

CHAPTER 11

(SB 87)

AN ACT relating to aviation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔SECTION 1. A NEW SECTION OF KRS CHAPTER 183 IS CREATED TO READ AS FOLLOWS:

- (1) ***Any air board that operates a commercial airport serving more than one million (1,000,000) passengers annually may:***
 - (a) ***Use small purchase procedures established by the Federal Aviation Administration for expenditures that do not exceed the simplified acquisition threshold identified in 2 C.F.R. sec. 200.88; and***
 - (b) ***Purchase goods or services directly from vendors who maintain General Services Administration price agreements with the United States pursuant to 40 U.S.C. sec. 502.***
- (2) ***Any air board operating under the provisions of subsection (1) of this section shall be exempt from the requirements of KRS 45A.345 to 45A.460 and 424.260 for purchases outlined in Section 2 of this Act.***

➔Section 2. KRS 82.084 is amended to read as follows:

KRS 45A.345 to 45A.460 and 424.260 shall not apply to city governments, urban-county governments,~~[-or]~~ consolidated local governments, ***or air boards identified in and operating under the provisions of subsection (1) of Section 1 of this Act*** for the purchase of:

- (1) Products or services when there is a single source of the product or service to be procured within a reasonable geographic area;
- (2) Products needed as replacement parts for personal property or equipment where the need cannot be reasonably anticipated and maintaining an inventory of replacement parts is not feasible; and
- (3) Products or services that are provided by:
 - (a) Entities recognized by the Office of Vocational Rehabilitation under KRS Chapter 163 that operate programs for the rehabilitation of individuals who are blind or visually impaired;
 - (b) Agencies for individuals with severe disabilities as described in KRS 45A.465;
 - (c) A qualified veterans' workshop providing job and employment-skill training to veterans where such a workshop is operated by the United States Department of Veterans Affairs;
 - (d) Nonprofit organizations, employment services organizations, or other private business organizations with established operations within the jurisdiction of the city, urban-county government, or consolidated local government with the main mission or business purpose of serving individuals with disabilities by offering transitional or supported employment services or other rehabilitative programs and services, including but not limited to serving individuals with severe mental or physical disabilities or those recovering from substance abuse disorders; or
 - (e) Nonprofit community service organizations operating within the jurisdiction of the city, urban-county government, or consolidated local government when there is a determination in the official record of the legislative body that the purchase of the products or services would serve a mutual benefit to the government and the organization by:
 1. Furthering the purposes of the organization;
 2. Providing a service or product needed by the government;
 3. Advancing a specific public purpose; and
 4. Serving the best interest of the public.

If two (2) or more organizations meet the qualifications set out in this paragraph, then the government shall award the contract to one (1) of the qualifying organizations using the selection criteria of its adopted competitive bidding process.

➔Section 3. KRS 183.525 is amended to read as follows:

- (1) The ~~[""]~~Kentucky aviation economic development fund~~[""]~~ is established in the State Treasury. Beginning on July 1, 2000, all receipts collected under KRS Chapter 139 from the sales or use tax on aviation jet fuel shall be deposited in this fund.
- (2) The fund may also receive state appropriations, gifts, grants, and federal funds and shall include earnings from investments of moneys from the fund.
- (3) Any fund balance at the close of the fiscal year shall not lapse but shall be carried forward to the next fiscal year.
- (4) The~~["Transportation"]~~ cabinet shall use all moneys deposited in the fund or accruing to the fund for the development, rehabilitation, and maintenance of publicly owned or operated aviation facilities and for other aviation programs within the Commonwealth that will benefit publicly owned or operated aviation facilities.
- (5) The cabinet shall be prohibited from expending moneys deposited in the fund for administrative costs incurred by the cabinet or for any purpose other than the development, rehabilitation, and maintenance of publicly owned or operated aviation facilities and other aviation programs benefiting publicly owned or operated aviation facilities.
- (6) ***The cabinet shall, no later than October 1 of each year, submit a report on the use of funds in the Kentucky aviation economic development fund for the previous fiscal year to the General Assembly through the Legislative Research Commission.***

➔Section 4. KRS 183.990 is amended to read as follows:

- (1) Any person violating any of the provisions of this chapter with respect to operation of aircraft, or violating the provisions of any rule, regulation, or ordinance adopted under KRS 183.133(6), shall be fined not less than ***fifty dollars (\$50)***~~ten dollars (\$10)]~~ nor more than one ***thousand dollars (\$1,000)***~~hundred dollars (\$100)]~~ or imprisoned not more than ninety (90) days or both.
- (2) Each violation of the statutes pertaining to the state airport zoning commission or of any order, rule, or regulation promulgated pursuant thereto shall be punishable by a fine of not less than one hundred dollars (\$100) nor more than five hundred dollars (\$500) or imprisonment for not more than thirty (30) days or both and each day a violation continues to exist shall constitute a separate offense.
- (3) Any person who violates the provisions of KRS 183.886 shall be fined not less than fifty dollars (\$50) nor more than one thousand dollars (\$1,000) or shall be imprisoned in the county jail for not less than ten (10) nor more than ninety (90) days, or both.
- (4) Any person who violates the provisions of KRS 183.086 or 183.887(2) shall be guilty of:
 - (a) A Class A misdemeanor; or
 - (b) A Class D felony, if the violation causes a significant change of course or a serious disruption to the safe travel of the aircraft that threatens the physical safety of the passengers and crew of the aircraft.

➔Section 5. KRS 183.011 is amended to read as follows:

As used in this chapter:

- (1) "Aeronautics" means the science and art of flight and includes but is not limited to transportation by aircraft; the operation, construction, repair, or maintenance of aircraft, aircraft power plants, and accessories, including the repair, packing, and maintenance of parachutes; the design, establishment, construction, extension, operation, improvement, repair, or maintenance of airports or other air navigation facilities; and instruction in flying or ground subjects pertaining thereto;~~[""]~~
- (2) "Aircraft" means any contrivance now known, or hereafter invented, used or designed for navigation of or flight in the air;~~[""]~~
- (3) "Air navigation" means the operation or navigation of aircraft in the air space over this state, or upon any airport within this state;~~[""]~~
- (4) "Airport" means any area, of land or water, which is designed for the landing and take-off of aircraft, whether or not facilities are provided for the shelter, servicing, or repair of aircraft, or for receiving or discharging passengers or cargo, and all appurtenant areas used or suitable for airport building or other airport facilities, and all appurtenant rights-of-way, whether theretofore or hereinafter established;~~[""]~~

- (5) "Airport board," "~~air board~~~~[air board]~~," or "board" means a board established as provided in this chapter and any airport board or ~~air board~~~~[air board]~~ created pursuant to the provisions of KRS Chapter 183 as it existed prior to the enactment of 1960 Ky. Acts ch. 179 shall be deemed to have been established pursuant to this chapter with all of the powers, functions, and duties as herein prescribed;~~[-]~~
- (6) "Airport facilities" includes land, buildings, equipment, runways, and other improvements and appurtenances necessary for the establishment and maintenance of airports;~~[-]~~
- (7) "Airport hazard" means any structure, object, or natural growth, or use of land, which obstructs the air space required for the flight of aircraft in landing or taking off at any airport or is otherwise hazardous to such landing or taking off;~~[-]~~
- (8) "Certificate" means a certificate issued by the cabinet;~~[-]~~
- (9) "Civil aircraft" means any aircraft other than a public aircraft;~~[-]~~
- (10) "Charter operator" means all persons who transport or seek to transport persons or property in intrastate commerce for hire on unscheduled service and not between fixed points;~~[-]~~
- (11) "Commercial airport" means an airport certified by the Federal Aviation Administration in accordance with 14 C.F.R. pt. 139;~~[-]~~
- (12) "Common carrier" shall include all carriers for hire or compensation by air who operate, or seek to operate, over fixed routes or between fixed termini within the Commonwealth of Kentucky;~~[-]~~
- (13) "Commuter air carrier" means a common carrier of persons or property in intrastate commerce for hire or compensation by air, operating under **14 C.F.R. pt.**~~[federal aviation regulation (FAR) Part]~~ 135 or other appropriate parts or regulations and who operates or seeks to operate on regular schedules with multi-engine aircraft between two (2) or more fixed airport termini or over fixed routes only within the Commonwealth of Kentucky and publishes flight schedules which specify the times, days of week, and places between which such flights are performed;~~[-]~~
- (14) "Development" and "airport development" mean:
 - (a) Any work involved in planning, designing, constructing, improving, or repairing a public airport or portion thereof, including the construction, alteration, and repair of airport buildings and the removal, lowering, relocation, and marking and lighting of airport hazards; and
 - (b) Any acquisition of land, or any interest therein, or of any easement through or other interest in air space which is necessary to permit any required work or to remove, mitigate, prevent, or limit the establishment of airport hazards and expenses incident to the carrying out of the provisions of this chapter;~~[-]~~
- (15) "General aviation airport" means any public-use airport that:
 - (a) Does not have scheduled passenger service; or
 - (b) Is not inspected and certified by the Federal Aviation Administration~~[- (FAA)]~~ for commercial or scheduled air service in accordance with 14 C.F.R. pt. 139;~~[-]~~
- (16) "Navigable air space" means air space above the minimum altitudes of flight prescribed by the regulations of the Federal Aviation Administration or cabinet consistent therewith, and includes the air space necessary for normal landing or take off of aircraft;~~[-]~~
- (17) "Operate," as pertains to an unmanned aircraft, means the actions taken by an operator of an unmanned aircraft. "Operate" refers only to the actions of an operator on the ground and is not intended to regulate an unmanned aircraft flying in navigable airspace;~~[-]~~
- (18) "Operation of aircraft" or "operate aircraft" means the use, navigation, or piloting of aircraft in the air space over this state, or upon any airport within this state. Any person who causes or authorizes the operation of aircraft, whether with or without the right of legal control as owner, lessee, or otherwise of the aircraft, shall be deemed to be engaged in the operation of aircraft within the meaning of the statutes of this state;~~[-]~~
- (19) "Operator" means a person operating or flying an unmanned aircraft;~~[-]~~
- (20) "Overhead line" means any cable, pipeline, wire, or similar substance of any kind or description;~~[-]~~
- (21) "Permit" means a permit issued by the cabinet;~~[-]~~

- (22) "Public aircraft" means an aircraft used exclusively in the service of any government or of any political subdivision thereof, including the government of the state, territory, or possession of the United States, or the District of Columbia, but not including any government-owned aircraft engaged in carrying persons or property for commercial purposes;~~[-]~~
- (23) "Public airport" means any airport which is used or to be used for public purposes under the control of a public agency, the landing area of which is publicly owned;~~[-]~~
- (24) "Public use airport" means any airport in the state airport plan open for use by the general public, not including a private airport used primarily for the benefit of the owner;~~[-]~~
- (25) "State airport plan" means the plan of the cabinet for the development of public and certain private airports for the benefit of the people of this state;~~[-]~~
- (26) "State airway" means a route in the navigable air space over the lands or waters of this state, designated by the cabinet as a route suitable for air navigation;~~[-]~~
- (27) "Structure" means any object constructed or installed by man, including but not limited to buildings, towers, smokestacks, and overhead transmission lines;~~[-]~~
- (28) "Tree" includes objects of natural growth;~~[-]~~
- (29) "Unmanned aircraft" means an aircraft operated without the possibility of direct human intervention from within or on the aircraft; **and** ~~[-]~~
- (30) "Unmanned aircraft facility map" means a map that may be developed by a commercial airport to display the airport facility's airspace overlaid with latitude and longitude rectangular gridlines, or any other commercially available system, that reflects the areas where it is unsafe to operate an unmanned aircraft without authorization by the commercial airport operator on property owned by a commercial airport and in specific areas consistent with obstructions to navigation under 14 C.F.R. pt. 77.

➔ Section 6. KRS 183.012 is amended to read as follows:

As used in this chapter:

- (1) "City" means any incorporated city;
- (2) ~~[-]~~ ***As used in this chapter,*** "Governmental unit" means any city, or the combination of any two (2) or more thereof, or any county, urban-county government, or combination of two (2) or more such counties, city or cities, acting jointly with any county or counties or an ***air board***~~[-air board]~~ or board established as provided in this chapter;
- (3) ~~[-]~~ ***As used in this chapter,*** "Ordinance," in the case of a county, means resolution of the county legislative body, and in the case of an airport board or ***air board***~~[-air board]~~ means a resolution or regulation of the board;~~[-]~~
- (4) "State" or "this state" means the Commonwealth of Kentucky; **and**
- (5) "Person" means any individual, firm, partnership, corporation, company, association, joint stock association, or body politic; and includes any trustee, receiver, assignee, or other similar representative thereof.

➔ Section 7. KRS 183.120 is amended to read as follows:

- (1) The cabinet may acquire or dispose by contract, purchase, lease, donation, condemnation or otherwise, airports, buildings, runways, grounds and other facilities suitable for airport purposes and the proper safeguards to flying where such acquisition or disposal shall be in the public interest.
- (2) The cabinet may make additions and improvements to ~~[-such]~~ airports~~[-]~~ or facilities, and either alone or with the cooperation of others, provide personnel, heat, light, water, fuel, telephone service, drainage, runways, fueling facilities, radio and navigation facilities, and other costs of operation and maintenance, including insurance, and may bear the expense of removal or change of obstructions that menace air travel.
- (3) The cabinet may enter into contracts of lease for land or facilities to which title is vested in the Commonwealth with any city, or cities, county, or counties, governmental unit, political subdivision, ***air board***~~[-air board]~~ or person for the furtherance of the purposes of this chapter. All rents or revenues derived from ***any***~~[-such]~~ contracts of lease shall become the property of the cabinet to be expended by it in carrying out the purposes of this chapter.
- (4) The cabinet may give such advice and assistance, including financial aid, engineering and technical assistance within the limits of its resources as it deems advisable, to enable any governmental unit or board to acquire,

construct, expand, maintain and operate airports or otherwise assist in the development of aeronautics within their limits. ~~Such~~ Aid may include the exercise of the cabinet's power of eminent domain, if such usage is requested by the governmental unit or board. Where such eminent domain powers are utilized, title to acquire property may vest in the governmental unit.

➔ Section 8. The following KRS section is repealed:

183.085 Unmanned aircraft facility map for commercial airport.

➔ Section 9. (1) By December 1, 2025, the Council on Postsecondary Education, in coordination with the Kentucky Transportation Cabinet, shall conduct, complete, and submit to the Legislative Research Commission for referral to the appropriate interim joint committee, a study to identify the procedures and resources necessary to establish a program at one or more public postsecondary education institutions that leads to a credential recognized by the Federal Aviation Administration for employment within the field of air traffic control or air traffic safety. The study shall evaluate each public postsecondary education institution's ability to support a program, and identify the institutions with the necessary capacity to support a program. The study shall also evaluate the potential for a Federal Aviation Administration Academy to be established and located at a public postsecondary education institution.

(2) By December 1, 2025, the Council on Postsecondary Education shall notify the president and governing board of any institution identified as having the necessary capacity to support a program of the council's findings and, by January 1, 2026, an identified institution shall submit a request to the council to establish a program at the institution. The council shall provide support and resources requested by the institution to assist in submitting the request and developing the program.

(3) By June 30, 2026, the Council on Postsecondary Education shall approve the request submitted under subsection (2) of this section by a public postsecondary education institution to establish a program.

Signed by Governor March 14, 2025.