

BY MESSRS. DEVEAU, HAMMOND,
PETERSEN AND HAAG

1 IN THE HOUSE

2 HOUSE BILL NO. 162

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIRST LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act pertaining to ferry transportation;
7 authorizing the Department of Public Works
8 to acquire ferry terminal facilities, to
9 issue certificates of public convenience and
10 necessity to ferry operators, to grant
11 financial assistance to ferry operators;
12 providing standards for rates and services
13 of ferry operators, and enforcement by the
14 Department; and providing for an effective
15 date."

16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

17 Section 1. TITLE. This Act shall be known as "The Alaska
18 Ferry Transportation Act."

19 Sec. 2. DEFINITIONS. As used in this Act:

20 "Ferry" shall mean and include any vessel used in the common
21 carriage of passengers and self-propelled vehicles in intrastate
22 commerce within the State of Alaska;

23 "Ferry operator" shall mean any individual, partnership, cor-
24 poration, association, Alaska state agency, municipality, or other
25 political subdivision of the state, or other organization holding
26 itself out to serve the public by operating ferries;

27 "Department" shall mean the Department of Public Works; and

28 "State" shall mean the State of Alaska.

29 Sec. 3. FERRY TERMINAL FACILITIES. The Department is hereby

1 specifically authorized and directed to acquire, by construction,
2 purchase or lease, and to repair and maintain, ferry terminal
3 facilities for the loading and unloading of passengers, and
4 vehicles under their own power, on and off ferries, at locations
5 selected by the Department. The Department is further authorized
6 to connect these facilities with local highway systems. The
7 Department is also authorized to make reasonable rules and regu-
8 lations governing the use of these facilities by the public as
9 the Department may deem necessary and proper in the public in-
10 terest.

11 Sec. 4. CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY.

12 (1) The Department is hereby authorized and directed
13 to issue certificates of public convenience and necessity, con-
14 formable to the provisions of this Act, as hereinafter set forth,
15 to ferry operators within the state. This authority shall include
16 discretion to issue exclusive certificates on such routes and
17 upon such conditions as the Department deems advisable or necessary
18 in the public interest to secure continuous, efficient and depend-
19 able ferry service in the affected areas.

20 (2) No ferry operator shall engage in transportation of
21 passengers or vehicles by ferry between points within this state
22 unless it holds a certificate of public convenience and necessity
23 issued by the Department.

24 (3) Applications for a certificate shall be made in
25 writing to the Department, be verified under oath, and shall be in
26 such form, and contain such information as the Department shall by
27 regulation require.

28 (4) The Department shall issue a certificate to any
29 qualified applicant therefor, authorizing the whole or part of the

1 operation covered by the application, if the Department finds that
2 the applicant is fit, willing and able to perform the service
3 proposed and to conform to the provisions of this Act and the
4 requirements, rules and regulations of the Department thereunder,
5 and that the proposed service, to the extent authorized by the
6 certificate, is or will be required by the present or future
7 public convenience and necessity; otherwise such application shall
8 be denied.

9 (5) Such certificate shall specify the route or routes
10 over which, or the points to and from which, such carrier is
11 authorized to operate, and at the time of issuance and from time
12 to time thereafter there shall be attached, to the exercise of the
13 privileges granted by the certificate, such reasonable terms,
14 conditions, and limitations as the public convenience and necessity
15 may from time to time require, including terms, conditions and
16 limitations as to the extension of the route or routes of the
17 operator and such other terms, conditions, and limitations as are
18 necessary to carry out, with respect to the operations of the
19 operator, the requirements of this Act or those established by the
20 Department pursuant thereto: provided, however, that no terms,
21 conditions or limitations shall restrict the right of the operator
22 to add to its equipment, facilities or service within the scope of
23 such certificate, as the development of the business and the de-
24 mands of the public shall require.

25 Sec. 5. FINANCIAL ASSISTANCE.

26 (1) The Department is authorized and directed to con-
27 sider the application of any ferry operator for financial aid in
28 the operation of a ferry under a certificate of public convenience
29 and necessity issued under Sec. 4 of this Act.

1 (2) Every application for financial assistance under
2 the provisions of this section shall be accompanied by such
3 financial and other statements as may be required by the Department.
4 All such statements shall be under oath or affirmation and in such
5 form as the Department shall prescribe. Any person who, in an
6 application for financial assistance under this section or in any
7 statement filed therewith, willfully makes an untrue statement of
8 a material fact, shall be guilty of a misdemeanor, and shall be
9 fined not more than one thousand dollars, or imprisoned for a
10 term of not more than six months, or both.

11 (3) Upon its approval of the application, the Depart-
12 ment is authorized and directed to grant financial assistance to
13 ferry operators, in the amount required to maintain the ferry
14 service to the public by honest, efficient and economical manage-
15 ment; provided, however, that the Department may condition the grant-
16 ing of financial assistance in its entirety, or in part, upon such
17 reasonable and just terms and conditions and limitations as it
18 deems necessary and proper in the public interest and to effectu-
19 ate the general purposes of this Act, but no such terms, conditions
20 or limitations under this section shall be changed or varied during
21 the period for which financial assistance has been granted.

22 (4) The amount of financial assistance shall be deter-
23 mined and payable on the basis of a final accounting made as soon
24 as practicable after the end of each year. The Commissioner of
25 Public Works may approve the payment from time to time during any
26 such period of amounts he deems proper, but such payments shall in
27 no case exceed 75 per cent of the amount estimated by the Depart-
28 ment to have accrued on account of such financial assistance pro-
29 gram. In addition, any such payments shall be made only after

1 there has been furnished to the Commissioner such security as he
2 deems to be reasonable and necessary to insure refund of over-
3 payment.

4 Sec. 6. ADDITIONAL DUTIES OF DEPARTMENT. The Department
5 shall require every ferry operator to provide and furnish safe
6 and reasonably adequate services and facilities for the public,
7 and shall establish just and reasonable charges for services
8 rendered or to be rendered to the public. The Department may,
9 after hearing, in a proceeding upon complaint or on its own ini-
10 tiative without complaint, require or authorize any ferry operator
11 to provide safe and reasonably adequate services and facilities
12 for the public, or to cease and desist from charging a rate other
13 than that established by the Department for service to the public.
14 The Department shall allow, in its order, a sufficient and reason-
15 able time for compliance therewith, and if not obeyed within the
16 time established for compliance, may seek and obtain an injunction
17 or other necessary and proper relief in the Superior Court.

18 Sec. 7. RULES AND REGULATIONS. The Department shall estab-
19 lish, in accordance with the terms of the Administrative Procedures
20 Act, rules and regulations governing procedures necessary to carry
21 out its duties under this Act.

22 Sec. 8. JURISDICTION OF DEPARTMENT. The jurisdiction and
23 duty of the Department to administer the provisions of this Act
24 shall be retained by the Department until expressly removed there-
25 from by law.

26 Sec. 9. EFFECTIVE DATE. This Act shall take effect imme-
27 diately upon its passage and approval or upon its becoming law
28 without such approval.