

HRB

196

HOUSE COMMITTEE REPORT

(11)

Date referred: 4/17/87

FURTHER REFERRALS:

DATE: 4/29/87

The Finance Committee has considered HB 196

"An Act relating to enplanements, enforcement of compliance with financial responsibility and certificate of compliance requirements for air carriers, penalties, issuance and display of certificates of compliance, and the definition of aircraft."

RECOMMENDS:

replace with CSHB 196 (Kin) the same title
 attached amendment(s) a new title

- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

ADAMS Robert V. Linder

LARSON Ronald J. Larson

SWACK-10mm Bill Swack

RIEGER Steve Rieger

WALLIS F. Kay Wallis

POURCHOT Paul Pourchot - no rec

GOLD Terry Gold - no rec

BUYER Mark Buyer - no rec

FRANK Frank - no rec

BROWN Tom Brown - No Rec

DAVIS Michael Davis - no rec

Robert V. Linder
Chairman's signature

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

Bill Version: CSHB 196 (Fin)
Publish Date: _____

REQUEST: _____

Revision Date: _____
Title: Act relating to air carriers

Agency Affected: Comm. & Econ. Dev.
BRU: Consumer Protection

Sponsor: House Transportation
Requestor: _____

Components: Measurement Standards

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	[19.0]	[8.8]	[8.8]	[8.8]	[8.8]

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

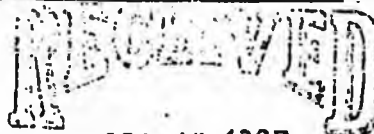
ANALYSIS : (Attach a separate page if necessary) We have 107 air carriers and 436 aircraft registered in the current fiscal year. Research of last fiscal year's records indicates that approximately 14 air carriers and 122 additional aircraft will apply for certificates of compliance prior to the end of FY 87.

Revenue projections were based upon these figures and the assumption that the level of voluntary compliance will remain relatively constant.

Prepared by: Joe Swanson, Director Phone: 345-7750
Division: Measurement Standards Date: April 14, 1987

Approved by Commissioner: J. Anthony South, Commissioner Date: April 14, 1987
Agency: Department of Commerce and Economic Development

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)
Senate Secretary
5782W41487a



Original sponsor: Transportation Committee

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 196 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to enplanements, enforcement of
7 compliance with financial responsibility and certi-
8 ficate of compliance requirements for air carriers,
9 penalties, issuance and display of certificates of
10 compliance, and the definition of aircraft; and
11 providing for an effective date."

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

13 * Section 1. AS 02.15.050 is amended by adding a new subsection to
14 read:

15 (g) The department may acquire data on passenger enplanements
16 from air carriers; however, the department may not obtain passenger
17 manifests.

18 * Sec. 2. AS 42.30.200(c) is amended to read:

19 (c) The department may authorize department personnel to enforce
20 this section and may adopt procedural regulations necessary to imple-
21 ment this section. Upon finding a violation the department may issue
22 a stop use order.

23 * Sec. 3. AS 42.30.200(e) is amended to read:

24 (e) A person who violates [(a) OF] this section is guilty of a
25 class A [B] misdemeanor and is punishable by a fine of not less than
26 \$1,000 [\$500] or more than \$5,000 for each day of violation but not to
27 exceed \$10,000 for each violation [\$1,000].

28 * Sec. 4. AS 42.30.225(a) is amended to read:

29 (a) A person may not use an aircraft in air commerce before

1 obtaining an annual certificate of compliance for that aircraft from
2 the department. The department may issue a certificate of compliance
3 for one aircraft or a fleet of two or more aircraft. The department
4 shall issue or renew a certificate of compliance upon application and
5 presentation of

6 (1) proof of financial responsibility required under
7 AS 42.30.200;

8 (2) proof of compliance with Federal Aviation Adminis-
9 tration requirements, and, where applicable, federal certification for
10 scheduled airline service.

11 * Sec. 5. AS 42.30.225(b) is amended to read:

12 (b) The annual fee for a certificate of compliance is \$50 per
13 calendar year for one aircraft and \$100 per calendar year for a fleet
14 of two or more aircraft [THE CERTIFICATE IS VALID FOR A PERIOD OF
15 12 MONTHS FOLLOWING THE DATE OF CERTIFICATION]. The certificate shall
16 be [DISPLAYED ON THE AIRCRAFT SO THAT IT IS] visible to boarding
17 passengers.

18 * Sec. 6. AS 42.30.225(b) is repealed and reenacted to read:

19 (b) The annual fee for a certificate of compliance for one
20 aircraft and for a fleet of two or more aircraft shall be set by the
21 department by regulation. The certificate is valid for a calendar
22 year. The certificate shall be visible to boarding passengers.

23 * Sec. 7. AS 42.30.225(e) is amended to read:

24 (e) The department may authorize department personnel to enforce
25 this section and may adopt procedural regulations necessary to imple-
26 ment this section. Upon finding a violation the department may issue
27 a stop use order.

28 * Sec. 8. AS 42.30.225 is amended by adding a new subsection to read:

29 (g) A person who violates this section is guilty of a class B

1 misdemeanor and is punishable by a fine of not less than \$500 or more
2 than \$1,000.

3 * Sec. 9. AS 42.30.380(3) is amended to read:

4 (3) "aircraft" means a propeller, rotor, or jet-powered
5 device used or designed for flight in the air;

6 * Sec. 10. Notwithstanding AS 42.30.225(b), as amended by sec. 5 of
7 this Act, a certificate of compliance issued by the Department of Commerce
8 and Economic Development and in effect on the day before the effective date
9 of sec. 5 of this Act is valid for the period issued.

10 * Sec. 11. AS 42.30.225(c) and 42.30.225(d) are repealed.

11 * Sec. 12. Section 6 of this Act takes effect January 1, 1989.

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: _____

Bill Version: HB 196

Publish Date: _____

Revision Date: _____
Title: Act relating to air carriers

Agency Affected: Comm. & Econ. Dev.
BRU: Consumer Protection

Sponsor: House Transportation
Requestor: _____

Components: Measurement Standards

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	[19.0]	[8.8]	[8.8]	[8.8]	[8.8]

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary) We have 107 air carriers and 436 aircraft registered in the current fiscal year. Research of last fiscal year's records indicates that approximately 14 air carriers and 122 additional aircraft will apply for certificates of compliance prior to the end of FY 87.

Revenue projections were based upon these figures and the assumption that the level of voluntary compliance will remain relatively constant.

Prepared by: Joe Swanson, Director Phone: 345-7750
Division: Measurement Standards Date: April 14, 1987

Approved by Commissioner: J. Anthony Smith, Commissioner Date: April 14, 1987
Agency: Department of Commerce and Economic Development

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)
Senate Secretary
5782W41487a

RECEIVED
APR 17 1987

LEGISLATIVE FINANCE

SECTIONAL ANALYSIS - CS HOUSE BILL 196 (TRANSPORTATION)

Section 1 This specifically authorizes DOT/PF to collect the data necessary for the State to receive federal aid to airports. The provision was suggested last year by Commissioner Knapp, and is still deemed desirable by DOT/PF this year. Passenger enplanement statistics mean the number of passengers arriving or departing at a given airport, but does not include a list of passenger names.

Section 2: This section clarifies existing law by specifically authorizing the department (Commerce) to prevent a commercial carrier from flying passengers for hire on a plane which has not been insured for liability at the State minimum level.

Section 3: This section increases the existing penalties for flying passengers for hire without first obtaining the minimum required level of liability insurance.

Section 4: This allows the department (Commerce) to issue a single certificate of insurance for a fleet of aircraft instead of for each individual aircraft. Many air carriers obtain a fleet insurance policy rather than individual plane policies. This would simplify the existing administrative procedure.

Section 5: Maintains the existing fee for a single certificate of insurance and establishes the fee for a fleet certificate. It also allows carriers to display certificates of insurance at the counter, gate, or other location rather than on the aircraft itself.

Section 6: Allows Department of Commerce to set fees by regulation beginning January 1, 1989 (See Section 12 for effective date). The fees set in Section 5 would be effective until changed in 1989.

Section 7: This specifically authorizes the department (Commerce) to issue a stop use order for plane carrying passengers for hire when the carrier has not obtained a certificate of insurance from the State.

Section 8: This section establishes a penalty for the violation described in Section 7. It is a lesser penalty than for violations under Section 3, as flying without a State certificate of insurance is not as serious a violation as flying without liability insurance at the established minimum level.

Section 9: Adds helicopters to the aircraft covered under this bill. This was an oversight in 1985 when this statute was passed.

Section 10: Assures Certificates of Compliance already in effect for a one year period, remain in effect until they expire.

Section 11: Repeals existing 42.30.225(c) which is superseded by Sections 2 and 7 in this bill.

Repeals existing 42.30.225(d) which was a transitional provision of the 1985 statute, and is no longer meaningful.

Section 12: Effective date for Section 6 (only).

sd.9.51

Original sponsor: Transportation Committee

1 IN THE HOUSE BY THE TRANSPORTATION COMMITTEE

2 CS FOR HOUSE BILL NO. 196 (Transportation)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to enplanements, enforcement of
7 compliance with financial responsibility and certi-
8 ficate of compliance requirements for air carriers,
9 penalties, issuance and display of certificates of
10 compliance, and the definition of aircraft; and
11 providing for an effective date."

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

13 * Section 1. AS 02.15.050 is amended by adding a new subsection to
14 read:

15 (g) The department may acquire data on passenger enplanements
16 from air carriers; however, the department may not obtain passenger
17 manifests.

18 * Sec. 2. AS 42.30.200(c) is amended to read:

19 (c) The department may authorize department personnel to enforce
20 this section and may adopt procedural regulations necessary to imple-
21 ment this section. Upon finding a violation the department may issue
22 a stop use order.

23 * Sec. 3. AS 42.30.200(e) is amended to read:

24 (e) A person who violates [(a) OF] this section is guilty of a
25 class A [B] misdemeanor and is punishable by a fine of not less than
26 \$1,000 [\$500] or more than \$5,000 for each day of violation but not to
27 exceed \$10,000 for each violation [\$1,000].

28 * Sec. 4. AS 42.30.225(a) is amended to read:

29 (a) A person may not use an aircraft in air commerce before

1 obtaining an annual certificate of compliance for that aircraft from
2 the department. The department may issue a certificate of compliance
3 for one aircraft or a fleet of two or more aircraft. The department
4 shall issue or renew a certificate of compliance upon application and
5 presentation of

6 (1) proof of financial responsibility required under AS
7 42.30.200;

8 (2) proof of compliance with Federal Aviation Adminis-
9 tration requirements, and, where applicable, federal certification for
10 scheduled airline service.

11 * Sec. 5. AS 42.30.225(b) is amended to read:

12 (b) The annual fee for a certificate of compliance is \$50 per
13 calendar year for one aircraft and \$100 per calendar year for a fleet
14 of two or more aircraft. The department shall prorate the fee for a
15 certificate of compliance issued after the beginning of the calendar
16 year [. THE CERTIFICATE IS VALID FOR A PERIOD OF 12 MONTHS FOLLOWING
17 THE DATE OF CERTIFICATION]. The certificate shall be [DISPLAYED ON
18 THE AIRCRAFT SO THAT IT IS] visible to boarding passengers.

19 * Sec. 6. AS 42.30.225(b) is repealed and reenacted to read:

20 (b) The annual fee for a certificate of compliance for one
21 aircraft and for a fleet of two or more aircraft shall be set by the
22 department by regulation. The certificate is valid for a calendar
23 year. The certificate shall be visible to boarding passengers.

24 * Sec. 7. AS 42.30.225(e) is amended to read:

25 (e) The department may authorize department personnel to enforce
26 this section and may adopt procedural regulations necessary to imple-
27 ment this section. Upon finding a violation the department may issue
28 a stop use order.

29 * Sec. 8. AS 42.30.225 is amended by adding a new subsection to read:

1 (g) A person who violates this section is guilty of a class B
2 misdemeanor and is punishable by a fine of not less than \$500 or more
3 than \$1,000.

4 * Sec. 9. AS 42.30.380(3) is amended to read:

5 (3) "aircraft" means a propeller, rotor, or jet-powered
6 device used or designed for flight in the air;

7 * Sec. 10. Notwithstanding AS 42.30.225(b), as amended by sec. 5 of
8 this Act, a certificate of compliance issued by the Department of Commerce
9 and Economic Development and in effect on the day before the effective date
10 of sec. 5 of this Act is valid for the period issued.

11 * Sec. 11. AS 42.30.225(c) and 42.30.225(d) are repealed.

12 * Sec. 12. Section 6 of this Act takes effect January 1, 1989.

Original sponsor: Transportation Committee

1 IN THE HOUSE BY THE TRANSPORTATION COMMITTEE
2 CS FOR HOUSE BILL NO. 196 (Transportation)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL
6 For an Act entitled: "An Act relating to enplanements, enforcement of
7 compliance with financial responsibility and certi-
8 ficate of compliance requirements for air carriers,
9 penalties, issuance and display of certificates of
10 compliance, and the definition of aircraft; and
11 providing for an effective date."

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

13 * Section 1. AS 02.15.050 is amended by adding a new subsection to
14 read:

15 (g) The department may acquire data on passenger enplanements
16 from air carriers; however, the department may not obtain passenger
17 manifests.

18 * Sec. 2. AS 42.30.200(c) is amended to read:

19 (c) The department may authorize department personnel to enforce
20 this section and may adopt procedural regulations necessary to imple-
21 ment this section. Upon finding a violation the department may issue
22 a stop use order.

23 * Sec. 3. AS 42.30.200(e) is amended to read:

24 (e) A person who violates [(a) OF] this section is guilty of a
25 class A [B] misdemeanor and is punishable by a fine of not less than
26 \$1,000 [\$500] or more than \$5,000 for each day of violation but not to
27 exceed \$10,000 for each violation [\$1,000].

28 * Sec. 4. AS 42.30.225(a) is amended to read:

29 (a) A person may not use an aircraft in air commerce before

1 obtaining an annual certificate of compliance for that aircraft from
2 the department. The department may issue a certificate of compliance
3 for one aircraft or a fleet of two or more aircraft. The department
4 shall issue or renew a certificate of compliance upon application and
5 presentation of

6 (1) proof of financial responsibility required under AS
7 42.30.200;

8 (2) proof of compliance with Federal Aviation Adminis-
9 tration requirements, and, where applicable, federal certification for
10 scheduled airline service.

11 * Sec. 5. AS 42.30.225(b) is amended to read:

12 (b) The annual fee for a certificate of compliance is \$50 per
13 calendar year for one aircraft and \$100 per calendar year for a fleet
14 of two or more aircraft. The department shall prorate the fee for a
15 certificate of compliance issued after the beginning of the calendar
16 year [. THE CERTIFICATE IS VALID FOR A PERIOD OF 12 MONTHS FOLLOWING
17 THE DATE OF CERTIFICATION]. The certificate shall be [DISPLAYED ON
18 THE AIRCRAFT SO THAT IT IS] visible to boarding passengers.

19 * Sec. 6. AS 42.30.225(b) is repealed and reenacted to read:

20 (b) The annual fee for a certificate of compliance for one
21 aircraft and for a fleet of two or more aircraft shall be set by the
22 department by regulation. The certificate is valid for a calendar
23 year. The certificate shall be visible to boarding passengers.

24 * Sec. 7. AS 42.30.225(e) is amended to read:

25 (e) The department may authorize department personnel to enforce
26 this section and may adopt procedural regulations necessary to imple-
27 ment this section. Upon finding a violation the department may issue
28 a stop use order.

29 * Sec. 8. AS 42.30.225 is amended by adding a new subsection to read:

1 (g) A person who violates this section is guilty of a class B
2 misdemeanor and is punishable by a fine of not less than \$500 or more
3 than \$1,000.

4 * Sec. 9. AS 42.30.380(3) is amended to read:

5 (3) "aircraft" means a propeller, rotor, or jet-powered
6 device used or designed for flight in the air;

7 * Sec. 10. Notwithstanding AS 42.30.225(b), as amended by sec. 5 of
8 this Act, a certificate of compliance issued by the Department of Commerce
9 and Economic Development and in effect on the day before the effective date
10 of sec. 5 of this Act is valid for the period issued.

11 * Sec. 11. AS 42.30.225(c) and 42.30.225(d) are repealed.

12 * Sec. 12. Section 6 of this Act takes effect January 1, 1989.

1 IN THE HOUSE

BY THE TRANSPORTATION
COMMITTEE

2

HOUSE BILL NO. 196

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to enplanements, enforcement of
7 compliance with financial responsibility and certi-
8 ficate of compliance requirements for air carriers,
9 penalties, issuance and display of certificates of
10 compliance, and the definition of aircraft."

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

12 * Section 1. AS 02.15.050 is amended by adding a new subsection to
13 read:

14 (g) The department may acquire data on passenger enplanements
15 from air carriers; however, the department may not obtain passenger
16 manifests.

17 * Sec. 2. AS 42.30.200(c) is amended to read:

18 (c) The department may authorize department personnel to enforce
19 this section and may adopt procedural regulations necessary to imple-
20 ment this section. Upon finding a violation the department may issue
21 a stop use order.

22 * Sec. 3. AS 42.30.200(e) is amended to read:

23 (e) A person who violates [(a) OF] this section is guilty of a
24 class A [B] misdemeanor and is punishable by a fine of not less than
25 \$1,000 [\$500] or more than \$5,000 for each day of violation but not to
26 exceed \$10,000 for each violation [\$1,000].

27 * Sec. 4. AS 42.30.225(a) is amended to read:

28 (a) A person may not use an aircraft in air commerce before
29 obtaining an annual certificate of compliance for that aircraft from

1 the department. The department may issue a certificate of compliance
2 for one aircraft or a fleet of two or more aircraft. The department
3 shall issue or renew a certificate of compliance upon application and
4 presentation of

5 (1) proof of financial responsibility required under AS
6 42.30.200;

7 (2) proof of compliance with Federal Aviation Adminis-
8 tration requirements, and, where applicable, federal certification for
9 scheduled airline service.

10 * Sec. 5. AS 42.30.225(b) is amended to read:

11 (b) The annual fee for a certificate of compliance is \$50 for
12 one aircraft and \$100 for a fleet of two or more aircraft. The certi-
13 ficate is valid for a period of 12 months following the date of certi-
14 fication. The certificate shall be [DISPLAYED ON THE AIRCRAFT SO THAT
15 IT IS] visible to boarding passengers.

16 * Sec. 6. AS 42.30.225(e) is amended to read:

17 (e) The department may authorize department personnel to enforce
18 this section and may adopt procedural regulations necessary to imple-
19 ment this section. Upon finding a violation the department may issue
20 a stop use order.

21 * Sec. 7. AS 42.30.225 is amended by adding a new subsection to read:

22 (g) A person who violates this section is guilty of a class B
23 misdemeanor and is punishable by a fine of not less than \$500 or more
24 than \$1,000.

25 * Sec. 8. AS 42.30.380(3) is amended to read:

26 (3) "aircraft" means a propeller, rotor, or jet-powered
27 device used or designed for flight in the air;

28 * Sec. 9. AS 42.30.225(c) and 42.30.225(d) are repealed.