

SENATE JOINT RESOLUTION NO. 51 am H
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE JUDICIARY COMMITTEE

Amended: 4/14/94
Introduced: 3/29/94

A RESOLUTION

1 **Expressing support for the development of a fiberboard plant in Sitka;**
2 **encouraging the Alaska Industrial Development and Export Authority to continue**
3 **its efforts to assist with that development; and requesting the United States Forest**
4 **Service to continue a long-term timber purchase contract necessary to supply**
5 **material to the plant.**

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

7 **WHEREAS** the Alaska Industrial Development and Export Authority and the Alaska
8 Pulp Corporation have explored the possibility of constructing a medium density fiberboard
9 plant in Sitka; and

10 **WHEREAS** the proposed plant would restore economic activity and create
11 employment opportunities that were lost with the closure of the Sitka pulp mill; and

12 **WHEREAS** the proposed plant would, to the maximum extent feasible, make use of
13 existing facilities in Sitka; and

14 **WHEREAS** it is the purpose of the Alaska Industrial Development and Export
15 Authority to promote the development of industry and to encourage economic growth within

1 the state; and

2 **WHEREAS** the Alaska Industrial Development and Export Authority proposes to
3 continue to assist the Alaska Pulp Corporation to explore the viability of the proposed
4 fiberboard plant by conducting feasibility and other studies, and, if the proposed plant proves
5 to be viable, the Alaska Industrial Development and Export Authority will consider providing
6 financial assistance for the development of the proposed plant, including financial assistance
7 through the issuance of bonds of the Alaska Industrial Development and Export Authority; and

8 **WHEREAS** the issuance of bonds by the Alaska Industrial Development and Export
9 Authority for the financing of the proposed plant will require further action by the legislature;
10 and

11 **WHEREAS** assistance provided by the Alaska Industrial Development and Export
12 Authority in the proposed restoration and conversion of the Sitka pulp mill to a medium
13 density fiberboard plant will further the purposes of promoting the development of industry
14 and encouraging economic growth in the state and will improve the quality of life in Southeast
15 Alaska by providing jobs and improving the local economy; and

16 **WHEREAS** it is essential to the viability of the proposed plant that the Alaska Pulp
17 Corporation be able to maintain an adequate supply of timber; and

18 **WHEREAS** the Tongass National Forest is the only adequate, sustainable timber
19 source in Southeast Alaska; and

20 **WHEREAS** potential financing of the proposed plant will require a contract between
21 the federal government and the Alaska Pulp Corporation that provides a firm commitment for
22 adequate timber sales from the Tongass National Forest;

23 **BE IT RESOLVED** that the Alaska State Legislature supports the continued effort to
24 construct and otherwise develop the proposed medium density fiberboard plant in Sitka and,
25 upon conclusion of any feasibility studies the Alaska Industrial Development and Export
26 Authority considers appropriate, and assuming the results of those feasibility studies are
27 satisfactory, the Alaska State Legislature encourages the Alaska Industrial Development and
28 Export Authority to seek the legislative approval necessary to proceed with the financing of
29 the proposed plant; and be it

30 **FURTHER RESOLVED** that the Alaska State legislature encourages the Alaska
31 Industrial Development and Export Authority to continue to work with, and provide assistance
32 to, the Alaska Pulp Corporation, to the extent of its ability under AS 44.88, for the

1 development of the proposed fiberboard plant in Sitka; and be it

2 **FURTHER RESOLVED** that the Forest Service of the United States Department of
3 Agriculture is respectfully requested to reconsider its decision to cancel its long-term timber
4 contract with the Alaska Pulp Corporation.

5 **COPIES** of this resolution shall be sent to the Honorable Jack Ward Thomas, Chief
6 of the United States Forest Service; and to William R. Snell, Executive Director of the Alaska
7 Industrial Development and Export Authority; and to the Honorable Ted Stevens and the
8 Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S.
9 Representative, members of the Alaska delegation in Congress.