

**SENATE JOINT RESOLUTION NO. 40**

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE JUDICIARY COMMITTEE

Introduced: 3/25/96

Referred: Judiciary

**A RESOLUTION**

1 **Relating to extension of the United States Forest Service timber sale contract with**  
2 **the Ketchikan Pulp Company.**

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

4 **WHEREAS**, for the last 40 years, the timber industry operating on national forest land  
5 in Southeast Alaska has been the largest private employer in Southeast Alaska; and

6 **WHEREAS** the United States Forest Service strategy for creating permanent year-  
7 round employment through a timber industry in Southeast Alaska has been to offer long-term  
8 contracts to attract pulp mills to use, and add value to, low-grade and by-product materials  
9 from timber harvesting; these pulp mills serve as a market for pulp logs and chips from the  
10 sawmills in Southeast Alaska; and

11 **WHEREAS** pulp mills assure full utilization and protect forest health by using that  
12 significant portion of the Tongass National Forest that consists of dead, dying, and over-  
13 mature timber; and

14 **WHEREAS**, since passage of the Tongass Timber Reform Act of 1990 (TTRA), a  
15 pulp mill and a major sawmill have closed, and more than 40 percent of the timber industry  
16 has been lost, all of which has created severe social and economic harm to the timber industry,

1 its workers, and timber-dependent communities in Southeast Alaska; and

2       **WHEREAS** Ketchikan Pulp Company (KPC), which obtained a long-term contract to  
3 help create jobs in Southeast Alaska, is the sole remaining pulp mill in Alaska, a major  
4 employer in Southeast Alaska, and the market for pulp logs and chips from all the other  
5 sawmills in Southeast Alaska; and

6       **WHEREAS** the loss of the KPC pulp mill would cause the loss of the entire industry  
7 now operating on the Tongass National Forest with devastating social and economic effects  
8 on families and communities throughout Southeast Alaska; and

9       **WHEREAS** the KPC pulp mill faces an uncertain future, not of its own making, as  
10 a result of the continuing log shortage created by United States Forest Service policy, and as  
11 a result of the requirement that more than \$155,000,000 in capital expenditures be made over  
12 the next few years to meet new and ever changing federal environmental standards and  
13 operating needs; and

14       **WHEREAS**, as a matter of economic common sense, KPC cannot make all the  
15 necessary expenditures without the federal government extending its contract for a sufficient  
16 period to amortize those expenditures; and

17       **WHEREAS** the legislature finds that an additional 15 years is a minimum reasonable  
18 period to extend the KPC's timber sale contract to allow such amortization;

19       **BE IT RESOLVED** that the Alaska State Legislature respectfully urges the Alaska  
20 delegation in Congress and the governor to take all steps necessary, this year, to extend the  
21 Ketchikan Pulp Company long-term contract for an additional 15 years because such an  
22 extension is critical to the environmental, social, and economic well-being of the Tongass  
23 National Forest timber workers, their families, and timber-dependent communities in Southeast  
24 Alaska and because such an extension is in the public interest of the State of Alaska.

25       **COPIES** of this resolution shall be sent to the Honorable Bill Clinton, President of the  
26 United States; the Honorable Daniel R. Glickman, Secretary of the U.S. Department of  
27 Agriculture; the Honorable Bruce Babbitt, Secretary of the U.S. Department of the Interior;  
28 the Honorable Newt Gingrich, Speaker of the U.S. House of Representatives; the Honorable  
29 Strom Thurmond, President Pro Tempore of the U.S. Senate; and to the Honorable Ted  
30 Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young,  
31 U.S. Representative, members of the Alaska delegation in Congress.