

STAND. COM. REP. NO.

1065

Honolulu, Hawaii

MAR 28 2013

RE: S.C.R. No. 121

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committees on Transportation and International Affairs and Public Safety, Intergovernmental and Military Affairs, to which was referred S.C.R. No. 121 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING HAWAII'S CONGRESSIONAL DELEGATION TO PROPOSE AMENDMENTS TO THE AIRLINE DEREGULATION ACT TO EXEMPT HAWAII FROM THE UNITED STATES' PREEMPTION OF STATE ECONOMIC REGULATION OF INTERSTATE AIR TRANSPORTATION,"

beg leave to report as follows:

The purpose and intent of this measure is to request Hawaii's Congressional Delegation to propose amendments to the Airline Deregulation Act to exempt Hawaii from the United States' preemption of state economic regulation of interstate air transportation.

Your Committees received testimony in support of this measure from the Association of Hawaiian Civic Clubs and one individual.

The Airline Deregulation Act of 1978 amended the Federal Aviation Act to prohibit states, political subdivisions of a state, or political authority of at least two states from enacting or enforcing a law, regulation, or other provision having the force and effect of law related to the price, route, or service of an air carrier providing air transportation, including foreign air transportation, interstate air transportation, or the transportation of mail by aircraft. Alaska was specifically granted in statute an exemption from the Airline Deregulation Act under title 49 United States Code section 41713, which provides in

2013-2074 SCR SSCR SMA.doc



part that, under certain circumstances, the federal preemption provisions of the Act do not apply to air transportation provided entirely in Alaska.

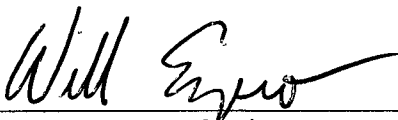
Your Committees find that Hawaii is unique among all the states because Hawaii is an island state in which air transportation is often the only practical form of intrastate transportation, and Hawaii residents fly frequently among the islands to conduct business, vacation, and visit family and friends.

Hawaii has only one major interisland air carrier that has no formidable competition. Therefore, regulation of intrastate air transportation, similarly to Alaska, is necessary to limit monopoly pricing and ensure service to less profitable routes.

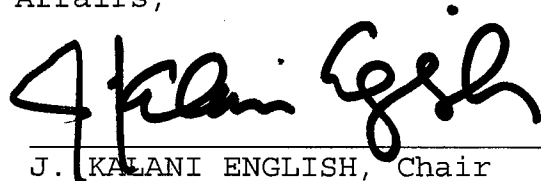
Your Committees request that, if your Committee on Ways and Means chooses to schedule this measure for a hearing and pass it out of Committee, the title of the measure and references within the measure to interstate be amended to read intrastate.

As affirmed by the records of votes of the members of your Committees on Transportation and International Affairs and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 121 and recommend that it be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Transportation
and International Affairs and
Public Safety,
Intergovernmental and Military
Affairs,



WILL ESPERO, Chair




J. KALANI ENGLISH, Chair



The Senate
Twenty-Seventh Legislature
State of Hawai'i

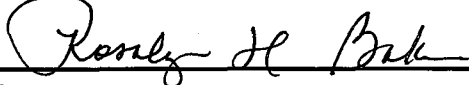
Record of Votes
Committee on Transportation and International Affairs
TIA

Bill / Resolution No.:*	Committee Referral:	Date:		
SCR 121	TIA/PSM, WAM	3-25-13		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
ENGLISH, J. Kalani (C)				✓
DELA CRUZ, Donovan M. (VC)	✓			
ESPERO, Will	✓			
GABBARD, Mike	✓			
KAHELE, Gilbert	✓			
KEITH-AGARAN, Gilbert S.C.	✓			
KOUCHI, Ronald D.				
SOLOMON, Malama		MC		✓
SLOM, Sam		✓		
TOTAL	5	1	-	3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

The Senate
 Twenty-Seventh Legislature
 State of Hawai'i

Record of Votes
Committee on Public Safety, Intergovernmental and Military Affairs
PSM

Bill / Resolution No.:* SCR 121	Committee Referral: TIA/PSM, WAM	Date: 3-25-2013		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
ESPERO, Will (C)	✓			
BAKER, Rosalyn H. (VC)	✓			
GALUTERIA, Brickwood				✓
GREEN, Josh				✓
SLOM, Sam		✓		
TOTAL	2	1		2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes