

**SENATE CS FOR HOUSE JOINT RESOLUTION NO. 42(RLS)**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**NINETEENTH LEGISLATURE - FIRST SESSION**

**BY THE SENATE RULES COMMITTEE**

**Offered: 5/12/95**

**Referred: Today's Calendar**

**Sponsor(s): HOUSE TRANSPORTATION COMMITTEE**

**A RESOLUTION**

**1 Relating to regulation of water carriers serving Alaska.**

**2 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

**3 WHEREAS** the federal government is considering legislation that would repeal the  
**4** existing authority of the Interstate Commerce Commission to regulate water carriers  
**5** transporting property between the 48 contiguous states and Alaska; and

**6 WHEREAS** Alaska is uniquely dependent on water transportation in that virtually  
**7** everything that Alaskans eat, drink, wear, or use comes into the state by ship or barge; and

**8 WHEREAS** the deep water transport market serving the Alaska Railbelt is a classic  
**9** duopoly situation in that two water carriers provide the vital service of transporting at least  
**10** 75 percent of all goods shipped for 80 percent of the state's residents; and

**11 WHEREAS**, in a duopoly situation, the service providers have an obligation to their  
**12** customers to operate with the highest degree of fairness and disclosure; and

**13 WHEREAS** the freight system by which Alaskans receive vital cargo should treat all  
**14** customers fairly by guaranteeing equal access to competitive rates; and

**15 WHEREAS** the citizens of Alaska, recognizing that their interests may best be served  
**16** by allowing market forces to determine the cost of bringing vital goods to the state so far as  
**17** possible, continue to have concerns about the cost of shipping goods to Alaska; and

1       **WHEREAS** the citizens of Alaska have also expressed their desire to preserve the  
2 essential elements of the current system of regulating water carriers serving Alaska; and

3       **WHEREAS**, if the Interstate Commerce Commission is abolished and if there is no  
4 other forum for shipper complaints, the citizens of the state may have no place to present and  
5 resolve complaints about water carriers serving Alaska other than in court; and

6       **WHEREAS** the federal government has historically had a role in water transportation  
7 to Alaska through the Interstate Commerce Commission; and

8       **WHEREAS** the federal government is considering whether to transfer some functions  
9 of the Interstate Commerce Commission to the United States Department of Transportation;  
10 and

11       **WHEREAS** the Interstate Commerce Commission has recommended that the  
12 regulation of all domestic offshore water carriage be handled by the Federal Maritime  
13 Commission, which may also be abolished; and

14       **WHEREAS** regulatory functions of the Interstate Commerce Commission relating to  
15 domestic offshore water carriage could be performed by other existing federal entities if the  
16 Interstate Commerce Commission is abolished in order to save federal taxpayer money; and

17       **WHEREAS** three primary interests of Alaskans if such abolishment occurs are to  
18 ensure that rates for carriage to Alaska are fair and competitive, to ensure that carriage service  
19 to Alaska is dependable, and to ensure that an accessible forum exists in which Alaskans can  
20 present and resolve complaints;

21       **BE IT RESOLVED** that the Alaska State Legislature respectfully requests that the  
22 Governor and members of the Alaska delegation in the United States Congress support the  
23 preservation of the essential regulatory functions of the Interstate Commerce Commission  
24 pertaining to domestic offshore water carriage that serve the best interests of Alaska's  
25 consumers while providing an acceptable rate of return to the carriers which serve the Alaska  
26 market by transferring such regulatory functions to the United States Department of  
27 Transportation, if and when necessary.

28       **COPIES** of this resolution shall be sent to the Honorable Bill Clinton, President of the  
29 United States; the Honorable Al Gore, Jr., Vice-President of the United States and President  
30 of the U.S. Senate; the Honorable Strom Thurmond, President Pro Tempore of the U.S.  
31 Senate; the Honorable Newt Gingrich, Speaker of the U.S. House of Representatives; to the

- 1 Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the
- 2 Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.