

114TH CONGRESS  
2D SESSION

# H. R. 4432

To establish an interim rule for the operation of small unmanned aircraft  
for commercial purposes, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 2, 2016

Mr. BLUMENAUER introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Science, Space, and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To establish an interim rule for the operation of small unmanned aircraft for commercial purposes, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Commercial UAS Mod-  
5       ernization Act”.

1     **SEC. 2. INTERIM RULE FOR THE OPERATION OF SMALL UN-**  
2                 **MANNED AIRCRAFT FOR COMMERCIAL PUR-**  
3                 **POSES.**

4     (a) IN GENERAL.—Subtitle B of title III of the FAA  
5     Modernization and Reform Act of 2012 (Public Law 112–  
6     95) is amended by adding at the end the following:

7     **“SEC. 337. OPERATION OF SMALL UNMANNED AIRCRAFT**  
8                 **FOR COMMERCIAL PURPOSES.**

9     “(a) IN GENERAL.—An individual may operate a  
10 small unmanned aircraft for commercial purposes without  
11 an airworthiness certificate within the United States, sub-  
12 ject to the requirements under subsection (b) and the op-  
13 erating restrictions under subsection (c) during the period  
14 beginning on the date of the enactment of the Commercial  
15 UAS Modernization Act and ending on the effective date  
16 of a final rule based on the notice of proposed rulemaking  
17 issued on February 23, 2015, entitled ‘Operation and Cer-  
18 tification of Small Unmanned Aircraft Systems’ (80 Fed.  
19 Reg. 9544).

20     “(b) GENERAL REQUIREMENTS.—

21         “(1) LIABILITY INSURANCE.—A small un-  
22 manned aircraft may not be operated for commercial  
23 purposes during the period set forth in subsection  
24 (a) unless the Administrator receives an attestation  
25 that the owner of such aircraft has a liability insur-  
26 ance policy covering the operation of such aircraft.

1           “(2) REGISTRATION.—A small unmanned air-  
2       craft may not be operated for commercial purposes  
3       unless the owner has registered the aircraft as re-  
4       quired by the Federal Aviation Administration.

5           “(3) TESTING REQUIREMENTS.—

6           “(A) EXAM DEVELOPMENT.—Not later  
7       than 30 days after the date of the enactment of  
8       the Commercial UAS Modernization Act, the  
9       Administrator of the Federal Aviation Adminis-  
10      tration shall develop an initial aeronautical  
11      knowledge test that meets the requirements set  
12      forth in the notice of proposed rulemaking re-  
13      ferred to in subsection (a).

14           “(B) REQUIREMENTS.—An individual may  
15      not operate a small unmanned aircraft for com-  
16      mercial purposes unless such individual has—

17           “(i) received a passing grade on the  
18      test developed under subparagraph (A);

19           “(ii) passed a proficiency test admin-  
20      istered by a test site selected pursuant to  
21      section 332(c); and

22           “(iii) demonstrated the ability to fly  
23      the aircraft in accordance with the oper-  
24      ating restrictions set forth in subsection  
25      (c).

1           “(4) CERTIFICATION.—A small unmanned air-  
2       craft may not be operated for commercial purposes  
3       until the operator of a test site selected pursuant to  
4       section 332(c), in collaboration with a designated  
5       airworthiness representative, certifies that the small  
6       unmanned aircraft—

7           “(A) meets the requirements for small un-  
8       manned aircraft set forth in the notice of pro-  
9       posed rulemaking referred to in subsection (a);  
10      and

11           “(B) is capable of operating within the  
12      limits described in subsection (c).

13           “(c) OPERATING RESTRICTIONS.—During the period  
14      set forth in subsection (a), small unmanned aircraft oper-  
15      ated for commercial purposes—

16           “(1) may only be operated under visual line of  
17      sight rules;

18           “(2) may not be operated higher than 500 feet  
19      above ground level;

20           “(3) may not be operated unless the operator  
21      has prior authorization from the air traffic control  
22      facility having jurisdiction over that airspace—

23           “(A) in Class B, Class C, or Class D air-  
24      space; or

1                 “(B) within the lateral boundaries of the  
2                 surface area of Class E airspace designated for  
3                 an airport;

4                 “(4) may only be operated in daylight condi-  
5                 tions;

6                 “(5) shall yield right of way to all other users  
7                 of the National Airspace System;

8                 “(6) may not be operated by any individual  
9                 with any physical or mental condition that the indi-  
10                 vidual knows, or has reason to know, would interfere  
11                 with the safe operation of the aircraft; and

12                 “(7) may only be operated after a preflight in-  
13                 spection (as described in the notice of proposed rule-  
14                 making referred to in subsection (a)).

15                 “(d) ACCIDENT REPORTING.—The operator of a  
16                 small unmanned aircraft that is involved in any accident  
17                 causing personal injury or property damage, other than  
18                 to the small unmanned aircraft, shall report such accident  
19                 to the Federal Aviation Administration not later than 2  
20                 days after such accident.

21                 **“SEC. 338. MICRO UAS OPERATIONS.**

22                 “(a) MICRO UAS CLASSIFICATION.—The Adminis-  
23                 trator of the Federal Aviation Administration shall provide  
24                 for a micro UAS classification of unmanned aircraft sys-

1 tems, the aircraft component of which may not weigh more  
2 than 4.4 pounds, including payload.

3       “(b) MICRO UAS OPERATIONAL LIMITATIONS.—The  
4 operation of a micro UAS shall be subject to the exemp-  
5 tions under subsection (c) only if the micro UAS is oper-  
6 ated—

7           “(1) less than 400 feet above ground level;

8           “(2) at an airspeed of not greater than 40  
9 knots;

10          “(3) within the visual line of sight of the oper-  
11 ator;

12          “(4) during daylight; and

13          “(5) at least 5 statute miles from the geo-  
14 graphic center of an airport as denoted on a current  
15 aeronautical chart published by the Federal Aviation  
16 Administration, except that upon notice to the air-  
17 port operator and air traffic control tower, such air-  
18 port operator may allow an individual to operate a  
19 micro UAS within 5 statute miles of a tower-con-  
20 trolled airport.

21       “(c) MICRO UAS EXEMPTIONS.—

22          “(1) An operator of a micro UAS that complies  
23 with the limitations of operation under subsection  
24 (b) shall not be required to pass any aeronautical  
25 knowledge test or meet any age or experience re-

1 requirement, including any requirements under section  
2 44703 of title 49, United States Code, part 61 of  
3 title 14, Code of Federal Regulations, and any other  
4 rule or regulation pertaining to airman certification.

5 “(2) A micro UAS and the component parts  
6 and equipment of such micro UAS shall not be re-  
7 quired to meet airworthiness certification standards  
8 or to obtain certificates of airworthiness.”.

9 (b) CLERICAL AMENDMENT.—The table of contents  
10 in section 1(b) of the FAA Modernization and Reform Act  
11 of 2012 is amended by inserting after the item relating  
12 to section 336 the following:

“Sec. 337. Operation of small unmanned aircraft for commercial purposes.  
“Sec. 338. Micro UAS operations.”.

13 **SEC. 3. DEPUTY ASSOCIATE ADMINISTRATOR FOR UN-**  
14 **MANNED AIRCRAFT.**

15 (a) IN GENERAL.—Subtitle B of title III of the FAA  
16 Modernization and Reform Act of 2012 (Public Law 112–  
17 95), as amended by section 2(a), is further amended by  
18 adding at the end the following:

19 **“SEC. 339. DEPUTY ASSOCIATE ADMINISTRATOR FOR UN-**  
20 **MANNED AIRCRAFT.**

21 “(a) APPOINTMENT.—The Administrator of the Fed-  
22 eral Aviation Administration (referred to in this section  
23 as the ‘Administrator’) shall appoint a Deputy Associate  
24 Administrator for Unmanned Aircraft (referred to in this

1 section as the ‘Deputy Associate Administrator’), who  
2 shall report to the Administrator and to the Secretary of  
3 Transportation.

4       “(b) PRINCIPAL DUTIES.—The Deputy Associate Ad-  
5 ministrator shall create an achievable comprehensive re-  
6 search and development plan for the safe integration of  
7 unmanned aircraft into the National Airspace System  
8 that—

9           “(1) takes into account work being done at  
10 other Federal agencies, in conjunction with their in-  
11 dustry collaborators;

12           “(2) is based on an initial audit of current un-  
13 manned aircraft activity across the Federal Govern-  
14 ment in order to identify gaps and overlaps; and

15           “(3) allows for programmatic exemptions based  
16 on previous analysis.

17       “(c) OTHER ISSUES.—The Deputy Associate Admin-  
18 istrator, in consultation with the Administrator, shall de-  
19 velop strategies for resolving—

20           “(1) unmanned aircraft spectrum issues;

21           “(2) barriers to unmanned aircraft operating  
22 beyond line of sight;

23           “(3) barriers to allowing payload carriage and  
24 the feasibility of developing a classification of small  
25 UAS air carriers; and

1           “(4) barriers to utilizing automated unmanned  
2       aircraft systems.

3       “(d) EXEMPTIONS.—

4           “(1) IN GENERAL.—Not later than 90 days  
5       after the date of the enactment of the Commercial  
6       UAS Modernization Act, the Deputy Associate Ad-  
7       ministrator, in consultation with the Administrator,  
8       shall expedite and expand exemptions from the in-  
9       terim operating restrictions otherwise applicable to  
10      unmanned aircraft under section 337.

11       “(2) EXEMPTIONS.—The exemptions authorized  
12      under paragraph (1) may include—

13           “(A) beyond line of sight operations;  
14           “(B) programmatic exemptions based on  
15      previous analysis;  
16           “(C) extended visual line of sight and mar-  
17      ginal visual flight rules weather conditions; and  
18           “(D) heavier unmanned vehicles.”.

19       (b) CLERICAL AMENDMENT.—The table of contents  
20      in section 1(b) of the FAA Modernization and Reform Act  
21      of 2012 is amended by inserting after the item relating  
22      to section 338, as added by section 2(b), the following:

“Sec. 339. Deputy Associate Administrator for Unmanned Aircraft.”.

1   **SEC. 4. JOINT AIRCRAFT SYSTEM RESEARCH AND DEVELOPMENT DATA COLLECTION AND ANALYSIS PROGRAM.**

4       (a) ESTABLISHMENT.—The Administrator of the  
5   Federal Aviation Administration shall establish a joint air-  
6   craft system research and development data collection and  
7   analysis program at the William J. Hughes Technical Cen-  
8   ter (referred to in this section as the “Center”).

9       (b) RESEARCH AND DEVELOPMENT PRIORITIES.—  
10   The Director of the Center shall set priorities for data  
11   collection, analysis, and research under the program estab-  
12   lished under subsection (a), including identifying safety  
13   standards for detect and avoid, command and control, au-  
14   tonomous aircraft systems, and air traffic management for  
15   beyond visual line of sight operations for such aircraft.

16       (c) USE OF TEST SITES.—The program established  
17   under subsection (a) shall utilize the 6 unmanned aircraft  
18   system test sites of the Federal Aviation Administration  
19   to—

20              (1) conduct research;  
21              (2) collect data;  
22              (3) develop quarterly milestones to expedite  
23              commercial unmanned aircraft system operations;  
24              and  
25              (4) work with other Federal agencies, the Cen-  
26              ter of Excellence for Unmanned Aircraft Systems,

1       federally funded research and development centers,  
2       industry, academia, and others, as appropriate, to  
3       implement commercial unmanned aircraft system op-  
4       erations.

5       (d) AIR TRAFFIC MANAGEMENT PILOT PROGRAM.—

6           (1) IMPLEMENTATION.—The Administrator of  
7       the Federal Aviation Administration, acting through  
8       the Center, and the Administrator of the National  
9       Aeronautics and Space Administration, shall imple-  
10      ment an air traffic management pilot program to re-  
11      search and test a new regulatory structure for com-  
12      mercial and other operations of small unmanned air-  
13      craft in controlled and uncontrolled airspace below  
14      1,200 feet above ground level.

15           (2) MANAGEMENT TESTING.—The Center shall  
16      partner with a neutral third party to test the man-  
17      agement of small unmanned aircraft in the airspace  
18      described in paragraph (1).

19       (e) REPORT.—Not later than 180 days after the date  
20      of the enactment of this Act, and every 180 days there-  
21      after, the Director of the Center shall submit a report that  
22      summarizes the actions taken under subsections (b), (c),  
23      and (d) to—

24           (1) the Committee on Commerce, Science, and  
25      Transportation of the Senate;

- 1                   (2) the Committee on Appropriations of the  
2                   Senate;  
3                   (3) the Committee on Transportation and In-  
4                   frastructure of the House of Representatives; and  
5                   (4) the Committee on Appropriations of the  
6                   House of Representatives.

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