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#2

Effect of amendments. — Section 9 of ch. 115, SLA 1980 substituted the language beginning "commission determines under regulations" for "applicant, or a person having a substantial interest in the

proceeding, requests it within the time provided by regulation" in the second sentence of subsection (b). Section 10 of ch. 115 added subsection (d).

Sec. 02.05.080. Issuance of certificates. (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 scheduled or contract carrier or air taxi operator, or authorizing the whole or any part of the operation covered by an application for a certificate,

(1) if the commission finds that

(A) the applicant is fit, willing and able to engage in air commerce properly and to comply with the provisions of AS 02.05.010 — 02.05.260 and the regulations of the commission, and

(B) the proposed service is not contrary to the public interest; and

(2) as to aircraft having a maximum payload capacity in excess of 7,500 pounds or a maximum seating configuration, exclusive of the pilot's seat, in excess of 30 passengers, if the commission also 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 AS 02.05.010.

(b) This section applies to new service applications only, and not to persons qualifying under AS 02.05.050.

(c) If all of the findings required in (a) of this section are not made, then the application shall be denied.

(d) No certificate may be issued to a person to operate as an air carrier unless the applicant submits evidence, satisfactory to the commission, showing that it can and will comply with the provisions of the laws of the United States and the state, and the rules, regulations and orders respecting safety of operation.

(e) A certificate issued by the commission after May 1, 1966, shall specify whether the certificated air carrier may operate fixed-wing aircraft, rotary-wing aircraft, or both.

(f) A person is fit, willing, and able to engage in air commerce if the commission finds that

(1) the proposed service is economically feasible and the applicant has the financial capability to provide it;

(2) a physical base of operations and maintenance capabilities will be available for the proposed service;

(3) the applicant has financial management capabilities for the proposed service;

(4) the applicant has operational management capabilities for the proposed service; and

(5) the applicant has adequate equipment to provide and maintain the proposed service.

Senator Hafford's concern
#6 of Letter of intent

(g) In a hearing on the issuance of a certificate under this section, the burden of showing that the proposed service is contrary to the public interest is on a person who opposes the issuance of the certificate on the grounds that the proposed service is contrary to the public interest. (§ 10 ch 161 SLA 1960; am §§ 2, 3 ch 147 SLA 1966; am § 7 ch 203 SLA 1968; am § 3 ch 146 SLA 1972; am §§ 11, 12 ch 115 SLA 1980)

Effect of amendments. — The 1980 amendment, in subsection (a), designated the former provisions of paragraph (1) as paragraph (1)(A), deleted "rules" preceding "regulations" and "and requirements" following "regulations" in present paragraph (1)(A), added present para-

graph (1)(B), and substituted the language beginning "as to aircraft" and ending "if the commission also" for "if the commission" at the beginning of paragraph (2). The amendment also added subsections (f) and (g).

Sec. 02.05.100. Modification, suspension or revocation of certificates. (a) Upon a petition or accusation filed by any person or the commission, and after notice and opportunity for hearing, the commission by order may alter, amend, or modify a certificate, in whole or in part, and may suspend or revoke a certificate, in whole or in part, for any of the following reasons:

(1) intentional misrepresentation of a material fact in obtaining the certificate;

(2) discontinuance of operations under circumstances that do not reasonably justify seasonal operations;

(3) intentional failure to comply with a provision of AS 02.05.010 — 02.05.260 or an order or regulation issued under AS 02.05.010 — 02.05.260;

(4) intentional failure to comply with a term, condition or limitation of the certificate.

(b) The commission may suspend the operating authority of an air carrier without prior notice or hearing upon failure of the carrier to comply with AS 02.05.130 — 02.05.13E (§ 12 ch 161 SLA 1960; am § 1 ch 195 SLA 1970; am § 3 ch 32 SLA 1971; am § 13 ch 115 SLA 1980)

Effect of amendments. — The 1980 amendment, in subsection (a), deleted "if the public convenience and necessity require it" following "whole or in part" in the introductory language, deleted "voluntary" from the beginning of paragraph (2),

added "under circumstances that do not reasonably justify seasonal operations" at the end of paragraph (2), and deleted "rule" preceding "or regulation" in paragraph (3).

Sec. 02.05.110. Transfer or lease of certificates. (a) A certificate may be transferred or leased subject to the approval of the commission, and under reasonable regulations as the commission may prescribe. Approval of a transfer or lease may be given only upon a finding by the commission, after notice and opportunity for a hearing as provided in AS 02.05.070(b) and (d), that the transferee or lessee is fit, willing, and

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SB 184

Labor and Commerce Committee report on SENATE BILL NO. 184 (extending the termination date of the Alaska Transportation Commission), page 682, submits the following:

"LETTER OF INTENT FOR CSSB 184 (L&C)

During the scheduled hearings in which the Alaska Transportation Commission (A.T.C.) was discussed and reviewed, many problem areas were identified. The Performance Review of the Alaska Transportation Commission conducted by the Division of Legislative Audit, April 1, 1982, concluded that the functions of A.T.C. could be better performed if A.T.C. were to merge with the Alaska Public Utilities Commission.

However, several questions were raised which remain unanswered:

- 1) Is State involvement in the Essential Air Service Program required?
2) Does the State want to deregulate surface and air transportation within Alaska?
3) What method does the State wish to employ to assure the public that air and motor carriers have sufficient insurance coverage to protect the public's interest?
4) What is the role of the Alaska Transportation Commission in regard to a commercial vehicle safety program?
5) Would a citizen's board be an appropriate mechanism to perform the oversight functions which are currently the responsibility of the Commissioners of the Alaska Transportation Commission?
6) Do the Alaska Transportation Commission's policies regarding light aircraft ensure that innovative competition which could be beneficial to the public is not eliminated?

With the passage of this legislation, it is the intent of the Senate Labor and Commerce Committee that the (Office of Management and Budget conduct a thorough performance review of the functions of A.T.C. The review will include, but will not be limited to, the scope of areas previously outlined.

The Office of Management and Budget will report back to the Thirteenth Legislature within ten days after the second session convenes in 1984. The report shall outline the findings of the audit as well as specific actions to implement any changes recommended.

Respectfully submitted,
/s/ R. Eliason
Sen. Dick Eliason, Chair"

INTRODUCTION

SCR 17
SENATE CONCURRENT RESOLUTION
Relating to upgrading Anchorage,
was read the first time in Committee and the full Senate.

INTRODUCTION

SB 257
SENATE BILL NO. 257
Special Committee on
"An Act relating to the establishment of a legislative commission to study and report on the feasibility of establishing a telephone company in Anchorage."
was read the first time in Committee and the full Senate.

SB 258
SENATE BILL NO. 258
"An Act relating to the telephone company in Anchorage."
was read the first time in Committee.

SB 259
SENATE BILL NO. 259
"An Act relating to the Board of Fisheries."
was read the first time in Committee.

SB 184

The Labor and Commerce Committee considered SENATE BILL NO. 184 (extending the termination date of the Alaska Transportation Commission) and a majority of the committee recommended it be replaced with CS FOR SENATE BILL NO. 184 (L&C) and do pass. The report was signed by Senator Eliason, Chairman and concurred in by Senators Rodey and Mulcahy. The committee attached a zero fiscal note.

Letter of Intent will appear in the April 14 journal.

SENATE BILL NO. 184 was referred to the Rules Committee.

SB 201

The Transportation Committee considered SENATE BILL NO. 201 (special appropriation to the Department of Transportation and Public Facilities for medium intensity lighting at Tok Airport). Senator Moss, Chairman and Senator Fahrenkamp signed "do pass". Senators Gilman and Faiks signed "no recommendation".

SENATE BILL NO. 201 was referred to the Finance Committee.

CONSIDERATION OF THE CALENDAR

SECOND READING OF SENATE BILLS

SB 136

SENATE BILL NO. 136 (operation of stationary fishing gear) was read the second time.

Senator Fahrenkamp moved and asked unanimous consent for the adoption of the Resources Committee Substitute offered on page 537. Without objection, CS FOR SENATE BILL NO. 136 (RES) was adopted.

CS FOR SENATE BILL NO. 136 (RES) was read the second time.

SB 136 cont'd

Senator Ray moved and SENATE BILL NO. 136 (RES) to third reading and pl. tion, it was so ordered

CS FOR SENATE BILL NO.

Senator Gilman moved and SENATE BILL NO. 136 (RES) calendar. Without obje

SECOND

HB 108

HOUSE BILL NO. 108 (in licensed physicians em and developmental dis. Social Services) was r

Senator Ray moved and NO. 108 be advanced passage. Without obje

HOUSE BILL NO. 108 was

The question being: the state exempt serv the division of mental Department of Health. The roll was take wit

HB 108 3RD

Yeas: 16

Nays: 2

Absent: 2

and so, HOUSE BILL NO

Amend. to Amendment.

SENATE AMENDMENT

By *Sackett*

To: *letter of Intent.* SENATE BILL No. *SB 184*
To: _____ HOUSE BILL No. _____

PAGE:

LINE:

*Put period after "public" in next
to last line. Eliminate ~~that~~ rest
of sentence.*

SENATE AMENDMENT

BY Halford, Josephson, V. Fischer

To: Letter of Intent SENATE BILL No. C.S.S.B. 184

To: _____ HOUSE BILL No. _____

PAGE: 2 LINE: *add new paragraph at end to state*

"In the interim it is the intent of the Senate that the Alaska Transportation Commission fulfill its statutory responsibility with concentration on protection of the public rather than economic regulation of the industry."

Senator Eliason

Room 417

STATEMENT OF POSITION

offered by

ALASKA TRUCKING ASSOCIATION, INC.

SUPPORTING THE CONTINUATION OF THE
ALASKA TRANSPORTATION COMMISSION

STATEMENT OF POSITION

The Alaska Trucking Association, Inc. (Association) is a non-profit trade organization representing 325 trucking firms and allied industry firms throughout the State of Alaska. Our membership consists generally of two major groups, the For-Hire Carrier and the Private Carrier. The for-hire carrier group includes common carriers, contract carriers and exempt carriers as well as the water carriers. Our membership stretches from the northernmost tip of Alaska (Barrow) to the extreme south and west (Dutch Harbor and Ketchikan), to the Nome/Kotzebue area and to the Canadian border on the west. The largest concentration of membership is in the Southcentral, Southeast and Interior regions.

The Association's purpose is to foster and promote an economically sound transportation system in Alaska.

The regulated motor carrier industry is composed overwhelmingly of small firms with the vast majority grossing less than \$500,000 a year. At the other end of the spectrum are the large well-established carriers and included in the group are some of the industry's publicly held firms.

The importance of a regulated motor carriage system, and the trucking industry as a whole to our State's vital transportation system cannot be overstated. Our motto, "If you got it, it came by truck," is not an attempt to overrate our industry. It is simply a fact that goods, supplies and materials are shipped to Alaska by outside manufacturing markets and that shipment always begins and ends with truck movement.

There are approximately 13,281 commercial trucks registered with the State of Alaska and approximately 9,178 commercial trailers. Most of these trucks and trailers are involved with freight movement and these numbers give some indication of the number of jobs offered to Alaskans within the trucking industry. The trucking industry is one of the largest private industry employers in the state.

Recently, Senate Bill 35 was introduced. Senate Bill 35 is an act "relating to transportation merging the Alaska Transportation Commission with the Alaska Public Utilities Commission; and providing for an effective date." Inherent in this bill are some changes in the manner in which motor transportation is regulated in the State of Alaska.

Senate Bill 35 contains a number of items. First, it increases certain weight and application fees for aircraft and motor vehicles. While the state trucking association is cognizant of the need to keep fees in line with inflation, the Association is partially opposing a fee increase at this time because of the recent federal increase in taxes which, in part, are directed exclusively against the motor transportation industry. The association will provide a separate statement dealing with the increased fees portion of the bill.

I. Merger of the Alaska Transportation Commission (ATC) with the Alaska Public Utilities Commission. The Alaska Trucking Association has considered the findings and recommendations of the Division of Legislative Audit in this regard but believes that the merger of the two commissions is not warranted at this time. The Association's reasons for opposing the merger are as follows:

1. The Public Utilities Commission, at the present time, is still assimilating the Alaska Pipeline Commission. It already has an overcrowded docket and the assimilation of another 500 to 600 cases annually would, of necessity, dilute the time spent on transportation matters by the state regulatory commission. The Association believes that the Commission should be directed to refocus its attention on the proper administration of the state Transportation Act. The Association believes that this will best serve the public interest.

2. The saving in space and personnel would, at best, be illusory. Commissioner Miller, in his testimony before this committee, indicated that the Commission was underfunded by over \$100,000 in its last budget. The legislative audit report suggests that the change be a reorganization of policies, procedures and staffing. However, based on a review of the recommendations put forth by the report, it would appear that more staff and commission work is needed rather than less; hence, the Association does not believe any real cost savings will result from a merger.

3. Alaska's unique needs and isolation from the contiguous 48 states makes it totally dependent upon motor and air transportation. The previous Governor and the Legislature have already recognized the importance of transportation to the state in forming the Department of Transportation. The same recognition should be given to the regulatory phases of transportation. In fact, it might be noted that the federal government has two agencies dealing with motor and air transportation, to wit, the Interstate Commerce Commission and the Civil Aeronautics Board.

4. Regulatory policies that are necessary in dealing with transportation, i.e., a greater degree of competition in the marketplace, a greater number of carriers, a greater number of diverse needs to be met, are not consistent with the regulatory policies that might be applied for public utility regulation which deal with companies with high fixed assets and, generally, a monopoly or quasi-monopoly service area. This difference was one of the original justifications for splitting the Alaska Transportation Commission from the original Public Services Commission. This difference was true in 1967 when the split occurred and is even more true today in light of Alaska's diverse transportation needs.

II. The Legislature Should Direct the Commission to Undertake Regulatory Initiatives in Three Major Areas, (1) Certificates of Authority, (2) Tariffs, and (3) Safety Inspections.

1. Certificates of Authority. The Association recommends two initiatives in this area.

(A) The legislative audit report, in its Recommendation No. 2, advised the Legislature that temporary authority to motor and air carriers should be granted in accordance with statutes. Discussion of the Commission practices in this regard is already contained in the legislative audit report and will not be further discussed herein. The audit report also directed the Commission to strengthen its review of a carrier's financial fitness. Financial fitness is critical in determining the suitability of a given carrier to provide transportation. If a carrier is in financial trouble, often the first items to go are maintenance and safety procedures. If a carrier's financial capability is more closely examined to begin with, there will be greater assurance that the carrier will have sufficient assets to pay its expenses as they become due. While there is no guarantee in the transportation business that a company will make money, at least a closer financial analysis will insure a greater probability of a financially solvent carrier and will thus enable the carrier to operate properly and safely.

(B) The second aspect of authority certification that is of great concern to the association is dealing with carriers who operate either beyond their authority or who have no authority at all. The legislative audit committee, in its Recommendation No. 4, recommended that the Commission Staff take a stronger position and a stronger enforcement posture. Alaska Transportation Commission Chairman Miller, in testifying before the committee last week, noted that the Commission was aware of 50 unauthorized operations. The committee should realize that the failure to take an efficient enforcement posture ultimately costs every consumer who deals with an authorized carrier more in shipping charges. A carrier's revenue must come through its tariff charges. If the total pool of common carrier traffic is being diverted to non-authorized operations, the authorized carrier, in order to cover its costs, must, of necessity, raise rates. A strong enforcement posture will reduce this illegal siphoning off of carrier traffic revenue and will reduce the pressure to increase transportation charges.

2. Tariffs. Again, the Association recommends two initiatives in this area.

(A) First, the Commission must perform field surveys of regulated motor carriers. The legislative audit report noted that of 630 regulated carriers in 1981, 38 field surveys were performed, all on air carriers. None were performed on any motor carriers. Illegal operations can also include illegal applications of tariffs. Carriers provide services usually below their tariffs, again illegally siphoning off traffic and having the same financial effect on authorized carriers as illegal operations.

The Association would note that some of the smaller carriers may not have experienced tariff personnel. The ATC, in performing its field surveys, can assist the carriers' personnel in the proper application of the carriers' tariffs. The Association is not recommending that a Commission enforcement agent be placed in every trucking concern's office, but rather that the Commission use its best judgment in insuring tariff compliance. Obviously, if a carrier repeatedly violates its tariff or misuses its authority, it should be prosecuted to the full extent of the law.

(B) The second area in tariff regulation is the need by the Commission to propose appropriate cost and accounting regulations in order that it will be able to properly review tariff filings by carriers. Again, the legislative audit report, in its Recommendation 3(B) recommended that the Commission require the carriers to submit appropriate financial data for rate changes. To this, the Association has no objection, per se; however, the Commission must adopt suitable accounting and rate regulations and perform proper cost studies since the filing of raw financial data alone is not enough to review the appropriateness of tariff filings in motor transportation. The Association supports the need for such accounting and cost justification regulations, but the initiative must come from the Commission. Obviously, with 630 motor and air carriers and the recognition that not all of these companies are large companies, the type of information that the Commission will need must be tailored to the competitive needs of the industry and the geographical location. However, something must be done because already there is evidence of predatory pricing which will only further exacerbate the weak financial condition of the motor transportation industry in Alaska. Also, it might be noted that such regulations would give shippers and other members of the public an opportunity to have their input in the regulatory process. The Commission already has powers to prevent predatory pricing by using its minimum rate order powers.

3. Safety Inspections. The Association understands that as of March 11, 1983, money for the safety inspection function of the Commission has run out. It is unthinkable to the Association that Alaskans can think of multi-million dollar capital projects being funded while this important element of public safety is neglected. The Commission is urged to institute and the Legislature is urged to appropriate sufficient funds for safety inspections. Under Recommendation No. 5 of the legislative audit report, it was noted that field surveys should include safety inspections. The Association concurs with inspections because of the obvious benefit of inspections and surveys to both the public and to the motor carrier, i.e., less probability of accidents occurring. Also, such inspections have a more positive effect in that if the number of accidents occurring are reduced, presumably insurance rates would go down and the pressure to raise transportation rates would decrease. Again, the initiative must come from the Commission along with the assistance of both the Legislature and the Alaska transportation industry.

4. Other Matters. In regard to the de-regulation of dump truck operators, the Association believes that this should be a separate subject matter in separate legislation and not in the bill. The Dump Truck Industry has its own association. This Association does perform some services for them such as providing the casualty insurance trust; however, it is believed that the best interests of the public are served by severing this provision from the bill and dealing with it separately and allowing the affected industry to speak for itself.

III. CONCLUSION

THE LEGISLATURE SHOULD EXTEND THE ALASKA TRANSPORTATION COMMISSION FOR FOUR (4) YEARS AND SUPPORT THE COMMISSION WITH ADEQUATE FUNDING.

The Alaska Trucking Association generally endorses the results of the legislative audit. However, it believes that a merger of the Alaska Transportation Commission with the Alaska Public Utilities Commission will only exacerbate the problems set forth in the legislative audit report rather than solve them. For example, the legislative audit Recommendation No. 6 suggests that commissioners and hearing examiners write all of the formal orders of the Commission. Obviously, the suggestion of transferring only one commissioner who has a background in transportation to the Public Utilities Commission if merger is approved and attempting to comply with this recommendation is inconsistent. What the Alaska Transportation Commission needs is more help and not less.

Generally, the suggestions made by the legislative audit and endorsed by the Alaska Trucking Association all require time to implement. Tariff regulations are needed on costs and accounting. The legislative auditors noted several areas in which the Commission must improve its internal procedures. The Association believes that what is needed is suitable financial support for the Commission and not merger of the Commission with the Public Utilities Commission.

It is, therefore, the recommendation of the Alaska Trucking Association that the Alaska Transportation Commission's term be extended under the Sunset Law for four (4) years. Coupled with that should be a legislative committee report urging the Commission to comply with the recommendations of the legislative audit. Legislative direction should be given with adequate and sufficient financial support, both from manpower and budgetary standpoints, to enable the Commission to effectively do its job. The Association does not think it is necessary to have a Commission enforcement agent threatening civil penalties to insure compliance with the Commission's regulations. For the most part, most air and motor operators try diligently to comply with the law. However, because transportation regulations, as in any other regulated field, are often complicated, Commission guidance is needed to assure that operators comply with the law. However, where appropriate, the full enforcement capability of the Commission should be brought to bear on those operators who refuse to comply with the law.

Good regulation should be continued in the public interest. It assists the public, which, after all, involves each of us as consumers; it assists shippers; and it assists those connected with the motor carrier industry.

Thank you for the opportunity to provide this statement of position.

ALASKA TRUCKING ASSOCIATION, INC.

By J. H. Hasker
Its Managing Director

DURING SEVERAL HEARINGS AND A TELECONFERENCE, THE QUESTION OF WHETHER TO SUNSET THE ALASKA TRANSPORTATION COMMISSION WAS DISCUSSED IN THE SENATE LABOR AND COMMERCE COMMITTEE. THOSE INDIVIDUALS WHO PRESENTED TESTIMONY WERE DIVIDED ON THE VALUE OF THE ATC'S PRESENT STRUCTURE AND FUNCTION. MANY INDICATED THAT THE SERVICE PROVIDED BY THE COMMISSION WAS NECESSARY, BUT QUESTIONED WHAT DIRECTION THE STATE SHOULD TAKE IN REGARD TO REGULATION OF THE TRANSPORTATION INDUSTRY.

CS FOR SENATE BILL 184 EXTENDS THE EXISTENCE OF THE ALASKA TRANSPORTATION COMMISSION FOR TWO ADDITIONAL YEARS. IT IS RECOMMENDED BY THE LABOR AND COMMERCE COMMITTEE, THROUGH ITS LETTER OF INTENT, THAT A THOROUGH PERFORMANCE REVIEW OF THE OFFICE OF MANAGEMENT AND BUDGET. O.M.B. WILL REPORT BACK TO THE LEGISLATURE ITS FINDING AND RECOMMENDATIONS FOR SPECIFIC ACTION TO IMPLEMENT ANY SUGGESTED CHANGES.

THEN NEXT YEAR THE LEGISLATURE CAN CONSIDER ANY NECESSARY STATUTORY CHANGES TO THE COMMISSION. THIS BODY WILL BE ABLE TO DELIBERATE THE FAR-REACHING RAMIFICATIONS WITHOUT THE PRESSURE OF TIME CONSTRAINTS. THESE DECISIONS MUST NOT BE MADE IN HASTE.

FOR THESE REASONS I URGE YOU TO PASS CSSB 184 AND ITS ACCOMPANYING LETTER OF INTENT.

Support for Letter of Intent

1) IS STATE INVOLVEMENT IN THE ESSENTIAL AIR SERVICE PROGRAM REQUIRED?

THE STATE CURRENTLY MONITORS THE ESSENTIAL AIR SERVICE PROGRAM WHICH IS ADMINISTERED BY THE CIVIL AERONAUTICS BOARD. THE PROGRAM WAS PROVIDED FOR IN THE FEDERAL AIR DEREGULATION ACT OF 1978. FEDERAL SUBSIDIES UNDER THIS PROGRAM WILL CEASE IN 1988. A DETERMINATION MUST BE MADE AS TO WHETHER THE STATE FINDS IT NECESSARY TO CONTINUE THE SUBSIDY OR WHETHER SUFFICIENT COMPETITION EXISTS WITHOUT THE SUBSIDY TO ADEQUATELY SERVE THE REMOTE AREAS.

2) DOES THE STATE WANT TO DEREGULATE SURFACE AND AIR TRANSPORTATION WITHIN ALASKA?

DEREGULATION OF SURFACE AND AIR TRANSPORTATION HAS TAKEN PLACE IN THE "Lower 48" STATES. IT DOES NOT APPEAR TO HAVE A NEGATIVE EFFECT ON THE VAST MAJORITY OF GOODS OR PEOPLE. HOWEVER, ALASKA IS UNIQUE IN THAT THE VAST MAJORITY OF THIS STATE IS NOT CONNECTED BY ROAD AND COVERS VAST AREAS. THE NOTION OF DRIVING FROM ONE LOCATION TO ANOTHER VERSUS FLYING DOES NOT EXIST. CONSIDERATION MUST BE GIVEN TO THE EFFECT OF CONTROLLING TRANSPORTATION BY COMPETITION ONLY.

3) WHAT METHOD DOES THE STATE WISH TO EMPLOY TO ASSURE THE PUBLIC THAT AIR AND MOTOR CARRIERS HAVE SUFFICIENT INSURANCE COVERAGE TO PROTECT THE PUBLIC INTEREST?

PROPERTY AND LIABILITY INSURANCE IS PRESENTLY REQUIRED OF ALL COMMON AIR AND MOTOR CARRIERS BEFORE THEY ARE ISSUED A PERMIT

TO OPERATE IN ALASKA. CONSIDERATION MUST BE GIVEN TO CONTINUE THIS REQUIREMENT IF A DECISION IS MADE TO SUNSET THE ALASKA TRANSPORTATION COMMISSION.

4) WHAT IS THE ROLF OF THE ALASKA TRANSPORTATION COMMISSION IN REGARD TO A COMMERCIAL VEHICLE SAFETY PROGRAM?

BOTH THE ATC AND THE DEPARTMENT OF PUBLIC SAFETY ARE STATUTORILY ASSIGNED THE RESPONSIBILITY FOR COMMERCIAL VEHICLE SAFETY INSPECTIONS. THE DIVISION OF MEASUREMENT STANDARDS DID TEMPORARILY TAKE OVER THE RESPONSIBILITY FROM THE DEPARTMENT OF PUBLIC SAFETY WHEN THE PERMIT AND SCALE HOUSE PROGRAM WAS TRANSFERRED IN FY '83 UNDER A FEDERALLY FUNDED PROGRAM WHICH ENDED MARCH 11, 1983. THIS AUTHORITY WAS DELEGATED BY LETTER FROM THE COMMISSION TO THE DIVISION OF MEASUREMENT STANDARDS. THE PROGRAM IS NOT PRESENTLY FUNDED IN THE DIVISION OF MEASUREMENT STANDARDS OR ATC IN FY '84.

5) WOULD A CITIZENS' BOARD BE AN APPROPRIATE MECHANISM TO PERFORM THE OVERSIGHT FUNCTIONS WHICH ARE CURRENTLY THE RESPONSIBILTY OF THE COMMISSIONERS OF THE ALASKA TRANSPORTATION COMMISSION?

CURRENTLY, ATC FUNCTIONS AS A QUASI-JUDICIAL BODY AND MAY CONDUCT FORMAL HEARINGS ON CONTESTED APPLICATIONS, COMPLAINT AND ACCUSATION MATTERS AND RATE MATTERS.

HOWEVER, IF THE DECISION WAS MADE TO DEREGULATE SURFACE AND AIR TRANSPORTATION IN ALASKA, A CITIZENS' BOARD MAY BE AN APPROPRIATE MECHANISM TO OVERSEE ANY REMAINING FUNCTIONS

ASSIGNED TO ATC.

6) DO THE ALASKA TRANSPORTATION COMMISSION'S POLICIES REGARDING LIGHT AIRCRAFT ENSURE THAT INNOVATIVE COMPETITION WHICH COULD BE BENEFICIAL TO THE PUBLIC IS NOT ELIMINATED?

TESTIMONY INDICATED THAT POSSIBLY DECISIONS TO ISSUE CERTIFICATES OF AIR COMMERCE WERE BASED ON PUBLIC CONVENIENCE AND NECESSITY AND NOT ON THE APPLICANT'S FINANCIAL ABILITY. THE ATC SHOULD CONSIDER ONLY THE APPLICANT'S FITNESS, WILLINGNESS AND ABILITY TO ENGAGE IN AIR COMMERCE PROPERLY.