Legislative Analysis



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ADVANCED AIR MOBILITY

Senate Bill 795 (S-2) as passed by the Senate

Sponsor: Sen. Curtis Hertel, Jr.

Senate Bill 796 as passed by the Senate

Sponsor: Sen. Aric Nesbitt

House Committee: Transportation

Senate Committee: Transportation and Infrastructure

Complete to 5-16-22

SUMMARY:

Senate Bills 795 and 796 would amend the Aeronautics Code to prohibit local governments from regulating or owning advanced air mobility aircraft (each bill contains an identical prohibition). Senate Bill 795 would also create an Advanced Air Mobility Study Committee. The committee would have to review and report on laws concerning advanced air mobility, create an outreach campaign educating the general public and lawmakers about advanced air mobility technology and its benefits in order to foster public acceptance and awareness, and collaborate with local governments to integrate *advanced air mobility* into transportation plans. The committee would be dissolved two years after the bill takes effect.

Advanced air mobility would mean a system that transports people and property by air between points in the United States using aircraft, including electric aircraft and electric vertical takeoff and landing aircraft, in both controlled and uncontrolled airspace.

<u>Senate Bill 795</u> would amend the Aeronautics Code to create the Advanced Air Mobility Study Committee. The committee would consist of the following 32 members:

- The director of the Department of Labor and Economic Development or the director's designee.
- The director of the Department of Military and Veterans Affairs or the director's designee.
- The director of the Department of Transportation or the director's designee.
- The director of the Department of State Police or the director's designee.
- The following 22 members appointed by the governor:
 - o One member representing the Michigan Municipal League.
 - One member representing the Michigan Townships Association.
 - One member representing the Michigan Association of Counties.
 - Two members representing different cities that each have a population of more than 150,000.
 - One member representing a city, village, or township with a population of less than 100,000.
 - One member representing a township with a population of 70,000 or more.
 - One member representing a township with a population of less than 70,000.
 - One member representing county sheriffs.
 - One law enforcement official of a city, township, or village.

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- One member representing a metropolitan planning organization.
- One member representing an airport located in a county with a population of 1,500,000 or more.
- One member representing an airport located in a county with a population of less than 1,500,000.
- One member representing an organization in this state that represents underserved transportation areas.
- One member representing an organization in this state that helps individuals with disabilities.
- One member representing a university in this state.
- One member representing a community college in this state.
- Two members representing the business community.
- o Three members representing the advanced air mobility industry.
- Three members appointed by the Senate Majority Leader.
- Three members appointed by the Speaker of the House of Representatives.

Members would have to be appointed no later than 30 days after the bill takes effect. Appointed committee members would serve at the pleasure of individual who appointed them.

The Senate Majority Leader and the Speaker of the House each would designate a member to serve as co-chairperson of the committee. The co-chairperson designated by the Senate Majority Leader would have to call the committee's first meeting. The committee would have to meet at least quarterly, but could meet more frequently at the call of a co-chairperson or at the request of 17 or more members.

A majority of the members of the committee would constitute a quorum for transacting business. A vote of 17 or more of the members of the committee serving would be required for any action of the committee. The committee would have to conduct its business in compliance with the Open Meetings Act, and a writing prepared, owned, used, possessed, or retained by the committee in performing an official function would be subject to the Freedom of Information Act (FOIA).

A member of the committee would not be entitled to compensation for service on the committee but could be reimbursed for actual and necessary expenses incurred in serving.

Committee Duties

The committee would have to do all of the following:

- Review current laws in Michigan that could have an impact on the advanced air mobility industry and discuss necessary revisions.
- Identify potential laws in Michigan that will create jurisdictional consistency for advanced air mobility operations throughout Michigan.
- Foster public acceptance and awareness by creating an outreach campaign to educate the general public and lawmakers about advanced air mobility technology and its benefits.
- Collaborate with local governments to identify the best ways to integrate advanced air mobility into transportation plans.
- No later than two years after the bill's effective date, submit to the governor, the secretary of state, the Senate Majority Leader, and the Speaker of the House a report

regarding the committee's activities that includes recommendations for administrative or legislative action.

The committee would be dissolved two years after the bill's effective date.

Local Preemption

The bill also would prohibit a county, city, village, or township from enacting (except as authorized by law) an ordinance, policy, or rule that relates to the ownership or operation of an advanced air mobility aircraft or advanced air mobility and from otherwise engaging in the regulation or ownership of an advanced air mobility aircraft or advanced air mobility. Any ordinance, policy, or rule violating these provisions would be void, regardless of whether it was enacted or adopted by the county, city, village, or township before or after the effective date of the bill.

Proposed MCL 259.207

<u>Senate Bill 796</u> would also amend the Aeronautics Code to include the provisions described above under "Local Preemption."

Proposed MCL 259.206a

FISCAL IMPACT:

Senate Bill 795 would amend the state Aeronautics Code by adding section 207 to create the Advanced Air Mobility Study Committee. The bill provides for the appointment to the 32-member committee of four state department directors or their designees. Although the bill does not establish detailed responsibilities for these state officials, it is understood that participation in the committee work would require some time in preparation and attendance. The associated costs cannot be readily estimated at this time, although it is anticipated that those costs would be borne by baseline departmental appropriations.

The bill does not require a state agency to support the committee, although it is assumed that support work would be provided primarily by the Michigan Department of Transportation (MDOT). The scope of that support work cannot be readily estimated at this time. Unless additional information on the scope of the committee is provided, it is assumed that support costs will be borne by baseline MDOT appropriations.

Neither Senate Bill 795 nor Senate Bill 796 appears to have a direct fiscal impact on local units of government.

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[■] This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.