1	(b) Table of Contents.—The table of contents for
2	chapter 448 of title 49, United States Code, as added by
3	this Act, is further amended by adding at the end the fol-
4	lowing:
	"44808. Carriage of property by small unmanned aircraft systems for compensation or hire.".
5	SEC. 349. EXCEPTION FOR LIMITED RECREATIONAL OPER-
6	ATIONS OF UNMANNED AIRCRAFT.
7	(a) In General.—Chapter 448 of title 49, United
8	States Code, as added by this Act, is further amended by
9	adding at the end the following:
10	"§ 44809. Exception for limited recreational oper-
11	ations of unmanned aircraft
12	"(a) In General.—Except as provided in subsection
12 13	"(a) IN GENERAL.—Except as provided in subsection (e), and notwithstanding chapter 447 of title 49, United
13	(e), and notwithstanding chapter 447 of title 49, United
13 14	(e), and notwithstanding chapter 447 of title 49, United States Code, a person may operate a small unmanned air-
131415	(e), and notwithstanding chapter 447 of title 49, United States Code, a person may operate a small unmanned aircraft without specific certification or operating authority
13 14 15 16	(e), and notwithstanding chapter 447 of title 49, United States Code, a person may operate a small unmanned aircraft without specific certification or operating authority from the Federal Aviation Administration if the operation
13 14 15 16 17	(e), and notwithstanding chapter 447 of title 49, United States Code, a person may operate a small unmanned aircraft without specific certification or operating authority from the Federal Aviation Administration if the operation adheres to all of the following limitations:
13 14 15 16 17 18	(e), and notwithstanding chapter 447 of title 49, United States Code, a person may operate a small unmanned aircraft without specific certification or operating authority from the Federal Aviation Administration if the operation adheres to all of the following limitations: "(1) The aircraft is flown strictly for rec-
13 14 15 16 17 18 19	(e), and notwithstanding chapter 447 of title 49, United States Code, a person may operate a small unmanned aircraft without specific certification or operating authority from the Federal Aviation Administration if the operation adheres to all of the following limitations: "(1) The aircraft is flown strictly for recreational purposes.
13 14 15 16 17 18 19 20	(e), and notwithstanding chapter 447 of title 49, United States Code, a person may operate a small unmanned aircraft without specific certification or operating authority from the Federal Aviation Administration if the operation adheres to all of the following limitations: "(1) The aircraft is flown strictly for recreational purposes. "(2) The aircraft is operated in accordance with
13 14 15 16 17 18 19 20 21	(e), and notwithstanding chapter 447 of title 49, United States Code, a person may operate a small unmanned aircraft without specific certification or operating authority from the Federal Aviation Administration if the operation adheres to all of the following limitations: "(1) The aircraft is flown strictly for recreational purposes. "(2) The aircraft is operated in accordance with or within the programming of a community-based

1	"(3) The aircraft is flown within the visual line
2	of sight of the person operating the aircraft or a vis-
3	ual observer co-located and in direct communication
4	with the operator.
5	"(4) The aircraft is operated in a manner that
6	does not interfere with and gives way to any manned
7	aircraft.
8	"(5) In Class B, Class C, or Class D airspace
9	or within the lateral boundaries of the surface area
10	of Class E airspace designated for an airport, the
11	operator obtains prior authorization from the Ad-
12	ministrator or designee before operating and com-
13	plies with all airspace restrictions and prohibitions.
14	"(6) In Class G airspace, the aircraft is flown
15	from the surface to not more than 400 feet above
16	ground level and complies with all airspace restric-
17	tions and prohibitions.
18	"(7) The operator has passed an aeronautical
19	knowledge and safety test described in subsection (g)
20	and maintains proof of test passage to be made
21	available to the Administrator or law enforcement
22	upon request.
23	"(8) The aircraft is registered and marked in
24	accordance with chapter 441 of this title and proof
25	of registration is made available to the Adminis-

1	trator or a designee of the Administrator or law en-
2	forcement upon request.
3	"(b) Other Operations.—Unmanned aircraft op-
4	erations that do not conform to the limitations in sub-
5	section (a) must comply with all statutes and regulations
6	generally applicable to unmanned aircraft and unmanned
7	aircraft systems.
8	"(c) Operations at Fixed Sites.—
9	"(1) Operating procedure required.—Per-
10	sons operating unmanned aircraft under subsection
11	(a) from a fixed site within Class B, Class C, or
12	Class D airspace or within the lateral boundaries of
13	the surface area of Class E airspace designated for
14	an airport, or a community-based organization con-
15	ducting a sanctioned event within such airspace,
16	shall make the location of the fixed site known to
17	the Administrator and shall establish a mutually
18	agreed upon operating procedure with the air traffic
19	control facility.
20	"(2) Unmanned aircraft weighing more
21	THAN 55 POUNDS.—A person may operate an un-
22	manned aircraft weighing more than 55 pounds, in-
23	cluding the weight of anything attached to or carried
24	by the aircraft, under subsection (a) if—

1	"(A) the unmanned aircraft complies with
2	standards and limitations developed by a com-
3	munity-based organization and approved by the
4	Administrator; and
5	"(B) the aircraft is operated from a fixed
6	site as described in paragraph (1).
7	"(d) Updates.—
8	"(1) In General.—The Administrator, in con-
9	sultation with government, stakeholders, and com-
10	munity-based organizations, shall initiate a process
11	to periodically update the operational parameters
12	under subsection (a), as appropriate.
13	"(2) Considerations.—In updating an oper-
14	ational parameter under paragraph (1), the Admin-
15	istrator shall consider—
16	"(A) appropriate operational limitations to
17	mitigate risks to aviation safety and national
18	security, including risk to the uninvolved public
19	and critical infrastructure;
20	"(B) operations outside the membership,
21	guidelines, and programming of a community-
22	based organization;
23	"(C) physical characteristics, technical
24	standards, and classes of aircraft operating
25	under this section;

1	"(D) trends in use, enforcement, or inci-
2	dents involving unmanned aircraft systems;
3	"(E) ensuring, to the greatest extent prac-
4	ticable, that updates to the operational param-
5	eters correspond to, and leverage, advances in
6	technology; and
7	"(F) equipage requirements that facilitate
8	safe, efficient, and secure operations and fur-
9	ther integrate all unmanned aircraft into the
10	national airspace system.
11	"(3) Savings clause.—Nothing in this sub-
12	section shall be construed as expanding the author-
13	ity of the Administrator to require a person oper-
14	ating an unmanned aircraft under this section to
15	seek permissive authority of the Administrator, be-
16	yond that required in subsection (a) of this section,
17	prior to operation in the national airspace system.
18	"(e) Statutory Construction.—Nothing in this
19	section shall be construed to limit the authority of the Ad-
20	ministrator to pursue an enforcement action against a per-
21	son operating any unmanned aircraft who endangers the
22	safety of the national airspace system.
23	"(f) Exceptions.—Nothing in this section prohibits
24	the Administrator from promulgating rules generally ap-
25	plicable to unmanned aircraft, including those unmanned

1	aircraft eligible for the exception set forth in this section,
2	relating to—
3	"(1) updates to the operational parameters for
4	unmanned aircraft in subsection (a);
5	"(2) the registration and marking of unmanned
6	aircraft;
7	"(3) the standards for remotely identifying
8	owners and operators of unmanned aircraft systems
9	and associated unmanned aircraft; and
10	"(4) other standards consistent with maintain-
11	ing the safety and security of the national airspace
12	system.
13	"(g) Aeronautical Knowledge and Safety
14	Test.—
15	"(1) In general.—Not later than 180 days
16	after the date of enactment of this section, the Ad-
17	ministrator, in consultation with manufacturers of
18	unmanned aircraft systems, other industry stake-
19	holders, and community-based organizations, shall
20	develop an aeronautical knowledge and safety test,
21	which can then be administered electronically by the
22	Administrator, a community-based organization, or a
23	person designated by the Administrator.

1	"(2) REQUIREMENTS.—The Administrator shall
2	ensure the aeronautical knowledge and safety test is
3	designed to adequately demonstrate an operator's—
4	"(A) understanding of aeronautical safety
5	knowledge; and
6	"(B) knowledge of Federal Aviation Ad-
7	ministration regulations and requirements per-
8	taining to the operation of an unmanned air-
9	craft system in the national airspace system.
10	"(h) Community-Based Organization De-
11	FINED.—In this section, the term 'community-based orga-
12	nization' means a membership-based association entity
13	that—
14	"(1) is described in section 501(c)(3) of the In-
15	ternal Revenue Code of 1986;
16	"(2) is exempt from tax under section 501(a) of
17	the Internal Revenue Code of 1986;
18	"(3) the mission of which is demonstrably the
19	furtherance of model aviation;
20	"(4) provides a comprehensive set of safety
21	guidelines for all aspects of model aviation address-
22	ing the assembly and operation of model aircraft and
23	that emphasize safe aeromodelling operations within
24	the national airspace system and the protection and
25	safety of individuals and property on the ground,

1	and may provide a comprehensive set of safety rules
2	and programming for the operation of unmanned
3	aircraft that have the advanced flight capabilities en-
4	abling active, sustained, and controlled navigation of
5	the aircraft beyond visual line of sight of the oper-
6	ator;
7	"(5) provides programming and support for any
8	local charter organizations, affiliates, or clubs; and
9	"(6) provides assistance and support in the de-
10	velopment and operation of locally designated model
11	aircraft flying sites.
12	"(i) Recognition of Community-Based Organi-
13	ZATIONS.—In collaboration with aeromodelling stake-
14	holders, the Administrator shall publish an advisory cir-
15	cular within 180 days of the date of enactment of this
16	section that identifies the criteria and process required for
17	recognition of community-based organizations.".
18	(b) Technical and Conforming Amendments.—
19	(1) Table of contents.—The table of con-
20	tents for chapter 448 of title 49, United States
21	Code, as added by this Act, is further amended by
22	adding at the end the following:
	"44809. Exception for limited recreational operations of unmanned aircraft.".
23	(2) Repeal.—Section 336 of the FAA Mod-
24	ernization and Reform Act of 2012 (49 U.S.C.
25	40101 note) and the item relating to that section in

1	the table of contents under section 1(b) of that Act
2	are repealed.
3	SEC. 350. USE OF UNMANNED AIRCRAFT SYSTEMS AT INSTI-
4	TUTIONS OF HIGHER EDUCATION.
5	(a) Educational and Research Purposes.—For
6	the purposes of section 44809 of title 49, United States
7	Code, as added by this Act, a "recreational purpose" as
8	distinguished in subsection (a)(1) of such section shall in-
9	clude an unmanned aircraft system operated by an institu-
10	tion of higher education for educational or research pur-
11	poses.
12	(b) UPDATES.—In updating an operational param-
13	eter under subsection (d)(1) of such section for unmanned
14	aircraft systems operated by an institution of higher edu-
15	cation for educational or research purposes, the Adminis-
16	trator shall consider—
17	(1) use of small unmanned aircraft systems and
18	operations at an accredited institution of higher edu-
19	cation, for educational or research purposes, as a
20	component of the institution's curricula or research;
21	(2) the development of streamlined, risk-based
22	operational approval for unmanned aircraft systems
23	operated by institutions of higher education; and

1	(3) the airspace and aircraft operators that may
2	be affected by such operations at the institution of
3	higher education.
4	(c) Deadline for Establishment of Proce-
5	DURES AND STANDARDS.—Not later than 270 days after
6	the date of enactment of this Act, the Administrator of
7	the Federal Aviation Administration may establish regula-
8	tions, procedures, and standards, as necessary, to facili-
9	tate the safe operation of unmanned aircraft systems oper-
10	ated by institutions of higher education for educational or
11	research purposes.
12	(d) Definitions.—In this section:
13	(1) Institution of higher education.—The
14	term "institution of higher education" has the
15	meaning given to that term by section 101(a) of the
16	Higher Education Act of 1965 (20 U.S.C. 1001(a)).
17	(2) Educational or research purposes.—
18	The term "education or research purposes", with re-
19	spect to the operation of an unmanned aircraft sys-
20	tem by an institution of higher education, includes—
21	(A) instruction of students at the institu-
22	tion;
23	(B) academic or research related uses of
24	unmanned aircraft systems that have been ap-

1	proved by the institution, including Federal re-
2	search;
3	(C) activities undertaken by the institution
4	as part of research projects, including research
5	projects sponsored by the Federal Government;
6	and
7	(D) other academic activities approved by
8	the institution.
9	(e) STATUTORY CONSTRUCTION.—
10	(1) Enforcement.—Nothing in this section
11	shall be construed to limit the authority of the Ad-
12	ministrator to pursue an enforcement action against
13	a person operating any unmanned aircraft who en-
14	dangers the safety of the national airspace system.
15	(2) Regulations and Standards.—Nothing
16	in this section prohibits the Administrator from pro-
17	mulgating any rules or standards consistent with
18	maintaining the safety and security of the national
19	airspace system.
20	SEC. 351. UNMANNED AIRCRAFT SYSTEMS INTEGRATION
21	PILOT PROGRAM.
22	(a) Authority.—The Secretary of Transportation
23	may establish a pilot program to enable enhanced drone
24	operations as required in the October 25, 2017 Presi-
25	dential Memorandum entitled "Unmanned Aircraft Sys-