THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL No. 787 Session of 2021

INTRODUCED BY AUMENT, STEFANO, PITTMAN, MENSCH, MUTH, BARTOLOTTA, REGAN, ARGALL, ROBINSON AND YUDICHAK, JUNE 21, 2021

REFERRED TO TRANSPORTATION, JUNE 21, 2021

AN ACT

1 2 3 4	Amending Title 74 (Transportation) of the Pennsylvania Consolidated Statutes, in aviation development, establishing the Unmanned Aircraft Innovation Program and the Unmanned Aircraft Innovation Fund.
5	The General Assembly of the Commonwealth of Pennsylvania
6	hereby enacts as follows:
7	Section 1. Chapter 61 of Title 74 of the Pennsylvania
8	Consolidated Statutes is amended by adding a subchapter to read:
9	SUBCHAPTER F
10	UNMANNED AIRCRAFT INNOVATION PROGRAM
11	<u>Sec.</u>
12	<u>6171. Scope of subchapter.</u>
13	<u>6172. Definitions.</u>
14	6173. Unmanned Aircraft Innovation Program.
15	6174. Unmanned Aircraft Innovation Fund.
16	<u>6175. Program standards.</u>
17	<u>6176. Grants.</u>
18	6177. Regulations.

1 <u>§ 6171. Scope of subchapter.</u>

2	This subchapter relates to the Unmanned Aircraft Innovation
3	Program.
4	<u>§ 6172. Definitions.</u>
5	The following words and phrases when used in this subchapter
6	shall have the meanings given to them in this section unless the
7	context clearly indicates otherwise:
8	"Department." The Department of Transportation of the
9	Commonwealth.
10	"Educational institution." A university, college, technical
11	training school, local educational agency and similar entities,
12	located in this Commonwealth.
13	"Fund." The Unmanned Aircraft Innovation Fund established
14	under section 6174 (relating to Unmanned Aircraft Innovation
15	<u>Fund).</u>
16	"Program." The Unmanned Aircraft Innovation Program
17	established under section 6173(a) (relating to Unmanned Aircraft
18	Innovation Program).
19	"Project." A proposed unmanned aircraft project, in a
20	category under section 6176(a) (relating to grants), for which
21	<u>an applicant is seeking a grant.</u>
22	"Unmanned aircraft." As defined in 18 Pa.C.S. § 3505
23	(relating to unlawful use of unmanned aircraft).
24	<u>§ 6173. Unmanned Aircraft Innovation Program.</u>
25	(a) EstablishmentThe Unmanned Aircraft Innovation Program
26	is established as a grant program in the department. The
27	department shall administer the program in accordance with this
28	subchapter.
29	(b) PurposeThe department shall operate the program for
30	the following purposes:

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1	(1) Ensure the Commonwealth's continued leadership in
2	the unmanned aircraft industry.
3	(2) Encourage development of the unmanned aircraft
4	industry in this Commonwealth, including the manufacturing of
5	unmanned aircraft and associated technology, and the conduct
6	of unmanned aircraft operations.
7	(3) Educate the Commonwealth's workforce in the field of
8	unmanned aircraft.
9	(4) Enable the Commonwealth's industries to fully
10	utilize the potential benefits of unmanned aircraft in their
11	business.
12	(5) Encourage public safety through public education and
13	outreach.
14	<u>§ 6174. Unmanned Aircraft Innovation Fund.</u>
15	(a) EstablishmentThe Unmanned Aircraft Innovation Fund is
16	established in the State Treasury as a nonlapsing restricted
17	interest-bearing account. Money in the fund shall be used to
18	provide grants through the program.
19	(b) Sources of fundingFunding for the program may be
20	provided through any of the following:
21	(1) Money appropriated for purposes of the program.
22	(2) Federal money appropriated or authorized for
23	purposes of the program.
24	(3) Money received from another governmental agency.
25	(4) A gift or other contribution from a public or
26	<u>private source.</u>
27	(5) Return on money dedicated for the program.
28	(c) ManagementThe department shall administer the fund in
29	accordance with this subchapter.
30	(d) IssuanceThe department, following its review of each

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1	application for a grant, shall notify the State Treasurer of
2	each applicant who qualifies for a grant and the amount of the
3	grant. Within 30 days of receiving the notification, the State
4	Treasurer shall issue the grant to the qualifying applicant.
5	<u>§ 6175. Program standards.</u>
6	(a) EstablishmentThe department shall establish program
7	standards and shall transmit notice of the standards to the
8	Legislative Reference Bureau for publication in the Pennsylvania
9	<u>Bulletin.</u>
10	(b) ContentsProgram standards established under
11	subsection (a) shall be consistent with this subchapter and
12	shall do the following:
13	(1) Establish eligibility standards for applicants.
14	(2) Describe the objectives of the program.
15	(3) Establish caps, limits and restrictions with respect
16	to grant amounts.
17	(4) Establish an application process and timetable for
18	the application process which shall include provisions
19	consistent with the following:
20	(i) An applicant shall be provided reasonable notice
21	and an opportunity to supplement the applicant's
22	application if the application is determined to be
23	incomplete.
24	(ii) The application process timetable may not
25	exceed six months.
26	(5) Establish a timetable within which the department
27	shall review and award or disapprove a complete grant
28	application, which may not be longer than six months from the
29	close of the application period.
30	(6) Establish procedures by which the department shall

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1	verify expenditures of grant money by a grant recipient.
2	(7) Establish the criteria by which a grant application
3	shall be evaluated by the department, including the
4	following:
5	(i) The anticipated benefits of the project
6	considering potential to encourage significant or ongoing
7	economic activity in this Commonwealth.
8	(ii) The estimated cost of the project.
9	(iii) The local, regional and Statewide impact of
10	the project.
11	(iv) The results of similar types of projects that
12	have already been completed.
13	(v) Cost sharing by the grant applicant or other
14	entities.
15	(c) Special factorsIn considering the criteria applicable
16	to the review of an application, the department may take into
17	account unique or special factors that may arise in the
18	administration of the program.
19	<u>§ 6176. Grants.</u>
20	(a) PurposeA grant awarded under this subchapter may be
21	used for any of the following:
22	(1) Reimbursement of up to 75% of expenses for training
23	or licensing an employee to operate an unmanned aircraft if:
24	(i) the employee's primary place of employment is
25	located in this Commonwealth; or
26	(ii) the entity providing the training maintains its
27	principal place of business in this Commonwealth.
28	(2) Reimbursement of up to 75% of expenses directly
29	related to the purchase of unmanned aircraft if:
30	(i) the unmanned aircraft will be primarily operated

1	in this Commonwealth; or
2	(ii) the entity purchasing the unmanned aircraft
3	maintains its principal place of business in this
4	Commonwealth.
5	(3) Reimbursement of up to 75% of expenses directly
6	related to the development or testing of the use of unmanned
7	aircraft, unmanned aircraft sensors or technology or unmanned
8	<u>aircraft data analysis, if:</u>
9	(i) the development or testing will occur in this
10	<u>Commonwealth; or</u>
11	(ii) the entity developing or testing the unmanned
12	aircraft maintains its principal place of business in
13	this Commonwealth.
14	(4) Reimbursement of up to 25% of expenses incurred to
15	hire a third-party unmanned aircraft operator for operations
16	located in this Commonwealth.
17	(5) Establishment of an unmanned aircraft training
18	program at an educational institution. A grant under this
19	paragraph may be provided in advance of the establishment of
20	the program.
21	(6) Reimbursement of up to 75% of expenses incurred for
22	actions designed to benefit and advance the unmanned aircraft
23	industry operating or located in this Commonwealth.
24	(7) Matching funds for Federal programs offering grant
25	funding for programs related to the purposes under section
26	6173(b) (relating to Unmanned Aircraft Innovation Program).
27	(b) Limitations
28	(1) A grant shall be awarded to the extent funding is
29	available under section 6174(b) (relating to Unmanned
30	<u>Aircraft Innovation Fund).</u>

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1	(2) A grant may not exceed \$30,000.
2	(3) A grant amount may not exceed 75% of project costs.
3	In-kind support may not be counted toward an applicant's
4	matching contribution. This paragraph shall not apply to a
5	grant awarded to an educational institution.
6	(4) The department may approve a grant in less than the
7	requested amount and may impose restrictions or special
8	conditions on the issuance of the grant.
9	(5) Not more than 50% of grant funding available in a
10	single year may be awarded to applicants in a city of the
11	first class or second class.
12	(c) Disposition
13	(1) The department may require a written agreement
14	describing the terms and conditions of the grant.
15	(2) The department may establish criteria under which
16	the secretary may demand the return of all or a portion of
17	the grant money.
18	<u>§ 6177. Regulations.</u>
19	The department may promulgate rules and regulations to
20	administer and enforce this subchapter.
01	Costion 2 This pat shall take offerst in 60 days

21 Section 2. This act shall take effect in 60 days.

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