

Offered: 3/20/85
For Today's Calendar

Original sponsor: Rules/Governor

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

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CS FOR HOUSE BILL NO. 133 (Finance)

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

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For an Act entitled: "An Act relating to transportation safety and financial responsibility; and providing for an effective date."

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

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* Section 1. AS 42.30.200(a) is amended to read:

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(a) Except as provided in AS 42.30.300 - 42.30.310, a [A] person

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who carries passengers or freight for hire intrastate shall procure and maintain security in an amount determined by the Department of Public Safety as necessary for the reasonable protection of the public against damages or injury caused by the person.

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* Sec. 2. AS 42.30 is amended by adding new sections to read:

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Sec. 42.30.300. AIR CARRIER FINANCIAL RESPONSIBILITY. (a) A

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person who uses an aircraft in air commerce shall procure and maintain security in an amount determined by the department as necessary for the reasonable protection of the public against damages or injury caused by the person, except that the amount determined by the department may not be less than

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(1) \$100,000 per seat for bodily injury or death in a single occurrence; and

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(2) \$25,000 for property damage in a single occurrence.

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(b) Evidence of security required under (a) of this section must be

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(1) a policy or certificate of insurance issued by an insurer acceptable to the department;

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1 (2) a bond of a surety company licensed to write surety
2 bonds in the state;

3 (3) evidence accepted by the department, showing ability to
4 self-insure; or

5 (4) other security approved by the department.

6 (c) The department may authorize department personnel to enforce
7 this section and may adopt regulations necessary to implement this
8 section.

9 (d) A policy of insurance, a surety bond, or other form of
10 security submitted as proof of financial responsibility under AS 42.-
11 30.310(a)(1) may not be cancelled on less than 30 days' written notice
12 to the department. This requirement must be clearly stated in the
13 policy, endorsement, or bond agreement. The 30-day notice period is
14 measured from the date on which the department receives notice.

15 (e) A person who violates (a) of this section is guilty of a
16 class A misdemeanor and is punishable by a fine of not less than
17 \$1,000 or more than \$5,000.

18 (f) The department shall charge and collect fees necessary to
19 implement this section.

20 Sec. 42.30.310. CERTIFICATION OF COMPLIANCE. (a) A person may
21 not use an aircraft in air commerce before obtaining a certificate of
22 compliance for that aircraft. The department shall issue a certifi-
23 cate of compliance upon application and presentation of

24 (1) proof of financial responsibility required under
25 AS 42.30.300;

26 (2) proof of compliance with Federal Aviation Administra-
27 tion requirements, and, where applicable, federal certification for
28 scheduled airline service.

29 (b) A person who receives a certificate of compliance under (a)

1 of this section shall renew the certificate annually.

2 (c) Each aircraft owned or leased by a person subject to the
3 provisions of this section must have a certificate of compliance
4 issued by the department before the aircraft is used in air commerce.
5 The certificate is valid for a period of 12 months following the date
6 of certification.

7 (d) The department may authorize department personnel to enforce
8 this section and may adopt regulations necessary to implement this
9 section.

10 Sec. 42.30.390. DEFINITIONS. In AS 42.30.200 - 42.30.390,

11 (1) "air commerce" means carriage by aircraft of persons or
12 freight, for compensation or hire, in intrastate commerce, including
13 the carriage by aircraft of persons or freight that move partly by
14 aircraft and partly by other forms of transportation;

15 (2) "aircraft" means a propeller or jet-powered device used
16 or designed for flight in the air;

17 (3) "department" means the Department of Commerce and
18 Economic Development;

19 (4) "freight" means all commodities, articles, and cargo of
20 whatever nature or value, excluding garbage and trash.

21 * Sec. 3. AS 44.33.020 is amended by adding a new paragraph to read:

22 (27) implement the financial responsibility requirements for
23 air carriers under AS 42.30.200 - 42.30.390.

24 * Sec. 4. This Act takes effect immediately in accordance with AS 01.-
25 10.070(c).