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Introduced 5-8-82

Date Rec'd 5-12-82

Referrals - Transportation Finance

Comm. Hearing 5-14-82 - 5-15-82 CS Wed. ~~at~~ 10:50 A.M.

• Action 5-15-82 - Sent to Terry Quinn & Chief Clerk.

F/N herein

Prime Sponsor Bennett

Notified --

But Ward - Comm. Transp.

Keith Miller called to inform him of hearing  
he should have Larry Mitchell come if  
possible. Mr. Mitchell will call as to when he  
can get here. He will be in attendance  
Friday and if necessary will stay over.

CHARLIE PARR  
ALASKA LEGISLATURE

S.R. Box 50599  
Fairbanks, Alaska 99701  
(907) 456-5029

Pouch V  
Juneau, Alaska 99811  
(907) 465-4907

May 7, 1982

To: Members of the House

From: Senator Charles Parr

Regarding: CS SB 135 (Rules)

All members of the House and the Senate recently received a form letter distributed by a transportation common carrier regarding SB 135 (legislation which deals with transportation subcontractors commonly known as "Owner-Operators"). Due to the importance of this bill I would like to clear up some misconceptions which may have been created by the information provided by the carrier.

The gravest inaccuracy is the obvious attempt to paint this issue as a union dispute. It has been clearly demonstrated in two Senate committee hearings that this is not the case. The owner operator is stuck between the union and the carrier. On the one hand, the owner operator under law must only work for a common or contract carrier and under a contract which has terms that are generally set by the carrier, on the other hand, in order to work for some carriers the operator must join the union.

Under Alaska Transportation Commission regulations, the carrier is allowed to deduct the employee wages and benefits as well as any truck expenses from the revenues paid to the owner operator for the leased vehicle. This means that the owner operator pays his own wage and benefit and union contributions as well as the employers contributions through deductions in the lease revenues. Any economic benefits that the union, if it is a union shop, negotiates for the employee are just further expenses to the owner operator which are backed off the revenues which are received for the lease of the vehicle.

It makes no sense for a owner operator to strike for the type of benefits which the union could provide, i.e., related to wages and benefits, because that money comes out of the truck revenues, revenues which are under a contract which the union plays no part in securing, a contract which is specifically and only between the carrier and the operator, and which provides the finances which allow the operator to pay vehicle expenses and living expenses.

The concern of the owner operators is that while carriers such as the one which distributed the letter in question are

posting record profits as the result of a highly protected industry, that numerous Alaskan owner operators who do not enjoy the same protection under the law are going out of business because they can no longer afford to operate their rigs at the level of revenues being offered by the carriers.

The carriers are cutting their tariffs (or not adjusting them to reflect the effects of inflation) but still maintaining the same or higher profits, while it is the owner operator, whom is unrecognized by ATC, that is receiving less and less revenue for the vehicle lease and is required to pick up more of the costs and risks related to the transportation of goods over Alaska's highways.

The result is that today, unlike the era prior to the pipeline, common carriers own few if any of their own vehicles, thus eliminating all risk related to maintaining or operating trucks, and that responsibility has been transferred to the owner operator. The carrier has an opportunity to work essentially as a broker, a broker who is in a monopolistic industry where the owner operators have to work for the carrier and where the carrier need not fear the entrance of other carriers into the market due to ATC protection.

The operators, under CS SB 135(rules) are provided a measure of protection, not the protection afforded the carriers, but the minimum protection which will allow competition to flourish within the Alaskan Economy.

# CHARLIE PARR

## ALASKA LEGISLATURE

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### CS SB 135 (Rules)

CS SB 135 (Rules) provides a measure of equal protection to a class of transportation operators not envisioned when the Alaska Motor Freight Carrier Act was developed. It is less protection than afforded the current class of carriers, but the minimum which will allow competition and fair trade to grow in this sector of the Alaskan Economy.

The primary reason for this legislation is the economic survival of the group providing more than 90% of Alaska's transportation services - the transportation subcontractor (commonly known the "owner operator").

At issue here is the question of minimum standards which will insure that transportation subcontractors receive reasonable consideration for the service and the equipment provided which is necessary to properly serve public needs in the Alaskan environment and economy.

If these people who provide necessary transportation services can not be assured of a certain minimum rate of return on their efforts, there is a danger that no one will provide the type of "adequate, complete, dependable and stable transportation in all its phases", as is assured the public under AS 42.10, the Alaska Motor Freight Carrier Act.

The bill provides the Alaska Transportation Commission with authority to:

- regulate at one level lower than it now does.
- provide licenses to those who are currently transportation subcontractors or who have operated in Alaska since 1976.
- apply standards of public convenience and necessity to the issuance of further licenses.
- provide for minimum and maximum rates

The licensing, grandfather, and rate provisions are modeled after the Alaskan system for common carriers and is a standard approach for a category of public utilities (the grouping in which transportation falls).

RULES CS for SB 135

Changes from Finance CS:

- Section 3 deleted. This section would have changed the definition of a "private carrier" by deleting language referring to lessee and bailee (which is how it presently reads in the statutes.) Therefore, the statutes remain the same regarding "private carriers." This change was agreed in the Rules Committee hearing.
  - p. 1 line 19 "...construction contractor operator..." is deleted. This change was agreed in the Rules Committee hearing.
  - grandfather clause added. This clause would be the basis for issuing owner/operator (transportation subcontractor) permits. (Section 1 (f)) This change was discussed in the Rules Committee hearing.
  - owner/operator language deleted. "transportation subcontractor" added. As SB 135 (Finance) reads, an owner/operator is a trucker that owns one truck. In fact, many truckers own more than one truck, but they are not by definition "carriers." What the term "transportation subcontractor" does is more accurately describe truckers that own more than one truck than the term currently used in SB 135 (Finance). This change in terminology is very important because of the permit system that SB 135 would create.
- The language in the Rules CS read: TRANSPORTATION SUBCONTRACTOR, a person who rents, leases, or otherwise provides a motor vehicle for the use of common or contract carriers in transporting property and who provides or arranges for, directly or indirectly, a driver or operator for the vehicle but does not include taxicabs. This is new language. Need for it arose out of problems with owner/operator terminology in the application of SB 135.
- immediate effective date (Sec. 4) plus time frame ATC shall adopt regulations (Sec. 3) will mean as swift an implementation of the permit system as is possible by law and the ATC regs.
  - Permit system, permit each vehicle, not each driver (SB 135 will institute a system similar to issuing license plates as opposed to driver's license.) Nontransferable permits will be issued to each truck so that the number of trucks in use will be constant. This creates a limited entry type situation for the trucking industry. The scenario would be something like this: Under the grandfather clause, a person operating a truck in Alaska between 1976 and the effective date of SB 135 would receive, upon application, a transportation subcontractor permit. This permit would be issued to each truck of the person that is eligible under the grandfather clause. If a trucker wrecks his truck and buys a new one,

the permit will be transferred to the new truck. If the trucker suffers economic or physical hardship or death, the permit can be transferred to a spouse, or a person designated by the owner. Cases of transferability will be specifically spelled out in the ATC regulations. This is necessary to prevent locking up the market, where permits might possibly be sold and also have the affect of inflating the cost of a truck. Nontransferable permits allow fair access to future groups. ---

An annual permit system would be instituted. This would mean a yearly review of already existing permits to assure that permits issued are not for dormant trucks.

Regularly, the ATC will review the transportation needs of the state, and based on their review will decide if "public convenience and necessity" dictates that more permits be issued. When ATC does decide that more permits will be issued, anyone who is a transportation subcontractor will be eligible. At this point the grandfather clause will no longer be applicable.

Historical, grandfather clauses have proved to be constitutionally unsound. SB 135's grandfather clause makes no reference to Alaska residency so that it is constitutionally sound and will stand if challenged in a court of law. Also, the provision that it can be used only upon the inception of the ATC transportation contractor permit system and is then open to all, affords every citizen due process and prevents people like the Zobels from having a picnic with SB 135.



# ATOOCA

601 Hughes, Fairbanks, Alaska 99701  
Phone (907) 452-5814 or (907) 452-5841

April 12, 1982

Senator Charles Parr  
Chairman Senate Health, Education & Social Services Committee  
State Capitol  
Pouch 5  
Juneau, AK 99811

Dear Senator Parr:

I am writing in regards to the Transportation Subcontractor Proposal presented to you by the Women for Alaskan Owner/Operators Committee. I have examined the entire proposal as well as the supporting documents and agree with nearly every detail. The Owner-Operator portion of the Alaskan transportation industry is in a crisis situation the results of which will have far reaching effects into the Alaskan economy. To understand the situation you need to know how this developed.

Prior to the pipeline days there were very few Owner-Operators in Alaska. Quite to the contrary 90 percent of the freight moving then was moved by carriers utilizing company owned equipment driven by employees of that carrier. As the pipeline project began to unfold these carriers increased the size of their fleets dramatically to accommodate the tremendous tonnages of freight to be moved. The rates were good and new or dormant carriers developed to fill the demand. Soon equipment became harder and harder to come by and the carriers began utilizing Owner-Operators to fill this need.

All went well during this period as the rates were adequate and the equipment leases and payments were liveable.

In the period following the peak of the pipeline project more and more competition developed over the decreasing demand (a natural thing) for transportation. The carriers began filing lower and lower tariff rates in order to get the work. As the rates declined companies with large numbers of company owned trucks found it not profitable to operate and began turning more and more to Owner-Operators. Many companies sold their trucks directly to the employees driving for them. There were many advantages in leasing from Owner-Operators, not the least of which, was that the company no longer had the overhead of shops, mechanics, or any of the repair responsibilities. The legal responsibility to insure equipment remained up to state and federal agency standards was and is still the carriers

responsibility. The cost of that standard however, is borne by the Owner-Operator including any fines related to this. In some cases, even the public liability and cargo insurances required by law of the carrier are prorated and subtracted from the amounts paid on the leases.

Still during the demobilization period of the pipeline amounts received by Owner-Operators were adequate to maintain and operate the equipment. Then in 1979, under pressure by the carriers and over the objections of the Owner-Operators, the ATC revised the leasing regulations under 3AAC 64.070. This allowed the costs of the driver to be legally deducted from the lease revenues earned by the Owner-Operator. By so doing the carrier was further relieved from the expense of employees including, but not limited to wages, fringe benefits, the employers contributions for; social security, unemployment, and workmens compensation payments. Even then in 1979 the received amounts for the Owner-Operator were tolerable though very close to intolerable. Now came the inevitable.

Too many carriers, too little work. The carriers, protected by favorable laws and protected by leases that gave them impenetrable protection for their profits entered into cutthroat competition totally insulated from any losses. Certainly not all carriers were or are of this mind but faced with loss of business the alternatives were to get out of business or follow suit. Most followed suit. The Owner-Operator having no voice over the tariff rates and no voice in the price paid for his services reached the point of not enough money to maintain his equipment, his home and family.

Facing the inevitable loss of their equipment and or bankruptcy many Alaskan Owner-Operators withdrew their equipment asking for better leasing arrangements. Some reached agreements and were able to continue operating. Others were told either take what your getting or we will replace you.

Some companies based outside Alaska recognized the desperate economic conditions there and began an active recruiting effort in the lower 48, advertising a need for Owner-Operators in Alaska. The rates stated looked unbelievable to Owner-Operators there who have little or no understanding of the cost of operating in Alaska. Over the last six months literally hundreds of these Owner-Operators have come to Alaska as direct replacements for Alaskan Owner-Operators. Alaskans' equipment is sitting idle, unable to compete against outsiders who have no families here, no homes and no investment in Alaska. Their equipment is ill-equipped for Alaskan operating conditions yet carriers lease their equipment send them on the road overloaded and inexperienced. Much of the type of equipment now in use was previously refused for use by the carrier because it failed to meet their standards.

Senator Charles Parr

April 12, 1982

Page 3

The Alaskan Owner-Operator is not asking for subsidies or hand outs. What Alaskan Owner-Operators are asking for is to be allowed to function and compete in Alaska's own economy. It would be hard to argue that Alaska doesn't have it's own distinct economy. Alaska has always been plagued by the flow of dollars out of our economy. Many Alaska businesses will be hurt if the present trend continues.

Alaskan Owner-Operators are a clearly identifiable industry of small businessmen who have proved their efficiency by the fact that approximately 90 percent of all freight moved by truck in Alaska is moved by an Owner-Operator. There are many similarities to the Alaska fisherman. Limited entry has helped Alaskan fishermen and Alaskan Owner-Operators need similar laws to allow this industry to function for Alaskans.

The Transportation Subcontractor Proposal is an excellent beginning for allowing this industry to function and to reach stability in these very unstable times. It is essential that this be brought before the legislature before this session ends. By next January the damage to these Alaskan small businessmen will be irreparable. Many have already filed bankruptcy or are facing the loss of their equipment and personal possessions.

I urge you to bring the Transportation Subcontractor Proposal forward, to examine it closely, and pass it before this session ends.

The Alaskan Owner-Operator has earned and deserves your immediate attention to this industry of small businessmen. Please do not delay!

Sincerely,



Tim Gunderson  
President

gs/TG

*I will help in anyway I can.*



Senate on April 28 by Finance with the committee recommending it be replaced with Finance CS and as follows: Bennett (Co-Chmn.), Sackett and Stimson signed do pass; Sturgulewski, Eliason, Ferguson and Dankworth signed no recommendation. To Rules.

*April 28  
Stimson*

The Finance CS is a completely new bill. Amends several statutes governing the Alaska Transportation Commission and the regulation of common and private carriers in Alaska. Sec. 1 amends AS 42.07 (AK Transportation Commission) by adding a new section calling for the regulation of "Owner Operators" by ATC. Defines an "owner operator" as one who "rents, leases, or otherwise provides a motor vehicle for the use of others in transporting passengers or property upon the condition that the person be employed to operate the vehicle and includes common and contract carriers and construction contractor operators but does not include taxicabs."

Sec. 2 amends AS 42.10.280(b)(filing of common carrier tariff schedules with ATC) to require common carriers to file with ATC "schedules showing the maximum and minimum rates, charges, and

classifications for the transportation of property within the state . . . "

Sec. 3 amends the definition of "private carrier" in AS 42.10.420(7) to eliminate paid private carriers. Would only mean a person "who transports without compensation, property which is owned or is being bought or sold by him, or property of which he is the seller or [,] purchaser [, LESSEE OR BAILEE,] and the transportation is incidental to and in furtherance of some other primary business conducted by the person in good faith."

SENATE BILL NO. 135, (see pages 190;792). Reported back to the Senate May 8 by Rules with a majority recommending it be replaced with a Rules substitute and that it be placed on the May 11 calendar. The report was signed by Senator Kelly, Chairman and concurred in by Senators Ziegler and Ferguson.

*May 8  
Rules*

The Rules version of the bill relates to transportation subcontractors (Senate Finance referred to "owner operators"). Provides permits issued shall authorize the specific number and the types of vehicles to be operated by the transportation subcontractor. The permit does not transfer with a sale, lease, or other transfer of a vehicle, and can only be transferred with the approval of the Commission on the death or injury or economic hardship to the transportation subcontractor who holds it. Vehicles under a permit may be replaced, but the numbers of vehicles under a permit may not be increased.

States that a "transportation subcontractor" means ". . . a person who rents, leases, or otherwise provides a motor vehicle for the use of common or contract carriers in transporting property and who provides

or arranges for, directly or indirectly, a driver or operator for the vehicle but does not include taxicabs." Provides a person who conducted business as a transportation subcontractor in the state between July 1, 1976, and the effective date of this Act shall upon application be issued an annual permit.

Deletes section of Finance version that would have changed the definition of "private carrier" (see page 793).

Adds new section providing the Alaska Transportation Commission shall adopt regulations relating to transportation subcontractors within 90 days after the effective date of this Act.

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOT.

I. REQUEST

Bill/Resolution No. CSSB 135 (Finance)

Title Act relating to motor vehicles and carriers

Requested by Senate Finance committee Date 4/27/82

II. FISCAL DETAIL

Agency Affected Commerce and Economic Development

Program Category Affected Public Protection

BRU, Program, Or Subprogram(s) Affected Alaska Transportation Commission

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
Miscellaneous		350.0				
TOTAL		350.0				

FUNDING (Thousands of Dollars)

GENERAL FUND		350.0				
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						

Original sponsors: Moss, Rogers, Brown  
and Bettisworth

Offered: 5/12/82  
Referred: Rules

1 IN THE HOUSE

BY THE TRANSPORTATION COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 12 (Transportation)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the regulation of private carriers  
7 by the Alaska Transportation Commission."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 \* Section 1. AS 42.10.420(7) is amended by adding a new subparagraph to  
10 read:

11 (C) a person who rents, leases, or otherwise provides a  
12 motor vehicle for the use of his employer in transporting passengers  
13 or property and who operates the vehicle as an employee, if the  
14 employer compensates that person with separate disbursements for  
15 wages and for the use of the vehicle;

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18 *this became SCS CSHB 12*  
19 *Trsp. & has all of SB 135 therein*  
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PUBLIC OPINION MESSAGE FORM

POMS are limited to 25 - 50 words. These messages are transmitted via conicom to Juneau by our staff on a time-available basis.

- \* ONLY THOSE SINGLE MESSAGES DELIVERED BY THE SIGNING INDIVIDUAL TO THE
- \* LEGISLATIVE INFORMATION OFFICE BY PHONE, HAND DELIVERED, OR WRITTEN AT
- \* THE LEGISLATIVE INFORMATION OFFICE WILL BE ACCEPTED FOR TRANSMISSION VIA
- \* OMNICON AS A PUBLIC OPINION MESSAGE. (Legislative Council Policy 6/81)

DATE April 24, 1982

NAME Glean W. Kent

REPRESENTING G & R Landscaping G. Kent & Sons Inc.

MAILING ADDRESS 8311 Hartzill Rd.  
Anchorage, Alaska ZIP 99507

PHONE (HOME) 907-277-9267 (WORK) 907-349-2413

TO \_\_\_\_\_

RE: \_\_\_\_\_

MESSAGE The Anchorage Daily News, published an article,  
Date 4-24-82 (Week End business page E-1  
quote (State may not escape recession.)  
unquote.

As A Resident of Alaska for sixteen  
years, property owner, Registered voter, tax  
payer and business man, I am very proud  
of this. Recession has reached the property  
level. Originating from relaxation in issues  
permits, and relaxation of enforcing the  
existing regulations. It's finding it very  
difficult to maintain living conditions when  
I have become accustomed to.

SIGNATURE \_\_\_\_\_

POM TRANSMITTED, DATE \_\_\_\_\_ TIME \_\_\_\_\_ OPERATOR \_\_\_\_\_

A twenty acre subdivision was recently  
operated in Anchorage, with all the trucks  
utilized, that one had hauling authority, who  
operating out a street approximately 32 feet  
wide and 8 to 10 feet deep. The trucks were  
paid \$50.00 per hour. \$8.00 per hour less  
than the average rate. Operations of the  
nature can only lead to poor maintenance.  
Increasing damage to public and property.  
Material was hauled in by a carrier with  
operating authority, agreed at a rate no local  
carrier could operate for. The carrier referred  
to is a person who requested and was  
issued authority. Not a property owner, nor  
A registered voter, nor A tax payer of Alaska.  
He was another Washington commuter. The  
dump trucks and semi tractors are licensed  
with Alaska licenses, yet the car he  
drives on the streets displays Washington  
plates, and has for 2 years. When Const.  
classes for the season, this car is loaded  
the truck, Washington bound, to stay for the  
winter months. Returning in the Spring  
Anchorage, Alaska. Should the transits  
continue to be issued ATC permits, the  
Residents such as myself, will be forced  
sell our homes, our industrial property will  
our belongings. we will be forced to relocate

to A cheaper location to live. Should the economy in Washington, the commuters will cease to commute, thus furthering the situation with inexperienced personnel creating more damage to the public and property.

Sincerely  
Glenn W. Kent

*n Over copy?*

Original sponsors: Bennett, Fahrenkamp  
and Parr

Offered: 5/8/82

1 IN THE SENATE

BY THE RULES COMMITTEE

2 CS FOR SENATE BILL NO. 135 (Rules)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to motor vehicles and carriers; and  
7 providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 \* Section 1. AS 42.10 is amended by adding a new section to read:

10 Sec. 42.10.095. TRANSPORTATION SUBCONTRACTORS. (a) The commission  
11 shall supervise and regulate transportation subcontractors in the state  
12 and shall prescribe regulations consistent with this chapter concerning  
13 the filing of reports by transportation subcontractors, the issuance of  
14 nontransferable annual permits to transportation subcontractors based on  
15 public convenience and necessity, and the maximum and minimum rates that  
16 may be charged by transportation subcontractors.

17 (b) A permit issued under this section shall authorize the specific  
18 number and the types of vehicles to be operated by the transportation  
19 subcontractor.

20 (c) A permit issued under this section does not transfer with a  
21 sale, lease, or other transfer of a vehicle. A permit may ~~only~~ <sup>not</sup> be  
22 transferred with the approval of the commission on the death, of or <sup>to family members,</sup>  
23 injury or economic hardship to the transportation subcontractor who <sup>retires.</sup>  
24 holds the permit. *Lottery based.*

25 (d) A transportation subcontractor may replace vehicles authorized  
26 under a permit but may not increase the number of vehicles authorized  
27 under the permit.

28 (e) In this section "transportation subcontractor" means a person  
29 who rents, leases, or otherwise provides a motor vehicle for the use of

*So. atty. -  
say by date of application.*

1 common or contract carriers in transporting property and who provides or  
2 arranges for, directly or indirectly, a driver or operator for the  
3 vehicle but does not include taxicabs.

4 (f) A person who conducted business as a transportation subcontractor  
5 in the state between July 1, 1976, and the effective date of this  
6 Act shall upon application be issued an annual permit under this section.

7 \* Sec. 2 AS 42.10.280(b) is amended to read:  
8 *and into applies within 30 days on year.*

9 *delete (b) Common carrier shall annually evaluate its public need and  
authorize new permits by regulation. To find and*  
10 keep open to public inspection, schedules showing the maximum and minimum  
11 rates, charges, and classifications for the transportation of property

12 within the state between each point upon its route, and between each  
13 point upon its route and each point upon every route leased, operated,  
14 or controlled by it, and between each point upon its route or upon any  
15 route leased, operated, or controlled by it and each point upon the  
16 route of a common carrier, whenever a through route and joint rate has  
17 been established or ordered between two such points. If no joint rate  
18 over a through route has been established, the carriers in a through  
19 route shall file, print, and keep open to public inspection the separ-  
20 ately established rates, charges, and classifications applied to the  
21 through transportation. The schedules of contract and common carriers  
22 shall plainly state the places between which property will be carried,  
23 and the schedules of common carriers shall also contain classifications  
24 of property in force, and state separately all terminal, storage, icing,  
25 and other charges which the commission requires to be stated, all privi-  
26 leges or facilities allowed, and rules and regulations which affect or  
27 determine any part or the aggregate of the rates and charges, or the  
28 value of the service given to the shipper or consignee. The schedules  
29 shall be plainly printed in large type. The carrier shall keep a copy  
of each schedule readily accessible for inspection by the public in

1 every station or office where property is received for transportation  
2 when the station or office is in charge of an agent, and in every sta-  
3 tion or office of the carrier where bills of lading or receipts for  
4 property are issued. The carrier shall produce a schedule for inspec-  
5 tion upon the demand of any person. The carrier shall keep posted in  
6 two public and conspicuous places in each station in which a schedule is  
7 kept a notice, printed in bold type, which states that the schedules are  
8 on file with the agent and open to inspection by any person, and that  
9 the agent will assist the person to determine rates or rules and regula-  
10 tions. The commission shall prescribe the form of schedules. The form  
11 shall conform as nearly as practicable to the form of schedules required  
12 by the Interstate Commerce Commission.

13 \* Sec. 3. The Alaska Transportation Commission shall adopt regulations as  
14 provided in AS 42.10.095 enacted in sec. 1 of this Act within 90 days after  
15 the effective date of this Act.

16 \* Sec. 4. This Act takes effect immediately in accordance with AS 01.-  
17 10.070(c).

18 ~~Sec. 5. This law nullifies~~

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29



May 5, 1982

3027 Rampart Drive  
Anchorage, Alaska 99501  
(907) 276-4800

Dear Representative:

As a representative of one of Alaska's oldest surviving transportation companies who has been thoroughly involved in the history of owner-operators in Alaska, I feel compelled to explain the real economic factors behind the wild allegations being made in Juneau recently, by a group of truck owners.

There has been a lot of publicity, a lot of political pressure, a lot of table thumping, a lot of lobbying efforts in recent days loudly proclaiming that a group of people called "owner-operators of Alaska" have been discriminated against, cheated by their employers, and in general, are deprived of their rights by the State, you as legislators, and the trucking companies as employers.

Let the record show that this information circulated to you by paid advertisements, telegrams, phone calls, and personal visits does not reflect the true story at all!

During the construction of the now famous Trans Alaska Oil Pipeline, there was created a need for a very large fleet of trucks to move the huge volumes of supplies and construction material north out of Fairbanks, Alaska.

The trucking companies in existence in Alaska at the start of this enormous project were limited to their ability to provide the equipment and drivers necessary. Old, dormant, trucking company operating rights were revived, new companies were created overnight. The 350 mile road now known as the Dalton Highway was finished in a record 154 days. The Yukon River Bridge was completed.

The numbers are staggering! During the peak of construction, there were trucking firms in Fairbanks dispatching over 100 trucks per day!

The Teamsters Union in Alaska had demanded and put into agreement with the trucking firms, a wage guarantee for drivers running north from

3615 W. Marginal Way SW  
Seattle, Washington 98106  
(206) 764-6300

3001 Peiper Road  
Fairbanks, Alaska 99701  
(907) 456-5535

Prudhoe Bay, Alaska  
(907) 659-2644

P.O. Box 1007  
Mineral Creek  
Loop Road  
Valdez, Alaska 99686  
(907) 835-2216

Rt. 1, Box 23  
Kenai, Alaska 99611  
(907) 283-9640

P.O. Box 2580  
8401 Airport Way  
Juneau, Alaska 99801  
(907) 789-0435

P.O. Box 433  
8631 Depot Road  
Lynden, Washington 98264  
(206) 354-2101

Fairbanks to Prudhoe Bay. This totally unreasonable driving wage guaranteed that each driver would get eighteen hours of pay (8 straight time, 10 overtime) for each twenty four hours he was away from Fairbanks on a trip. This wage demand also included provisions that if a driver worked into a Sunday, his wage scale doubled and stayed that way until he returned to Fairbanks!

Trucking companies employed owner-operators during and after the pipeline construction project as a way of providing economic incentive to keep the drivers working in spite of the 18 hour guarantee. None of the trucking companies who operated company equipment survived the post pipeline recession.

Records show that an owner-operator will average over \$10,000 per month North of Fairbanks with a trucking company that runs steady. Some of the high figures will reach \$14,000 per month. These are the people that are demanding "more" from each of the trucking firms. These are the people who forced a strike on their employers. These are the people who are demanding that you "protect" them with legislation. These are the people who have created the situation that exists today. These are the people who, because of their own near sightedness, have brought upon themselves the situation you have been asked to correct.

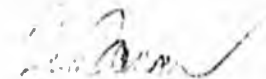
The notion that Alaska's unemployed owner-operators are mistreated, underpaid, and abused, is absurd.

A long series of strikes and decertification petitions between Alaska's trucking companies and the Teamsters Union has created a situation today whereby approximately 70% of all Alaska trucking is non-union. This transfer of union to non-union trucking is the basis for the current level of unemployed truck owners. As carriers went on strike, they had to replace the striking drivers, and in so doing, new drivers and owner-operators entered the state and took the jobs of the striking drivers. We feel it is improper for the legislature to interfere with these strike issues by creating new regulations that are monopolistic, inflationary and anti free enterprise.

We trust that when making your decision concerning SB 135, you consider that the individuals who represent themselves as poor, starving, abused, owner-operators are actually "on strike" Teamsters who have been grossly overpaid since 1975, and who struck a very depressed Alaska trucking industry in an effort to further increase Alaska's transportation costs.

Sincerely yours,

LYNDEN TRANSPORT, INC.



Jim Jansen  
President

JJ:amc

## TO WHOM IT MAY CONCERN

WE THE UNDERSIGNED WISH TO SUPPORT SENATE BILL 135 AS PENDING BEFORE THE RULES COMMITTEE. ALSO, WE WISH TO APPOINT TIM GUNDERSON, PRESIDENT OF ATOOCA, AS OUR AGENT IN THIS MATTER.

NAME	ADDRESS	PHONE	SIGNATURE
Dick B. Willson	Box 3-5668C	379-4675	Dick B. Willson
BUNNY B. DOHRMAN	5012 Garland Circle	333-4360	Bunny B. Dohrman
ERNESTE DOHRMAN	5012 Garland Circle	333-4360	Ernest E. Dohrman
Ernestine Dohrman	9010 Galvin	344-9337	Ernestine Dohrman
Lezley Dohrman	5012 GARDLAND CIR	333-4360	Lezley Dohrman
<del>ESTER B. LANDRY</del>	<del>3944 Ave</del>		
BERTIN J. LANDRY	903 W 53 AVE	279-1005	Bertin J. Landry
Therese M. Landry	903 W. 53 ave	279-1005	Therese M. Landry
James F. Landry	3361 Amber Oak Lane	344-7386	James F. Landry
Mike Gibean	7243 Linden Dr	243-7614	Mike Gibean
Edward Baker	5R4 Box 17424	344-9145	Edward Baker
Henrich Baptista	8291 OPAL DR	243-7762	Henrich Baptista
DAN C. WILLY	3103 EUREKA	274-9482	Dan C. Willy
Tim R. Werry	4109 Garfield	278-9991	Tim R. Werry
Edward E. Chaney	1545-5-Hoyt <sup>2P57</sup> AMHAK		Edward Chaney
EDWARD E. CHANEY	6610 NEIMEE	248-5235	Edward E. Chaney

TO WHOM IT MAY CONCERN

WE THE UNDERSIGNED WISH TO SUPPORT SENATE BILL 135 AS PENDING BEFORE THE RULES COMMITTEE. ALSO WE WISH TO APPOINT TIM CUNDERSON, PRESIDENT OF ATOCCA AS OUR AGENT IN THIS MATTER.

NAME	ADDRESS	PHONE	SIGNATURE
RON SARTORI	1702 BIRCHWOOD ST. ANCHORAGE AK	274-4263	Ron Sartori
JAY PETERSON	Box 954 WASILLA AK	376-2076	Jay Peterson
George Nichols	7200 Dupon Ave at 2 Ave 1606 Delina Circle anch AK 99504	333 5085	George Nichols
Wayne Taylor	Box 598 EIRONGOOD	337-4004	Wayne Taylor
Jim Weymouth	801 Airport Hwy EIRONGOOD	783-2912	Jim Weymouth
Leonard Neher	8125 Seward St EIRONGOOD	279-0979	Leonard Neher
Robert J Moore	7509 8th Harbort St EIRONGOOD	242-1070	Robert J Moore
Joseph G. Gundrich	PO Box 10-7009 EIRONGOOD	322-5656	Joseph G. Gundrich
BE Schuly	3030 Bennett St EIRONGOOD	349-0953	BE Schuly
John Forciskie	8274 Seward Circle EIRONGOOD	243-2208	JOHN FORCESKIE
Don Hennessey		243-4473	Don Hennessey

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 TO WHOM IT MAY CONCERN  
 WE THE UNDERSIGNED WISH TO SUPPORT SENATE BILL 135 AS PENDING BEFORE THE RULES  
 COMMITTEE. ALSO WE WISH TO APPOINT TIM GUNDERSON, PRESIDENT OF ATCOCA AS OUR  
 AGENT IN THIS MATTER.  
 -----

NAME	ADDRESS	PHONE	SIGNATURE
T. Bykowski	SR Box 2279 Anch AK	344-3972	Thomas Bykowski
F. Cummings	6820 SHANE PL.	349-5661	Frank Cummings
T. Rasmussen	P.O. Box 8571	344-0073	Ted Rasmussen
C. PARK	P.O. Box 10-1605 Anch	3450818	Charles Park
J. WREN	6850 BURLWOOD DR	344-7939	James Wren
Mark Olson	PO 2781 Anch AK	6943614	Mark Olson
Joseph Oliverson	7316 Brumby Dr Anch AK	349 2996	Joseph Oliverson
Ed Smith	1545 S.W. 4th St Anch	331-2053	Ed Smith
Robert Frangwell	3286 W-30th	274-6442 248-4638	Robert Frangwell
J. D. Vansen	P.O. Box 4-780 Anch 99509	344-8448	James D. Vansen
R. J. Cavaleiro	2600 Tedwood St Anch 99504	274-7846	R. J. Cavaleiro
K.M. Riddle	SRA 15628 Anch AK 99507	345-3629	Kenneth M. Riddle

TO WHOM IT MAY CONCERN

WE THE UNDESIGNED WISH TO SUPPORT SENATE BILL 135 AS PENDING BEFORE THE RULES COMMITTEE. ALSO WE WISH TO APPOINT TIM GUNDERSON, PRESIDENT OF ADOCA AS OUR AGENT IN THIS MATTER.

NAME	ADDRESS	PHONE	SIGNATURE
Glenn W. Kent	8311 HARTZELL RD.	349-2413	Glenn W. Kent
JACK J. WIEGEL	7248 Zurich Arch AK	344-8939	Jack Wiegale
Hershel L. Preston	5800 Glenn Highway #41 Anch	333-5111	Hershel L. Preston
Row Maley	9030 E Lim	344-8379	Row Maley
MICHAEL R. MATHENY	6049 MORELOW #1	338-4257	Michael R. Matheny
DICK COMBS	2551 SALOMAN	344-1338	Dick Combs
Don Josten	2507 BLUEBERRY	272-4290	Don Josten
HOWARD H. HENNING	5001 Nottingham Arch.	278-3340	Howard H. Henning
Kate Allam	6606 Roswood	344-8175	Kate Allam
Jim Gerhart	5807 Miley Dr.	337-8152	Jim Gerhart
John Robinson	8810 Cordell #2	248-4761	John Robinson
GENE SHADLE	1641 Diamond DR	344-6845	Gene Shadle
ALEF LAUS	5650 OLD SEWARD Way	274-2201	Alef Laus
LONNIE RAWLSON	PO Box 907	338-0535	Lonnie Rawlson
Tommy Lamb	3400 WYLAND DR.	333-2635	Tommy Lamb
GLENN KENT SR.	2501 LATOCHEST	277-9267	Glenn Kent Sr.

TO WHOM IT MAY CONCERN

WE THE UNDERSIGNED WISH TO SUPPORT SENATE BILL 135 AS PENDING BEFORE THE RULES COMMITTEE. ALSO WE WISH TO APPOINT TIM GUNDERSON, PRESIDENT OF ATOCCH, AS OUR AGENT IN THIS MATTER.

NAME	ADDRESS	PHONE	SIGNATURE
<del>Joseph L. [unclear]</del>	<del>[unclear] SOUTH Anch</del>		
<del>[unclear]</del>			
NORIETA Rule	Anchorage 344-5909 1727 BARTLETT DR. Alaska 99507		Norieta Rule
MILT SLOVER	Anchorage 274-7335 237 W 23 RD ALASKA		Milt Slover
Roy Goodrow	RT. 1 BOX 25 CRESVIEW LAKE-EAGLE RIVER AK 694-3477		Roy Goodrow
L.V. Kroll	1200 W. Diamond Anch. AK. 99502 349-6379		L.V. Kroll
R. S. Bacot	3671 Alanus & Dr. Anch. AK. 293-5351		Rodney S. Bacot
RAY PERLIN	3008 Rampart Trl Anch AK 337-7175		Ray Perlin
Roger F. Miles	Flower 633 N ANCH, AK 272-9529		Roger F. Miles
Barbara Rule	1727 Bartlett Anch AK 344-4068		Barbara Rule
W.F. MURRAY	Anchorage 277-7406 3213 E. Tudor Road		W.F. Murray
KAREN HOOD	PO. Box 8469 Anch 337-3775		Karen Hood
<del>[unclear]</del>	<del>[unclear]</del>		<del>[unclear]</del>
BENITA JOYNER	Anch. 99507 1727 Bartlett Dr. 345-4834		Benita Joyner
MIKE KLINE	ROY # 2172-2906 1st RD 332-5729		Michael Kline

TO WHOM IT MAY CONCERN

WE THE UNDERSIGNED WISH TO SUPPORT SENATE BILL 135 AS PENDING BEFORE THE RULES COMMITTEE. ALSO WE WISH TO APPOINT TIM GUNDERSON, PRESIDENT OF ATOOCA AS OUR AGENT IN THIS MATTER.

NAME	ADDRESS	PHONE	SIGNATURE
Glen Young	310 W 32nd	349-3827	GLEN YOUNG
Homer Sprague	1200 W DIMON	344-6067	HOMER SPRAGUE
Darwin SPRINKLE	8300 E 32 <sup>ND</sup>	337-5513	Darwin Sprinkle
Fuzzy SPRINKLE	8123 HARTZELL	344-0812	Fuzzy Sprinkle
Delight Sprinkle	8123 HARTZELL	344-0812	Delight M Sprinkle
Dennis Young	310 W-32nd Ave	274-0754	Dennis Young
Dalonna Sprinkle	8123 Hartzell Rd	344-0812	Dalonna Sprinkle
Bev Williams	8123 1/2 Hartzell Rd	349-2912	Bev Williams
Ricki D. Sprague	1200 W Dimon Blvd	344-6067	Ricki Sprague
George Paskowski	290 1/2 Iris Ap B.	243-3927	George Paskowski
RJ Conn	1831 E 7 <sup>TH</sup> Apt 1	349-3122	RJ Conn
David Sprinkle	Box 8620 <sup>Incl AK</sup>	653-8673	David Sprinkle
Robert E ERWIN	Box 4-1083 <sup>Incl AK</sup>	278 5046	Robert E Erwin
Mel Flieger	3319 W 86 <sup>TH</sup> <sup>Incl AK</sup>	243-5004	Mel Flieger
SA Williams	8173 1/2 Hartzell	349-2912	SA Williams
Clyde Robello	1900 E 53rd Anchorage	344-3978	Clyde Robello
Michael C Smith	3306 Thompson Anch	272-6267	Michael C Smith
T. J Smith	633 N. FLOWER #5	276-8046	Thomas J. Smith
W.G. BOSSETT	100 B 9 <sup>TH</sup> <sup>FRANKLIN AK</sup>	456-6576	W.G. Bossett
GALE DOGGETT	Eagle River	688-2166	Gale Doggett
Duane L Sprinkle	2011 W 46 <sup>TH</sup> AVE	248-1731	Duane L Sprinkle
DARRRELL SHOOP	51A 6343 <sup>PALMER AK</sup>	-	Darrell Shoop

TO WHOM IT MAY CONCERN

WE THE UNDERSIGNED WISH TO SUPPORT SENATE BILL 135 AS PENDING BEFORE THE RULES COMMITTEE. ALSO WE WISH TO APPOINT TIM GUNDERSON, PRESIDENT OF ATOCCA, AS OUR AGENT IN THIS MATTER.

NAME	ADDRESS	PHONE	SIGNATURE
Phil Boggess	241 W. Cook Anch	272-0105	Phil Boggess
John H. Greenwood	7320 Marine Ct. <sup>10 Anch</sup>	337-2854	John H. Greenwood
Dennis B Jones	Box 4-1650 <sup>99509</sup>	374-7106	Dennis B Jones
Robert Walker	5272 E 24 <sup>TH</sup> <sup>ANCH</sup>	338-5370	Robert Walker
Dorey Cather	521 Mellow Pl	333-8048	Dorey Cather
Mike John	1850 HEIDA CR	349-4804	Mike John
J. P. Strick	Box 2-092 ANCH AK	276-4331	J. P. Strick
James R. Garrison	2260 LAKE GEO DR	333-4089	James R. Garrison
Clifford C. Hill	SRA 872	345-5109	Clifford C. Hill
Gerald Gondrich	7509 OLD Harbor	333-5656	Gerald Gondrich
Kay Kogele	Box 10-1972 <sup>ANCH</sup>	345-3454	Kay Kogele
GEORGE PULLINS	Mi 54 1/2 Parks Hwy <sup>Wasilla</sup>	892-6521	George Pullins
Twanda Pullins	mi 54 1/2 Parks Hwy <sup>Wasilla</sup>	892-6521	Twanda Pullins
MARK SPOHN	5321 TUDOR TOP CR <sup>99507</sup>	344-1334	Mark Spohn
Linda Spohn	5321 Tudor Top Circle <sup>99507</sup>	344-1334	Linda Spohn
Otto Kogele	Box 10-1972 <sup>ANCH</sup>	345-3454	Otto Kogele
EDWARD SCHMIDT	8329 <sup>LAKE OTIS</sup> 99507	349-8480	Edward Schmidt
Linda Schmidt	"	"	Linda Schmidt
DAVE NIKA	Peters Creek	688-2788	Dave Nika
LORI NIKA	Peters Creek	688-2760	Lori Nika
JACK HAMILTON	Box 10-1972 <sup>ANCH AK</sup> 99501	345-3454	Jack Hamilton
JESLIE RULE	5906 SOUTH TAHITI <sup>BARLETT DR.</sup>	349-4793	Jeslie Rule
BEN RULE	1777 ANCH. AK.	344-5809	Ben Rule

TO WHOM IT MAY CONCERN

WE THE UNDERSIGNED WISH TO SUPPORT SENATE BILL 135 AS PENDING BEFORE THE RULES COMMITTEE. ALSO WE WISH TO APPOINT TIM GUNDERSON, PRESIDENT OF ATOOCA AS ARGUMENT IN THIS MATTER.

NAME	ADDRESS	PHONE	SIGNATURE
Elizabeth Lynn Wylie	4900 Kupreanof St.	344-4266	Elizabeth Lynn Wylie
Wou Jones	3264 Montclair Ct.	274-1330	Wou Jones
George W. Pefsch	3264 Montclair Ct.	274 1330	George W. Pefsch
PAT FAULKNERSON	4858 Kupreanof St. Anchorage	344-0373	Pat Faulkerson
Ralph Bowers	Box 165 Eagle River	694-2561	Ralph Bowers
NANCY Bowers	Box 165 Eagle River, Alaska	694-2561	Nancy Bowers
DON HILL	Box 155 Cordova Alaska	344-8170	Don Hill
Bob Hill	934 ORCA Anch. AK	272-9287	Robert Hill
Gordon Mahoe	Birchwood Joseph N. 9221 KAUIK	188-3615	Gordon Mahoe
Larry Schanders	Anchorage, Alaska 99502	243-5597	Larry Schanders
Jim Miller	Anchorage	345-2833	Jim Miller
Jack Brittan	SR 2 Box 5419 Chugiak Homestead Pl. Alaska 99564	699-9194	Jack Brittan
EARLE BEASLEY	5400 Cape St. Anchorage Alaska 99507	272-2047	Earle Beasley
JIM SMITH	Anchorage Alaska	265-9502	Jim Smith
Bob Now	629 E. 76th Anch. AK 99509	344-7863	Robert Now
Jack LOGGET	DeAngeles Rd. Anchorage	348-3751	Jack Logget
IRM SMITH	SR 2 Box 493C Anchorage 99504	345-5955	IRM Smith
Tony Shivers	5750 Glenn Highway #43	337-1403	Tony Shivers
Art Smith		275-6848	Art Smith
E.D. (Bud) Greene	1400 West 25th #8 Anch. 99503	277-2364	Bud Greene
Tim Buzinski	8021 Northwind Ave.	337-9672	Tim Buzinski
<del>Bob Smith</del>	<del></del>	<del></del>	<del></del>
Clyde Fish	2311 Sullivan Ave Anch.	24-1934	Clyde Fish
Nobel BAILEY	P.O. Box 814 - Eagle River 99577	688-2440	Nobel Bailey
Brenda Bailey	P.O. Box 814 - "	688-2440	Brenda Bailey
John ARSENALL	RD. Box 241 Chugiak Alaska 99567	345-6128	John Arsenall

TO WHOM IT MAY CONCERN

WE THE UNDERSIGNED WISH TO SUPPORT SENATE BILL 135 AS PENDING BEFORE THE RULES COMMITTEE. ALSO WE WISH TO APPOINT TIM GUNDERSON, PRESIDENT OF ATOOCHA AS OUR AGENT IN THIS MATTER.

NAME	ADDRESS	PHONE	SIGNATURE
JOSEPH D. RILEY	5906 SOUTH TAHITI LOOP ANCH AK <sup>99504</sup>	349-4793	Joseph D. Riley
GLENN PRINCE	3608 LOCARNO DR. ANCH. AK 99504	374-0375	Glenn Prince
CHARLIE PITCHER	3207 BOMI FORD <sup>99504</sup>	337-8284	Charlie Pitcher
George Nichols	7709 Duber <sup>99504</sup>	333-5085	George Nichols
DAN ENGLISH	4110 DEBARR #20 F ANCH AK 99504	337-4696	Dan English
WILLIAM O FORD	MI-23 OLD ANCH GLEN HWY	688-3897	William O Ford
DAVID W. SCHACHT	P.O. BOX 833 <sup>99508</sup> 3626 LORERD ANCH AK	344-8447	David W. Schacht
Miki P KUSH	1840 E 3rd ANCH 99504	337-5913	Miki P KUSH
LEON L. LAPKA	3820 BALCHEN DR. <sup>99503</sup> AK	243-0638	Leon L. Lapka
<del>CHARLIE E. BAKER</del>	<del>3207 BOMI FORD <sup>99504</sup></del>	<del>337-8284</del>	<del>Charlie E. Baker</del>
MARK E. THOMPSON	Box 33 Palmer, AK <sup>99503</sup>	745-4188	Mark E. Thompson
Theodore G Lesko	2930 Wiley Post, Anch AK <sup>99503</sup>	243-3175	Theodore G Lesko
HOWARD TILLINGHAST	SRA 2025 AA <sup>WASILLA</sup>	376-4120	Howard Tillinghast
Cal Mattingly	3520 Glendon	338-3106	Cal Mattingly
E. R. Overstreet	2984 BRANDYVIEW	242-3004	E. R. Overstreet
DARYL R SPAETH	BOX 8-705	333-2664	Daryl R. Spaeth
KONRAD E. MICHUR	2612 Glenwood	277-8436	K. E. MICHUR
MARK D. JEWICK	4507 MARS DR	344-5828	MARK D. JEWICK
Mark A Mitchell	SRA Box	345-0909	Mark A Mitchell
John A. Roberts	7010 DICKERSON	339-6833	John A. Roberts
MARVIN FRYE	410 No BLISS. anch.	276-1243	Marvin Frye
JIMMIE WALKER	1551 CREEKST	277-7773	Jimmie Walker
John W. Hood	1200 W. Diamond St	344-0117	John W. Hood
Chuck Adams	SRA 1553 Y	345-0371	Chuck Adams
Philip T. KUSH	3005 W 31st anch. AK. 99503	248-4870	Philip T. KUSH
Russ ISHIHARA	734E 11th APT. 3	278-4866	Russ Ishihara
Glen Fraser	1338 "F" ST. ANCH	279-4851	Glen Fraser
Richard Dufford	SRA 4327 <sup>99504</sup> 245-0997		Richard Dufford
Aaron Hood	P.O. Box 8469	337-3773	Aaron Hood
CANDY ALLENDER	2500 Douglas	248-2716	Candy Allender
P. B. Barber	9010 Noble Cir	248-2106	Phillip B. BARBER