

Introduced: 2/24/66
Referred: Commerce and
Judiciary

1 **IN THE SENATE** **BY THE STATE AFFAIRS COMMITTEE**

2 **SENATE BILL NO. 275**

3 **IN THE LEGISLATURE OF THE STATE OF ALASKA**

4 **FOURTH LEGISLATURE - SECOND SESSION**

5 **A BILL**

6 **For an Act entitled: "An Act establishing the Alaska Transporta-**
7 **tion Commission; defining its powers and**
8 **duties; and providing for an effective date."**

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

10 * **Section 1. AS 42 is amended by adding a new chapter to read:**

11 **CHAPTER 7. ALASKA TRANSPORTATION COMMISSION.**

12 **Sec. 42.07.010. CREATION. There is created within the**
13 **Department of Commerce the Alaska Transportation Commission.**

14 **Sec. 42.07.020. COMPOSITION AND QUALIFICATIONS. (a)**
15 **The commission consists of three members appointed by the**
16 **governor and subject to confirmation by a majority of the**
17 **members of the legislature in joint session. Each member**
18 **shall be a person who is qualified by experience or training**
19 **in that field of transportation which will be under his**
20 **supervision as set out in (b) of this section. A member**
21 **serves at the pleasure of the governor.**

22 **(b) One member shall serve as commissioner of air**
23 **commerce, one as commissioner of motor transportation, and**
24 **one as commissioner of rail and water transportation and any**
25 **other form of transportation for which there is no commis-**
26 **sioner named in this section.**

27 **Sec. 42.07.030. TERM OF OFFICE. The term of office of**
28 **each member is six years or until his successor is appointed**
29 **and qualifies. Initial appointments of the members are as**

1 follows: one member for two years, one member for four
2 years, and one member for six years. For purposes of
3 determining the initial terms of members, the initial members
4 shall be considered to have served the first year of their
5 term on February 1, 1967.

6 Sec. 42.07.040. CHAIRMAN OF COMMISSION. The members
7 shall elect the chairman. The chairman shall serve for one
8 year and no chairman may serve a second term consecutively.
9 The term of the initial chairman expires February 1, 1967.

10 Sec. 42.07.050. MEETINGS. The commission shall meet
11 at the call of the chair or upon a signed request to the
12 chairman from the other two commissioners.

13 Sec. 42.07.060. RESTRICTIONS OF MEMBERS AND EMPLOYEES.
14 (a) No member or employee may act in any matter in which
15 his relationship or affiliation with an organization, company
16 or otherwise creates a conflict of interest or unfair ad-
17 vantage between the member or employee and those subject to
18 regulation by the commission.

19 (b) A person who violates a provision of this section
20 is guilty of a misdemeanor and upon conviction, is punishable
21 by imprisonment for not more than six months or a fine of
22 not more than \$500, or both.

23 Sec. 42.07.070. OATH OF OFFICE. Each member of the
24 commission shall take and subscribe to the oath of office
25 prescribed for principal officers of the state.

26 Sec. 42.07.080. QUORUM, PRINCIPAL OFFICE, SEAL. (a)
27 Two members of the commission constitutes a quorum for the
28 transaction of business.

29 (b) The commission shall establish a principal office.

1 If the inconvenience of the public or of parties may be
2 prevented, the commission may hold hearings or other pro-
3 ceedings any other place.

4 (c) The commission shall have an official seal which
5 shall be in the custody of the chairman.

6 Sec. 42.07.090. COMPENSATION OF MEMBERS. (a) Members
7 of the commission shall devote themselves to the work of the
8 commission full time. The salary of each member shall be
9 \$17,500 a year except that the chairman shall receive
10 \$18,000 a year.

11 (b) Each member of the commission is entitled to per
12 diem and travel expenses established by law for other boards
13 and commissions.

14 Sec. 42.07.100. COMMISSION COUNSEL. The Department of
15 Law shall furnish legal counsel on a continuing basis. The
16 attorney general shall at the request of the commission
17 represent the commission in suits in which it is a party,
18 and may represent the public interest in any proceeding be-
19 fore the commission.

20 Sec. 42.07.110. EMPLOYMENT OF PERSONNEL. (a) Officers,
21 employees, and agents of the commission, other than the
22 legal counsel, are appointed to their positions in accordance
23 with AS 39.25.020(2) and are in the classified service under
24 AS 39.25.

25 (b) The commission may employ hearing officers from
26 time to time as needed. The commission may employ temporary
27 legal counsel whenever the Department of Law is representing
28 the public interest or any other party before the commission
29 and an apparent conflict of interest has developed.

1 **Sec. 42.07.120. DELEGATION OF FUNCTIONS.** The commis-
2 sion may delegate the performance of a function under this
3 chapter to any of its officers, employees, agents or ad-
4 ministrative units, except the promulgation of rules and
5 regulations and the final determination of controversies.

6 **Sec. 42.07.130. POWERS AND DUTIES.** The commission
7 shall regulate transportation in the state as provided by
8 law.

9 **Sec. 42.07.140. ANNUAL REPORT.** The commission shall
10 publish an annual report reviewing its work and submit it to
11 the legislature by February 15 of each year. In addition,
12 the report shall contain information and data which bears
13 a significant relationship to the development and regulation
14 of transportation in the state.

15 **Sec. 42.07.150. RULES AND REGULATIONS AND HEARING**
16 **PROCEDURES.** (a) The Administrative Procedure Act (AS 44.-
17 62) applies to regulations adopted by the commission.

18 (b) The commission shall by regulation establish a
19 hearing procedure including but not limited to the method of
20 requesting a hearing, service, notice and time and place of
21 hearing, subpoenas, depositions, matters concerning evidence
22 and decisions, conduct of hearing, continuances, reconsidera-
23 tion, reinstatement or reduction of penalty, contempts, mail
24 votes, oaths, impartiality, and similar matters. However,
25 no commissioner may act as a hearing officer.

26 (c) Provisions of the Alaska Air Commerce Act of 1960
27 (AS 02.05), the Alaska Motor Freight Carrier Act (AS 42.10),
28 and AS 42.15 (Bus Transportation) are superseded by (b)
29 of this section or a regulation adopted under it if they

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conflict.

* Sec. 2. AS 02.05.250(5) is amended to read:

(5) "commission" means the Alaska Transportation [PUBLIC SERVICE] Commission or its designated representative

* Sec. 3. AS 42.10.420(1) is amended to read:

(1) "commission" means the Alaska Transportation [PUBLIC SERVICE] Commission or its designated representative;

* Sec. 4. AS 42.15.010 is amended to read:

Sec. 42.15.010. DUTIES OF COMMISSION. The Alaska Transportation [PUBLIC SERVICE] commission shall

(1) administer this chapter, and for that purpose may adopt general or special rules and regulations and issue orders;

(2) inquire into the management of the business of common carrier bus transportation services and require from carriers information it considers necessary to carry out this chapter;

(3) establish reasonable classifications of groups of carriers included in the term "common carrier by bus" as the special nature of services performed requires, and adopt such reasonable rules, regulations and requirements for the carriers classified or grouped as the commission, after hearing, considers necessary;

(4) investigate violations of this chapter and if, after notice and hearing, the commission finds a violation, issue an appropriate order to compel compliance;

(5) issue certificates of convenience and necessity; this authority includes the discretion to issue

1 exclusive certificates on such routes and upon such condi-
2 tions as the commission considers necessary or advisable in
3 the public interest to secure continuous, efficient, and
4 dependable bus service; a certificate of convenience and
5 necessity for routes partly inside and partly outside in-
6 corporated cities is not final until the city council concurs
7 by a majority vote of the members;

8 (6) prescribe rates, fares or charges or the
9 maximum and minimum rates, fares or charges, or the regula-
10 tion, practice or classification thereafter to be made
11 effective; in establishing rates and allied prescriptions,
12 the commission shall evaluate the circumstances of the bus
13 transportation operation and set rates calculated to yield
14 the operating company a reasonable profit consistent with
15 earnings returns of privately owned utilities under govern-
16 ment regulation in the United States; the profit shall be
17 based on the actual initial cost of the operation's physical
18 properties, plus improvements and betterments, less equitable
19 depreciation allowance, and shall be calculated after allow-
20 ance for costs of operation and taxes;

21 (7) prescribe a uniform system of accounts and
22 reporting, if it sees fit to do so, applicable to any class
23 of carrier.

24 * Sec. 5. The governor shall call a meeting of the commission
25 within 30 days after the effective date of this Act.

26 * Sec. 6. This Act takes effect July 1, 1966.
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