

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 HOUSE BILL NO. 404

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SECOND LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to subsidies for freight
7 carriers; repealing Secs. 46-1-1 through
8 46-1-12, ACLA 1949; and providing for an
9 effective date."

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

11 Section 1. Secs. 46-1-1 through 46-1-12, ACLA 1949 are
12 repealed.

13 Sec. 2. SUBSIDIES TO FREIGHT CARRIERS. The governor may
14 pay a sum of money not to exceed \$10,000 during any one year, to
15 the owner or charterer of a ship or vessel of American registry,
16 who operates the ship or vessel as a common carrier of freight and
17 mail to and from points the governor may designate.

18 Sec. 3. PAYMENT OF SUBSIDIES. The subsidy shall be paid
19 in the installments the governor thinks proper, after proof is
20 submitted to him that the conditions of the contract or subsidy
21 are fulfilled up to the time of payment. The inability to touch
22 at any point along the route designated by the governor due to a
23 lack of proper docking or harbor facilities or to stress of
24 weather does not prevent the owner or charterer from receiving
25 the money otherwise earned and it is not a cause for reducing the
26 amount of the subsidy. If the subsidized ship or vessel is lost,
27 wrecked or damaged, the governor may permit the contractor to
28 carry out the service temporarily with another vessel or ship of
29 American registry that meets with his approval.

HB #404, as amended by the Senate -1-

1 Sec. 4. TARIFF OF RATES. The owner or charterer of the
2 ship or vessel awarded the subsidy shall promulgate and publish
3 a tariff of freight rates to be approved by the governor. The
4 tariff shall be reasonable and it is unlawful for the operator
5 of the vessel to charge more than provided for in the tariff.
6 The tariff shall be published before any services are performed
7 under the subsidy.

8 Sec. 5. REPORT BY OWNER OR CHARTERER. It is a condition in
9 the awarding of the subsidy that the contractor agrees to make a
10 report under oath, in form and manner designated by the governor
11 at the end of each year giving the following information:

12 (1) tariff sheet of freight rates for the route covered;

13 (2) total tonnage carried;

14 (3) gross earning from freight and mail service
15 rendered, segregating the two amounts;

16 (4) a statement in detail of all expenses incurred and
17 on what account, the names and addresses of all persons employed,
18 and the gross earnings and gross expense of the route covered.

19 Sec. 6. EFFECTIVE DATE. This Act takes effect on the day
20 after its passage and approval or on the day it becomes law with-
21 out such approval.

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