

Secretary of State  
**NOTICE OF PROPOSED RULEMAKING\***  
A Statement of Need and Fiscal Impact accompanies this form

**FILED**  
5-10-17 8:51 AM  
ARCHIVES DIVISION  
SECRETARY OF STATE

Oregon Department of Aviation

Agency and Division

738

Administrative Rules Chapter Number

Lauri Kunze

Rules Coordinator

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Address

**RULE CAPTION**

K-12 exemption from registration of Unmanned Aircraft System

Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.

**RULEMAKING ACTION**

Secure approval of rule numbers with the Administrative Rules Unit prior to filing

**ADOPT:**

**AMEND:**

738-080-0045

**REPEAL:**

**RENUMBER:** Secure approval of new rule numbers with the Administrative Rules Unit prior to filing.

**AMEND AND RENUMBER:** Secure approval of new rule numbers with the Administrative Rules Unit prior to filing.

**Statutory Authority:**

ORS 835.035, 835.112, 837.360

**Other Authority:**

None

**Statutes Implemented:**

ORS 837.360

**RULE SUMMARY**

Currently all public entities in the state of Oregon must register each Unmanned Aircraft System (UAS) with the Federal Aviation Administration prior to registration with Oregon Department of Aviation (ODA). Registration with ODA must be completed prior to UAS flight.

Per OAR 738-080-0045 the fee to register each UAS weighing less than 55 lbs is \$25 and the fee to register a UAS weighing 55 lbs or more is \$50. A fee of \$25 per aircraft can be cost prohibitive to a high school program with 10 UAS and an annual budget of \$2000.

During the 2017 Legislative Session, Senate Bill 757 sought to reduce the registration fee for each UAS operated by K-12 educational programs to \$5 per aircraft. Working with the bill sponsor and a teacher at McMinnville High School, ODA recommended achieving the objective of SB 757 by administrative rule change. On March 20, 2017 the Senate Committee on Business and Transportation concurred with the proposed course of action and requested a report once the permanent rule change was complete.

With this proposed rule change ODA will exempt K-12 public schools from the registration requirement, thereby eliminating the registration fee in its entirety.

A public rulemaking hearing may be requested in writing by 10 or more people, or by an association with 10 or more members, within 21 days following the publication of the Notice of Proposed Rulemaking in the *Oregon Bulletin* or 28 days from the date Notice was sent to people on the agency mailing list, whichever is later. If sufficient hearing requests are received, the notice of the date and time of the rulemaking hearing must be published in the *Oregon Bulletin* at least 14 days before the hearing.

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

06-21-2017 4:00 p.m.

Lauri Kunze

lauri.g.kunze@odot.state.or.us

Last Day (m/d/yyyy) and Time  
for public comment

Rules Coordinator Name

Email Address

Secretary of State  
**STATEMENT OF NEED AND FISCAL IMPACT**  
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K-12 exemption from registration of Unmanned Aircraft System

Rule Caption (Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.)

In the Matter of:

the amendment of 738-080-0045

**Statutory Authority:**

ORS 835.035, 835.112, 837.360

**Other Authority:**

None

**Statutes Implemented:**

ORS 837.360

**Need for the Rule(s):**

This rulemaking is needed to implement a legislative compromise that will allow K-12 schools to operate UAS without the requirement to be registered with the Oregon Department of Aviation.

**Documents Relied Upon, and where they are available:**

None

**Fiscal and Economic Impact:**

See statements below.

**Statement of Cost of Compliance:**

**1. Impact on state agencies, units of local government and the public (ORS 183.335(2)(b)(E)):**

No impact to state agencies, local governments or the public.

**2. Cost of compliance effect on small business (ORS 183.336):**

**a. Estimate the number of small business and types of businesses and industries with small businesses subject to the rule:**

Small businesses are not subject to this rule.

**b. Projected reporting, recordkeeping and other administrative activities required for compliance, including costs of professional services:**

None

**c. Equipment, supplies, labor and increased administration required for compliance:**

None

**How were small businesses involved in the development of this rule?**

Small businesses are not impacted by this rulemaking and therefore were not directly involved in the development of this rule.

**Administrative Rule Advisory Committee consulted?:No**

**If not, why?:**

This rulemaking results from a compromise that will avoid unnecessary legislation. Input from an advisory committee would not have been helpful or necessary.

06-21-2017 4:00 p.m.	Lauri Kunze	lauri.g.kunze@odot.state.or.us
Last Day (m/d/yyyy) and Time for public comment	Printed Name	Email Address