



# *State of Tennessee*

## **PUBLIC CHAPTER NO. 800**

**SENATE BILL NO. 1659**

**By Tracy**

Substituted for: House Bill No. 1434

By Marsh, Kevin Brooks

AN ACT to amend Tennessee Code Annotated, Title 42; Title 47 and Title 66, Chapter 29, relative to abandoned aircraft.

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

SECTION 1. Tennessee Code Annotated, Title 66, Chapter 29, is amended by adding the following language as a new part:

**66-29-301.** As used in this part:

(1) "Abandoned aircraft" means:

(A) An aircraft left in a wrecked, inoperative, or partially dismantled condition on a public-use airport; and

(B) An aircraft that has remained in an idle state on a public-use airport for forty-five (45) consecutive calendar days without a contractual agreement between the owner or operator of the aircraft and the airport authority for use of the airport premises;

(2) "Airport authority" means an authority created pursuant to title 42, chapters 3, 4, or 5;

(3) "Derelict aircraft" means any aircraft that is not in a flyable condition, does not have a current certificate of air worthiness issued by the federal aviation administration, and is not in the process of actively being repaired; and

(4) "Public-use airport" is an airport owned or controlled by an airport authority.

**66-29-302.**

(a) If a derelict or abandoned aircraft is discovered on a public-use airport, whether or not the public-use airport is under a lease or license to a third party, the airport authority shall:

(1) Make a record of the date the aircraft was discovered on the public-use airport; and

(2) Inquire as to the name and address of any person having an equitable or legal interest in the aircraft, including the owner and any lien holders, by:

(A) Contacting the federal aviation administration, aircraft registration branch, and making a diligent search of the appropriate records; or

(B) Contacting an aircraft title search company.

(b) Within ten (10) business days of receiving the information requested pursuant to subsection (a), the airport authority shall notify the owner and all other interested parties by certified mail, return receipt requested:

(1) Of the location of the derelict or abandoned aircraft on the public-use airport;

(2) That fees and charges for the use of the airport by the aircraft have accrued and the amount of those fees and charges;

(3) That the aircraft is subject to a lien under § 66-29-304 for any unpaid and accrued fees and charges for the use of the airport and for the transportation, storage, and removal of the aircraft;

(4) That the lien is subject to enforcement pursuant to this part;

(5) That the airport may use, trade, sell, or remove the aircraft as described in § 66-29-303 if, within thirty (30) calendar days after the date of receipt of the notice, the owner or other interested party has not removed the aircraft from the airport and paid in full all accrued fees and charges for the use of the airport and for the transportation, storage, and removal of the aircraft; and

(6) That the airport authority may remove the aircraft in less than thirty (30) calendar days if the aircraft poses a danger to the health or safety of users of the public-use airport, as determined by the airport authority.

(c)(1) If, after the inquiry required by subdivision (a)(2), the owner of the aircraft is unknown or cannot be found, the airport authority shall place a notice upon the aircraft in a conspicuous position containing the information required by divisions (b)(2)-(6).

(2) The notice under subdivision (c)(1) shall be not less than eight inches (8") by ten inches (10") and shall be laminated or otherwise sufficiently weatherproof to withstand normal exposure to rain, snow, and other conditions.

**66-29-303.**

(a) If, after thirty (30) calendar days of the owner or other interested party receiving the notice or after thirty (30) calendar days of posting the notice on the aircraft, the owner or other interested party has not removed the aircraft from the airport and paid in full all accrued fees and charges for the use of the airport and for the transportation, storage, and removal of the aircraft, or shown reasonable cause for the failure to do so, the airport authority may:

(1) Retain the aircraft for use by the airport, the state, or the unit of local government owning or operating the airport;

(2) Trade the aircraft to another unit of local government or a state agency;

(3) Sell the property; or

(4) Dispose of the property through an appropriate refuse removal company or a company that provides salvage services for aircraft.

(b) If the airport authority elects to sell the aircraft in accordance with subdivision (a)(3), the aircraft shall be sold at public auction after giving notice of the time and place of sale, at least ten (10) calendar days prior to the date of sale, in a newspaper of general circulation within the county where the airport is located and after providing written notice of the intended sale to all parties known to have an interest in the aircraft.

(c) If the airport authority elects to dispose of the aircraft in accordance with subdivision (a)(4), the airport authority shall be entitled to negotiate with the company for a price to be received from the company in payment for the aircraft, or, if circumstances so warrant, a price to be paid to the company by the airport authority for the costs of disposing of the aircraft. All information and records pertaining to the

establishment of the price and the justification for the amount of the price shall be prepared and maintained by the airport authority.

(d) If the sale price or the negotiated price is less than the airport authority's then current fees and charges against the aircraft, the owner of the aircraft shall remain liable to the airport authority for the fees and charges that are not offset by the sale price or negotiated price.

(e) All costs incurred by the airport authority in the removal, storage, and sale of any aircraft shall be recoverable against the owner of the aircraft.

**66-29-304.**

(a) The airport authority shall have a lien on a derelict or abandoned aircraft for all unpaid fees and charges for the use of the airport by the aircraft and for all unpaid costs incurred by the airport authority for the transportation, storage, and removal of the aircraft. As a prerequisite to perfecting a lien under this section, the airport authority shall serve a notice in accordance with § 66-29-302 on the last registered owner and all persons having an equitable or legal interest in the aircraft.

(b)(1) For the purpose of perfecting its lien under this section, the airport authority shall record a claim of lien that states:

(A) The name and address of the airport;

(B) The name of the last registered owner of the aircraft and all persons having a legal or equitable interest in the aircraft;

(C) The fees and charges incurred by the aircraft for the use of the airport and the costs for the transportation, storage, and removal of the aircraft; and

(D) A description of the aircraft sufficient for identification.

(2) The claim of lien shall be signed and sworn to or affirmed by the airport authority's director or the director's designee.

(3) The claim of lien shall be served on the last registered owner of the aircraft and all persons having an equitable or legal interest in the aircraft. The claim of lien shall be so served before recordation.

(4) The claim of lien shall be recorded with the register of the county where the airport is located. The recording of the claim of lien shall be constructive notice to all persons of the contents and effect of such claim. The lien shall attach at the time of recordation and shall take priority as of that time.

**66-29-305.**

(a) If the aircraft is sold, the airport authority shall satisfy the airport authority's lien, plus the reasonable expenses of notice, advertisement, and sale, from the proceeds of the sale.

(b) The balance of the proceeds of the sale, if any, shall be held by the airport authority, and delivered on demand to the owner of the aircraft.

(c) If no person claims the balance within twelve (12) months of the date of sale, the airport authority shall retain the funds and use the funds for airport operations.

**66-29-306.**

(a) Any person acquiring a legal interest in an aircraft under this part shall be the lawful owner of the aircraft and all other legal or equitable interests in that aircraft shall be divested; provided, that the holder of any legal or equitable interest was notified of the intended disposal of the aircraft as required in this part.

(b) The airport authority may issue documents of disposition to the purchaser or recipient of an aircraft disposed of under this part.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

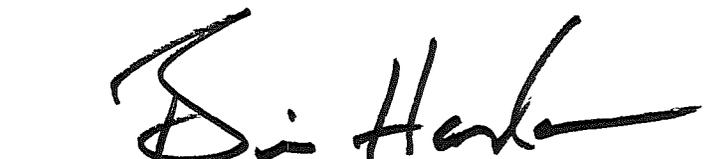
SENATE BILL NO. 1659

PASSED: March 23, 2016

  
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RON RAMSEY  
SPEAKER OF THE SENATE

  
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BETH HARWELL, SPEAKER  
HOUSE OF REPRESENTATIVES

APPROVED this 14<sup>th</sup> day of April 2016

  
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BILL HASLAM, GOVERNOR