

Introduced: 3/14/68
Referred: Commerce and
Finance

1 IN THE HOUSE

BY THE COMMERCE COMMITTEE BY REQUEST

2 HOUSE BILL NO. 689

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the regulation and certification
7 of air carrier; and providing for an effective date."

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

9 * Section 1. AS 02.05.040 is amended to read:

10 Sec. 02.05.040. CERTIFICATES REQUIRED. Subject to the provisions
11 of sec. 50 of this chapter, no person may engage in air commerce unless
12 there is in force a certificate issued by the commission authorizing
13 that person to engage in air commerce as a scheduled [CERTIFICATED]
14 carrier, contract carrier, or air taxi operator.

15 * Sec. 2. AS 02.05.050(a) is amended to read:

16 (a) Scheduled [CERTIFICATED] carriers. Any person holding a
17 certificate of public convenience and necessity issued under the pro-
18 visions of this chapter or issued before March 2, 1960, under federal
19 statutory authority authorizing intrastate air commerce inside the
20 state,

21 (1) may engage in air commerce along the routes and be-
22 tween the points covered by his certificate or any amendments as
23 authorized before March 2, 1960, or as may be authorized under the
24 provisions of this chapter, and may engage in air commerce along the
25 routes and between the points covered by an exemption, regulation, or
26 order in effect before March 2, 1960, or as issued under the provisions
27 of this chapter;

28 (2) may make charter trips and render other special services
29 between points on routes which he is authorized by his certificate to

1 serve. Charter trips and other special services may be rendered to
2 or from any other point inside or outside the state if those trips
3 originate at or are destined to a point on a route the carrier is
4 authorized by its certificate to serve.

5 * Sec. 3. AS 02.05.050(d)(2) is amended to read:

6 (2) he shall comply with the conditions and limitations
7 contained in secs. 293.1, 293.2, 293.3 and 293.17(a) of Part 293 of
8 the Economic Regulations of the federal Civil Aeronautics Board,
9 adopted December 30, 1958, and made effective February 3, 1959, subject
10 to the following modifications of the provisions contained in those
11 sections: (A) except as provided in (C) of this subsection an Alaska
12 air taxi operator may utilize in air transportation in all areas of
13 the state aircraft having a "maximum certificate take off weight" (as
14 that term is defined in sec. 293.1 of the said Economic Regulations) of
15 12,500 pounds or less; (B) an Alaska air taxi operator is authorized
16 both to employ or hire pilots and to lease, rent, and own aircraft
17 without limitation as to number, but a person who has not received
18 authority under this chapter may not operate under another
19 person's air taxi operator certificate of authority; (C) an air
20 taxi operator may charge individual passenger fares and per pound
21 cargo rates on bush routes or points served by him on an irregular
22 basis [OTHER THAN BETWEEN MAIN LINE TERMINAL POINTS SERVED BY A
23 SCHEDULED CARRIER; EXCEPT THAT NO SUCH TARIFF FLIGHTS ARE AUTHORIZED
24 BETWEEN POINTS ON THE ROUTE OF A SCHEDULED CARRIER WITHIN THREE HOURS
25 BEFORE THE SCHEDULED CARRIER'S PUBLISHED DEPARTURE TIME; PROVIDED
26 THAT FOR THE PURPOSES OF THIS SUBPARAGRAPH ONLY, AN AIR TAXI OPERATOR
27 MAY NOT CHARGE TARIFFS FOR OR USE AN AIRCRAFT OF A GROSS WEIGHT EX-
28 CEEDING 5,000 POUNDS]; [AND] provided [FURTHER] that the individual
29 passenger fares and per pound cargo rates may not be less than the

1 published tariff of the scheduled carrier between points served by the
2 carrier,

3 * Sec. 4. AS 02.05.055 is amended to read:

4 Sec. 02.05.055. PUBLIC CONVENIENCE AND NECESSITY REQUIRED FOR
5 OPERATION OF DIFFERENT TYPES OF AIRCRAFT. Before a certificated
6 contract or air taxi operator may operate a different type of aircraft
7 than that which he operated in Alaska during the period of May 1, 1965,
8 to May 1, 1966, there must be a finding by the commission that public
9 convenience and necessity require it [UNLESS THERE IS NO SERVICE BEING
10 PROVIDED IN AIRCRAFT OF THAT TYPE WITHIN 50 MILES OF THE OPERATOR'S
11 BASE OF OPERATIONS].

12 * Sec. 5. AS 02.05.070(b) is amended to read:

13 (b) Upon the receipt of an application for a certificate, the
14 commission shall give notice (1) to the public by posting a notice
15 of the application in the office of the commission; and (2) to those
16 persons, and by such means as the commission determines by regulation.
17 [AN INTERESTED PERSON MAY FILE WITH THE COMMISSION A STATEMENT OF
18 ISSUES AS PROVIDED BY THE ADMINISTRATIVE PROCEDURE ACT (AS 44.62) OR A
19 MEMORANDUM IN SUPPORT OF THE ISSUANCE OF A CERTIFICATE.] A public
20 hearing shall be held on the application if the applicant, or a person
21 having a substantial interest in the proceeding, requests it within
22 the time provided by regulation.

23 * Sec. 6. AS 02.05 is amended by adding a new section to read:

24 Sec. 02.05.075. APPLICATION FEES. (a) The following fees must
25 be paid at the time of application including transfers, amendments,
26 leases, and applications for temporary exemption:

- 27 (1) Application involving aircraft weight of 12,500
28 pounds gross take off weight or less \$100
29 (2) Application involving aircraft weight of 12,501

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pounds gross take off weight or over 200

(b) The entire amount of the application fee submitted will be refunded if the application is subsequently withdrawn or dismissed before hearing.

* Sec. 7. AS 02.05.080(a) is amended to read:

(a) Subject to the provisions of (d) of this section, the commission shall issue a certificate authorizing the applicant to engage in air commerce as a contract carrier or air taxi operator, or authorizing the whole or any part of the operation covered by an application for a certificate [FOR A CERTIFICATED CARRIER],

(1) if the commission finds that the applicant is fit, willing and able to engage in air commerce properly and to comply with the provisions of this chapter and the rules, regulations, and requirements of the commission; and

(2) if the commission finds that air commerce and the performance of it by the applicant in the type of aircraft for which a certificate is requested under (e) of this section is required by the public convenience and necessity and is consistent with the declaration of policy contained in sec. 10 of this chapter.

* Sec. 8. AS 02.05.090(c) is amended to read:

(c) If a service authorized by a certificate for a certificated carrier is not inaugurated within 90 days immediately following the date of authorization or within a shorter period of time fixed by the commission; or if any service is not operated for a period of 90 days, or for any period of time designated by the commission, then in either event, the commission, after notice and opportunity for hearing [AS PROVIDED IN THE ADMINISTRATIVE PROCEDURE ACT (AS 44.62)], may order that the certificate ceases to be effective.

* Sec. 9. AS 02.05.090(f) is amended to read:

1 (f) Each aircraft owned or leased by any person subject to the
2 provisions of this chapter shall be registered with the commission
3 before the aircraft is used in air commerce. Certificates of regis-
4 tration for each aircraft shall be issued by the commission. These
5 certificates are valid for a period of 12 months from the date of
6 registration and are renewed at the expiration of each 12 month
7 period. The fees for registration of aircraft are as follows:

- 8 (1) Aircraft weighing 4000 pounds gross weight
9 or less \$25.00
10 (2) Aircraft weighing over 4000 pounds but less
11 than 7900 pounds gross weight 50.00
12 (3) Aircraft weighing 7900 pounds but less
13 than 12,500 pounds gross weight 100.00 [75.00]
14 (4) Aircraft weighing 12,500 pounds but less
15 than 27,000 pounds gross weight 150.00 [100.00]
16 (5) Aircraft weighing 27,000 pounds but less
17 than 50,000 pounds gross weight 300.00 [150.00]
18 (6) Aircraft weighing 50,000 pounds but less
19 than 75,000 pounds gross weight [OR MORE] 400.00 [200.00]
20 (7) Aircraft weighing 75,000 pounds gross
21 weight or more 600.00

22 * Sec. 10. AS 02.05.110(a) is amended to read:

23 (a) A certificate may be transferred or leased subject to the
24 approval of the commission, and under such reasonable rules and
25 regulations as the commission may prescribe. Approval [EXCEPT WHERE
26 A TRANSFER OF A CERTIFICATE RESULTS BY OPERATION OF LAW, APPROVAL]
27 of a transfer or lease may be given only upon a finding by the com-
28 mission, after notice and opportunity for a hearing, that the transfer
29 or lease will be consistent with the public interest. The application

1 for approval shall be made jointly by the transferor and transferee
2 or lessor and lessee.

3 * Sec. 11. This Act takes effect on the day after its passage and
4 approval or on the day it becomes law without approval.

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