

Sen. Trans. 2/28 L. Pass. 3/12 (p. 904)

FEB 16 1990

HOUSE FILE 2457

Place On Calendar

BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO HSB 679)

Passed House, Date 2/24/90 (p. 631) Passed Senate, Date 3/13/90 (p. 1038)

Vote: Ayes 36 Nays 0 Vote: Ayes 39 Nays 4

Approved March 26, 1990

A BILL FOR

1 An Act relating to aircraft registration and special certificate
2 fees.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2457

1 Section 1. Section 328.21, subsection 3, Code 1989, is
2 amended to read as follows:

3 3. The registration fee for an aircraft operated in
4 scheduled interstate airline operation, owned by an Iowa
5 person and operated part-time within this state shall be a fee
6 of ~~thirty-five~~ one hundred dollars. The application for
7 registration shall be supported by such records as the
8 department shall prescribe.

9 Sec. 2. Section 328.21, subsection 4, unnumbered paragraph
10 2, Code 1989, is amended to read as follows:

11 When the fee as so computed results in a fractional part of
12 a dollar, it shall be computed to the nearest quarter-of-a
13 dollar.

14 Sec. 3. Section 328.21, subsection 6, Code 1989, is
15 amended by striking the subsection.

16 Sec. 4. Section 328.21, Code 1989, is amended by adding
17 the following new subsection:

18 NEW SUBSECTION. 9. An aircraft owned and operated by an
19 aviation business located at a publicly owned, public use
20 airport and providing, under agreement with the governing body
21 of the airport, a specified minimum level of aviation services
22 to the general public, shall be registered for a fee of one
23 hundred dollars.

24 Sec. 5. Section 328.29, Code 1989, is amended to read as
25 follows:

26 328.29 APPLICATION FOR SPECIAL CERTIFICATE.

27 Any At the time of annual registration, a manufacturer,
28 transporter, or dealer, may, upon payment of a one hundred
29 dollar fee of-twenty-five-dollars and an additional ten dollar
30 fee for each aircraft, make application to the department upon
31 such forms as the department may prescribe for a special
32 certificate containing-a-general-distinguishing-number-and-for
33 one-or-more-duplicate-special-certificates-hereunder issued
34 for each aircraft in inventory. The applicant shall also
35 submit such reasonable proof of the applicant's status as a

1 bona fide manufacturer, transporter, or dealer as the
2 department may require. Dealers in new aircraft shall furnish
3 satisfactory evidence of a valid franchise with manufacturer
4 or distributor of such aircraft authorizing such dealership.

5 Sec. 6. Section 328.30, Code 1989, is amended to read as
6 follows:

7 328.30 ISSUANCE OF SPECIAL CERTIFICATES CERTIFICATE.

8 The department upon granting ~~any-such~~ an application shall
9 issue to the applicant a special certificate for each aircraft
10 containing the applicant's name and address, ~~and the general~~
11 distinguishing number assigned to the applicant aircraft, and
12 ~~such~~ other information as the department may prescribe.

13 Sec. 7. Section 328.31, Code 1989, is amended by striking
14 the section and inserting in lieu thereof the following:

15 328.31 SPECIAL CERTIFICATES -- INVENTORY REMOVALS OR
16 ADDITIONS.

17 If at any time following annual registration, application,
18 and issuance of special certificates, a dealer adds to or
19 removes aircraft from inventory, the dealer shall:

20 1. Notify the department of an aircraft removed from
21 inventory including the name and address of the buyer, if
22 applicable. The special certificate remains valid for the
23 remainder of the registration year and may be reassigned under
24 subsection 2.

25 2. Notify the department of an aircraft added to inventory
26 and the reassignment of a valid special certificate to that
27 aircraft and the distinguishing number of that aircraft.

28 3. Apply for additional special certificates if the number
29 of aircraft in inventory exceeds the number of aircraft
30 registered at the beginning of the annual registration period.

31 Sec. 8. Section 328.35, subsection 1, Code 1989, is
32 amended by adding the following new paragraph:

33 NEW PARAGRAPH. d. A lighter than air aircraft that is not
34 engine driven.

35 Sec. 9. Section 328.51, Code 1989, is amended to read as

1 follows:

2 328.51 ACCRUAL OF PENALTY.

3 Such-delinquency Failure to register shall begin be
4 considered delinquent and a penalty shall accrue from the
5 first day of the second month following the purchase of a new
6 aircraft and or from the first day of the second month
7 following the date an aircraft are is brought into the state,
8 except as herein otherwise provided in this chapter.

9 EXPLANATION

10 This bill makes changes relating to the annual registration
11 fees for various aircraft. The registration fee for aircraft
12 operated in scheduled interstate airline operations is
13 increased from \$35 to \$100. An aircraft owned by an aviation
14 business located at a publicly owned airport and providing a
15 minimum level of services to the public is registered for
16 \$100. Hot air balloons are exempted from registration and fee
17 requirements.

18 Currently for purposes of registration, when there is no
19 established manufacturer's list price for the value of an
20 aircraft the department fixes the fair value of the aircraft.
21 The fair value is then used to determine registration fees.
22 When the fee results in a fractional part of a dollar, it is
23 rounded to the nearest quarter of a dollar. This bill rounds
24 the fee to the nearest dollar.

25 Current law requires that a special certificate be issued
26 to each manufacturer, transporter, or dealer with duplicate
27 special certificates to be displayed in each aircraft owned by
28 the certificate holder. The initial special certificate fee
29 is currently \$25 and each duplicate special certificate fee is
30 \$3. This bill strikes the duplicate special certificate
31 provisions and provides that the manufacturer, transporter, or
32 dealer shall pay an initial special certificate fee of \$100,
33 with a \$10 additional fee for each aircraft in inventory. The
34 certificate has a distinguishing number assigned to the
35 aircraft rather than the applicant.

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3 removes aircraft from inventory, the dealer is required to
4 notify the department. If an aircraft is removed from
5 inventory, the special certificate remains valid for the
6 remainder of the registration year and may be reassigned to an
7 aircraft added to the inventory. If the number of aircraft in
8 inventory exceeds the number of aircraft registered at the
9 beginning of the annual registration period, the dealer must
10 apply for additional special certificates.

11 Finally, the bill provides that delinquent registration
12 penalties accrue from the first day of the second month after
13 the purchase of new aircraft or from the first day of the
14 second month following the date aircraft are brought into the
15 state.

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HSB 679

TRANSPORTATION

HOUSE FILE 2457
BY (PROPOSED DEPARTMENT OF
TRANSPORTATION BILL)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

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16 BACKGROUND STATEMENT

17 SUBMITTED BY THE AGENCY

18 For many years fixed based operators have been given a
19 break administratively on aircraft registration. These are
20 aircraft the fixed based operators have for sale, for
21 instruction, or for charter use. There is no provision in the
22 Code for the reduced registration for fixed based operators.
23 Some of these operators are financially marginal, yet
24 necessary to the operation of many small communities'
25 airports. This proposal allows fixed based operators to
26 register aircraft, except those for sale, for a \$100 flat fee.
27 Additionally, the registration fee for aircraft operated in
28 a scheduled interstate operation is changed to \$100 from \$35
29 to equalize the registration fee for aircraft used in
30 scheduled and unscheduled (charter) operations.

31 This bill also changes the registration requirements for
32 manufacturers, transporters, and dealers. Under current law
33 aircraft manufacturers, transporters, and dealers register
34 aircraft in inventory for sale at \$25 for the first aircraft
35 and \$3 each for each additional aircraft. Aircraft held by

1 dealers for charter or instruction are registered at a higher
2 rate based on manufacturer's list price. The department
3 recommends a flat dealer fee of \$100 and an additional \$10 fee
4 for each aircraft. Under this proposal, a dealer would pay
5 the \$10 fee for each aircraft in inventory at the beginning of
6 the dealers' registration year. The dealer would not be
7 required to pay additional registration fees for aircraft
8 added to inventory during the year unless the number of
9 aircraft in inventory exceeded the total number of
10 registrations already paid.

11 This proposal also eliminates the registration fee for
12 lighter than air aircraft which are not engine drive (hot air
13 balloons). Receipts from aircraft registration fees are
14 deposited in the state aviation fund and are used to improve
15 airports. Hot air balloons are incompatible with other
16 traffic at airports and, therefore, are not users of the
17 airport system.

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HOUSE FILE 2457

AN ACT

RELATING TO AIRCRAFT REGISTRATION AND SPECIAL CERTIFICATE FEES.

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DONALD D. AVENSON
Speaker of the House

JO ANN ZIMMERMAN
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2457, Seventy-third General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved March 26, 1990

TERRY E. BRANSTAD
Governor