

ALASKA LEGISLATIVE COUNCIL

1 IN THE SENATE

BY COMMERCE AND LABOR

2 SENATE BILL NO. 87

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIRST LEGISLATURE - FIRST SESSION

5 A BILL

6 FOR AN ACT ENTITLED: "An Act to create the Alaska Aviation Commis-
7 sion and provide for the regulation of civil
8 aeronautics in Alaska."

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

10 Section 1. TITLE.

11 This act may be known and cited as the "Alaska Air Commerce
12 Act of 1959."

13 Section 2. DECLARATION OF POLICY.

14 The purpose and policy of this act in regulating air
15 commerce is as follows:

16 (a) To recognize and preserve the inherent advantage
17 of such commerce.

18 (b) To foster sound economic conditions in such
19 commerce and among air carriers in the public interest.

20 (c) To promote adequate, economical and efficient
21 service by such carriers, and reasonable charges therefor,
22 without unjust discriminations, undue preferences or advantages,
23 and unfair or destructive competitive practices.

24 (d) To provide for competition of the extent necessary
25 to assure the sound development of an air transportation system
26 properly adapted to and adequate to meet the needs of the
27 commerce of this State.

28 (e) To improve the relations between and coordinate
29 transportation by and regulation of air carriers.

1 (f) To provide for the administration and enforcement
2 of this act so as to avoid conflict with the regulation of air
3 carriers by the federal government.

4 (g) To maintain air transport services in Alaska on
5 an economically sound basis, pending a study of the air
6 transport needs of Alaska and the relationship of intrastate
7 air services to the interstate and foreign air services subject
8 to regulation by the federal Civil Aeronautics Board.

9 This act shall be administered and enforced with a view to
10 carrying out the above declaration of policy.

11 Section 3. DEFINITIONS.

12 As used in this act, unless the context otherwise requires -

13 (a) "Air carrier" means any person undertaking to
14 engage in air commerce - whether directly or indirectly or by
15 lease, contract or any other arrangement, and whether over
16 regular or irregular routes.

17 (b) "Air commerce" means carriage by aircraft of
18 persons or property for compensation or hire in intrastate
19 commerce within the State, including the carriage by aircraft
20 of persons or property which move partly by aircraft and partly
21 by other forms of transportation.

22 (c) "Aircraft" means any contrivance now known or
23 hereafter invented, used or designed for navigation or flight
24 in the air.

25 (d) "Air Taxi Operator" means an air carrier coming
26 within the classification of "Alaskan Air Taxi Operators", as
27 defined and established by Part 293 of the Economic Regulations
28 of the federal Civil Aeronautics Board, adopted on December 30,
29 1958, and made effective on February 3, 1959.

1 (e) "Commission" means the Alaska Aviation Commission
2 created by this act.

3 (f) "Person" means any individual, firm, partnership,
4 corporation, company, association, joint-stock association or
5 body politic; and includes, without limitation, any trustee,
6 receiver, assignee or other person or persons acting in a
7 representative capacity.

8 (g) "State" means the State of Alaska.

9 Section 4. CREATION OF ALASKA AVIATION COMMISSION.

10 There is created a regulatory and quasi-judicial agency of
11 the State, to be known as the Alaska Aviation Commission. The
12 Commission shall be composed of five members to be appointed by
13 the Governor, subject to confirmation by a majority of the
14 members of the legislature in joint session, and they shall
15 serve at the pleasure of the Governor.

16 One member shall be chosen from each of the former four
17 judicial divisions of Alaska, and one shall be chosen at large.
18 At least two members shall be engaged in the aviation industry
19 in Alaska - one being a representative of an Alaska air carrier
20 holding a currently active certificate of public convenience
21 and necessity from the federal Civil Aeronautics Board, and the
22 other, being a representative of an Alaska air taxi operator,

23 The Governor shall designate annually one of the members of
24 the Commission as chairman and one of the members as vice chair-
25 man, who shall act as chairman in the absence or incapacity of
26 the chairman. Each member of the Commission shall receive basic
27 compensation at the rate to be established by the legislature.

28 Three members of the Commission shall constitute a quorum.
29 The principal office of the Commission shall be in the City of

1 Juneau, Alaska, where its general sessions shall be held; but
2 whenever the convenience of the public or the parties may be
3 promoted, or delay or expense may be prevented, the Commission
4 may hold hearings or other proceedings at any other place. The
5 Commission shall have an official seal which shall be judicially
6 noticed and which shall be preserved in the custody of the
7 secretary of the Commission.

8 Section 5. ORGANIZATION OF COMMISSION.

9 The Commission shall appoint and prescribe the duties of a
10 secretary of the Commission, and appoint and prescribe the
11 duties of a general counsel. The Commission, in addition, shall
12 employ such other officers and employees as it shall deem
13 necessary in exercising and performing its powers and duties.
14 The compensation of all officers and employees of the Commission
15 shall be fixed by the legislature.

16 From time to time the Commission may engage for temporary
17 service such duly qualified persons, including without
18 limitation, engineers, attorneys, technicians, accountants and
19 other qualified persons, as may be necessary or appropriate in
20 the administration of this act, and may fix the compensation of
21 such persons. Such compensation and the expense of such employ-
22 ment shall be paid out of the monies appropriated by the
23 legislature for the administration of this act.

24 Section 6. AUTHORIZATION OF EXPENDITURES.

25 From monies appropriated from time to time by the legis-
26 lature, the Commission is authorized to make such expenditures
27 as it deems necessary for the administration of this act and
28 the exercise of the powers and duties vested and imposed upon
29 the Commission by law.

1 Section 7. GENERAL POWERS AND DUTIES OF THE COMMISSION.

2 (a) Administration and Enforcement. - It shall be the
3 duty of the Commission to administer the provisions of this act,
4 and to that end the Commission shall have authority to make and
5 amend such general or special rules and regulations and to issue
6 such orders as may be necessary to carry out such provision.

7 (b) Classifications of Air Carriers. - The Commission
8 may make such just and reasonable classifications of air carriers
9 according to geographical sections, types, or otherwise, as may
10 be in the public interest. The Commission shall have authority
11 to inquire into and determine whether any person is engaged in
12 air commerce.

13 (c) Complaints and Investigations. - The Commission
14 may investigate either upon complaint or upon its own initiative,
15 whether any person has failed to comply with any provision of
16 this act or with any order, rule, regulation or requirement
17 issued or established pursuant thereto, and after notice and
18 opportunity for hearing, take appropriate action to compel com-
19 pliance therewith. Whenever the Commission is of the opinion
20 that any complaint does not state reasonable grounds for action
21 on its part, it may dismiss such complaint.

22 (d) Joint Hearings and Cooperation. - The Commission
23 is authorized to confer with or to hold joint hearings with any
24 authorities of the government of the United States, having
25 jurisdiction with respect to matters affecting air commerce.
26 The Commission is also authorized to avail itself of the cooper-
27 ation, services, records, and facilities of such authorities as
28 fully as may be practicable, in the enforcement or administration
29 of any provisions of this act.

1 (e) Interstate Rates and Service. - When the inter-
2 state rates, fares, charges or classifications of air carriers
3 affecting the commerce of this state, are, in the opinion of the
4 Commission, excessive or discriminatory or are levied or imposed
5 in violation of the Act of Congress entitled Federal Aviation
6 Act of 1958, and the acts amendatory thereof and supplementary
7 thereto, or in conflict with the rulings, orders or regulations
8 of the authorities having jurisdiction thereof, or when inter-
9 state services are, in the opinion of the Commission, inadequate,
10 unsatisfactory, or discriminatory, the Commission may apply by
11 petition to the authorities having jurisdiction thereof for
12 relief, and may present to such authorities all facts coming to
13 the Commission knowledge as to violations of the rulings, orders
14 or regulations of such authorities, or as to violations of the
15 said Federal Aviation Act of 1958 or acts amendatory thereof or
16 supplementary thereto.

17 (f) Conduct of Commission Proceedings. - The
18 Commission shall conduct its proceedings in such manner as will
19 be conducive to the proper dispatch of business and to the ends
20 of justice. No member of the Commission shall participate in
21 any hearing or proceeding in which he has a pecuniary interest.
22 Any person may appear before the Commission and be heard in
23 person or by attorney. Every vote and official act of the
24 Commission shall be entered of record and its proceedings shall
25 be open to the public upon the request of any interested party.

26 Section 8. AUTHORITY FOR EXISTING AIR CARRIERS.

27 Persons who have engaged in air commerce between September
28 1 and December 31, 1958, may continue to so engage in air
29 commerce, as follows:

1 (a) Carriers Certificated by the Civil Aeronautics
2 Board. - Any person holding a certificate of public convenience
3 and necessity issued pursuant to federal statutory authority
4 authorizing transportation by air within Alaska, -

5 (1) may engage in air commerce along the routes
6 and between the points covered by such certificate or any
7 amendments thereto, and along the routes and between the
8 points covered by any exemption, regulation or order
9 affecting such person heretofore or hereafter issued pursu-
10 ant to federal statutes; and

11 (2) may make charter trips or perform any other
12 special service, without regard to the points named in its
13 certificate or other authorization.

14 (b) Carriers Exempted by Civil Aeronautics Board. -
15 Any person who is authorized to engage in transportation by air
16 within Alaska solely pursuant to exemption issued by the federal
17 Civil Aeronautics Board, and effective on December 31, 1958, may
18 continue to engage in air commerce to the extent thereby
19 authorized and subject to the conditions and limitations of
20 said exemption as effective on said date, until the Commission
21 disposes of an application for exemption filed by such person
22 pursuant to the provisions of this act.

23 (c) Contract Carriers. - Any person who, as a contrac
24 carrier, was authorized to engage in transportation by air with-
25 in Alaska pursuant to federal statutory authority effective on
26 December 31, 1958, may continue to engage in air commerce to the
27 extent thereby authorized, and subject to the conditions and
28 limitations of such authority.

29 (d) Air Taxi Operators. - Any person who was engaged

1 in air commerce at any time between September 1 and December 31,
2 1958, under the conditions and subject to the limitations con-
3 tained in Section 292.1 (b) and Section 292.8 of the Economic
4 Regulations of the federal Civil Aeronautics Board relating to
5 Alaska pilot-owners, as the same were effective on December 31,
6 1958, may continue to engage in air commerce as an Alaska air
7 taxi operator for a period of sixty days after the effective
8 date of this act, and thereafter until such time as the
9 Commission shall pass upon an application for an Alaskan air
10 taxi operator's certificate to engage in such commerce; provided
11 (1) that within sixty days after the effective date of this
12 act, such person has made application to the Commission for an
13 Alaskan air taxi operator's certificate; (2) that such person
14 has complied with all laws, rules and regulations relating to the
15 providing of safe and adequate service, equipment, and
16 facilities in connection with such air commerce; and (3) that such
17 person at all times complies with the conditions and limitations
18 contained in Sections 293.1, 293.2, 293.3 and 293.17(a) of
19 Part 293 of the Economic Regulations of the federal Civil
20 Aeronautics Board, adopted December 30, 1958, and made effective
21 February 3, 1959, subject to modifications of the provisions
22 contained in those sections, as follows:

23 (1) An Alaska air taxi operator may utilize in
24 air transportation, in all areas of Alaska North of sixty
25 degrees North latitude and West of one hundred thirty-
26 eight degrees West longitude, aircraft having a "maximum
27 certificated take-off weight" (as that term is defined in
28 Section 293.1 of the said Economic Regulations) of twelve
29 thousand five hundred pounds or less.

1 (2) An Alaska air taxi operator may utilize in
2 air transportation in all areas of Alaska South of sixty
3 degrees North latitude and East of one hundred thirty-eight
4 degrees West longitude, aircraft having a "maximum
5 certificated take-off weight" (as that term is defined in
6 Section 293.1 of the said Economic Regulations) of seven
7 thousand nine hundred pounds or less.

8 (3) An Alaska air taxi operator is authorized to
9 employ or hire pilots without limitation as to number.

10 (4) The term "resident" as used in Section 293.2
11 of the above-mentioned Economic Regulations, shall mean,
12 with respect to individuals and partnerships, an individual
13 or member of a partnership who has resided in Alaska for a
14 period of one year; and with respect to a corporation, shall
15 mean a corporation incorporated under the laws of Alaska in
16 which 75% of the stock is owned or beneficially owned by
17 persons who have resided in Alaska for a period of one year.

18 Section 9. CERTIFICATES REQUIRED.

19 Subject to the provisions of Section 8, no person shall
20 engage in any air commerce unless there is in force a certificate
21 issued by the Commission authorizing such person to engage in
22 such air commerce.

23 Section 10. CLASSIFICATION AND EXEMPTION OF AIR CARRIERS.

24 (a) Classifications. - From time to time the Commission
25 may establish such just and reasonable classifications or groups
26 of air carriers for the purposes of this act as the nature of the
27 services performed by such carriers shall require; and may
28 establish such just and reasonable rules and regulations, pursuant
29 to and consistent with the provisions of this act, to be

1 observed by each such class or group, as the Commission finds
2 necessary in the public interest. The Commission may likewise
3 alter, modify or change, in its discretion, and after hearings,
4 any or all of the provisions relating to authority of air taxi
5 operators, as contained in subsection (d) of Section 8 of this
6 act.

7 (b) Exemptions. - From time to time and to the
8 extent necessary, the Commission may exempt from the requirements
9 of this act or any provision thereof, or any rule, regulation,
10 term, condition or limitation prescribed thereunder, any air
11 carrier or class of air carriers, if the Commission finds that
12 the enforcement of this act or such provision, or such rule,
13 regulation, term, condition or limitation is or would be an
14 undue burden on such air carrier or class of air carriers by
15 reason of the limited extent of, or unusual circumstances
16 affecting, the operation of such air carrier or class of air
17 carriers, and is not in the public interest.

18 Section 11. APPLICATIONS FOR CERTIFICATES.

19 (a) Form and Contents. - Applications for certificate
20 shall be made in writing to the Commission and shall be in such
21 form and contain such information and be accompanied by a proof
22 of service upon such interested parties as the Commission shall,
23 by regulation, require.

24 (b) Notice and Hearing. - Upon the filing of an
25 application for a certificate, the Commission shall give due
26 notice thereof (1) to the public by posting a notice of such
27 application in the office of the Commission; and (2) to such
28 persons, and by such means, as the Commission shall determine
29 by regulation. Any interested person may file with the

1 Commission a protest or memorandum of opposition to or in
2 support of the issuance of a certificate. A public hearing
3 shall be held on such application if the applicant, or any
4 person having a substantial interest in the proceeding, shall
5 so request within such time as the Commission shall provide by
6 regulation.

7 (c) New Service Investigations. - Whenever it deems
8 such action advisable, the Commission upon its own initiative
9 may conduct an investigation to determine whether additional
10 air commerce appears to be needed. If after such investigation
11 the Commission is of the opinion that such procedure is
12 appropriate, it may encourage the filing of applications for
13 certificates authorizing the furnishing of such commerce.

14 Section 12. ISSUANCE OF CERTIFICATES.

15 (a) Findings Required. - Subject to the provisions
16 of subsection (b) of this section, the Commission shall issue a
17 certificate authorizing the whole or any part of the operation
18 covered by an application for a certificate -

19 (1) If the Commission finds that the applicant
20 is fit, willing and able to perform such operation properly
21 and to comply with and conform to the provisions of this
22 act and the rules, regulations and requirements of the
23 Commission hereunder; and

24 (2) If the Commission finds that such operation,
25 and the performance thereof by the applicant, is required
26 by the public convenience and necessity and is consistent
27 with the declaration of policy contained in section 2 of
28 this act.

29 If all of the findings required in paragraphs (1) and

1 (2) above are not made in each case, then the application shall
2 be denied.

3 (b) Evidence of Compliance with Other Laws. - No
4 certificates shall be issued to any person to operate as an air
5 carrier unless the applicant submits evidence, satisfactory to
6 the Commission, showing that it can and will comply with the
7 provisions of the laws of the United States, and the State, and
8 the lawful rules, regulations and orders thereunder, respecting
9 safety of operation.

10 SECTION 13. TERMS AND CONDITIONS OF CERTIFICATE.

11 (a) General Terms and Conditions. - Each certificate
12 issued under this act shall specify the points between which,
13 or the areas within which, the holder is authorized to engage
14 in operations as an air carrier and the service to be rendered.
15 There shall be attached to the exercise of the privileges granted
16 by such certificate, or amendment thereto, such reasonable terms,
17 conditions and limitations as the public interest may require.

18 (b) Effective Date and Duration of Certificates. -

19 (1) Subject to the provisions of subsection (2)
20 of this subsection (b) unless and until a certificate is modi-
21 fied, suspended or revoked, as hereafter provided, each certi-
22 ficate shall be effective from the date specified therein, and
23 shall continue in effect indefinitely, or, if issued for a
24 limited period of time shall continue in effect until the ex-
25 piration thereof.

26 (2) If any service authorized by a certificate
27 is not inaugurated within ninety days immediately following the
28 date of authorization of the Commission, or within such shorter
29 period of time as may be fixed by the Commission; or if any

1 such service is not operated for a period of ninety days, or for
2 such other period of time as may be designated by the Commission
3 then in either of such events, the Commission, after notice and
4 opportunity for hearing, may order that such certificate shall
5 thereupon cease to be effective to the extent of the service
6 authorized.

7 (c) Emergency Operations. - No air carrier shall be
8 deemed to have violated any term, condition or limitation of its
9 certificate by landing or taking off during an emergency at a
10 point not named in its certificate, or by operating during an
11 emergency, under regulations which may be prescribed by the Com-
12 mission between terminal and intermediate points other than those
13 specified in its certificate.

14 (d) No Exclusive Rights. - No certificate shall confer
15 any proprietary, property or exclusive right in the use of any
16 air space, civil airway, public landing area or public air
17 navigation facility.

18 Section 14. MODIFICATION, SUSPENSION, OR REVOCATION OF
19 CERTIFICATES:

20 Upon petition or complaint, or upon the Commission's own
21 initiative, and after notice and opportunity for hearing, the
22 Commission by order may alter, amend, or modify any certificate,
23 in whole or in part, if the public convenience and necessity so
24 require, and may suspend or revoke any certificates, in whole or
25 in part, for any of the following reasons:

26 (a) For intentional misrepresentation of a material
27 fact in obtaining such certificate.

28 (b) For voluntary discontinuance of operations.

29 (c) For intentional failure to comply with any provi-

1 sion of this act or any order, rule or regulation issued here-
2 under.

3 (d) For intentional failure to comply with any term,
4 condition, or limitation of such certificates.

5 Section 15. TRANSFER OF CERTIFICATES.

6 Any certificate may be transferred or leased subject to
7 the approval of the Commission, and under such reasonable rules
8 and regulations as the Commission may prescribe. Except where a
9 transfer of a certificate results from the operation of law, ap-
10 proval of such transfer or lease shall be given only upon a find-
11 ing by the Commission, after notice and opportunity for a hear-
12 ing, that such transfer or lease will be consistent with the
13 public interest. The application for approval shall be made
14 jointly by the transferor and transferee or lessor and lessee.

15 Section 16. ABANDONMENT OR DISCONTINUANCE OF SERVICE.

16 No air carrier shall abandon or discontinue any service or
17 any part thereof for which a certificate has been issued by the
18 Commission, unless upon the application of such carrier, after
19 notice and opportunity for hearing, the Commission shall find
20 such abandonment or discontinuance to be in the public interest.
21 Any interested person may file with the Commission a protest or
22 memorandum of opposition to or in support of any such abandon-
23 ment. The Commission may, by regulations or otherwise, author-
24 ize such temporary suspension of service as may be in the public
25 interest.

26 Section 17. SECURITY FOR THE PROTECTION OF THE PUBLIC.

27 No certificate shall be issued to an air carrier nor shall
28 any certificate remain in force, unless such carrier complies
29 with such reasonable rules and regulations as the Commission

1 shall prescribe governing the filing and approval of surety
2 bonds, policies of insurance, qualifications as a self-insurer
3 of other securities or agreements, in such reasonable amount as
4 the Commission may require. Such surety bonds, policies of in-
5 surance, qualifications as a self-insurer or other securities
6 shall be conditioned to pay, within the amounts thereof, any
7 final judgment recovered against such carrier for bodily injur-
8 ies to or the death of any person resulting from the negligent
9 operation, maintenance or use of aircraft under such certificate
10 or for the loss or damage to property of others. Nothing in
11 this act shall relieve a certificate holder from any liability
12 for negligence, whether or not it has complied with the require-
13 ments of this section.

14 Section 18. TARIFFS.

15 (a) Filing of Tariffs Required. - Every air carrier
16 shall file with the Commission and make available to the public,
17 tariffs showing all rates, fares and charges for air commerce
18 between points served by it, and between points served by it and
19 points served by any other air carrier when through air commerce
20 service and rates have been established, and all classifications,
21 rules, regulations, practices, and services in connection with
22 such commerce.

23 (b) Extent and Manner of Filing; Form. - Tariffs
24 shall be filed and made available to the public to the extent
25 and in the manner required by regulations of the Commission.
26 The form of every such tariff shall be prescribed by the Commis-
27 sion and shall conform as nearly as may be to the form of
28 tariffs required of air carriers by the Civil Aeronautics Board
29 or other agency of the federal government under the Act of Con-

1 gress entitled "Federal Aviation Act of 1958", and the acts
2 amendatory thereof and supplementary thereto. The rates, fares
3 and charges shown in any tariff shall be stated in terms of
4 lawful money of the United States.

5 (c) Rejection of Tariffs. - The Commission is empow-
6 ered to reject any tariff which is not consistent with this
7 section and the regulations of the Commission thereunder. Any
8 tariff so rejected shall be void.

9 (d) Observance of Tariffs, Rebating Prohibited. --
10 No air carrier shall charge or demand or collect or receive a
11 greater or less or different compensation for air commerce, or
12 for any service in connection therewith, than the rates, fares,
13 and charges specified in its currently effective tariffs. No
14 such carrier shall, in any manner or by any device, directly or
15 indirectly or through any agent or broker, or otherwise, refund
16 or remit any portion of the rates, fares, or charges so speci-
17 fied, or extend to any person any privileges or facilities, with
18 respect to matters required by the Commission to be specified in
19 such tariffs, except those specified therein. In the event that
20 an excessive rate, fare, or charge is stated in a currently
21 effective tariff through error, the air carrier may, in accord--
22 ance with regulations prescribed by the Commission, make appro-
23 priate refunds to any person paying such charge.

24 (e) Free or Reduced Rates. - Nothing in this act
25 shall prohibit air carriers, under such terms and conditions as
26 the Commission may prescribe, from issuing or interchanging
27 tickets or passes for free or reduced rate transportation to
28 their directors, officers, employees and retired employees and
29 their immediate families; to witnesses and attorneys attending

1 any legal investigation in which any such carrier is interest-
2 ed; to persons injured in aircraft accidents and physicians
3 and nurses attending such persons; and to any person or prop-
4 erty with the object of providing relief in cases of general
5 epidemic, pestilence or other calamitous visitation. No such
6 carrier shall provide free or reduced rate transportation to
7 any other persons or under any other circumstances.

8 (f) Notice of Change in Tariff. - No change shall be
9 made in any rate, fare, or charge, or any classification, rule,
10 regulation, or practice affecting such rate, fare, or charge or
11 the value of the service thereunder, specified in any effective
12 tariff of any air carrier, except after thirty days' notice of
13 the proposed change filed, and made available to the public in
14 accordance with subsections (a) and (b) of this section. Such
15 notice shall plainly state the change proposed to be made and
16 the time such change will take effect. In the public interest
17 the Commission, by regulation or otherwise, may allow such
18 change upon notice less than that herein specified, or modify
19 the requirements of this section with respect to filing and
20 posting of tariffs, either in particular instances or by general
21 order applicable to special or peculiar circumstances or condi-
22 tions.

23 Section 19. RATES AND SERVICE.

24 (a) Duties of Air Carriers. - Every air carrier shall
25 have the following duties:

26 (1) To provide and furnish air commerce, as
27 authorized by its certificate, upon reasonable request therefor
28 and to provide reasonable through service in such commerce in
29 connection with other such carriers or with common carriers by

1 railroad, motor vehicle, express or water.

2 (2) To provide adequate and reasonable service,
3 equipment and facilities, in connection with such commerce.

4 (3) To establish, observe and enforce just and
5 reasonable individual and joint rates, fares, and charges, and
6 just and reasonable classifications, rules, regulations, and
7 practices relating to such commerce.

8 (b) Discrimination. - No air carrier shall make, give,
9 or cause any undue or unreasonable preference or advantage to
10 any particular person, port, locality, or description of traff-
11 ic in any respect whatsoever or subject any particular person,
12 port locality, or description of traffic to any unjust discrimi-
13 nation or any undue or unreasonable prejudice or disadvantage in
14 any respect whatsoever.

15 (c) Power to Prescribe Rates and Practices. - Whenever,
16 after notice and opportunity for hearing, upon complaint, or
17 upon its own initiative, the Commission shall be of the opinion
18 that any individual or joint rate, fare or charge demanded,
19 charged, collected, or received by any air carrier for air com-
20 merce performed by it, or any classification, rule, regulation,
21 or practice affecting such rate, fare or charge, or the value of
22 the service thereunder, is or will be unjust or unreasonable,
23 unjustly discriminatory, unduly preferential or unduly prejudi-
24 cial, the Commission shall determine and prescribe the lawful
25 rate, fare or charge (or the maximum or minimum, or the maximum
26 and minimum thereof) thereafter to be demanded, charged, col-
27 lected or received, or the lawful classification, rule, regula-
28 tion, or practice thereafter to be made effective.

29 (d) Suspension of Rates. -- Whenever any air carrier

1 shall file with the Commission a tariff stating a new individual
2 or joint rate, fare or charge for air commerce or any classifi-
3 cation, rule, regulations, or practice affecting such rate, fare
4 or charge, or the value of the service thereunder, the Commis-
5 sion is empowered, upon complaint or upon its own initiative, at
6 once, and, if it so orders, without answer or other formal
7 pleading by such carrier, but upon reasonable notice, to enter
8 upon an investigation concerning the lawfulness of such rate,
9 fare or charge, or such classification, rule, regulation, of
10 practice. Pending such investigation and the decision thereon,
11 the Commission by filing with such tariff, and delivering to
12 the carrier affected thereby, a statement in writing of its
13 reasons for such suspension, may suspend the operation of such
14 rate, fare or charge, or such classification, rule, regulation,
15 or practice, for a period of ninety days. If the proceeding has
16 not been concluded and a final order made within such period,
17 the Commission, may from time to time, extend the period of sus-
18 pension, but not for a longer period in the aggregate than one
19 hundred and eighty days beyond the time when such tariff would
20 otherwise go into effect; and, before or after the rate, fare,
21 charge, classification, rule, regulation or practice goes into
22 effect, the Commission, after opportunity for hearing, may make
23 such order with reference thereto as would be proper in a pro-
24 ceeding instituted after such rate, fare, charge, classifica-
25 tion, rule, regulation or practice had become effective. If the
26 proceeding has not been concluded and an order made within the
27 period of suspension, the proposed rate, fare, charge, classifi-
28 cation, rule, regulation, or practice shall go into effect at
29 the end of such period: Provided, that this subsection shall

1 not apply to any initial tariff filed by any such carrier.

2 (e) Power to Establish Through Transportation Service

3 - The Commission shall, whenever required by the public conven-
4 ience and necessity, after notice and hearing, upon complaint
5 or upon its own initiative, establish through service and joint
6 rates, fares or charges (or the maxima and minima thereof) for
7 air commerce performed by air carriers, or the classification,
8 rules, regulations, or practices affecting such rates, fares, or
9 charges, or the value of service thereunder, and the terms and
10 conditions under which such through service shall be operated.

11 (f) Schedules. - Air carriers shall publish, post and
12 file with the Commission in accordance with general or special
13 regulations prescribed by the Commission, schedules showing the
14 time of arrival and departure of regularly scheduled aircraft
15 engaged in air commerce.

16 Section 20. FEDERAL LAWS AND REGULATIONS.

17 To the extent that the Civil Aeronautics Board or any
18 other agency of the federal government acting pursuant to fed-
19 eral statute exercises jurisdiction by order or regulation with
20 respect to tariffs, rates and services of air carriers and there
21 is compliance with such order or regulation by the air carrier
22 or air carriers concerned, such shall be deemed to be compliance
23 with the provisions of Sections 18 and 19 of this act and any
24 regulation or order of the Commission issued thereunder. How-
25 ever, the Commission may require the filing with it of any or
26 all tariffs and schedules which an air carrier is required to
27 file with the Civil Aeronautics Board of the United States or
28 any other federal agency with respect to such air commerce.

29 Section 21. ACCOUNTS, RECORDS AND REPORTS.

1 (a) Filing of Reports. - The Commission is empowered
2 to require annual reports from any air carrier covering any or
3 all operations or business. The Commission may also require
4 monthly, periodical, and special reports from any air carrier;
5 may prescribe the manner and form in which such reports shall be
6 made; and may require from any such carrier specific answers to
7 any questions pertaining to air commerce performed by it within
8 the state, and the books, records, properties or operations in
9 connection therewith upon which the Commission may deem informa-
10 tion to be necessary. Such annual, monthly, periodical and
11 special reports and answers to questions shall be under oath
12 whenever the Commission so requires. The contents of such regu-
13 lar reports and the form thereof shall conform as nearly as may
14 be to that required of air carriers by the Civil Aeronautics
15 Board or other agency of the federal government under the Act of
16 Congress entitled "Federal Aviation Act of 1958" and the acts
17 amendatory thereof and supplementary thereto. The Commission
18 may also require any air carrier to file with it a true copy of
19 each or any contract, agreement, understanding or arrangement,
20 between such carrier and any other carrier or person, in rela-
21 tion to any traffic affected by the provisions of this act.

22 (b) Form of Accounts. - The Commission shall pre-
23 scribe the forms of any and all accounts, records, and memoranda
24 to be kept by air carriers, including the accounts, records and
25 memoranda of the movement of traffic, as well as of the receipts
26 and expenditures of money, and the length of time such accounts,
27 records and memoranda shall be preserved. The forms of accounts,
28 records and memoranda prescribed by the Commission as provided
29 above shall conform as nearly as may be to those from time to

1 time prescribed by the Civil Aeronautics Board or other agency
2 of the federal government under the Act of Congress entitled
3 "Federal Aviation Act of 1958", and the acts amendatory thereof
4 and supplementary thereto.

5 (c) Inspection of Accounts and Property. - At all
6 times the Commission shall have access to all lands, buildings
7 and equipment of any air carrier and to all accounts, records
8 and memoranda, including all documents, papers, and correspon-
9 dence, now or hereafter existing, and kept or required to be
10 kept by such carriers; and it may employ special agents or
11 auditors, who shall have authority under the orders of the Com-
12 mission to inspect and examine any and all such lands, buildings,
13 equipment, accounts, records and memoranda.

14 (d) Federal Requirements. - If an air carrier main-
15 tains records and accounts and furnishes reports in compliance
16 with lawful regulations of the Civil Aeronautics Board of the
17 United States or other agency of the federal government with re-
18 spect to operations and business in the state, then this shall
19 constitute compliance with the provisions of subsections (a) and
20 (b) of this section and the regulations, rules and orders promul-
21 gated thereunder by the Commission. The Commission may require
22 of any such carrier that it furnish the Commission with copies
23 of all reports furnished the Civil Aeronautics Board of the
24 United States or other agency of the federal government, and in
25 addition, the Commission in its discretion may require the pre-
26 paration and furnishing of such special reports, records and
27 accounts as it deems necessary.

28 Section 22. METHODS OF COMPETITION.

29 The Commission, upon its own initiative or upon complaint

1 by any air carrier or ticket agent, if it considers that such
2 action by it would be in the interest of the public, may investi-
3 gate and determine whether any air carrier or ticket agent has
4 been or is engaged in unfair or deceptive practices or unfair
5 methods of competition in air commerce or the sale thereof. If
6 the Commission shall find, after notice and opportunity for
7 hearing, that such air carrier or ticket agent is engaged in
8 such unfair or deceptive practices or unfair methods of competi-
9 tion, it shall order such air carrier or ticket agent to cease
10 and desist from such practice or methods of competition.

11 Section 23. COMPLAINT TO AND INVESTIGATIONS BY THE
12 COMMISSION.

13 (a) Complaints. - Any person may file with the Com-
14 mission a complaint in writing with respect to anything done or
15 omitted to be done by any person in contravention of any provi-
16 sion of this act, or of any requirement established pursuant
17 thereto. If the person complained against shall not satisfy the
18 complaint and there shall appear to be any reasonable ground for
19 investigating the complaint, it shall be the duty of the Commis-
20 sion to investigate the matters complained of. Whenever the
21 Commission is of the opinion that any complaint does not state
22 facts which warrant an investigation or action on its part, it
23 may dismiss such complaint without hearing.

24 (b) The Commission is empowered at any time to insti-
25 tute an investigation, on its own initiative, in any case and as
26 to any matter or thing concerning which complaint is authorized
27 to be made to or before the Commission by any provision of this
28 act, or concerning which any question may arise under any of the
29 provisions of this act, or relating to the enforcement of any of

1 the provisions of this act. The Commission shall have the same
2 power to proceed with any investigation instituted on its own
3 motion as though it had been appealed to by complaint.

4 (c) If the Commission finds, after notice and oppor-
5 tunity for hearing, in any investigation instituted upon com-
6 plaint or upon its own initiative, that any person has failed to
7 comply with any provisions of this act or any requirement estab-
8 lished pursuant thereto, the Commission shall issue an appro-
9 priate order to compel such person to comply therewith.

10 Section 24. ORDERS, NOTICE, SERVICE.

11 (a) Effective Date of Commission Orders. - Except as
12 otherwise provided in this act, all orders, rules and regula-
13 tions of the Commission shall take effect within such reasonable
14 time as the Commission may prescribe, and shall continue in
15 force until its further order, rule or regulation, or for a
16 specified period of time, as shall be prescribed in the order,
17 rule or regulation.

18 (b) Agent for Process. - It shall be the duty of
19 every air carrier within sixty days after the effective date of
20 this act to designate in writing an agent upon whom service of
21 all notices and process and all orders, decisions and require-
22 ments of the Commission may be made for and on behalf of said
23 carrier, and to file such designation in the office of the secre-
24 tary of the Commission. Such designation may from time to time
25 be changed by like writing similarly filed. Service of all
26 notices, process, orders, decisions and requirements of the Com-
27 mission may be made upon such carrier by service upon such
28 designated agent at his office or usual place of residence with
29 like effect as if made personally upon such carrier. In default

1 of such designation of such agent, service of any notice or
2 other process in any proceeding before said Commission, or of
3 any order, decision or requirement of the Commission, may be
4 made by posting such notice, process, order, requirement or de-
5 cision in the office of the secretary of the Commission.

6 (c) Service of Notices, etc. - Services of notices,
7 processes, orders, rules and regulations upon any person may be
8 made by personal service, or upon an agent designated in writ-
9 ing for the purpose, or by registered or certified mail address-
10 ed to such person or agent. Whenever, service is made by regi-
11 stered or certified mail, the date of mailing shall be consid-
12 ered as the time when service is made.

13 (d) Suspension and Modifications of Orders. - Except
14 as otherwise provided in this act, the Commission is empowered
15 to suspend or modify its orders upon such notice and in such
16 manner as it shall deem proper.

17 (e) Duty to Comply. - It shall be the duty of every
18 person subject to this act, and its agents and employees, to
19 observe and comply with any order, rule, regulation or certifi-
20 cate issued by the Commission under this act affecting such
21 person so long as the same shall remain in effect.

22 (f) Findings of Fact. - Every order of the Commission
23 shall set forth the findings of fact upon which it is based,
24 and shall be served upon the parties to the proceeding and the
25 persons affected by such order.

26 Section 25. JUDICIAL ENFORCEMENT.

27 (a) In General. - If any person violates any provi-
28 sion of this Act, or any rule, regulation, requirement or order
29 thereunder, or any term, condition or limitation of any certifi-

1 cate or permit issued under this act, then the Commission, or in
2 the case of a violation of Sections 8 or 9 of this act any party
3 in interest (without prior resort to the Commission), may apply
4 to a court of competent jurisdiction for the enforcement of said
5 provision, or of such rule, regulation, requirement, order, term,
6 condition, or limitation; and such court shall have jurisdiction
7 to enforce obedience thereto by a writ of injunction or other
8 process, mandatory or otherwise, restraining such person, its
9 officers, agents, employees and representatives, from further
10 violation of said provision or of such rule, regulation, require-
11 ment, order, term, condition or limitation, and enjoining upon
12 them obedience thereto.

13 (b) Duty of State's Attorney. - Upon the request of
14 the Commission, it shall be the duty of any state's attorney of
15 this state to whom the Commission may apply to institute in the
16 proper court and to prosecute under the direction of the attor-
17 ney general of the state all necessary proceedings for the en-
18 forcement of the provisions of this act or any rule, regulation,
19 requirement, or order thereunder, or any term, condition or
20 limitation of any certificate or permit, and for the punishment
21 of all violations thereof. The costs and expenses of such pro-
22 secution shall be paid out of the appropriations for the ex-
23 penses of the state court.

24 Section 26. JUDICIAL REVIEW.

25 (a) In General. - Any order, affirmative or negative,
26 issued by the Commission under this act, shall be subject to re-
27 view by the Supreme Court of the State upon petition, filed
28 within 60 days after the entry of such order, by any person dis-
29 closing a substantial interest in such order. The time within

1 which a petition for review is to be filed shall be computed
2 from the entry of the order complained against or, if one or
3 more persons timely petitions the Commission for rehearing of
4 such order in accordance with the rules of the Commission, from
5 the entry of the order disposing of all petitions for rehearing.

6 (b) Place of Filing Petition. - A petition under this
7 section shall be filed in the Supreme Court of the State,

8 (c) Jurisdiction of Court. - Upon transmittal of the
9 petition to the Commission, the court shall have exclusive
10 jurisdiction to affirm, modify or set aside the order complained
11 of, in whole or in part, and if need be, to order further pro-
12 ceedings by the Commission. Upon good cause shown, interlocu-
13 tory relief may be granted by stay of the order or by such
14 mandatory or other relief as may be appropriate; provided, that
15 no interlocutory relief may be granted except upon at least five
16 days' notice to the Commission,

17 (d) Findings of Fact Conclusive. - The findings of
18 fact by the Commission, if supported by substantial evidence,
19 shall be conclusive. No objection to an order of the Commission
20 shall be considered by the court unless such objection shall
21 have been urged before the Commission or, if it was not so urged,
22 unless there were reasonable grounds for failure to do so,

23 Section 27. PENALTIES.

24 Every person, including any officer, agent or employee of a
25 corporation, who violates, procures, aids or abets in the viola-
26 tion of any provision of this act, or fails to comply with any
27 order, decision or regulation issued by the Commission, shall be
28 guilty of a misdemeanor, and upon a conviction thereof shall be
29 punishable by a fine of not to exceed \$1,000.00. Every day's

1 violation of this act or of any of the terms or conditions of
2 any such order, decision or regulation shall constitute a sep-
3 arate offense, punishable as aforesaid.

4 Section 28. PUBLIC DISCLOSURE OF INFORMATION.

5 Any person may make written objections to the public dis-
6 closure of information contained in any application, report or
7 document filed pursuant to the provisions of this act or of in-
8 formation obtained by the Commission pursuant to the provisions
9 of this act, stating the grounds for such objection. Whenever
10 any such objection is made, the Commission shall order such
11 information withheld from public disclosure when in its judg-
12 ment, a disclosure of such information would adversely affect
13 the interest of such person and is not required in the interest
14 of the public.

15 Section 29. SEPARABILITY.

16 If any section, sentence, clause or part of this act is for
17 any reason held to be invalid or unconstitutional, such decision
18 shall not affect the validity of the remaining provisions of
19 this act. The legislature hereby declares that it would have
20 passed this act, and each section, sentence, clause or part
21 thereof, irrespective of the fact that one or more of the sec-
22 tions, sentences, clauses or parts be declared invalid or uncon-
23 stitutional.

24 Section 30. STUDY OF AIR TRANSPORT SERVICES.

25 The Alaska Legislative Council is empowered and directed to
26 investigate and report to the Legislature at the next session
27 what, if any, additional or amendatory legislation should be
28 enacted to maintain, develop and promote air commerce within the
29 State.

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Section 31. EFFECTIVE DATE.

This act shall take effect upon its passage and approval
or upon becoming law without such approval.