

HJR

42

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. HJR 42

Revision Date: _____ Dept. Affected: Dept. of Transportation & PF
 Title: Relating to Regulation of Water Carriers BRU: Office of the Commissioner
 Serving Alaska _____ Component: Commissioner's Office
 Sponsor: House Transportation Committee
 Requester: House Transportation Committee COMPONENT SERIAL NO. 530

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

The Department of Transportation and Public Facilities supports the intent of this legislation. It is the desire of the department to have a Federal agency responsible for oversight and regulation of the shipping industry which integrally connects Alaska to the Lower 48 states.

This legislation has no anticipated fiscal impact to the State DOT&PF

Prepared by: Sam Kito III
 Division: Commissioner's Office
 Approved by Commissioner: [Signature]
 Agency: Department of Transportation and Public Facilities

Phone: 465-3904
 Date: 4/17/95
 Date: 4/18/95

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Alaska State Legislature

House of Representatives



Transportation Committee

SPONSOR STATEMENT

HOUSE JOINT RESOLUTION 42

Relating to regulation of water carriers serving Alaska.

House Joint Resolution 42 urges Congress to transfer the current regulatory system for water transportation between Alaska and the Lower 48 from the Interstate Commerce Commission to the United States Department of Transportation.

Congress is currently considering legislation that would repeal the existing authority of the Interstate Commerce Commission to regulate water carriers. Considering Alaska's significant dependence on water transportation, the abolishment of this regulating authority would eliminate the current forum for shipper complaints and tariff filing.

HJR 42 appears to have garnered wide support from both the shippers and their clients. It seems that this particular form of regulation has not been overly intrusive and benefits all parties concerned.

SeaLand

STUART R. BREIDBART

Sea-Land Service, Inc.
150 Allen Road
Liberty Corner, New Jersey 07938

Vice President, Law and
Regulatory Affairs
(908) 604-3202
(908) 604-3110 (Fax)

VIA FAX (907-465-3835)

April 7, 1995

Mr. Darin Morgan
Office of Alaska State Representative
Gery L. Davis

Re: Regulation of Carriers Serving Alaska

Dear Mr. Morgan:

Thank you for providing us with the opportunity to review the draft House Joint Resolution relating to regulation of carriers serving Alaska.

Confirming our telephone conversation, Sea-Land supports the proposal to transfer the current regulatory system for transportation between Alaska and the 48 contiguous states from the Interstate Commerce Commission to the U.S. Department of Transportation.

If you have any questions or if we can be of assistance, please contact me or Jim McKenna, our Alaska General Manager in Anchorage. Jim can be reached at 907-263-5600.

Sincerely,



SRB/bc

cc: ANCHORAGE - J. McKenna

LETTERS OF SUPPORT

Mailing Address: P.O. Box 2555, Elizabeth, New Jersey 07207
(908) 558-6000



TOTEM OCEAN TRAILER EXPRESS, INC.

1100 OLIVE WAY, SUITE 1100 • SEATTLE, WASHINGTON 98101

P. O. BOX 24908 • SEATTLE, WASHINGTON 98124

PHONE (206) 628-4343 • FAX (206) 628-9245

Robert P. Magee
President

March 8, 1995

The Honorable Don Young
United States House of Representatives
2331 Rayburn House Office Building
Washington, DC 20515-0201

VIA FAX 202-225-0425

Attention: Chris Fluhr

Dear Congressman Young:

I understand that the House Committee on Transportation and Infrastructure will soon be marking up legislation that could repeal all regulation of the Alaska trade. I believe this would be a serious mistake and urge you to support efforts to transfer the current regulatory system for Alaska from the Interstate Commerce Commission to the Department of Transportation.

TOTE is committed to serving the needs of Alaskans. Our Alaskan customers — particularly small businesses — tell us that they want to preserve tariff filing and the other essential elements of the current regulatory system in Alaska. Our customers are willing to pay a fair price for good service, and we believe we provide them with excellent service. Our customers also believe that the rates they pay should not be subsidizing someone down the street or across the ocean, and that publicly filed tariffs are the best way to achieve that objective. I have to agree with that.

I also agree with you that we do not need additional federal bureaucracy, but water transportation to Alaska is an area where there is a clear need and necessary role for the federal government. The ICC has provided regulation that has not been overly intrusive, but has assured fairness and provided a forum for shipper complaints. It should not be expensive to transfer the current system. There is no good reason that it should take more than one full time Department of Transportation employee to take over the entire system as it relates to Alaska.

Last fall TOTE supported the Alaska delegation in its successful efforts to retain tariff filing by water carriers in the Alaska, Hawaii, Puerto Rico and Guam trades, even though tariffs were eliminated in the lower-48. That was sound public policy then and it still is. I again urge you to preserve the current ICC regulatory system for Alaskans and to transfer it to the Department of Transportation. Please contact me if you have any questions or if I can provide you with any additional information.

Very truly yours,


Robert P. Magee
President & CEO

ALASKA MOVERS ASSOCIATION

340 MINNESOTA DRIVE, ANCHORAGE, ALASKA 99503

April 9, 1995

Honorable Don Young
United States House of Representatives
2331 Rayburn House Office Building
Washington, DC 20515-0201

Attn: Chris Fluhr

Dear Congressman Young:

The Alaska Movers Association (AMA) is concerned about the planned demise of the ICC as it relates to the regulation of water carriers in the Alaska trade.

The AMA represents agents and van lines serving the Alaska moving industry. The majority of its members are small Alaska owned businesses.

We are concerned because of the oligopolistic market power of the two major water carriers and their ability to manipulate freight rates without proper governmental checks.

The ICC has required the filing of tariffs by Sealand and TOTE and this process has to some extent prevented oligopolistic market price control by these carriers.

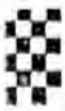
We believe that both carriers are good corporate citizens and that neither one intends to abuse their economic power. However, we feel that some tariff protection is in the best interests of the Alaska consumer. The ICC has provided industry with the legal protection necessary to publish tariffs and we feel that this is still important for Alaska.

We believe that these functions of the ICC can be given to the FMC or the DOT and we would appreciate your looking into it.

Sincerely,

Greg Wakefield,
President

cc: Jeff Keck, TOTE



Anchorage Cold Storage Company

A DIVISION OF THE ODOM CORPORATION

Fine Foods and Beverages

140 WEST FIRST AVENUE
P.O. BOX 180096
ANCHORAGE, ALASKA 99509
907 272 2511

12908 SPOKA HIGHWAY
P.O. BOX 2100
ANCHORAGE, ALASKA 99511
907 283 6985

501 ENTERPRISE ST
ANCHORAGE, ALASKA 99507
907 576 1090

April 10, 1995

Honorable Ted Stevens
United States Senate
522 Hart Building
Washington, DC 20510-0201

Dear Senator Stevens

I am writing you to urge opposition to any legislation that would repeal ICC regulations of water carriers in the Alaska trade.

The Odom Corporation does business throughout the entire state of Alaska depending on water freight carriers in one form or another to get these goods from the lower 48. To Anchorage alone we receive as many as 75 van loads a week from Tacoma. As you can imagine, freight cost affects the bottom line of our business. You may or may not know that in the late '50's my father, Mill Odom, got involved and later owned the Alaska Freight Lines Company. His purpose in doing this was to prevent the Alaska Steam Ship Company from having a lock on the majority of the business in the freight coming to Alaska, and he didn't want to be at the mercy of one shipping company.

I'm afraid without ICC regulations that the larger of the two dominant freight haulers would undercut freight rates to a point where the lesser freight company could not operate profitably. This may leave us in the unfavorable position of having only one major shipper servicing Anchorage. On the other hand, it could be argued that the shippers could raise prices to whatever the market would bear. This could be just as devastating a situation - not just for wholesalers like myself paying higher freight rates - but retailers and consumers paying as well. When there's only two major players in the market, it doesn't leave you with any other alternative but to pay their asking price.

I hope you take all this into account when considering your vote on any legislation regarding ICC.

Sincerely,

ANCHORAGE COLD STORAGE COMPANY

William L. Odom
Executive Vice President

WLO/mj

Received Time Apr 12 12:22PM

ALASKA TRUCKING ASSOCIATION, INC.

3443 Minnesota Drive • Anchorage, Alaska 99503 • PHONE (907) 276-1148 • FAX (907) 274-1846

April 12, 1995

Hon. Don Young
United States House of Representatives
2331 Rayburn House Office Building
Washington, DC 20515-0201

Attn: Chris Fluhr

Dear Congressman Young, "Mr. Chairman":

I am writing on behalf of the three-hundred companies that represent the membership of Alaska Trucking Association. The purpose of this letter is to encourage you to oppose any legislation that would repeal ICC regulation of water carriers in the Alaska market.

The goods needed by Alaskans, are brought up by ships and distributed by trucks throughout the state of Alaska. Alaska Trucking Association members deal on a daily basis with all the major water carriers in the state. It is our belief as an association that the lack of ICC oversight would be detrimental to the citizens and the economy of Alaska.

Transportation's systems do not fair well under conditions of unbridled competition. The overall importance of transportation would seem to indicate oversight of such transportation operations as a legitimate government function.

The filing of tariffs and the fact that there is someone for a small shipper or tractor to turn to if there is a dispute further bolsters the argument for continued ICC oversight.

Please have your staff contact me Don if I can be of any further assistance on this issue and again please oppose any legislation that would repeal ICC regulation of water carriers in the Alaska market.

Sincerely,



Frank J. Dillon
Executive Director,
Alaska Trucking Association

P.S. If it cannot continue to be regulated by I.C.C. perhaps there is another existing agency that could shoulder the task?



Received Time Apr 3 9 19AM

Carlile

CARLILE ENTERPRISES, INC.

1524 Ship Avenue • Anchorage, AK 99501 • (907) 276-7797

Speaker Gail Phillips
Alaska House of Representatives
State Capital
Juneau, Alaska 99801

Dear Gail:

I enjoyed visiting with you last week and appreciate the time you set aside for us. You may recall asking me about a resolution proposed by Mr. Bob McGee of Totem Ocean Trailer Express, which would support a federal effort to transfer the regulatory system of tariffs from the Interstate Commerce Commission to the Federal DOT when the ICC goes away. This would apply to Alaska and Hawaii which are served via ship.

After discussions with various shippers and other transportation people, I feel that this would be good for Alaska and urge you to pass the resolution proposed by T.O.T.E. If I can be of any help please give me a call. The ATA board had not met as yet and while I anticipate their position will be the same this letter is from my company only. Thanks again for your support of Transportation.

Sincerely,



Harry McDonald
President

Seattle

Received Time

Apr. 3. 3:18PM

Ward • Fairbanks

• Prudhoe Bay

Wrightway Auto Carriers, Inc.

101 West Whitney Road
Anchorage, Alaska 99501
(907) 277-4549 Fax (907) 272-7570

Hon. Don Young
United States House of Representatives
2331 Rayburn House Office Building
Washington, DC 20515-0201

Attn: Chris Fluhr

April 3, 1995

Dear Congressman Young,

I am writing to urge you to oppose any legislation that would repeal ICC regulation of water carriers the Alaska trade.

Wrightway Auto Carriers is a vehicle transportation company. We are the largest delivery service of new units to dealerships as well as movement of vehicles for corporate moving companies and personally owned vehicles in the state of Alaska. Sea-Land and TOTE are the water line carriers for 100% of our interstate service and a large portion of our intrastate service. ICC regulation keeps the carriers honest. They have been fair most of the time, but we were glad that the Mayor of Anchorage could go to the ICC last spring and get the carriers' attention. We think the Mayor's action was very successful in keeping rates down, and are afraid that without the ICC there would be nothing to stop Sea-Land and TOTE from charging whatever the market would bear.

Wrightway is under cost sensitive freight requirements by all of the major manufacturers (i.e., Ford, Chrysler). The carrier of today must also meet strict standards on new equipment requirements and standards set forth by manufacturers for safety along with the DOT. If congress abolishes the ICC, what will happen to tariffs? What would prevent the big shippers from demanding low rates and forcing the carriers to increase rates to small shippers like us? It is hard enough to stay alive as a small business today. Taking away tariffs and the ICC would make it even harder for us to stay in business.

We are in favor of reducing the federal budget, but do not see how it could cost very much to maintain tariffs and be a watch dog over the carriers. Without the ICC we bet we'd pay more in freight rates than the taxes we would save by repealing regulation. The system we have today works well for us and is worth every penny. We hope you will work to make sure it continues to work for all of us in Alaska.

Very truly yours,

William F. Wright, President

WFW/km

Received March 31 1995

Identical letters sent to
Muskowski
Young
Knobles
Ingram

LYNDEN

April 3, 1995

Lynden Incorporated
1029 W. Third Ave., Suite 150
Anchorage, Alaska 99501-1901
(907) 279-7500
Fax: (907) 279-8690

Honorable Ted Stevens
United States Senate
522 Hart Building
Washington, D.C. 20510

Re: Elimination of the Interstate Commerce Commission (ICC)

Dear Senator Stevens,

We understand that legislation is pending that would eliminate the ICC. The result would be unfortunate for the shipping public and the motor and water carriers in Alaska.

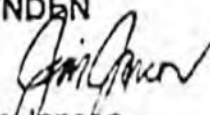
The current system provides for published tariffs, a degree of control and stability and a process for complaints and investigation.

If the ICC is in fact eliminated, I urge your support of alternative regulations or transfer of these functions to the Department of Transportation.

Thank you for your consideration

Sincerely yours,

LYNDEN


Jim Jansen
President

JJ:am

Received Time Apr 3 3 37PM

ALASKA RAILROAD CORPORATION



Corporate Address: P.O. Box 107500, Anchorage, Alaska 99510
327 W. Ship Creek Avenue, Anchorage, Alaska 99501

Executive Office
(907) 263-2403
Fax (907) 259-1456

March 27, 1995

The Honorable Don Young
United States House of Representatives
2331 Rayburn House Office Building
Washington, D.C. 20515-0201

Dear Congressman Young

It has come to my attention that federal legislation is pending which may eliminate the Federal Maritime Commission. The net result of this action will be to remove any regulation of the domestic water carrier trade between the lower 48 and points in Alaska.

It would be unfortunate to eliminate all regulation of water carriers in the Alaska trade. The current system involving published tariffs provides a certain level of predictability that benefits shippers and consumers. Complete deregulation of water carrier transportation may, over time, create unneeded instability and have other detrimental impacts.

Accordingly, I urge your support to maintain these arrangements, or to adopt an alternative proposal transferring regulation of water carriers in the Alaska trade to the U.S. Department of Transportation.

Thank you for your consideration of these views. Please give me a call if you have any questions.

Sincerely,

Robert S. Hatfield, Jr.
President & CEO

cc. ARRC Board Members



Northern Meats, Inc.

P.O. BOX 190518
ANCHORAGE, ALASKA 99519-0518
PHONE: (907) 561-1729

April 5, 1995

The Honorable Don Young
U.S. House of Representatives
2331 Rayburn House Office Bldg.
Washington, D.C. 20515-0201

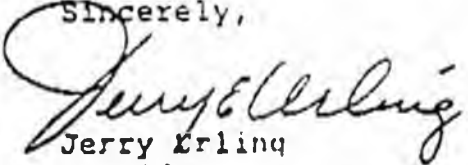
Dear Congressman Young:

I am writing to request your involvement and support in opposing the current bill undergoing markup in the House that would eliminate the I.C.C. and eliminate regulation of the water carriers serving the Alaska trade.

My company, Northern Meats, needs some regulation of the Alaska trade as it helps keep me competitive and provides a safety net for me as a small shipper.

It appears that the I.C.C. will be eliminated but I urge you to support the transfer of the regulatory functions pertaining to Alaska to the Dept. of Transportation.

Any support you can provide in this effort is appreciated.

Sincerely,

Jerry Erling
President



ANCHORAGE INDEPENDENT LONGSHORE UNION, LOCAL NO. 1

BOX 10 2092 ~ TEAMSTERS MALL
ANCHORAGE, ALASKA 99510

April 5, 1995

Honorable Don Young
United States House of Representatives
2331 Rayburn House Office Building
Washington, D.C. 20515-0201

Dear Congressman Young,

This is written to ask you to oppose any legislation that would repeal federal regulation of water carriers in the Alaska trade.

I represent the Anchorage Independent Longshore Union Local #1. Our membership totals 400 workers in the State of Alaska. Most of our members are employed by both TOTE and SEALAND as an essential part of their work force.

ICC regulations assist in maintaining honest competition by enforcing tariff filing and other essential elements of the regulatory system for our State. Our workers, who are also consumers in the Alaska economy, demand fair prices for the goods they buy; fairness that is insured by a regulated transportation system.

Although I am in favor of reducing the federal budget, I don't see how it could cost very much to maintain tariffs and be a watchdog over the carriers. It should not be expensive to transfer a portion of the current system as it relates to Alaska regulations to another federal agency such as the D.O.T.

The current system works well for me and my members, and is worth every penny. I hope you will work to make sure it continues to work for all of us in Alaska.

Sincerely,

Robert A. Witt Jr.
Business Manager/Financial Secretary
Anchorage Independent Longshore Union

RAW/llw

cc: See Attachment



General Teamsters Local 959 State of Alaska

Affiliated with the International Brotherhood of Teamsters

ANCHORAGE, ALASKA 99501 4500 BUNIFACE PKWY (907) 269-4122 FAX (907) 337-4668 GERALD L HOOD (Secretary/Treasurer)

FAIRBANKS, ALASKA 99707, P.O. Box 70200 (907) 452-9959 FAX (907) 458-8651
JUNEAU, ALASKA 99801, 308 Willoughby, (907) 588-3225 FAX (907) 586-1227

April 6, 1995

Honorable Don Young
United States House of Representatives
2331 Rayburn House Office Building
Washington, DC 20515-0201

Dear Congressman Young:

I am writing to urge you to oppose any legislation that would repeal ICC regulation of water carriers in the Alaska trade.

I represent Teamsters Local 959, whose statewide membership totals 7,000 workers in the State of Alaska. Many of our members are employed by both TOTE and SeaLand as an essential part of their work force.

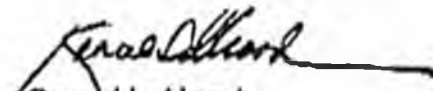
I believe that ICC regulation maintains honest competition by enforcing tariff filing and other essential elements of the regulatory system in our State. Our workers, who are also consumers in the Alaska economy, demand fair prices for the goods they buy; fairness that is insured by a regulated transportation system.

I am all in favor of reducing the federal budget, but I don't see how it could cost very much to maintain tariffs and be a watchdog over the carriers. It should not be expensive to transfer a portion of the current system as it relates to Alaska regulations to another federal agency such as the D.O.T.

The system we have today works well for me and my members and is worth every penny. I hope you will work to make sure it continues to work for all of us in Alaska.

Very truly yours,

TEAMSTERS LOCAL 959


Gerald L. Hood
Secretary/Treasurer

/w/

Received Time Apr. 6 12:18PM



Anchorage Star of the North
Chamber of Commerce

Anchorage Chamber of Commerce
ICC Resolution
94/95 -14

WHEREAS both President Clinton and the leaders in Congress support legislation to abolish the Interstate Commerce Commission (ICC), and such legislation seems likely to pass Congress in the near future; and

WHEREAS the ICC regulates interstate marine transportation to and from Alaska, as well as interstate trucking in the Lower 48; and

WHEREAS the expected benefits of deregulation coming from the abolition of the ICC will in fact come about chiefly through increased competition; and

WHEREAS the market for interstate marine transportation to and from Alaska is too small to attract significant new competition if there is deregulation of that market, and this in turn means that the market for interstate marine transportation to and from Alaska is likely to continue to be dominated by the same two marine transportation carriers that currently dominate it;

WHEREAS the small interstate shippers to or from Alaska are likely to suffer under deregulation of the interstate marine transportation market to and from Alaska, since there will be no regulatory body to which they can turn to protect their interests and there will be inadequate competition for their business to allow them to protect their interests on their own by pitting one carrier against another for their business;

WHEREAS it is anticipated that federal regulation of interstate marine transportation to and from Alaska, including all associated tariff filing costs will be held to an absolute minimum if this regulation were transferred to the U.S. Secretary of Transportation when the ICC is abolished;

Post-Net Fax Note	7671	Date	4/2/95	# of pages	2
To	Cindy	From	201 Helgerson		
Co./Dept	ETS	Co	ICC		
Phone	205-7232	Phone	272-2401		
Fax	272-0461	Fax	272-617		

RECEIVED TIME APR 12 12 34 PM '95

NOW, THEREFORE, BE IT RESOLVED by the Anchorage Chamber of Commerce:

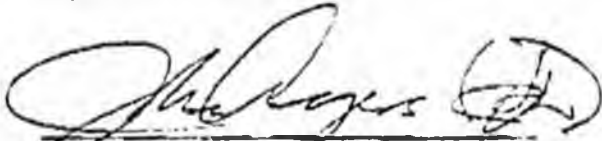
1. That the chamber supports the abolition of the Interstate Commerce Commission provided its regulatory functions over interstate marine transportation are preserved and transferred to the U.S. Secretary of Transportation or similar federal official;

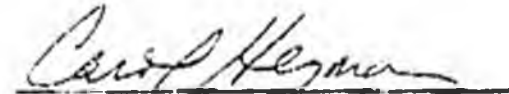
2. That the chamber respectfully asks the Alaska Congressional Delegation to strive to ensure the transfer of the ICC's regulatory functions over interstate marine transportation to the U.S. Secretary of Transportation or similar federal official when the ICC is abolished;

3. That the chamber respectfully asks the Alaska State Legislature and the Municipality of Anchorage to adopt resolutions supporting the transfer of the ICC's regulatory functions over interstate marine transportation to the U.S. Secretary of Transportation or similar federal official when the ICC is abolished, and to transmit copies of such resolutions to Alaska's Congressional Delegation as soon as possible, inasmuch as Congressional action on the legislation is likely to come quickly; and

4. That copies of this resolution be transmitted forthwith to the Alaska Congressional Delegation, to the Alaska State Legislature, to the Municipality of Anchorage, and to the press.

Approved on April 7, 1995


John Ayers 1994-95 Chairman


Carol Heyman, President



MARCH 30, 1995

Hon. Don Young
United States House of Representatives
2331 Rayburn House Office Building
Washington, DC 20515-0201

Attn: Chris Fluhr

Dear Congressman Young,

I am writing to urge you to oppose any legislation that would repeal ICC regulation of water carriers for the Alaska trade.

Alaska Fish and Farm Products is in the Foodservice Distribution business in Alaska and has been for over 50 years. We ship food products to Anchorage weekly via TOTE. The shipping is all done via water transport. This is the least expensive way to ship and the most expedient. We like most any other shipper rely on carriers like TOTE and Sea-Land for all of our freight to Alaska.

ICC regulations provide two very important items to shippers, first, it keeps the carriers honest; second, it provides a place for a small company to go to in the event of a problem with the carrier. If all that ICC does is abolished then it will force us to use the already over burdened court system to resolve a problem.

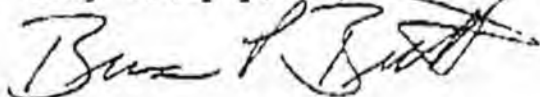
In Alaska we have been fortunate by having localized government be responsive to concerns with costs of the carriers. Last spring the Mayor of Anchorage was successful in helping to keep rates down but only because there is a printed tariff. Without the ICC this market will explode into a free for all in the shipping trade. If other carriers moved into the market we might see some lower prices. But for only a short period of time. Ultimately the shippers would suffer. If only TOTE and Sea-Land remain to be the only carriers for Alaska they would have virtually a free rein in terms of pricing because there would longer be a published tariff.

With the existing ICC regulations the carriers are required to file tariffs indicating the costs of shipping for everyone. The tariffs ensure that regardless as to how big or small a company you are you know what the rates are and that they are guaranteed. Not all company's receive the same rates as not all company's ship the same volume but we must at least know that we are all treated fairly

based upon on usage. In other words there is a level playing field. If Congress abolishes the ICC, what will happen to the tariffs? What would prevent the big suppliers from demanding low rates and forcing the carriers to increase rates to small shippers like me? It is difficult to stay alive as a small business today. Especially with the national firms doing business in our market.

I am all in favor of reducing the federal budget. I believe that it would not cost much and would be a greater value overall to continue the work of the ICC for the water shipping from Washington State to Alaska. Without the ICC I am confident that I would pay more in freight rates than the taxes I would save by repealing this regulation. This is one system that has proven to work. I hope you will work to make sure it continues to work for all of us in Alaska.

Very truly yours,



Brian P. Britt
General Manager



March 31, 1995

Hon. Don Young
United States House of Representatives
2331 Rayburn House Office Building
Washington DC 20515-0201

Dear Congressman Young

The purpose of this letter is to request your support in opposing the current House Bill or any future legislative act, that would repeal ICC regulation of water carriers in the Alaskan market.

Matanuska Maid Dairy is one of only a few manufacturers in Alaska and as such, depending on reliable, most effective freight relationships with both Sea Land and Totem Ocean Eastern Express. Without the ability to access reasonable freight rates on raw materials for fishery products, manufacturing in Alaska will be most difficult, maybe even impossible. Interstate Regulation by ICC helps promote honesty in the freight business, thereby ensuring that the Alaskan market, competition is limited and some oversight of that

Matanuska Maid Dairy ship a lot of freight, we would not be considered a large slupper. We need to show that the "rules" of the "game" are identified. We have found negotiations with the water carriers. If legislation were enacted that would eliminate the tariff concept? What power will smaller manufacturers have in obtaining fair and reasonable freight rates? I am concerned that without a neutral third party, confusion will result.

**Alaska's Freshest
Dairy Products**

814 West Northern Lights Blvd
Anchorage, Alaska 99503

P.O. Box 89015
Anchorage, Alaska 99508-8015

Tele. (907) 561-6223 Fax# (907) 553 7492

Received Time: Apr 3 8:24AM



The federal budget needs attention. I am sure that many programs can be eliminated to reduce costs and not cause a burden to society. However, I believe that the ICC provides a valuable service to the Alaska freight market, and doubt that the dollars saved through taxes will offset the increases that we will pay in increased freight charges.

Sincerely,

Joseph W. Van Treeck
President

cc: Hon. Ted Stevens
Hon. Frank Murkowski
Hon. Tony Knowles
Hon. Rick Mystrom

/md