

Department of Legislative Services  
Maryland General Assembly  
2015 Session

FISCAL AND POLICY NOTE  
Revised

Senate Bill 370

(Senator Rosapepe, *et al.*)

Finance

Environment and Transportation

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Unmanned Aircraft Systems Research, Development, Regulation, and Privacy  
Act of 2015

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This bill establishes that only the State may enact a law or take any other action to prohibit, restrict, or regulate the testing or operation of “unmanned aircraft systems” in the State. The bill preempts the authority of a county or municipality to prohibit, restrict, or regulate the testing or operation of unmanned aircraft systems and supersedes any existing law or ordinance of a county or municipality that does so, but it does not affect federal preemption of State law. Local governments are encouraged to work with specified federal and local law enforcement in determining how to enforce federal regulations and general laws related to unmanned aircraft systems. The bill contains three related reporting requirements.

The bill takes effect July 1, 2015.

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**Fiscal Summary**

**State Effect:** The Department of Business and Economic Development (DBED), the Maryland Department of Transportation (MDOT), and the Department of State Police (DSP) can handle the bill’s requirements with existing budgeted resources.

**Local Effect:** The bill does not materially affect local government finances or operations.

**Small Business Effect:** Minimal.

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**Analysis**

**Bill Summary:** “Unmanned aircraft” means the flying portion of an unmanned aircraft system, flown by a pilot via a ground control system, or autonomously through use of an

onboard computer, a communication link, and any additional equipment that is necessary for the unmanned aircraft to operate safely.

“Unmanned aircraft system” means an unmanned aircraft and all the associated support equipment, control stations, data links, telemetry, communications and navigation equipment, and other equipment necessary to operate the unmanned aircraft.

DBED, in consultation with the University of Maryland, College Park in its role as a member of the Mid-Atlantic Aviation Partnership; MDOT, including the Maryland Aviation Administration; institutions of higher education; and other interested parties, must:

- identify the benefits, including job creation, a cleaner environment, positive economic impacts, increased public safety, and enhanced efficiencies, that may be realized by the State from conducting research on unmanned aircraft systems in the State and developing, manufacturing, and operating unmanned aircraft systems in the State;
- determine the benefits that may be realized within each of the various industry sectors in the State that have the potential for the use of unmanned aircraft systems and evaluate the extent to which the use of unmanned aircraft systems in the State is in the public interest;
- identify ways in which the benefits and other positive aspects associated with the use of unmanned aircraft systems may be conveyed to the public in order to achieve public support;
- identify general policies that should be implemented to ensure that any concerns, including rights to privacy and private property and public safety issues, are addressed;
- identify policies that should be implemented to ensure any concerns are addressed specific to industries, including (1) applications impacting agriculture communities; (2) State, county, and municipal governments as it pertains to law enforcement, fire services, rescue services, and emergency medical services; and (3) educational, research, and training programs;
- as a way to provide certainty to companies that want to use unmanned aircraft systems in the State, develop qualification guidelines for companies to follow when applying for a Section 333 exemption to the Federal Aviation Administration (FAA); and
- report its findings and recommendations to the General Assembly by December 31, 2015.

DBED and MDOT, including the Maryland Aviation Administration, must:

- monitor FAA for any proposed regulations or rulemaking that relate to the regulation of the operation of small commercial unmanned aircraft systems;
- determine the impact of any proposed regulations or rulemaking on the State; and
- determine whether it is in the public interest for the State to consider statewide legislation relating to the regulation of the operation of unmanned aircraft systems.

In determining the above findings, the departments must consult with the University of Maryland, College Park, county and municipal governments, and other interested parties that the departments consider appropriate. If the departments determine that any proposed regulations or rulemaking have been or are likely to be adopted by FAA, the departments must report any findings and recommendations to the General Assembly as soon as practicably possible.

DSP, the Maryland Aviation Administration, local law enforcement officials, and other appropriate local government officials must review the state of unmanned aircraft system recreational use in the State in an attempt to document incidents or patterns of unauthorized or unsafe use of unmanned aircraft systems, including use that interferes with State or local public safety efforts or sensitive areas or facilities. They must report to the Governor and the General Assembly by December 31, 2018, on findings and recommendations regarding possible changes to State law or local regulatory authority needed to support governance or enforcement efforts related to unmanned aircraft systems.

**Current Law:** No statewide law exists governing exclusively the operation of unmanned aircraft systems.

FAA is responsible for developing plans and policy for the safe and efficient use of the United States' navigable airspace. The 2012 FAA Modernization and Reform Act (FMRA), in addition to funding the agency and advancing other measures, required FAA to develop a comprehensive plan for the safe acceleration of the integration of unmanned aircraft systems into the National Airspace System (NAS). The framework for this comprehensive plan was completed in September 2013 and can be found [here](#).

By law, any aircraft operation in the national airspace requires a certified and registered aircraft, a licensed pilot, and operational approval. Section 333 of FMRA grants the Secretary of Transportation the authority to determine whether an airworthiness certificate is required for unmanned aircraft systems to operate safely in NAS.

**Background:** According to FAA, the Section 333 exemption is being leveraged to grant case-by-case authorization for certain unmanned aircraft to perform commercial operations prior to the finalization of the Small Unmanned Aircraft Systems Rule, which will be the SB 370/ Page 3

primary method for authorizing small unmanned aircraft systems operations once it is complete. The Section 333 exemption process provides operators who wish to pursue safe and legal entry into NAS a competitive advantage in the unmanned aircraft systems marketplace, thus discouraging illegal operations and improving safety.

As part of the requirement to integrate unmanned aircraft systems into NAS, FMRA required FAA to establish six test site programs. The Mid-Atlantic Aviation Partnership, which includes Maryland (the University of Maryland, College Park), Virginia (Virginia Tech University), and New Jersey (Rutgers University), was chosen to lead one of the six programs in December 2013. In August 2014, Maryland's unmanned aircraft systems testing operation opened at a test site near Patuxent River Naval Air Station in St. Mary's County.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Business and Economic Development; University System of Maryland; Maryland Department of Transportation; Federal Aviation Administration; Mid-Atlantic Aviation Partnership; Harford, Montgomery, and Talbot counties; Department of Legislative Services

**Fiscal Note History:** First Reader - March 8, 2015  
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Analysis by: Stephen M. Ross

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510