any person having a legal or	361
equitable interest in the derelict aircraft:	362
(1) The federal aviation administration's aircraft	363
registration branch;	364
(2) The office of aviation.	365
(D)(1) Within twenty business days after receipt of the	366
information obtained under division (C) of this section, the	367
director shall send notice to the owner and any person having a	368
legal or equitable interest in the derelict aircraft that was	369
identified in accordance with division (C) of this section, that	370
includes all of the following information:	371
(a) A description of the derelict aircraft that includes	372
its federal aviation administration n-number, manufacturer name,	373
model designation, and serial number;	374
(b) The location of the derelict aircraft on the airport	375
premises;	376
(c) The amount of any fees and charges for the use of the	377
airport by the derelict aircraft that have accrued;	378
(d) That the airport may remove, sell, scrap, or otherwise	379
dispose of the derelict aircraft in accordance with section	380
4561.27 of the Revised Code if, within thirty calendar days	381
after the date of receipt of such notice or notification that	382
delivery was not possible, the owner does not remove the	383
derelict aircraft from the airport and pay all accrued fees and	384
charges.	385
(2) The notice described in division (D)(1) of this	386

section may be sent by any of the following methods:	387
(a) Certified or express mail with return receipt	388
requested;	389
(b) Certified mail with electronic tracking;	390
(c) A commercial carrier service utilizing any form of	391
delivery requiring a signed receipt;	392
(d) Personal service.	393
(3) In addition to the notice sent to the owner and any	394
person having a legal or equitable interest in the derelict	395
aircraft, the director shall do both of the following:	396
(a) File a copy of the notice with the federal aviation	397
administration's aircraft registration branch;	398
(b) Post a copy of the notice on the public-use airport's	399
web site.	400
(E) The director may proceed in accordance with section	401
4561.27 of the Revised Code if the owner or any other person	402
identified under division (C) of this section as having a legal	403
or equitable interest in the derelict aircraft does not pay the	404
accrued fees and charges in full and remove the derelict	405
aircraft within thirty days of the acknowledged receipt of or	406
notification that the delivery was not possible of a notice sent	407
in accordance with division (D) of this section.	408
Sec. 4561.27. (A) If a derelict aircraft remains on the	409
property of the public-use airport longer than the thirty-day	410
period specified in division (E) of section 4561.26 of the	411
Revised Code, the director may do one of the following:	412
(1) Sell the derelict aircraft at public auction;	413

<u>aircraft.</u>

(2) Dispose of the derelict aircraft through an aircraft 414 salvage or scrap metal dealer. 415 (B) (1) If the director elects to sell the derelict 416 aircraft at public auction, the director shall give notice of 417 the date, time, and place of the sale not less than ten calendar 418 days prior to the date of the sale in a written publication of 419 general circulation in the county where the airport is located. 420 The director may provide written notice of the intended sale to 421 any person known to have an interest in purchasing the derelict 422 423 (2) If the director elects to dispose of the derelict 424 aircraft through an aircraft salvage or scrap metal dealer, the 425 director may negotiate with the dealer for the price to be 426 received or paid by the director, as the circumstances warrant. 427 All information pertaining to the establishment of the price and 428 justification for the price shall be prepared and maintained by 429 the director, and the negotiated price shall be considered a 430 commercially reasonable price. 4.31 (C) (1) If the sale price or the negotiated price under 432

division (B)(1) or (2) of this section is less than the accrued 433 fees and charges against the derelict aircraft or the director 434 is required to pay the aircraft salvage or scrap metal dealer 435 for its services, the prior owner of the derelict aircraft is 436 liable to the airport for both of the following: 437 (a) Any remaining fees and charges; 438

(b) Any costs paid to an aircraft salvage or scrap metal 439 440 dealer.

All fees, charges, and costs are recoverable against the 441 prior owner of the derelict aircraft by any remedies otherwise 442 provided by law. 443 (2) If the sale price or the negotiated price under 444 division (B)(1) or (2) of this section is more than the accrued 445 fees and charges against the aircraft, the director shall pay 446 the excess proceeds to the following individuals, as applicable: 447 (a) Any other known lienholders, according to the priority 448 449 of the liens; 450 (b) The owner of the aircraft, if the owner can be determined and located; 451 (c) The director of commerce, to be deposited as unclaimed 452 funds into the unclaimed funds trust fund created under section 453 169.05 of the Revised Code, if the owner cannot be determined or 454 located. 455 (D) A purchaser or recipient in good faith of a derelict 456 aircraft sold or obtained under this section takes the derelict 457 aircraft free and clear of the rights or liens of any other 458 person holding any legal or equitable interest to the derelict 459 aircraft, regardless of whether that interest is recorded. The 460 purchaser or recipient shall notify the appropriate federal 461 aviation administration office and the office of aviation of the 462 change in the registered owner of the derelict aircraft. 463

 Section 2. That existing sections 1311.71, 1311.72,
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 1311.73, 1311.75, 1311.76, 1311.77, and 4561.01 of the Revised
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 Code are hereby repealed.
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