

Introduced: 3/13/72
Referred: Commerce

BY THE RULES COMMITTEE
BY REQUEST

1 IN THE SENATE

2 *CS* SENATE BILL NO. 376
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to air carriers."

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

8 * Section 1. AS 02.05.050(d) is amended by adding a new paragraph to
9 read:

10 (4) he may enter into long-term, written, exclusive charter
11 contracts, if

12 (A) the carrier continues to provide reasonable and
13 continuous air taxi service to the public at its base of opera-
14 tions;

15 (B) term rates for a contractual period of less than
16 30 consecutive days are properly published, filed, and regulated
17 in accordance with secs. 140 - 150 of this chapter and the regula-
18 tions of the commission; and

19 (C) a complete copy of all exclusive charter contracts,
20 including amendments or supplements to them for a contractual
21 period of 30 or more consecutive days is filed with the commission
22 before the performance of the service contracts; except as pro-
23 vided in sec. 150(a)(3) of this chapter, rates provided in the
24 contracts are exempt from the provisions of secs. 140 - 150 of
25 this chapter.

26 * Sec. 2. AS 02.05 is amended by adding a new section to read:

27 Sec. 02.05.053. RESTRICTIONS ON OPERATORS. (a) No carrier may,
28 after January 1, 1973, hold certificates both as an air taxi operator
29 and as a contract carrier to operate aircraft having a maximum

1 certificated takeoff weight of 12,500 pounds or less.

2 (b) Before January 1, 1973, the commission shall examine the
3 operations of carriers holding both an air taxi certificate and a
4 contract carrier certificate and after notice and opportunity for
5 hearing

6 (1) determine whether either or both of the authorities of
7 the carrier are nonactive and upon that finding of nonactivity revoke the
8 nonactive authority;

9 (2) revoke either the air taxi certificate or the contract
10 carrier certificate at the carrier's election, subject to (c) of this
11 section, if the authority is found to be nonactive.

12 (c) A certificate which the commission finds should be revoked
13 under the provisions of (b) of this section may not be transferred or
14 otherwise disposed of, but must be revoked.

15 (d) Before January 1, 1973, the commission shall examine out-
16 standing certificates issued to contract carriers and after notice and
17 opportunity for hearing

18 (1) shall revoke a certificate if it finds that a carrier
19 is not active as a contract carrier; or

20 (2) may issue, if the carrier elects, a certificate authoriz-
21 ing the carrier to engage in air commerce as an air taxi operator and
22 establish the base of operations from which the carrier is to operate,
23 if it finds that:

24 (A) the operations of the contract carrier are those of
25 an air taxi operator;

26 (B) operations of the person holding the contract
27 carrier certificate, whose operations before the effective date
28 of the Act, do not conform with the definition of contract carrier
29 in sec. 250(8) of this chapter; and

1 (C) the air carrier is operating as an air taxi or
2 contract carrier within the delineated contractual authority
3 governing air taxis under sec. 50(d)(4) of this chapter or within
4 the restricted authority governing contract carriers as defined
5 in sec. 250(8) of this chapter.

6 (e) If an air taxi operator elects, under (c)(2) of this section,
7 to retain its authority as a contract carrier as defined in sec. 250(8)
8 of this chapter, the commission shall issue to him a contract carrier
9 certificate.

10 * Sec. 3. AS 02.05.250 is amended by adding new paragraphs to read:

11 (7) "base of operations" means the point, together with the
12 reasonable contiguous or closely related surrounding community or
13 geographical area, from which the carrier holds out to the public that
14 it engages in air commerce and at which it stations its facilities
15 and aircraft and in general conducts its business as an air carrier;

16 (8) "contract carrier" means an air carrier holding a
17 certificate of public convenience and necessity authorizing it to
18 engage in air commerce to perform, under written contracts providing for
19 exclusive use of the aircraft, a highly specialized service of a con-
20 tinuing nature for a definite and limited number of persons and designed
21 to meet the distinct air transportation needs of the individual customer;
22 a contract carrier does not hold itself out to the public expressly
23 or by course of conduct that he furnishes transportation for compensa-
24 tion, hire or lease;

25 (9) "supplemental base of operations" means the point, to-
26 gether with the reasonable contiguous or closely related surrounding
27 community or geographical area, from which, in addition to its "base of
28 operations", the carrier also holds itself out to engage in air commerce.
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