

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

ONE HUNDRED AND FOURTH LEGISLATURE

Legislative Document

No. 1088

S. P. 326

In Senate, February 27, 1969

Referred to Committee on Transportation. Sent down for concurrence and ordered printed.

JERROLD B. SPEERS, Secretary

Presented by Senator Barnes of Aroostook.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-NINE

AN ACT to Encourage and Assist the Expansion of Scheduled "Third-Level"
Air Carrier Operations Serving the State of Maine.

Be it enacted by the People of the State of Maine, as follows:

R. S., T. 6, c. 17, additional. Title 6 of the Revised Statutes is amended by adding a new chapter 17, to read as follows:

CHAPTER 17

"THIRD-LEVEL" AIR CARRIER OPERATIONS

§ 301. Definition

The term "scheduled third-level air carrier" denotes an operation conducted by an air taxi operator or a commercial operator engaging in scheduled operations carrying passengers or other cargo, or both, and utilizing aircraft of 12,500 pounds or less maximum certificated takeoff weight in accordance with applicable provisions of Federal Aviation Regulations Part 135, and other applicable Federal Aviation Regulations.

§ 302. Purposes

The purposes of this chapter are as follows:

1. Expansion. To encourage continuing expansion of scheduled third-level air carrier service in the State of Maine by:

A. Developing scheduled third-level air service in those areas not presently served and improving existing service in the public interest;

B. By attractng private capital and dependable, qualified air carrier operators to serve the Maine markets;

C. By insuring that scheduled third-level air service carriers are properly equipped, well managed and safely operated.

2. Requirements. To insure that the service meets the requirements of the market by:

A. Encouraging service under conditions which will return a fair and reasonable profit to the investor;

B. Encouraging a frequency of service which will best serve the Maine economy;

C. By coordinating scheduled air carriers with other modes of transport as needed in the public interest;

D. By providing the extension of third-level routes between Maine and nearby states or provinces when desirable.

3. Controls and regulations. To provide the necessary controls and regulations to safeguard the interests of the people of the State of Maine by:

A. Authorizinfi the Maine Aeronautics Commission and the Maine Public Utilities Commission to publish and enforce regulations and procedures necessary to accomplish the purposes of this chapter;

B. By defining and clarifying the duties and responsibilities of the Maine Aeronautics Commission relative to the operations of scheduled third-level air carriers;

C. By keeping administration and regulation by state agencies at a minimum consistent with stated objectives;

D. By avoiding direct subsidies of scheduled third-level air carriers in the State of Maine;

E. By avoiding unnecessary restrictions on nonscheduled air taxis and charter operations.

§ 303. Licensing of scheduled third-level air carriers

No aircraft shall be operated on intrastate routes or route segments as a scheduled third-level air carrier unless the owner or the operator holds a Maine air carrier license issued by the Maine Aeronautics Commission.

Operation of an aircraft without such license is prohibited, and a violation is punishable by a fine of not more than \$5,000.

§ 304. Regulation of scheduled third-level air carrier operations on intrastate routes

1. License. The Maine Aeronautics Commission shall issue a state license to any third-level operator who meets the following conditions:

A. The operator must hold a current ATCO operating certificate and appropriate operations specifications, F.A.A. Part 135.9, Operations Speci-

fications and Part A, Scheduled Operators Specifications, and must file a certified true copy of such documents with the Maine Aeronautics Commission;

B. The operator must demonstrate to the satisfaction of the Maine Aeronautics Commission that it is currently able and willing to conduct operations in accordance with the requirements listed in the F.A.A. authorization. Such demonstration must include access to the flight deck of operator's aircraft during scheduled flight when requested by the Maine Director of Aeronautics or his authorized inspector providing nonrevenue space is available at takeoff on that flight;

C. The operator must carry liability insurance as required by the C.A.B. rule effective March 7, 1969, and must supply evidence satisfactory to the Maine Aeronautics Commission that such insurance is currently in force.

2. The Maine Aeronautics Commission shall issue a Route Accreditation Certificate, RACERT, for each intrastate route which is proposed by a third-level operator holding a Maine license in accordance with subsection 1 when the following conditions are met to the satisfaction of the Maine Aeronautics Commission:

A. The operator must publish schedules of the proposed service, and copies of these schedules must be filed with the Maine Aeronautics Commission and the Maine Public Utilities Commission;

B. The operator must agree that published schedules shall not be changed or revised until 15 days after notification of such change to the public and to the Maine Aeronautics Commission, unless the Maine Aeronautics Commission specifically grants an exception to this condition;

C. The operator must agree that scheduled service will not be withdrawn from any route or segment thereof until 60 days after notification to the public and to the Maine Aeronautics Commission, unless the Maine Aeronautics Commission specifically grants an exception to this condition;

D. The operator must agree that he is subject to the following penalties for violations of the conditions listed in subsections 1 and 2:

(1) For failure to comply with F.A.A. Operations Specifications and Part A thereof, a penalty payment not to exceed \$2,000 for each offense;

(2) For failure to comply with schedule change requirements, a penalty payment of \$200;

(3) For failure to comply with withdrawal of service requirements, a penalty payment of \$1,000;

E. The operator must keep accurate records of the passengers and freight, mail or other cargo carried in each calendar month, showing origins and destinations along the route served. Copies of these traffic records must be filed with the Maine Aeronautics Commission and with the Maine Public Utilities Commission in such form as the commissions may require and not later than the 15th day of the month following the reporting period.

3. **Bond.** The Maine Aeronautics Commission shall require each scheduled third-level operator to post a performance bond in such form as the Maine Aeronautics Commission shall prescribe, such bond to guarantee payment of any penalties assessed by the Maine Aeronautics Commission for violations of the conditions listed in subsections 1 and 2.

4. **Rescind or withdraw.** The Maine Aeronautics Commission may rescind a RACERT or may withdraw a state license whenever, in its judgment, violation of conditions in subsections 1 and 2 result in a dangerous operation or one which is against the public interest.

§ 305. Promoting the growth of scheduled third-level air carriers servicing Maine

The Maine Aeronautics Commission shall perform the following duties in relation to scheduled third-level air carrier service on intrastate routes in the State of Maine:

1. **Reviews.** The Maine Aeronautics Commission shall conduct annual reviews of the need for expansion or improvement of scheduled third-level air carrier service;

2. **Findings and recommendations.** The Maine Aeronautics Commission shall publish its findings and recommendations for expansion or improvement at least once a year in such a manner that third-level operators will be made aware of expanded or revised service which may be required by the Maine economy. The Maine Aeronautics Commission's analysis of the needs of the market shall include:

- A. Route to be served;
- B. Type of equipment desired;
- C. Frequency of service desired;
- D. Minimum qualifications expected of an operator on specific routes;
- E. Information on market potential.

3. **Assistance.** The Maine Aeronautics Commission shall furnish specific assistance to third-level operators or prospective operators on the following subjects:

- A. Cooperation with representatives of the markets to be served;
- B. Cooperation with operator of airports to be served;
- C. Coordination with other modes of transportation, surface or air.

§ 306. Coordination with neighboring states and provinces

The Maine Aeronautics Commission is authorized and directed to negotiate with neighboring states and provinces and with agencies of the Federal Government for an interconnection of scheduled intrastate air carrier routes and services which in the judgment of the Maine Aeronautics Commission may seem to be in the public interest.

The Maine Aeronautics Commission shall report its findings on such negotiations to the 105th Legislature together with any recommendations for specific legislation. Pending such report and action by the 105th Legislature, the Maine Aeronautics Commission is specifically authorized to enter into any temporary arrangement or agreement for a demonstration project or any other operation which provides connection of intrastate routes between Maine and neighboring states or provinces, such participation to be limited only by the availability of funds presently available to the Maine Aeronautics Commission or which may be made available to the Maine Aeronautics Commission or by which may be made available to the Maine Aeronautics Commission by duly authorized sources.

§ 307. Regulation of rates and fares

The rates and fares charged by scheduled intrastate carriers shall be under the jurisdiction of the Maine Public Utilities Commission.

It shall be the duty of every scheduled third-level air carrier, licensed by the Maine Aeronautics Commission, to publish and file with the Maine Public Utilities Commission and to keep open for public inspection, tariff schedules containing all rates, fares, rules, regulations and practices in connection therewith for service rendered or to be rendered between points in this State. Such rates and fares shall be just and reasonable and shall be subject to the approval of the Maine Public Utilities Commission. The Maine Public Utilities Commission may, on its own motion or on complaint of an interested party or upon petition of the Maine Aeronautics Commission, after notice and hearing, allow or disallow, alter or prescribe such rates and fares. In determining the reasonableness of said rates and fares the conditions outlined in section 302 shall, among other things, be considered by the Maine Public Utilities Commission.

The Maine Public Utilities Commission is authorized to make, from time to time, rules and regulations concerning the rates of fare to be charged for the carriage of passengers and the rates, rules, regulations and practices governing the transportation of air freight and express and such other reasonable regulations as may be deemed necessary to protect the public interest.

Every scheduled third-level air carrier operating by virtue of a license issued by the Maine Aeronautics Commission shall render to the Maine Public Utilities Commission, in a manner and form prescribed, uniform accounts of all business transacted. In formulating a system of accounting, the Maine Public Utilities Commission shall consider any system of accounting established by federal law, commission or department and any system authorized by a recognized national association of such air carriers.

No licensed third-level air carrier nor any officer, agent or employee thereof shall charge, demand, exact, receive or collect directly or indirectly for any service rendered an amount greater or less than the rate or fare specified in its tariff schedule or schedules filed with the Maine Public Utilities Commission; nor shall any carrier, agent, officer or employee thereof refund or remit directly or indirectly, in any manner or by any device, any portion of the rate

or fare so specified or prescribed, except that free or reduced rate transportation may be provided for bona fide charitable organizations or any branch or agency of the Federal, State or Municipal Government.

All orders and decisions of the Maine Public Utilities Commission shall be final in each case, subject only to review by the Supreme Judicial Court of the State of Maine.

Any person who shall violate any provision of this section or rules and regulations of the Maine Public Utilities Commission lawfully issued shall be punished by a fine of not less than \$10 nor more than \$200.

§ 308. Cost

Cost of the administration of this chapter shall be borne by the Aeronautical Fund.

§ 309. Recognition of federal authority

This State recognizes the authority of the Federal Government to regulate and control safety factors in the operation of aircraft and the use of air space.

Nothing in this chapter shall prohibit interstate operations to or from Maine airports by scheduled air carriers holding route certificates of convenience and necessity issued by the C.A.B.

Nothing in this chapter shall prohibit interstate operations of scheduled third-level carriers providing the routes operated do not include any intrastate route segments.