2019 HOUSE TRANSPORTATION COMMITTEE

HB 1230

2019 HOUSE STANDING COMMITTEE MINUTES

Transportation Committee
Fort Totten Room, State Capitol

HB 1230
1/25/2019
#31502

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature Jeanette Cook

Explanation or reason for introduction of bill/resolution:

A BILL relating to the lease of a maned aircraft in an emergency.

Minutes: Attachments 1-3

Chairman Ruby opened the committee on HB 1230.

Representative Cindy Schreiber-Beck, District 25, spoke to support HB 1230 and provided written testimony. See attachment #1. (2:47)

Chairman Ruby: Do you believe that it was the intention of the previous legislation to allow this?

Representative Cindy Schreiber-Beck: My understanding was that it was just not thought of at the time. It was written for a particular aircraft of the university system. They wanted to make sure the incident didn't occur again. They just didn't think forward.

Chairman Ruby: This may be timely with the unknown authority of the budget section, now.

Representative Cindy Schreiber-Beck: You are correct.

Representative Paur: If an agency got $1 million in insurance, could they go out and buy a $5 million aircraft?

Representative Cindy Schreiber-Beck: No, they can just use the insurance proceeds.

Representative Paur: I don't see that it is limited to that.

Chairman Ruby: I think it is limited by their spending authority.

Jess Faught, Pilot for the North Dakota Game and Fish Department, spoke to support HB 1230. See attachment #2. (10:20)

Major Tom Iverson, Chief of Operations for the North Dakota Highway Patrol, spoke to support HB 1230 and provided written testimony. See attachment #3. (12:42)

Chairman Ruby: Haven't you had the authority to buy UAV before because of the way it was worded before?

Major Tom Iverson: Yes, you are exactly correct. The way this has been interrupted is that as an aircraft, the agency need authority through the budget section by legislative assembly to purchase an aircraft. According to FFA rules and North Dakota Century Code a drone is technically considered an aircraft. That is why we would need the authority to purchase. By changing this to MANNED aircraft, then UAVs can be purchased without that authority.

Chairman Ruby: How many UAVs do you currently have?

Major Tom Iverson: Currently, we do not have any UAVs.

Vice Chairman Rick C. Becker: There is a huge array of UAVs. Does this open up the ability for you to get some of the huge ones, like we get for the border. Should be put a weight limit or a dollar limit on these?

Major Tom Iverson: Our agency will be restricted to 55# or less due to FFA rules. We would also need to be in a direct line of site of the drone.

Representative Paur: What does a 55# drone cost?

Major Tom Iverson: The ones that we would like to purchase are around the $3000 range. The ones that we would like to purchase for crash investigations are about $2500 to $3000 and are quite small. I am not sure what the cost of a 55# drone would be.

Representative Westlind: Will you purchase a drone that will fit in a patrol vehicle?

Major Tom Iverson: Ideally, we would like them to fit in the back of a patrol vehicle. We do have crash scene technicians that would be able to go to a crash scene and use a UAV to get the aerial photography of the scene. Also, a search and rescue drone could be transported by a vehicle across the state in our patrol cars.

Representative Westlind: How many units do you think you would like for your agency?

Major Tom Iverson: We would be interested in purchasing four of the smaller units, one for each region of the state. We would like one that would be equipped with a fleer camera on it for thermal imaging on it. It would probably stay in Bismarck.

Vice Chairman Rick C. Becker: What is your go to unit?

Major Tom Iverson: The Phantoms have been looked at. They have the ability to withstand some higher winds and be able to get quality photography.

There was no further support for HB 1230.

There was no opposition to HB 1230.

The hearing on HB 1230 was closed.

Representative Owens moved a DO PASS on HB 1230.
There was no second.

Representative Paur asked to hold the bill for more consideration.

Chairman Ruby: We will hold the bill.

2019 HOUSE STANDING COMMITTEE MINUTES

Transportation Committee
Fort Totten Room, State Capitol

HB 1230-2
1/31/2019
#31947

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature Jeanette Cook

Explanation or reason for introduction of bill/resolution:

A bill relating to the lease of a manned aircraft in an emergency,

Minutes: Attachments 1-2

Chairman Ruby brought HB 1230 back before the committee. (1:25)

Representative Paur provided amendments. See Attachments 1-2.

Representative Paur: The amendment does not change the bill. It clarifies the bill to give the Highway Patrol approval to buy drones that are less than 55 pounds. It also limits the money to buy a replacement aircraft to ***only*** the insurance proceeds. If more money is needed, it would have to be approved by the legislature or legislative council.

Review discussion.

Representative Paur moved the amendments.
Representative Weisz seconded the amendments.
A voice vote was taken on HB 1230.
The motion carried.

Representative Grueneich moved a DO PASS as amended on HB 1230.
Representative Paur seconded the motion.
A roll call vote was taken: Aye 13 Nay 1 Absent 0
The motion carried.
Representative Paur will carry HB 1230.

DA 1/31/19

19.0576.02001
Title.03000

Prepared by the Legislative Council staff for
Representative Paur
January 25, 2019

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1230

Page 1, line 2, remove "a manned"

Page 1, line 2, remove "in an emergency"

Page 1, line 9, replace ", "airworthy"" with ":

a. "Aircraft" means a device weighing more than fifty-five pounds which is used or intended to be used for flight in the air.

b. "Airworthy""

Page 1, line 12, remove the overstrike over "~~an~~"

Page 1, line 12, remove "a manned"

Page 1, line 15, remove the second "a"

Page 1, line 16, replace "manned" with "an"

Page 1, line 22, after "and" insert "only"

Page 1, line 23, after the underscored period insert "If the purchase price of a replacement aircraft exceeds the insurance proceeds, the state agency, department, or institution must receive authorization in accordance with subsection 2."

Renumber accordingly

Date: 1-25-19
Roll Call Vote #: 1

2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB1230

House Transportation Committee

☐ Subcommittee

Amendment LC# or Description: 19.0576.02001

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Paur Seconded By Weisz

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN RUBY			REP LAURIEBETH HAGER		
VICE CHAIR BECKER			REP KARLA ROSE HANSON		
REP JIM GRUENEICH			REP MARVIN NELSON		
REP TERRY JONES					
REP TOM KADING					
REP EMILY O'BRIEN					
REP MARK OWENS					
REP BOB PAULSON					
REP GARY PAUR					
REP ROBIN WEISZ					
REP GREG WESTLIND					

Voice Vote Carried

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 1-25-19
Roll Call Vote #: 2

2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB1230

House Transportation Committee

☐ Subcommittee

Amendment LC# or Description: 19.0576.02001

Recommendation: ☐ Adopt Amendment
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☒ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Grueneich Seconded By Paur

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN RUBY	X		REP LAURIEBETH HAGER	X	
VICE CHAIR BECKER		X	REP KARLA ROSE HANSON	X	
REP JIM GRUENEICH	X		REP MARVIN NELSON	X	
REP TERRY JONES	X				
REP TOM KADING	X				
REP EMILY O'BRIEN	X				
REP MARK OWENS	X				
REP BOB PAULSON	X				
REP GARY PAUR	X				
REP ROBIN WEISZ	X				
REP GREG WESTLIND	X				

Total (Yes) 13 No 1

Absent 0

Floor Assignment Paur

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1230: Transportation Committee (Rep. D. Ruby, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). HB 1230 was placed on the Sixth order on the calendar.

Page 1, line 2, remove "a manned"

Page 1, line 2, remove "in an emergency"

Page 1, line 9, replace ", "airworthy"" with ":

a. "Aircraft" means a device weighing more than fifty-five pounds which is used or intended to be used for flight in the air.

b. "Airworthy""

Page 1, line 12, remove the overstrike over "~~an~~"

Page 1, line 12, remove "a manned"

Page 1, line 15, remove the second "a"

Page 1, line 16, replace "manned" with "an"

Page 1, line 22, after "and" insert "only"

Page 1, line 23, after the underscored period insert "If the purchase price of a replacement aircraft exceeds the insurance proceeds, the state agency, department, or institution must receive authorization in accordance with subsection 2."

Renumber accordingly

2019 SENATE TRANSPORTATION

HB 1230

2019 SENATE STANDING COMMITTEE MINUTES

Transportation Committee
Lewis and Clark Room, State Capitol

HB 1230
3/15/2019
33784

☐ Subcommittee
☐ Conference Committee

Committee Clerk: Florence Mayer

Explanation or reason for introduction of bill/resolution:

A bill to provide for a legislative management study of railroad crossings.

Minutes: 3 Attachments

Chairman Rust: Called the committee to order on HB 1230. Roll call was taken, all members were present.

Representative Cindy Schreiber-Beck, District 25: Introduced HB 1230, a bill written to correct unintended consequences from legislation passed during the 2013 legislative session. Provided **Attachment #1**, her written testimony.
This bill did not mention small UAS, just referenced manned aircraft. The bill was amended on the House side and reads that aircraft is something over 55 lbs. If an agency of the state needed to purchase an unmanned aircraft over 55lbs, they wouldn't be able to do that. Just something to keep in mind.
Continued with her written testimony.

(5:26) Senator Bakke: What state agencies have aircrafts?

Representative Schreiber-Beck: Aeronautics, the DOT, Game and Fish, among others and some have small UAS.

Senator Dwyer: So the definition of "aircraft" is something that weights more than 55lbs is intended to include manned and unmanned.

Representative Schreiber-Beck: On lines 18-22, we say manned aircraft. We might want to look at that closely. Another Representative wanted to limit it to a drone or unmanned being less than 55lbs, but I don't know that we want to do that.

Senator Dwyer: In the House, they took out the "manned"? (Correct.) Did they intend that you could do a drone over 55lbs?

Representative Schreiber-Beck: No. I don't know if it was a relation to cost or they felt the small UAS would be the only aircraft an agency could purchase without legislation.

(8:11) Jeff Faught, Pilot, North Dakota Game and Fish Department: Testified in favor of HB 1230 and provided **Attachment #2**.

(10:09) Chairman Rust: If you're going to lease an airplane that would be an additional expense. Do you budget for those kinds of things?

Kim Kary, Chief Administrative Services Division, North Dakota Game and Fish Department: The leasing for that short amount of time wouldn't have amounted to very much money. We would use it in our regular operating line. I wouldn't expect is to cost more than $1,000. We don't specifically budget for our aircraft to fail, but we could afford that.

Chairman Rust: You're thinking that the number of times you would have to lease it would be small. It wouldn't amount to a lot of money. You're looking at an hourly lease rather than a daily or monthly, correct?

Kim Kary: I've been with the department for 15 years, and our pilot has been here longer than that. This was one of the few most recent times that it has happened. It was a critical incident because sage gross are important. When we are depending on another state to get us those birds in a critical window, it would have been beneficial to lease that aircraft for a 2-day period.

Chairman Rust: Currently, you have no method to go lease that for an hour?

Kim Kary: Correct. Due to Century Code, you cannot lease without budget section approval. The budget section only meets 4 times a year, and at the time we were flying, there was no opportunity to request that authority.

Senator Clemens: In the bill it says, "Lease", is that an issue versus "rent"?

Jeff Faught: Administration considers that the same. In actuality, it would be an hourly rent rate.

Senator Bakke: In this bill, it also says that you can purchase a replacement aircraft if it is destroyed beyond repair. How much does an airplane cost if one is destroyed?

Kim Kary: That instance wasn't pertaining to our agency. We haven't had an aircraft destroyed. In our budget, you approved a trade-in of our current aircraft. When it reaches so many hours, we trade it in for a purchase of a new aircraft.

Senator Bakke: Has it happened to other agencies?

Kim Kary: Not that we know of.

Senator Fors: Doesn't it say you may lease one?

Kim Kary: It does now. That is the amended version that would allow us to.

Senator Fors: So you're amending it to that? (Correct.)

Chairman Rust: In section 2, current law is that they may not purchase or lease an aircraft without authorization.

(16:11) Major Tom Iverson, Chief of Operations, North Dakota Highway Patrol: Testified in favor of HB 1230 and provided Attachment #3.

(18:54) Chairman Rust: So this would help your agency by changing the definition of "aircraft" in section 1 a-b?

Major Iverson: That is correct. When we attempted to go through the budget section before, it didn't go so well. By changing that definition, it would allow us to purchase them without the budget section approval.

Senator Bakke: This is about leasing aircrafts. In your testimony, it sounds as if you're purchasing the aircraft. Is your intent to lease these every time you need to do a search, or are asking to purchase one?

Major Iverson: It is my understanding this also applies for the purchase of an aircraft as well.

Chairman Rust: It appears there are separate pieces to this bill. When I look at it, I see section 4, which deals with the purchase of a replacement aircraft that is destroyed. Section 3 is leasing an aircraft if one isn't airworthy. Evidently, section 1 with a revised definition of aircraft, must then give you authority in other sections of the law, to purchase something. It isn't in this particular bill?

Major Iverson: If we look at section2, it states "except as otherwise provided in subsections 3 and 4…" That is where it says a state agency may not purchase or lease an aircraft without specific authorization. By changing the definition, one could assume a UAV would not be considered an aircraft. Thus, we would have the authority to purchase it without budget section approval.

Chairman Rust: Relating to the 55lbs? (Correct.)

Senator Dwyer: So I'm assuming that's why they changed the definition to 55lbs, but they also took out the manned. It is clear we are just talking about anything over 55 lbs. applies to this section. Anything under that 55lbs, you're free to do whatever you need to do?

Major Iverson: That is correct.

Senator Dwyer: You have drones right now then?

Major Iverson: No our agency does not.

Senator Dwyer: So the local law enforcement can have drones, but not the state highway patrol?

Major Iverson: That is correct.

Senator Fors: Why 55 lbs.? What is the magic about that?

Major Iverson: According to the federal definition of a small-unmanned aerial vehicle, it's 55lbs. or less.

Senator Fors: Anything over that has to be manned?

Major Iverson: No, over 55lbs. requires different certification for that aircraft. Also potentially certification for that pilot. As far as our purposes, we would fall under the unmanned small UAVs, under 55 lbs.

(23:24) Senator Bakke: Do you have budgeted funds to purchase unmanned drones? If so how many and what is the cost?

Major Iverson: Yes, we do have funds. We had planned to purchase it with funds from this biennium. That didn't work. We are requesting funds next biennium, within our budget. The total cost is approximately $90,000 for everything. The software, the drones, etc. It would be 5 drones purchased. 4 of the smaller drones as hobbyists have and 1 larger unit for more of a search and rescue.

Russ Buchholz, IPP (Integrated Pilot Program) coordinator, ND DOT: (No written testimony.) We liked the way it was written originally, it gives a little more leeway. The definition of a small aircraft and small UAS is under 55 lbs. There will be circumstances in the near future where you might need something 60-75 lbs., that would require legislation approval. We are looking at emergency response and infrastructure inspection. A lot of those sensors and batteries require more weight.

Chairman Rust: If the House changed it, and we change it back, what makes you think they will agree to it?

Russ Buchholz: The way it is amended, it will allow us to move forward. It will also hamper us in the near future.

Chairman Rust: How will it hamper you?

Russ Buchholz: It will limit us to what type of aircraft we can purchase. If we want to go BVLOS, it will limit us with the weight of the aircraft.

Senator Dwyer: Under current law, state agencies are not allowed to buy drones of any kind?

Russ Buchholz: Correct. By definition of aircraft, a drone falls in that. We weren't allowed to move forward with purchasing that this biennium.

Senator Dwyer: So you know the Governor included $30M in his budget for a pilot/drone/UAV. Will he filter that money out to you state agencies so you can buy your drones?

Russ Buchholz: I was in D.C. this week for the IPP. The week before we were out there for the UTM (unmanned traffic management system), which is what the Governor was proposing for the $30M. That gives you a ground radar that is able to see traffic across the state. Many of those UASs will be above 1,000 feet. A small UAS is limited to 400 feet above structure.

Senator Bakke: What is the poundage of what you need to be effective?

Russ Buchholz: It changes with the situation. If we're doing bridge inspections, the aircraft would have to have encage routers. The way it was written before, it said manned.

Chairman Rust: If you were king for the day, you'd like the 55 lbs. to go away?

Russ Buchholz: If I were king for the day, I would go with Representative Schreiber-Beck's original. I don't believe any other state agency would object.

Senator Bakke: What was her original? Did it not have the 55 lbs.?

Russ Buchholz: It had "May not purchase or lease a manned aircraft". That is the key.

Senator Dwyer: Can you explain in more detail what you're roll is?

Russ Buchholz: We are working with autonomous vehicles, UAS, smart cities, anything innovative we can push out to the public to make information readily available. With the IPP, there were 10 entities selected in the entire nation. With that, there were 147 applicants. ND DOT was selected with this. There were only 3 DOTs selected. FAA chose what we were supposed to do, they didn't want to overlap. We are doing a lot of research and development to make it repeatable and scalable for the future advancement in UAS. We work heavily with the test site. We are looking at emergency response, right now especially the flood situation. We haven't had this capability before. This is huge.

Senator Dwyer: UAS means Unmanned Aerial Systems?

Ross Buchholz: Correct, that is the most current term. If you have a little "s" in front of it, it stands for small. That includes everything. If you say UAV, that is the aircraft itself.

Senator Dwyer: Explain again what the Governor's $30M proposal would do in connection to all this?

Ross Buchholz: The UTM is the traffic management side of the House. The UAS do not have remote I.D. on them, so you do not see them in the sky. There are issues with traffic control and how it will be managed. All aircraft have that remote I.D.s so the radar picks them up and it goes into the national air system. With this, we would be able to see them.

Example: If FedEx arrives in Fargo, they can deliver those packages with a large UAS to Williston instead of taking them on the highway system. It makes it more efficient.

(34:47) Senator Bakke: Is there a budget in DOT for your work with this experimental equipment?

Russ Buchholz: As far as the IPP, it is out of Hyde County, North Carolina, even our private partners. There are no dollars to it right now, but we are assuming all costs. As far as purchasing, we do have some dollars and federal grants.

Senator Bakke: The grants is the money you would use to purchase these. It wouldn't be the operating budget of the DOT. Unless this bill passes without the 55lbs, it hampers you from buying those?

Russ Buchholz: It hampers us in the future. We can get by with the way it is written. We would prefer the original way, otherwise in the near future we might have to come back here and take that out. It is a growing industry.

Chairman Rust: Is 2 years too long?

Russ Buchholz: Yes.

Senator Bakke: Is this okay with the Highway Patrol and Gam & Fish? Is this to the benefit of all these agencies?

Mr. Buchholz: It doesn't take away anything for those agencies.

Chairman Rust: Further questions? Further testimonies?
We will close the hearing on HB 1230.

2019 SENATE STANDING COMMITTEE MINUTES

Transportation Committee
Lewis and Clark Room, State Capitol

HB 1230
3/21/2019
JOB # 34110

☐ Subcommittee
☐ Conference Committee

Committee Clerk: Florence Mayer

Explanation or reason for introduction of bill/resolution:

A bill relating to the lease of aircraft.

Minutes: 2 Attachments

Chairman Rust: Opened the committee on HB 1230.
I asked Representative Schreiber-Beck to come back. She would like us to amend this bill.

Representative Schreiber-Beck, District 25: Presented **Attachment #1**, which was the original bill that was presented to the House Transportation committee. The premise on the original bill was not even to address unmanned aircrafts. We are in such an infancy state with those. The small UAS are under 55lbs and aren't very expensive. When an agency has one, it is for a specific reason. The amendment was proposed by Representative Paur, it addresses unmanned aircrafts 55lbs and under. The DOT is doing some work with the FAA, it may be a larger aircraft that they need. Some of those would be in a price range they would need to ask for in their budget. Introduced Nick Flom as a wealth of knowledge on small UAS and unmanned systems.

Chairman Rust: You would like us to return the bill back to the original form? (Correct.) Since you are in the House, you understand it was the House that amended the bill? (Yes.) What is your thought on if we were to re-amend it to the original bill, which keeps "manned" aircraft? We pass it out; we go to conference committee then. Any ideas on that?

Representative Schreiber-Beck: I like to dig my heels in a little. I think we can go to conference and I will have conversation with Representative Paur. I will also talk to the committee chairperson. If it looks like we can't get anything past the House, then we will concur with the House's version. We will have to go back and deal with this again in a couple years if those points are in there.

Senator Bakke: Some of the different agencies were excited about the fact that "unmanned" was in there. They felt this was their way to get this equipment without having to jump through many hoops. Now they won't have access to that?

Representative Schreiber-Beck: No. We're not talking unmanned anywhere in here. We are not addressing that, we have no restriction.

Senator Bakke: So they could buy it then? (Correct.) Therefore, we need to go back.

Representative Schreiber-Beck: They could buy it under 55 lbs. in the amended version. In the original, they can still buy that and they can buy something that is 60lbs. if it's in a price range the agency could purchase without a budget piece.
Introduced Nick Flom from a test site near UND.

Nicholas Flom, Executive Director Northern Plains UAS Test Site: Presented **Attachment #2**, his business card. If I go to the beginning of this with the amendment, all it said was you couldn't purchase an aircraft. By definition, an aircraft could be manned or unmanned. We don't want to limit people from purchasing unmanned aircrafts. Then the discussion was, let's differentiate that, like under 55lbs. That is not an arbitrary number. By regulation, that is a small-unmanned aircraft. Our job at the test site is to work with the federal aviation administration to bring more regulations into place to allow more UAS operations. We see this being mainstream. Having a limiting factor with the 55lbs, another amendment would come forward in a couple years when the technology has come farther.

Chairman Rust: Why do you want to have no limitation? What does it do for you? What can you do if unmanned isn't in there at all?

Nick Flom: I testified earlier today on HB 1018, the Department of Commerce, which is where the test site's appropriation come through. We are hoping to work with state agencies to enable unmanned aircrafts to be used.

Chairman Rust: You would use that for what?

Nick Flom: DOT would use it for road inspections; Parks & Recreation do aerial imagery, Highway Patrol, First Responders for search and rescue and many more. We are a leader in unmanned aircrafts. Our state agencies aren't utilizing them as fully they could.

Chairman Rust: Inspection of bridges? (Absolutely.) They could obviously fly into places vehicles couldn't get?

Nick Flom: Yes. That is a hazardous operation. Many times with bridge inspections you have a guy hooked up to straps hanging over the side of a bridge. That makes a lot of time and a lot of man-power. That can be done with UAS. The amendment to the amendment wouldn't prevent UAS operations, but having any type of language that calls out the unmanned aircraft is not beneficial at this standpoint.

Chairman Rust: For appropriators and real conservative people who think we have a government spending excessively much, how do you relieve our heartburn about that?

Nick Flom: You do reach a threshold where this will have to go through a budgetary process in order to line item that type of equipment. If you're worried about additional funds, have

them enable a UAS operation to save funding for state agencies would be beneficial to the state.

Senator Fors: Is there a privacy act on this? You talk about an aircraft inspecting bridges, if they run across something else private, is that reported?

Nick Flom: This bill is purely about purchasing aircrafts. This doesn't touch anything about what is seen or unseen by the aircraft.

Chairman Rust: Those are other laws?

Nick Flom: Yes, there are other laws in place for that.

Senator Bakke: We'd have to keep going back and up that 55lbs. We would be constantly revisiting this bill. If we went with the original, it would be cleaner and we wouldn't have to deal with it as much in the future?

Nick Flom: Exactly.

Chairman Rust: You would like us to amend it back to the original? (That was confirmed.) Committee members, I would ask you to think about this and we will talk about it again this afternoon.

2019 SENATE STANDING COMMITTEE MINUTES

Transportation Committee
Lewis and Clark Room, State Capitol

HB 1230
3/21/2019
34146

☐ Subcommittee
☐ Conference Committee

Committee Clerk: Florence Mayer

Explanation or reason for introduction of bill/resolution:

A bill relating to the lease of aircraft.

Minutes: No Attachments

Chairman Rust: Opened committee on HB 1230 in the afternoon.
The bill sponsor wanted us to amend this back to the original version. This has to do with being able to lease a manned aircraft.
Committee went over the bill and the differences between language in the original versus amended versions.

Senator Bakke: Playing the devil's advocate, if you look at #4, it says you may purchase a replacement aircraft without approval if an aircraft is destroyed beyond repair and insurance proceeds are used for the purchase. So let's say it's destroyed, but the proceeds can't buy us a safe aircraft. Then they have no way to get a new aircraft?

Chairman Rust: My guess is then they would have to go to the legislative assembly or budget section.

Senator Bakke: So that option hasn't been taken off the table for them?

Chairman Rust: I don't believe so.
Continued discussion of changes between bills.

Senator Clemens: I think the whole intent of this amended bill is to limit an institution or agency from spending too much money without authorization. If we take 55lbs out of there and use the original, we're saying that an institution can spend more money on an unmanned aircraft than they are authorized to spend on a manned one.

Senator Bakke: Wouldn't there be restrictions in the purchasing of these vehicles? Is there something to stop them from spending more?

Senator Clemens: We give higher education a budget, but we don't micromanage that money. I have concerns with that.

Chairman Rust: The only thing this bill does is what is in sections 3 and 4. In an emergency, it allows them to lease a manned aircraft. The emergency basis is only until the aircraft is airworthy again. The second part was they could purchase a replacement without budget section approval if an aircraft is destroyed beyond repair and insurance money is used. On the original, it says it doesn't apply to aircraft purchases/leases by the Adjutant General or the UND's School of Aviation. They are in the amended one also.

Senator Clemens: There would be no limitation on what they could spend for unmanned aircrafts. It's not addressed.

Chairman Rust: It's open. However, if you get to a certain amount of money, it won't be in their budget anyways.

Senator Patten: I don't think this is intended at all to deal with unmanned. It is in regards to when an airplane isn't airworthy, leasing, and insurance proceeds. It doesn't get into unmanned and purchasing. It isn't even part of the original bill.

Chairman Rust: Right now, unmanned is not in the law. They have freedom. The amended version would put restriction in the law that they currently don't have.

Senator Dwyer: Maybe we should have that.

Chairman Rust: We have some people who believe they have such a free rein that they went wild and overspent taxpayer dollars. That was in the amended version, to rein them in.

Senator Clemens: From what we've seen in the last couple of years with the higher Eric Delzer spending, I don't trust them. I want to keep this 55lbs manned.

Senator Patten: In my mind, we're dealing with two separate issues. One deals with the plane itself and its worthiness. The second is a separate issue regarding the ability to purchase and use unmanned aircrafts. I don't think they cross over. The House, as a break on spending, added them in. That wasn't the intent of this bill at all.

Chairman Rust: We have in front of us, a bill that deals with the emergency and replacement, plus reining them in. Our options are to give a "do not pass", or amend the bill to go back to the original, or approve the House version in front of us. Any other options?

Senator Dwyer: If you think about it, the Governor has this drone research thing going on at UND. The technology is coming but it's not quite there. I don't think it will make a whole ton of difference if we use the original or as is. In 2 years, we will be back and drones will be the center of attention.

Senator Fors: That program at UND is a separate program. They can spend as much money on drones now, without this bill. Aviation is out of this bill. UND has their own program.

Senator Bakke: With the UND Aviation. The drones they work with are in conjunction with Grand Sky. They don't pay for them; they are just testing the drones for them. In reading the

original of this bill, it says, “except for 3 & 4, which are emergency situations”. Therefore, that means in emergency situations, you can go out and lease an airplane. However, if it’s not an emergency, a state agency may not purchase or lease an aircraft without specific authority from the legislative assemble or budget section. They’re saying you can’t buy anything unless it’s an emergency. If we change that to manned or unmanned, then we would close that loophole.

Chairman Rust: I think yours would be even more restrictive then the 55lbs. You’d eliminate even those.

Senator Bakke: That is a mistake. The Police came in and said how much of an invaluable tool they are to them when trying to locate a missing person. We heard that from DOT as well. We don’t want to restrict them. However, they can’t just go out and purchase one in this bill.

Chairman Rust: If I had a 3-year-old granddaughter that was lost, I’d want the drone to locate them. I see real advantages and I think at some point in time we will have to get to the BVLOS. In our area, we have all these pipelines and helicopters that fly to inspect them. It would be so great to put out a drone to fly that. It would be cheap and efficient. There are tremendous advantages. I don’t want to kill a bill year. I want to approve 1 of the 2.

Senator Clemens: The 55 lbs. is a division between going to the next level. I don’t think law enforcement had an issue with that.

Chairman Rust: We are going to meet to vote.

Senator Patten: How do you amend a bill back to it’s original?

Senator Dwyer: Just like any other amendment.

Chairman Rust: I need to have an amendment brought in. Maybe I could get a straw poll. Do you want me to get an amendment or do you want to pass the 55 lbs. version. Where are we on this?

Senator Pattern: I like the original.

Senator Bakke: I like the original.

Senator Fors: I understand Senator Clemens being suspicious of the executive branch. However, I don’t think that will happen in the next 2-years. If they’re going to buy a more then 55lbs one, it would have to be in the budget. I like the original too

Senator Clemens: If we go to the original, it will go to conference. I am fine with that.

Chairman Rust: Maybe someone needs to get an original amendment and bring it tomorrow. Closed the committee on HB 1230.

2019 SENATE STANDING COMMITTEE MINUTES

Transportation Committee
Lewis and Clark Room, State Capitol

HB 1230
3/22/2019
Job # 34157

☐ Subcommittee
☐ Conference Committee

Committee Clerk: Florence Mayer

Explanation or reason for introduction of bill/resolution:

A bill relating to the lease of aircraft

Minutes: 2 Attachments

Chairman Rust: Called the committee to order on HB 1230. Roll call was taken, all members were present.
(Microphones were not on for the majority of this meeting.)

See **Attachment #1** for the Christmas tree version of the bill.
See **Attachment #2** for the proposed amendment.

(1:00) Senator Bakke: I move a **Do Pass** on **Amendment 19.0576.03001**
Senator Dwyer: I **Second** the motion
Roll Call Vote Taken:
Amendment Passed 6-0-0

Senator Patten: I Move a **Do Pass as Amended**
Senator Bakke: I **Second** the motion
(3:23) Roll Call Vote Taken:
Passed 6-0-0
Carrier: Chairman Rust

SR 3/22 1C

19.0576.03001
Title.04000

Prepared by the Legislative Council staff for
Senator Rust
March 22, 2019

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1230

Page 1, line 2, after "of" insert "a manned"

Page 1, line 2, after "aircraft" insert "in an emergency"

Page 1, line 9, remove the underscored colon

Page 1, remove lines 10 and 11

Page 1, line 12, replace "b. "Airworthy"" with ", "airworthy""

Page 1, line 15, overstrike "an" and insert immediately thereafter "a manned"

Page 1, line 19, replace the first "an" with "a manned"

Page 2, line 1, remove "only"

Page 2, line 2, remove "If the purchase price of a replacement aircraft exceeds the"

Page 2, remove lines 3 and 4

Renumber accordingly

Date: 3/22/2019
Roll Call Vote # 1

2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1230

Senate Transportation Committee

☐ Subcommittee

Amendment LC# or Description: 19.0576.03001

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Senator Bakke Seconded By Senator Dwyer

Senators	Yes	No	Senators	Yes	No
Senator Rust - Chairman	X		Senator Bakke	X	
Senator Clemens - Vice Chairman	X				
Senator Dwyer	X				
Senator Fors	X				
Senator Patten	X				

Total (Yes) 6 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 3/22/2019
Roll Call Vote # 2

2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1230

Senate Transportation Committee

☐ Subcommittee

Amendment LC# or Description:

Recommendation: ☐ Adopt Amendment
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☒ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐

Motion Made By Senator Patten Seconded By Senator Bakke

Senators	Yes	No	Senators	Yes	No
Senator Rust - Chairman	X		Senator Bakke	X	
Senator Clemens - Vice Chairman	X				
Senator Dwyer	X				
Senator Fors	X				
Senator Patten	X				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Chairman Rust

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1230, as engrossed: Transportation Committee (Sen. Rust, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1230 was placed on the Sixth order on the calendar.

Page 1, line 2, after "of" insert "a manned"

Page 1, line 2, after "aircraft" insert "in an emergency"

Page 1, line 9, remove the underscored colon

Page 1, remove lines 10 and 11

Page 1, line 12, replace "b. "Airworthy"" with ", "airworthy""

Page 1, line 15, overstrike "an" and insert immediately thereafter "a manned"

Page 1, line 19, replace the first "an" with "a manned"

Page 2, line 1, remove "only"

Page 2, line 2, remove "If the purchase price of a replacement aircraft exceeds the"

Page 2, remove lines 3 and 4

Renumber accordingly

2019 CONFERENCE COMMITTEE

HB 1230

2019 HOUSE STANDING COMMITTEE MINUTES

Transportation Committee
Fort Totten Room, State Capitol

HB 1230
4/9/2019
#34629

☐ Subcommittee
☒ Conference Committee

Committee Clerk: Jeanette Cook

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 54-06-37 of the North Dakota Century Code relating to the lease of a manned aircraft in an emergency.

Minutes:

Representative Paur called the meeting to order.

Senator Patten: Senator Bakke is unable to be here today, so **Senator Fors** is standing for her. She will be back if we do not resolve this today.

Representative Paur: I do not like this the way that it came out of the Senate or out of the House, even though it was my amendment. In our amendment "aircraft" does not match the FAA's definition of aircraft. FAA's definition is: a device that is used or intended to be used for flight in the air. It is in the US Code. I cannot see where this bill authorizes drones. Samantha Kramer, LC attorney, said it does not authorize drones. Major Tom Iverson, HP, said that it did. It doesn't exclude purchasing drones, but it doesn't exclude purchasing ballistic missiles, either. If we are going to authorize it, we should authorize the purchase of unmanned aerial vehicles. I was uncomfortable with giving carte blanche purchase any number of large unmanned aerial vehicles. Some, even at 55 pounds, can be up to $55 million each. I took my concerns to Jeff Delzer, the chair of Appropriations, and he said that most of the agencies have a lot of reserve funds they can use.

Senator Patten: In our hearing we felt that we were being asked to deal with replacing Manned Aircraft if it was damaged or out of service. That is why we added the word "manned" back in front of aircraft. That would exclude drones. They didn't ask in the bill to deal with drones. It was just to deal with emergency circumstances related to the planes that we have in our inventory.

Senator Rust: The original bill talked about "airworthy" and "manned". It was a lease in an emergency situation on a short term basis for an aircraft if theirs was down for maintenance. The other part of the original bill was to allow them to buy replacement aircraft, if one of theirs was destroyed, with insurance money they may have gotten. It seemed like the House expanded on the original bill by considerable amount by getting into other areas, like drones.

Representative Paur: I agree with you that manned aircraft is a better definition. In our testimony, they were excited because they thought it allowed drones. In testimony before the Appropriations the Highway Patrol was talking about purchasing drones if this passed.

Senator Rust: Without this bill, would they have the authority to purchase drones? I think they would have the authority to purchase them. If it is not mentioned in the bill, then they would have the latitude to do it. If there is nothing that says they can't, then you must be able to do it.

Representative Paur: That is the logic they were using. It seems flawed. Law doesn't prohibit them from purchasing a lot of stuff.

Senator Rust: The law usually restricts something. Absent something being in law, there are no restrictions.

Vice Chairman Rick C. Becker: I agree with what is said. This is an exclusion to what is currently prohibited in 54-06-37. What is prohibited is purchasing or leasing an aircraft. The aircraft in that section seems to have the definition of manned aircraft. The prohibition wouldn't apply to drones. Therefore, the exclusion of the prohibition isn't necessary for drones. Initially when we were discussing it, we thought it was required. The FFA definition for aircraft is: a device that is intended for flight in the air. The section of Code that is in the title of the bill requires a state agency to have specific authorization from legislature to purchase or lease any aircraft. If there was a definition in Century Code that is specific to "manned", then you wouldn't need the drone component in here. We need to know the definition. If it is presumed to be anything that flies, then the way 54-06-37 is written, currently it says that any state agency cannot purchase or lease a drone. This is what we were trying to do by the exclusion of the prohibition, which means the permission to purchase and lease drones up to 55 pounds.

Senator Patten: If any aircraft requires explicit permission from the legislature to purchase, including drones, then when we use the words manned aircraft in an emergency, that is the only exclusion that would be authorized, like a wrecked or out-of-service plane. If aircraft is expansive in its nature as far as terminology and definition, then this one would be limiting as far as an exception. Do you agree?

Vice Chairman Rick C. Becker: **I think that the discussion depends upon what our definition of "aircraft" is in Century Code.** We need to find that out. If the Highway Patrol wanted to purchase a basic drone, they couldn't without explicit permission.

Representative Paur: Aircraft definitions in Century Code: (57-40.5-01) aircraft includes airplanes, helicopters, manned balloons, or ultralight vehicles; (26.1-48-01) general aviation like craft that is powered and intended to fly above the ground and designed to carry one person or more with a maximum seating capacity of fewer than 20 passengers and weighs less than 12,500 pounds; (2-03-01) aircraft means any contrivance now known or herein after invented, used, or designed for navigational or flight in the air, provided a hydroplane while at rest on water and while being operated on or above water, shall be governed by the rules of water navigation. There are three very different definitions.

Vice Chairman Rick C. Becker: What is the downside to be more permissive to allow state agencies to purchase drones up to 55 pounds?

Senator Rust: As the bill came to us, I thought the bill was to address two situations. One was in an emergency situation being able to lease an aircraft for a limited period of time. The other was if an aircraft was destroyed, they would be able to use the insurance money to buy another. Taking the bill at its face value, I thought those were the only two things that it would do differently than in current law.

Representative Paur: In our testimony there was also drones.

Senator Rust: That is not in the bill, so it doesn't affect it. By putting it in, it is now restricting it.

Senator Patten: Our position was the intent of the original bill. (two points)

Representative Paur: The Highway Patrol believes that the original bill authorizes them to purchase drones.

Vice Chairman Rick C. Becker: If we want to do drones, do we just require that it be a line item in their budget request, or do we just open it up?

Senator Rust: Doesn't adding the word "manned" in the original bill, limit it?

Representative Nelson: You have excluded drones, or unmanned aircraft. Then they **wouldn't** need authorization to purchase the unmanned aircraft. In the current law it just says aircraft and probably includes drones, which probably means they can be purchased without specific authorization from legislature.

Vice Chairman Rick C. Becker: If you think that the best way to purchase a drone is a line item request to the legislature, we go with the Senate version. If we want to allow the agencies to purchase drones at will up to 55 pounds, then we go with the House version.

Senator Patten: Looking at the original bill, we can put in "an aircraft without specific authorization". That would cover everything. We can add the exception back in in parts 3 and 4 regarding manned aircraft.

Representative Paur: The Senate version is the same as the original, correct?

Senator Rust: I think they are identical.

Vice Chairman Rick C. Becker: The way I see it, the two initial reasons for this bill exist in both the Senate and the House version. We are just looking at how we address drones. If you think that it is best that any drone purchase should be a line item request to the legislature, we go with the Senate version. If we want to allow the agencies to purchase drones at will up to 55 pounds, then we go with the House version.

Representative Paur: On page 2 lines 2-4 in the .2001 version we added where they can only use the insurance proceeds. Do you agree with that?

Senator Rust: Yes, we are fine with that. I am ***kind of*** comfortable with your additions to Section 4. We could keep Section 4 from your bill, and leave the others on the original.

Senator Patten: In Section 2 if we take manned out, it will cover everything, and give the exception in Sections 3 and 4, which tells how they can do it. The drones then would be required to be a line item.

Senator Rust: I keep thinking about jobs that would be easier and cheaper when done with a drone. Do we want to put those limitations in for two years? We do want to use technology to do things that are simpler, safer, and quicker.

Representative Paur: You are saying that we should probably include the purchase of light drones as an option.

Senator Rust: I think that I like the word "manned" in there. It gives them leeway to purchase drones.

Vice Chairman Rick C. Becker: This is interesting because this all hinges on the **definition** of AIRCRAFT in Century Code. We **need** to know if drones are included in the definition. I don't know how they are currently interpreting it.

Representative Paur: Maybe we should put a definition of aircraft in the bill. We probably should assume that aircraft includes a drone.

Senator Patten: We need to get some guidance from Legislative Council on what is aircraft. They make an effort to clean that up and make it consistent. We could also define it specific to this Code.

Representative Paur: We just need a consistent definition that we are operating with.

Vice Chairman Rick C. Becker: I like the page 2 amendment that the House did. The House could just decide to recede from that portion of the amendment and just let it roll. If there is a problem with purchasing or not purchasing drones, then it would come back in two years.

Representative Paur: You are suggesting keeping the House amendment in the last part and leaving the original in the first part?

Vice Chairman Rick C. Becker: I'm suggesting that is an option. Maybe we are concerned about a problem that isn't a problem.

Representative Paur: The meeting is adjourned. We will schedule a meeting for Thursday.

2019 HOUSE STANDING COMMITTEE MINUTES

Transportation Committee
Fort Totten Room, State Capitol

HB 1230
4/11/2019
#34682

☐ Subcommittee
☒ Conference Committee

Committee Clerk: Jeanette Cook

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 54-06-37 of the North Dakota Century Code relating to the lease of a manned aircraft in an emergency.

Minutes: Attachment #1

Representative Paur opened the conference committee on HB 1230.

Senator Rust: An amendment was provided: 19.0576.03002. See attachment #1.
In the amendment Sections 1,2,3, and 5 will go back to the original bill. It then inserts what the House did in Section 4, saying that if a plane is destroyed, you can ONLY use the insurance proceeds to purchase a different plane, and if it exceeds that amount they would need permission to purchase.

Senator Rust moved to recede from the Senate amendments and to further amend as written in 19.0576.03002.
Vice Chairman Rick C. Becker seconded the motion.

Representative Nelson: This will be doing what we intended to do. It generally covers aircraft. If a plane is damaged, they can lease a plane until it is fixed. If a plane is destroyed and the insurance covers the cost of replacement, a plane can be purchased. If not, then they will need to have permission to spend more.

A roll call vote was taken: Yes 6 No 0 Absent 0
The motion carried.

The meeting was adjourned.

Dft 4/10/19

19.0576.03002
Title.05000

Prepared by the Legislative Council staff for
Senator Rust

April 9, 2019

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1230

That the Senate recede from its amendments as printed on page 1375 of the House Journal and pages 1093 and 1094 of the Senate Journal and that Engrossed House Bill No. 1230 be amended as follows:

Page 1, line 2, after "of" insert "a manned"

Page 1, line 2, after "aircraft" insert "in an emergency"

Page 1, line 9, remove the underscored colon

Page 1, remove lines 10 and 11

Page 1, line 12, replace "b. "Airworthy"" with ", "airworthy""

Page 1, line 15, overstrike "an" and insert immediately thereafter "a manned"

Page 1, line 19, replace the first "an" with "a manned"

Renumber accordingly

Date: 4-11-19

Roll Call Vote #: 1

2019 HOUSE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1230 as (re) engrossed

House Transportation Committee

Action Taken

- ☐ **HOUSE accede to Senate Amendments**
- ☐ **HOUSE accede to Senate Amendments and further amend**
- ☐ **SENATE recede from Senate amendments**
- ☒ **SENATE recede from Senate amendments and amend as follows**

- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Rust Seconded by: Becker

Representatives	4/9	4/11		Yes	No	Senators	4/9	4/11		Yes	No
Chairman Paur	X	X		X		Senator Patten	X	X		X	
Rep. Becker	X	X		X		Senator D. Rust	X	X		X	
Rep. Nelson	X	X		X		Senator J. Bakke	A	X		X	
						Sen. Fors	X				
Total Rep. Vote						Total Senate Vote					

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier Rep. Paur Senate Carrier Sen. Patten

LC Number 19.0576 . 03002 of amendment

LC Number 19.0576 . 05000 of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Insert LC: 19.0576.03002
House Carrier: Paur
Senate Carrier: Patten

REPORT OF CONFERENCE COMMITTEE

HB 1230, as engrossed: Your conference committee (Sens. Patten, Rust, Bakke and Reps. Paur, Becker, M. Nelson) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ page 1375, adopt amendments as follows, and place HB 1230 on the Seventh order:

That the Senate recede from its amendments as printed on page 1375 of the House Journal and pages 1093 and 1094 of the Senate Journal and that Engrossed House Bill No. 1230 be amended as follows:

Page 1, line 2, after "of" insert "a manned"

Page 1, line 2, after "aircraft" insert "in an emergency"

Page 1, line 9, remove the underscored colon

Page 1, remove lines 10 and 11

Page 1, line 12, replace "b. "Airworthy"" with ", "airworthy""

Page 1, line 15, overstrike "an" and insert immediately thereafter "a manned"

Page 1, line 19, replace the first "an" with "a manned"

Renumber accordingly

Engrossed HB 1230 was placed on the Seventh order of business on the calendar.

2019 TESTIMONY

HB 1230

HB1230
1-25-19
#1

House Bill 1230 (19.0576.02000)
House Transportation Committee – Representative Dan Ruby, Chairman
January 25, 2019

Chairman Ruby and Members of the Committee:

For the record, I am Cindy Schreiber-Beck, District 25 Representative.

House Bill 1230 was written to correct unintended consequences from legislation passed during the 2013 legislative session. The language of the 2013 states:

54-06-37. Authorization to purchase or lease aircraft - Legislative assembly or budget section approval.

A state agency or other entity of state government may not purchase or lease an aircraft without specific authorization from the legislative assembly or the budget section of the legislative management if the legislative assembly is not in session. This section does not apply to aircraft purchased or leased by the office of the adjutant general or the university of North Dakota school of aviation.

This law was not problematic until last year when a state agency's aircraft was not airworthy for a period of approximately three months because the part needed to repair the aircraft had to be manufactured. This is not an uncommon occurrence in the world of aviation maintenance. In the bill, the language on page 1, lines 15-19, are offered to remedy the situation.

In an emergency circumstances, a state agency, department, or institution may lease a manned aircraft without approval from the legislative assembly or the budget section if an aircraft currently leased or owned by the state agency, department, or institution is not airworthy. The emergency lease under this subsection may extend only until the aircraft deemed not airworthy is determined to be airworthy.

Additional language (page 1 on lines 20 – 23) was added to remedy the loss of an aircraft due to an accident or incident that damaged the aircraft to the extent it could not be returned to an airworthy condition.

A state agency, department, or institution may purchase a replacement aircraft without approval from the legislative assembly or the budget section if an aircraft is destroyed beyond repair and insurance proceeds are used for the purchase of the replacement aircraft.

There are others available to provide further information to support HB1230. Thank you for your attention and eventual consideration of this proposed legislation. I will stand for any questions you may have.

HB 1230
1-25-19
#2

House Transportation Committee
Testimony on HB 1230

North Dakota Game and Fish Department
Jeff Faught, Pilot
January 25, 2019

Chairman Ruby and members of the House Transportation committee, my name is Jeff Faught, Pilot for the North Dakota Game and Fish Department. I am here today to testify in support of HB 1230.

The Game and Fish Department's Cessna 182, which is used for wildlife enforcement, personal transport, aerial surveys, and photography among other duties, was out of service April to July 2017. The aircraft had a cracked nose gear casting that took Cessna three months to make the part to fill the order. This left our aircraft out of service during the following circumstances:

- The aircraft problem was encountered while it was being used to transport sage grouse from Wyoming to ND causing one of the flights to be cancelled. Department staff worked into the night capturing the birds and then had a long drive to ND transporting the birds. This was not good for staff and it caused stress on the birds. The Department could have rented a Cessna 182 from Bismarck Aero Center to make the flight.

- During the down time, our aircraft could have been used on two flights for a missing person search at which time the Highway Patrol aircraft was out of service for maintenance.

Other times of the year the Cessna is utilized more extensively and with a grounding of this valuable tool for an extended time it would have caused many more flight cancelations.

Also, we have had to wait for a part for two months for a preventative maintenance situation which didn't result in the aircraft being out of service but shows that extended waits for parts do occur.

The proposed bill would allow the Department to lease an aircraft when our aircraft is not airworthy thus not interrupting Department business.

Mr. Chairman and committee members, this concludes my testimony. I would be happy to answer any questions.

HB1230
1-25-19
#3

House Bill 1230
House Transportation Committee
Representative Ruby, Chairman
January 25, 2019

Good morning Mr. Chairman and members of the House Transportation Committee. My name is Major Tom Iverson, Chief of Operations for the North Dakota Highway Patrol. I am here in support of HB 1230 which would amend NDCC 54-06-37 related to the authorization to purchase or lease an aircraft.

This bill would help the highway patrol and other state agencies to expand resources to better serve the citizens of North Dakota. By changing the terminology used in century code to "manned" aircraft, our agency would be able to purchase unmanned aerial vehicles (UAVs) as new or replacement units are needed.

The ability to purchase UAVs, which are already being used by the public for recreational and commercial purposes, would greatly enhance the safety of our officers and the public and would improve the level of service we provide. UAVs have proven to be an essential tool for law enforcement.

In a recent example, the Burleigh County Sheriff's Office assisted our agency with a pursuit of a stolen tow truck from Mandan. A state trooper located the stolen vehicle and attempted to stop it. The driver fled from officers to a location east of Bismarck where he drove off the roadway and entered a field. The stolen tow truck got stuck in the field and the driver attempted to flee on foot. A Burleigh County Deputy Sheriff responded to assist. This deputy was assigned a UAV and was able to locate the suspect trying to hide in the field. This birds eye view provided officers with the suspect's location and allowed the deputy to watch for any possible weapons.

That is just one example of the many uses for UAVs in law enforcement. The highway patrol would primarily use UAVs for crash investigation and search and rescue operations. Clearing crash scenes in a more timely manner and providing high definition pictures and 3D diagrams are a few of the benefits of using a UAV at a crash scene. UAVs can also be used to assess hazardous scenes from a safe distance. The highway patrol has one aircraft, and UAVs would serve as a supplemental tool to search smaller areas in a more methodical manner.

This amendment would also ensure the highway patrol has the ability to purchase replacement UAVs in the event there are mechanical or other issues rendering them inoperable or when a UAV reaches its end of life.

Mr. Chairman, this concludes my testimony, and I would be happy to answer any questions.

HB 1230
1-31-19 #1

19.0576.02001
Title.

Prepared by the Legislative Council staff for
Representative Paur
January 25, 2019

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1230

Page 1, line 2, remove "a manned"

Page 1, line 2, remove "in an emergency"

Page 1, line 9, replace ", "airworthy"" with ":

a. "Aircraft" means a device weighing more than fifty-five pounds which is used or intended to be used for flight in the air.

b. "Airworthy""

Page 1, line 12, remove the overstrike over "~~an~~"

Page 1, line 12, remove "a manned"

Page 1, line 15, remove the second "a"

Page 1, line 16, replace "manned" with "an"

Page 1, line 22, after "and" insert "only"

Page 1, line 23, after the underscored period insert "If the purchase price of a replacement aircraft exceeds the insurance proceeds, the state agency, department, or institution must receive authorization in accordance with subsection 2."

Renumber accordingly

HB 1230
1-31-19
#2

19.0576.02000

Sixty-sixth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1230

Introduced by

Representatives Schreiber-Beck, D. Anderson, Hatlestad, Roers Jones, Zubke

Senators Klein, Kreun, J. Roers

A BILL for an Act to amend and reenact section 54-06-37 of the North Dakota Century Code, relating to the lease of ~~a manned~~ aircraft ~~in an emergency~~.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-06-37 of the North Dakota Century Code is amended and reenacted as follows:

54-06-37. Authorization to purchase or lease aircraft - Legislative assembly or budget section approval - Exception.

~~A~~ a. "Aircraft" means a device weighing more than fifty-five pounds which is used or intended to be used for flight in the air.

1. As used in this s b. "Airworthy"" means an aircraft conforms to its type design and is in a condition for safe operation.

2. Except as otherwise provided in subsections 3 and 4, a state agency or other entity of state government may not purchase or lease ~~an~~ a ~~manned~~ aircraft without specific authorization from the legislative assembly or the budget section of the legislative management if the legislative assembly is not in session.

3. In an emergency circumstance, a state agency, department, or institution may lease ~~a~~ an ~~manned~~ aircraft without approval from the legislative assembly or the budget section if an aircraft currently leased or owned by the state agency, department, or institution is not airworthy. The emergency lease under this subsection may extend only until the aircraft deemed not airworthy is determined to be airworthy.

4. A state agency, department, or institution may purchase a replacement aircraft without approval from the legislative assembly or the budget section if an aircraft is destroyed beyond repair and only insurance proceeds are used for the purchase of the replacement aircraft.

"If the purchase price of a replacement aircraft exceeds the insurance proceeds, the state agency, department, or institution must receive authorization in accordance with subsection 2."

HB 1230 #1
3/15/19 Pg 1/1

House Bill 1230 (19.0576.03000)

Senate Transportation Committee – Senator David Rust, Chairman
March 15, 2019 9am

Chairman Rust, Vice-Chair Clemens and Members of the Committee:

For the record, I am Cindy Schreiber-Beck, District 25 Representative.

House Bill 1230 was written to correct unintended consequences from legislation passed during the 2013 legislative session.

54-06-37. Authorization to purchase or lease aircraft - Legislative assembly or budget section approval.

A state agency or other entity of state government may not purchase or lease an aircraft without specific authorization from the legislative assembly or the budget section of the legislative management if the legislative assembly is not in session. This section does not apply to aircraft purchased or leased by the office of the adjutant general or the university of North Dakota school of aviation.

This law was not problematic until last year when a state agency's aircraft was not airworthy for a period of approximately three months because the part needed to repair the aircraft had to be manufactured. This is not an uncommon occurrence in the world of aviation maintenance.

The language to remedy the situation appears on page 1 lines 18-22:

In an emergency circumstance, a state agency, department, or institution may lease a manned aircraft without approval from the legislative assembly or the budget section if an aircraft currently leased or owned by the state agency, department, or institution is not airworthy. The emergency lease under this subsection may extend only until the aircraft deemed not airworthy is determined to be airworthy.

Additional language beginning on page 1, line 23, was added to remedy the loss of an aircraft due to an accident or incident that damaged the aircraft to the extent it could not be returned to an airworthy condition.

A state agency, department, or institution may purchase a replacement aircraft without approval from the legislative assembly or the budget section if an aircraft is destroyed beyond repair and insurance proceeds are used for the purchase of the replacement aircraft.

The bill would also allow state agencies to purchase a small unmanned aircraft system (sUAS).

There are others available to provide further information to support HB1230. Thank you for your attention and favorable consideration of this proposed legislation. I will stand for any questions you may have.

HB 1230 #2
3/15/19 pg 1/1

Senate Transportation Committee
Testimony on HB 1230

North Dakota Game and Fish Department
Jeff Faught, Pilot
March 15, 2019

Chairman Rust and members of the Senate Transportation committee, my name is Jeff Faught, Pilot for the North Dakota Game and Fish Department. I am here today to testify in support of HB 1230.

The Game and Fish Department's Cessna 182, which is used for wildlife enforcement, personal transport, aerial surveys, and photography among other duties, was out of service April to July 2017. The aircraft had a cracked nose gear casting that took Cessna three months to make the part to fill the order. This left our aircraft out of service during the following circumstances:

- The aircraft problem was encountered while it was being used to transport sage grouse from Wyoming to ND causing one of the flights to be cancelled. Department staff worked into the night capturing the birds and then had a long drive to ND transporting the birds. This was not good for staff and it caused stress on the birds. The Department could have rented a Cessna 182 from Bismarck Aero Center to make the flight.

- During the down time, our aircraft could have been used on two flights for a missing person search at which time the Highway Patrol aircraft was out of service for maintenance.

Other times of the year the Cessna is utilized more extensively and with a grounding of this valuable tool for an extended time it would have caused many more flight cancelations.

Also, we have had to wait for a part for two months for a preventative maintenance situation which didn't result in the aircraft being out of service but shows that extended waits for parts do occur.

The proposed bill would allow the Department to lease an aircraft when our aircraft is not airworthy thus not interrupting Department business.

Mr. Chairman and committee members, this concludes my testimony. I would be happy to answer any questions.

HB 1230 #3
3/15/19 pg 1/1

House Bill 1230
Senate Transportation Committee
Senator Rust, Chairman
March 15, 2019

Good morning Mr. Chairman and members of the Senate Transportation Committee. My name is Major Tom Iverson, Chief of Operations for the North Dakota Highway Patrol. I am here in support of HB 1230 which would amend NDCC 54-06-37 related to the authorization to purchase or lease an aircraft.

This bill would help the highway patrol and other state agencies to expand resources to better serve the citizens of North Dakota. By changing the definition of "aircraft" to a device weighing more than fifty-five pounds, our agency would be able to purchase unmanned aerial vehicles (UAVs) as new or replacement units are needed.

The ability to purchase UAVs, which are already being used by the public for recreational and commercial purposes, would greatly enhance the safety of our officers and the public and would improve the level of service we provide. UAVs have proven to be an essential tool for law enforcement.

In a recent example, the Burleigh County Sheriff's Office assisted our agency with a pursuit of a stolen tow truck from Mandan. A state trooper located the stolen vehicle and attempted to stop it. The driver fled from officers to a location east of Bismarck where he drove off the roadway and entered a field. The stolen tow truck got stuck in the field and the driver attempted to flee on foot. A Burleigh County Deputy Sheriff responded to assist. This deputy was assigned a UAV and was able to locate the suspect trying to hide in the field. This birds eye view provided officers with the suspect's location and allowed the deputy to watch for any possible weapons.

That is just one example of the many uses for UAVs in law enforcement. The highway patrol would primarily use UAVs for crash investigation and search and rescue operations. Clearing crash scenes in a more timely manner and providing high definition pictures and 3D diagrams are a few of the benefits of using a UAV at a crash scene. UAVs can also be used to assess hazardous scenes from a safe distance. The highway patrol has one aircraft, and UAVs would serve as a supplemental tool to search smaller areas in a more methodical manner.

This amendment would also ensure the highway patrol has the ability to purchase replacement UAVs in the event there are mechanical or other issues rendering them inoperable or when a UAV reaches its end of life.

Mr. Chairman, this concludes my testimony, and I would be happy to answer any questions.

HB1230 #1
3/21/19 1 of 1

Sixty-sixth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1230

Introduced by

Representatives Schreiber-Beck, D. Anderson, Hatlestad, Roers Jones, Zubke

Senators Klein, Kreun, J. Roers

A BILL for an Act to amend and reenact section 54-06-37 of the North Dakota Century Code, relating to the lease of a manned aircraft in an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-06-37 of the North Dakota Century Code is amended and reenacted as follows:

54-06-37. Authorization to purchase or lease aircraft - Legislative assembly or budget section approval - Exception.

~~A~~

1. As used in this section, "airworthy" means an aircraft conforms to its type design and is in a condition for safe operation.
2. Except as otherwise provided in subsections 3 and 4, a state agency or other entity of state government may not purchase or lease ~~ana~~ manned aircraft without specific authorization from the legislative assembly or the budget section of the legislative management if the legislative assembly is not in session.
3. In an emergency circumstance, a state agency, department, or institution may lease a manned aircraft without approval from the legislative assembly or the budget section if an aircraft currently leased or owned by the state agency, department, or institution is not airworthy. The emergency lease under this subsection may extend only until the aircraft deemed not airworthy is determined to be airworthy.
4. A state agency, department, or institution may purchase a replacement aircraft without approval from the legislative assembly or the budget section if an aircraft is destroyed beyond repair and insurance proceeds are used for the purchase of the replacement aircraft.

5. This section does not apply to aircraft purchased or leased by the office of the adjutant general or the university of North Dakota school of aviation.

HB 1230
3/21/19
#2 pg 1/1

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HB 1230
3/22/19 #1
19.1

19.0576.03001

Sixty-sixth
Legislative Assembly
of North Dakota

FIRST ENGROSSMENT

ENGROSSED HOUSE BILL NO. 1230

Introduced by

Representatives Schreiber-Beck, D. Anderson, Hatlestad, Roers Jones, Zubke

Senators Klein, Kreun, J. Roers

A BILL for an Act to amend and reenact section 54-06-37 of the North Dakota Century Code, relating to the lease of a manned aircraft in an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-06-37 of the North Dakota Century Code is amended and reenacted as follows:

54-06-37. Authorization to purchase or lease aircraft - Legislative assembly or budget section approval - Exception.

~~A~~

1. As used in this section~~:~~, "airworthy"

~~a. "Aircraft" means a device weighing more than fifty-five pounds which is used or intended to be used for flight in the air.~~

~~b.~~ "~~Airworthy~~" means an aircraft conforms to its type design and is in a condition for safe operation.

2. Except as otherwise provided in subsections 3 and 4, a state agency or other entity of state government may not purchase or lease ~~an~~a manned aircraft without specific authorization from the legislative assembly or the budget section of the legislative management if the legislative assembly is not in session.

3. In an emergency circumstance, a state agency, department, or institution may lease ~~an~~a manned aircraft without approval from the legislative assembly or the budget section if an aircraft currently leased or owned by the state agency, department, or institution is not airworthy. The emergency lease under this subsection may extend only until the aircraft deemed not airworthy is determined to be airworthy.

4. A state agency, department, or institution may purchase a replacement aircraft without approval from the legislative assembly or the budget section if an aircraft is destroyed

beyond repair and ~~only~~ insurance proceeds are used for the purchase of the replacement aircraft. ~~If the purchase price of a replacement aircraft exceeds the insurance proceeds, the state agency, department, or institution must receive authorization in accordance with subsection 2.~~

5. This section does not apply to aircraft purchased or leased by the office of the adjutant general or the university of North Dakota school of aviation.

HB 1230 #2
3/22/19 pg 1

19.0576.03001
Title.

Prepared by the Legislative Council staff for
Senator Rust
March 21, 2019

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1230

Page 1, line 2, after "of" insert "a manned"

Page 1, line 2, after "aircraft" insert "in an emergency"

Page 1, line 9, replace the underscored colon with ", "airworthy""

Page 1, remove lines 10 and 11

Page 1, line 12, remove "b. "Airworthy""

Page 1, line 15, overstrike "an" and insert immediately thereafter "a manned"

Page 1, line 19, replace the first "an" with "a manned"

Page 2, line 1, remove "only"

Page 2, line 2, remove "If the purchase price of a replacement aircraft exceeds the"

Page 2, remove lines 3 and 4

Renumber accordingly

HB 1230
4-11-19
#1

19.0576.03002
Title.

Prepared by the Legislative Council staff for
Senator Rust
April 9, 2019

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1230

That the Senate recede from its amendments as printed on page 1375 of the House Journal and pages 1093 and 1094 of the Senate Journal and that Engrossed House Bill No. 1230 be amended as follows:

Page 1, line 2, after "of" insert "a manned"

Page 1, line 2, after "aircraft" insert "in an emergency"

Page 1, line 9, remove the underscored colon

Page 1, remove lines 10 and 11

Page 1, line 12, replace "b. "Airworthy"" with ", "airworthy""

Page 1, line 15, overstrike "an" and insert immediately thereafter "a manned"

Page 1, line 19, replace the first "an" with "a manned"

Renumber accordingly