

1947

Report of Committee on Aeronautical Law

Minn. L. Rev. Editorial Board

Follow this and additional works at: <https://scholarship.law.umn.edu/mlr>



Part of the [Law Commons](#)

Recommended Citation

Editorial Board, Minn. L. Rev., "Report of Committee on Aeronautical Law" (1947). *Minnesota Law Review*. 2633.
<https://scholarship.law.umn.edu/mlr/2633>

This Article is brought to you for free and open access by the University of Minnesota Law School. It has been accepted for inclusion in Minnesota Law Review collection by an authorized administrator of the Scholarship Repository. For more information, please contact lenzx009@umn.edu.

REPORT OF COMMITTEE ON AERONAUTICAL LAW

TO THE MINNESOTA STATE BAR ASSOCIATION

Your Committee recommends:

Recommendation

That continued effort be expended toward the increase of tax on aviation gasoline as well as on aircraft property and aircrafts to augment the state aeronautics fund so that further development of the state aeronautics program can be made, and also utilize the Federal funds now obtainable upon the equal matching basis.

Report

The Aeronautical Law is a live and new subject.

Your committee met on three or four occasions and had a very good attendance, and enthusiastic discussion. Your committee recommended two proposed pieces of legislation affecting aeronautical law. One was the enactment of a statute providing for service of process upon a non-resident plane owner having an accident or incurring liability within the state. This bill was introduced and passed at the 1947 session, and is now known as Chapter 46 of the laws of 1947. The state Commissioner of Aeronautics has been made the agent for service of process. The law also places resident owners of aircraft who remain out of the state for 30 days or more after the incurring of liability, in the same situation as non-resident owners so far as service of process upon them is concerned. This last feature is a new one, and is not found in the statute on the comparable subject in the automobile law. There may be some question as to its constitutionality.

The other subject of proposed legislation was compulsory liability insurance. There is some opposition to this legislation. It is urged by many of the smaller aircraft operators that it will place an unusual and unnecessary financial burden upon a new industry. Then the matter of exempting self-insurers has delayed the matter in the legislature. The commissioner of aeronautics, lacking office personnel, takes the position that his department cannot pass upon persons financially able to carry their own risk. Then there is another group who think we should follow the compulsory insurance for automobiles, and provide that insurance is only necessary after the first liability is incurred. At this date the bill has passed the Senate, and not being considered in the house. It is doubtful if it will pass this session.

Another matter that is receiving attention by the legislature is the increase of tax upon aviation gasoline. At the present time there is a graduated tax beginning at 4c a gallon and decreasing 1c for each 50,000 gallons purchased. This scale of course favors the large consumer, and conversely seems to penalize the small craft owner, all of whom probably fall within the 4c bracket. The figures of the commissioner show that during the fiscal year that 67% of the total tax collected was paid by others than the three big airlines. The present bill seeks to provide that all gasoline in excess of 100,000 gallons be taxed 2c per gallon. This is being resisted vigorously by the big airlines who are directly affected, but if the state program to develop the proposed system is to progress and prosper and be self-sustaining out of the industry, the tax will have to be raised. This bill was defeated by the tax committee of the House, much to the surprise and disappointment of the many people interested in rural aviation development, and further consideration will have to be given at subsequent sessions.

The Metropolitan Airports Commission Act was amended in several important features so as to make it more workable and to implement the development of the rural and small plane operators within the Metropolitan Airports area which is territory within a radius of 25 miles of the court