

Drones in Property Management

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IREM® Legislative White Paper



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Drones

Through advances in technology and expanding potential for use in a wide array of industries, drones have quickly become a controversial topic. According to the [New York Times](#), the drone market is currently valued at \$5.9 billion, and will likely double in the coming decade.

Drones are already being used extensively in real estate, mostly for obtaining impressive pictures of properties from above and to inspect large commercial and multifamily properties. As the application of drones has become more mainstream, and issues such as privacy, safety, and security have come to the forefront, state and federal government are in the process of regulating the use of drones.

What exactly is a Drone?

Drones are defined in [Florida statute](#) as: “A powered, aerial vehicle that: 1. Does not carry a human operator; 2. Uses aerodynamic forces to provide vehicle lift; 3. Can fly autonomously or be piloted remotely; 4. Can be expendable or recoverable; and 5. Can carry a lethal or nonlethal payload.”

[Illinois statute](#) is more general in its definition of drones: “Any aerial vehicle that does not carry a human operator.”

Most regulatory and legislative language refers to drones as “unmanned aircraft systems.” [Indiana statute](#) defines an unmanned aerial vehicle as an aircraft that “(A) Does not carry a human operator; and (B) is capable of flight under remote control or autonomous programming.” The FAA’s proposed rule would codify the definition found in [Public Law 112-95](#) of an unmanned aircraft as: “An aircraft operated without the possibility of direct human intervention from within or on the aircraft.”

State Laws

Most of the state laws concerning the use of drones cover privacy concerns and strictly regulate government use of drones. Illinois’ Freedom from Drone Surveillance Act (SB1587) for example, states that a “law enforcement agency may not use a drone to gather information,” and provides certain exceptions, such as an imminent terrorist threat. Indiana has similar provisions restricted law enforcement agencies from using drones.

Oregon’s drone law ([HB2710](#)) goes beyond regulating law enforcement agencies and allows owners of property to take action against drone operators who fly a drone less than 400 feet over a certain property:

“A person who owns or lawfully occupies real property in this state may bring an action against any person or public body that operates a drone that is flown at a height of less than 400 feet over the property if: (a) The operator of the drone

has flown the drone over the property at a height of less than 400 feet on at least one previous occasion; and (b) The person notified the owner or operator of the drone that the person did not want the drone flown over the property at a height of less than 400 feet.”

In North Carolina, [SB744](#) requires the Division of Aviation to develop a knowledge and skills test for operating an unmanned aircraft system that complies with all applicable State and federal regulations. The Division must issue licenses, which are required to operate unmanned aerial vehicle.

In total, 20 states have enacted laws addressing the issue of drones: Alaska, Florida, Hawaii, Idaho, Illinois, Indiana, Iowa, Louisiana, Maryland, Montana, Nevada, North Carolina, North Dakota, Ohio, Oregon, Tennessee, Texas, Utah, Virginia, and Wisconsin.

Federal Regulation

In 2012, the [Federal Aviation Administration Air Transportation Modernization and Safety Improvement Act](#) was signed into law, which compels the FAA to allow drones to be used commercially for various purposes, including for real estate. Among other measures provided in the Act is a requirement for the FAA to safely integrate drones into the national airspace by September 30, 2015, and to develop and implement a plan for operational and certification requirements for drones by December 31, 2015.

On February 15, 2015, the FAA, issued a proposed framework of regulations which clarifies how they will seek to regulate the use of drones. Specifically, the FAA’s provisions of the proposed rulemaking fall into four categories: Operational limitations, Operator Certification and Responsibilities, Aircraft Requirements, and Model Aircraft. The FAA’s overview of Small UAS Proposed Rulemaking can be found [here](#), and includes provisions such as:

- Unmanned aircraft must weigh less than 55 lbs. (25kg)
- The unmanned aircraft must remain within the visual line-of-sight of the operator or visual observer.
- Daylight- only operations (official sunrise to official sunset, local time)

IREM Statement of Policy

On November 13, 2014, the National Association of REALTORS® Board of Directors approved a Policy Statement on the use of unmanned aerial vehicles which advises members that, as the use of unmanned aerial vehicles for real estate marketing purposes is currently prohibited by the Federal Aviation Administration (FAA), NAR advises its members to refrain from their use. The Policy Statement emphasizes NAR supports of efforts to create new federal regulations to allow for the future commercial use of unmanned aerial vehicle technology by the real estate industry. And finally, “The National Association of REALTORS® is committed to working with

the Federal Aviation Administration, and any other relevant federal agencies, during the regulatory approval process.”

At this time, IREM does not have an official Statement of Policy on the use of drones in property management, though the issue will be on the agenda for the April 2015 meeting of the Legislative and Public Policy Committee at the Legislative and Leadership Summit. Also, IREM will partner with NAR to submit comments to the FAA during the rulemaking process to ensure the real estate and property management industries are taken into full consideration, as they are among the industries most affected by drone regulation.