<u>SCR 121</u>

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.



Association of Hawaiian Civic Clubs

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Testimony of President Soulee Stroud

JOINT SENATE COMMITTEES ON TRANSPORTATION & INTERNATIONAL AFFAIRS AND PUBLIC SAFETY, INTERGOVERNMENTAL & MILITARY AFFAIRS

SCR 121/SR84 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

Monday; March 25, 2013; 1:15pm; Room 224

Aloha Chairman English, Chairman Espero and members of the joint Senate Committees hearing SCR121/SR84 requesting that Hawaii's Congressional Delegation propose amendments to exempt Hawaii from the United States' preemption of State economic regulation of interstate air transportation. I am Soulee Stroud of the Association of Hawaiian Civic Clubs in support of this resolution.

Federal regulations currently have exclusive management control over the navigable air space of Hawaii pursuant to the Federal Aviation Act. In 1978 the Congress deregulated domestic air transportation by enacting the Airline Deregulation Act(ADA) through Public Law 95-504 as a means to improve air carrier service and lower ticket prices. In doing so, the law also preempted the ability of individual states to undermine federal law.

However, at a later time, Alaska was specifically given a statutory exemption from the ADA under title 49, USCR (section 41713) so that the federal preemption does not apply to air transportation provided entirely in the State of Alaska.

Like Alaska, Hawaii is non-contiguous to other states and heavily reliant upon air transportation for intrastate travel. Air travel in Hawaii is a lifeline that connects our communities – both urban and rural and without it we would simply be a series of unrelated entities. We agree with SCR 121/SR 84 that Hawaii should have control over regulations with regard to pricing, routes and services for that part of air service entirely within Hawaii's boundaries.

The Association of Hawaiian Civic Clubs has component clubs across the continental United States as well as in each of the four Hawaii counties. Our officers and directors must travel several times a year to conduct Association business. As a non profit organization we must constantly raise travel funds when that portion of our budget would be better spent on educational financial aid or cultural preservation.

We urge the Hawaii Congressional Delegation to propose amendments to the Airline Deregulation Act which would grant Hawaii the same kind of exemption as enjoyed by the State of Alaska.

Thank you for the opportunity to testify. Contact: jalna.keala2@hawaiiantel.net