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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
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Legislative Budget
Office

S.B. 206
135th General Assembly

Fiscal Note & Local Impact Statement

[Click here for S.B. 206's Bill Analysis](#)

Version: As Passed by the Senate

Primary Sponsor: Sen. Hackett

Local Impact Statement Procedure Required: No

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Highlights

- The bill allows storage costs to be included among the costs which a person may include in a lien placed upon abandoned aircraft and makes other changes to the procedures for perfecting such a lien. Under current law, applicable courts of common pleas are responsible for enforcing such liens.
- The bill establishes the procedures for the disposal of a derelict aircraft, including how the proceeds of the disposal should be distributed. Under these provisions, there may be some negligible revenue gains for the Unclaimed Funds Trust Fund.

Detailed Analysis

Abandoned aircraft liens

The bill makes various revisions to the law pertaining to placing liens on abandoned aircraft. Specifically, the bill allows for the inclusion of storage costs to be included in costs that may be included in a lien on an abandoned aircraft. The bill also specifies the notification procedures the director of a public use airport must undertake in order to perfect this lien (see LSC bill analysis). Current law, which is unchanged by the bill, specifies that the applicable county court of common pleas is responsible for enforcing these liens. It is unclear whether the notification process would impact the number of these liens initiated or perfected. Regardless, any associated cost increases or decreases from these provisions would appear to be negligible.

Disposal of derelict aircraft

The bill establishes the procedures for the disposal of a derelict aircraft, including notification processes similar to those established in the bill for perfecting liens. Once these procedures are followed, the director of a public use airport may sell the derelict aircraft at public

auction or dispose of the aircraft through an aircraft salvage or scrap metal dealer. If the final price received for the aircraft is less than the amount of accrued fees and charges against the aircraft, the previous owner remains liable for the remaining portion, and the director may use methods available under current law to collect any remaining amounts owed.

If the final price received is more than the accrued fees and charges, the airport director must pay the excess proceeds to the following as applicable: (1) to any other known lienholders, according to the priority of the liens, (2) the owner of the aircraft, if the owner can be determined and located, and (3) the Director of Commerce, for deposit into the Unclaimed Funds Trust Fund. Any potential revenue collected by the Department of Commerce (COM) from this source is likely to be quite small in comparison to amounts from various other sources that are deposited into the Unclaimed Funds Trust Fund.