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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 2485

03/08/2016 Authored by Anderson, M.,  
The bill was read for the first time and referred to the Committee on Transportation Policy and Finance

1.1 A bill for an act  
1.2 relating to aeronautics; prohibiting government agencies from requiring  
1.3 registration or licensure of unmanned aircraft systems; amending Minnesota  
1.4 Statutes 2014, sections 360.013, by adding a subdivision; 360.018, subdivision  
1.5 3; 360.55, by adding a subdivision; 360.653; proposing coding for new law in  
1.6 Minnesota Statutes, chapter 360.

1.7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.8 Section 1. Minnesota Statutes 2014, section 360.013, is amended by adding a  
1.9 subdivision to read:

1.10 Subd. 62. Unmanned aircraft system. "Unmanned aircraft system" means an  
1.11 unmanned, powered aircraft that does not carry a human operator, can be autonomous or  
1.12 remotely piloted or operated, and can be expendable or recoverable. Unmanned aircraft  
1.13 system does not include a satellite orbiting the earth.

1.14 Sec. 2. Minnesota Statutes 2014, section 360.018, subdivision 3, is amended to read:

1.15 Subd. 3. **Exceptions to registration requirements.** The provisions of subdivision  
1.16 1, paragraphs (1) and (2), and subdivision 2 ~~shall~~ do not apply to:

1.17 (1) an aircraft which has been licensed by a foreign country with which the United  
1.18 States has a reciprocal agreement covering the operations of such licensed aircraft;

1.19 (2) an aircraft which is owned by a nonresident of this state who is lawfully entitled  
1.20 to operate such aircraft in the state of residence;

1.21 (3) an aircraft engaged principally in commercial flying constituting an act of  
1.22 interstate or foreign commerce;

1.23 (4) an aircraft owned by, and used exclusively in the service of, any government  
1.24 or any political subdivision thereof, including the government of the United States, any

2.1 state, territory, or possession of the United States, or the District of Columbia, which is not  
 2.2 engaged in carrying persons or property for commercial purposes;

2.3 (5) an airman operating an aircraft owned by, and used exclusively in the service  
 2.4 of, any government or any political subdivision thereof, including the government of the  
 2.5 United States, any state, territory, or possession of the United States, or the District of  
 2.6 Columbia, which is not engaged in carrying persons or property for commercial purposes;

2.7 (6) an airman operating any aircraft licensed by a foreign country with which the  
 2.8 United States has a reciprocal agreement covering the operation of such licensed aircraft;

2.9 (7) persons operating model aircraft, nor to any person piloting an aircraft which is  
 2.10 equipped with fully functioning dual controls when a licensed instructor is in full charge  
 2.11 of one set of said controls and such flight is solely for instruction or for the demonstration  
 2.12 of said aircraft to a bona fide prospective purchaser;

2.13 (8) a nonresident operating aircraft in this state who is lawfully entitled to operate  
 2.14 aircraft in the state of residence;

2.15 (9) an airman while operating or taking part in the operation of an aircraft engaged  
 2.16 principally in commercial flying constituting an act of interstate or foreign commerce; and

2.17 (10) an unmanned aircraft system, as defined in section 360.013, subdivision 62.

2.18 **Sec. 3. [360.0185] UNMANNED AIRCRAFT SYSTEMS; REGISTRATION,**  
 2.19 **LICENSURE, AND TAXATION PROHIBITED.**

2.20 The commissioner is prohibited from requiring an unmanned aircraft system to (1)  
 2.21 register under section 360.018, (2) obtain a license and pay taxes under sections 360.511  
 2.22 to 360.67, or (3) obtain any other license or registration or pay any other tax or fee. This  
 2.23 section also applies to all cities, counties, and towns, and any other state agency and  
 2.24 local unit of government.

2.25 Sec. 4. Minnesota Statutes 2014, section 360.55, is amended by adding a subdivision  
 2.26 to read:

2.27 Subd. 9. **Unmanned aircraft system.** An unmanned aircraft system, as defined  
 2.28 under section 360.013, subdivision 62, is exempt from the taxation requirements under  
 2.29 sections 360.511 to 360.67.

2.30 Sec. 5. Minnesota Statutes 2014, section 360.653, is amended to read:

2.31 **360.653 AIRCRAFT REGISTRATION AND TAX EXEMPTIONS.**

2.32 The following aircraft, under the conditions specified, ~~shall be~~ are exempt from the  
 2.33 registration and the tax provided by sections 360.511 to 360.67.:

3.1 (1) any aircraft held by a dealer listed and used as provided in section 360.63, except  
3.2 that aircraft held by dealers on October 1, of each year, shall be registered and the entire  
3.3 tax provided by sections 360.511 to 360.67 shall be paid for the portion of the fiscal year,  
3.4 prorated on a monthly basis remaining after the aircraft came into the possession of the  
3.5 dealer. It is further provided that a dealer who has previously had aircraft on withholding  
3.6 may register such aircraft in September of each fiscal year by payment of an amount equal  
3.7 to one-third of the annual tax, which tax shall be applicable for the months of September  
3.8 through December and in January the dealer may again list these aircraft on the dealer's  
3.9 withholding form;

3.10 (2) aircraft remaining in the possession of aircraft manufacturers ten months after  
3.11 completion shall become subject to the tax provided by sections 360.511 to 360.67. The  
3.12 tax shall be computed from the expiration of the ten months period and shall be prorated  
3.13 on a monthly basis;

3.14 (3) aircraft while in the hands of aircraft refitters for the purpose of being refitted or  
3.15 modified or both, and while being refitted or modified or both;

3.16 (4) aircraft licensed under section 144E.12 and used exclusively to provide air  
3.17 ambulance service; and

3.18 (5) an unmanned aircraft system, as defined in section 360.013, subdivision 62.