LIST OF FILES

2011-2012
HOUSE TRANSPORTATION COMMITTEE
LIST OF FILES (PAGE 1)

1/25/11	OVERVIEW: DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES BY MARC LUIKEN
1/27/11	OVERVIEW: ALASKA RAILROAD CORPORATION
1/27/11	PRESENTATION: PORT OF ANCHORAGE
2/01/11	PRESENTATION: KNIK ARM BRIDGE & TOLL AUTHORITY AND ALASKA MOBILITY COALITION
2/01/11	PRESENTATION: PORT MACKENZIE RAIL EXTENTION
2/08/11	PRESENTATIONS: MARINE TRANSPORTATION ADVISORY BOARD AND ALASKA MARINE HIGHWAY
2/22/11	CONFIRMATION OF MARC LUIKEN, COMMISSIONER DOT & PF
3/17/11	PRESENTATION: ALASKA RAILROAD CORPORATION, NORTHERN RAIL EXTENTION
3/22/11	OVERVIEW: ALASKA MOOSE FEDERATION
3/31/11	PRESENTATION: DENALI COMMISSION
4/07/11	PRESENTATION: STATE TRANSPORTATION IMPROVEMENT PLAN AND ROADS TO RESOURCES PROGRAM
2/16/12	PRESENTATION: ALASKA MOBILITY COALITION
HB 10	
HB 22	
HB 35	
HB 57	
HB 62	
HB 64	
HB 95	
HB 102	

2011-2012
HOUSE TRANSPORTATION COMMITTEE
LIST OF FILES (PAGE 2)

HB 115

HB 128

HB 131

HB 157

HB 158

HB 212

HB 213

HB 214

HB 235

HB 246

HB 248

HB 249

HB 255

HB 258

HB 270

HB 271

HB 321

HB 345

SB 95

SB 108

SJR 6

1/25/11 OVERVIEW: DEPT. OF TRANSPORTA-TION & PUBLIC FACILITIES BY MARC LUIKEN

<TARGET><BILL></BILL><SUBJECT>1-25-11 OVERVIEW DEPARTMENT OF TRANSPORTATION and PUBLIC FACILITIES BY MARC LUIKEN</SUBJECT><COMM>HTRA27</COMM></TARGET>

House Transportation Committee

Alaska State Legislature

House of Representatives

Representative Peggy Wilson - Chair

Agenda Week of January 24, 2011

Tuesday, January 25, 2011 **1:00-3:00 p.m.**

House Resources Committee Room 124*

DOT/PF Overview – Marc Luiken Commissioner, Department of Transportation/Public Facilities

Thursday, January 27, 2011 **1:00-3:00 p.m.**

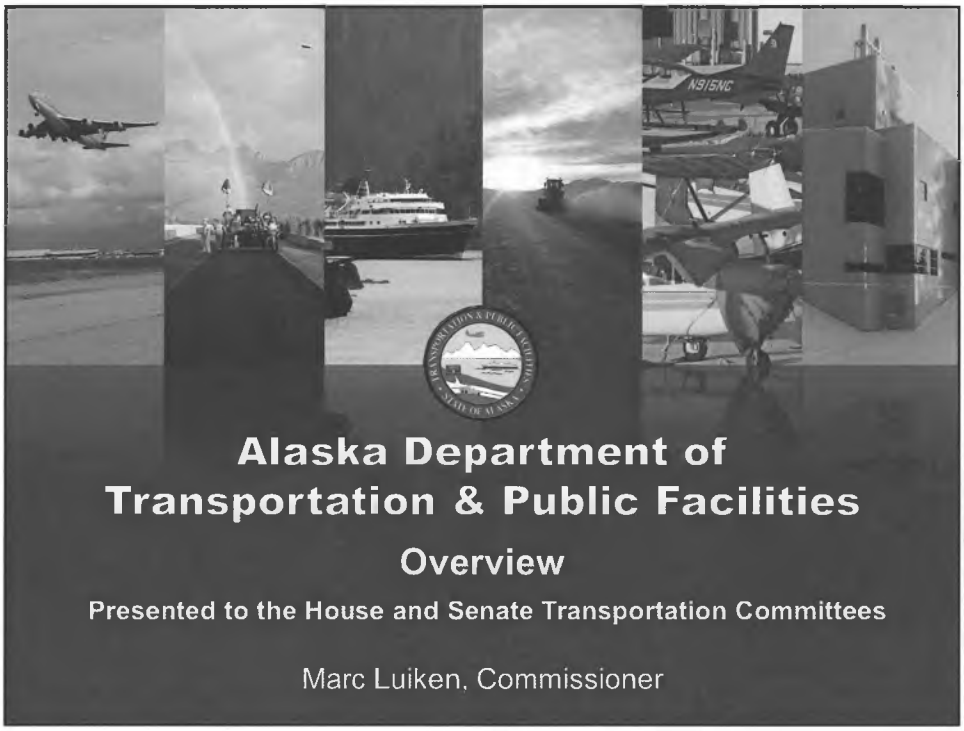
House Resources Committee Room 124*

Alaska State Railroad Overview – Chris Andnesen, President and Chief Executive Officer, Alaska State Railroad: Bill O'Leary, Chief Financial Officer, Alaska State Railroad: Tom Brooks, Chief Engineer, Alaska State Railroad.

Port of Anchorage – Governor Bill Sheffield, Director, Port of Anchorage

***< Note new location >**

Alaska State Capitol, Room 406 • Juneau, Alaska 99801
(907) 465-4858 phone • (907) 465-3175 fax



Alaska Department of Transportation & Public Facilities

Overview

Presented to the House and Senate Transportation Committees

Marc Luiken, Commissioner

Mission

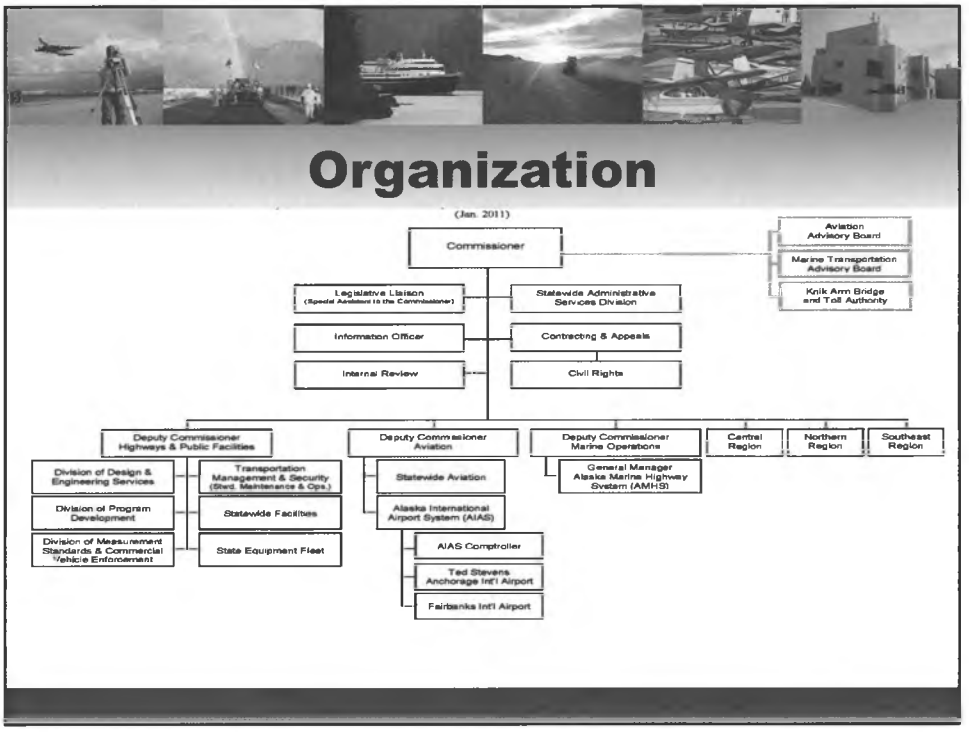
to provide for the safe and efficient movement of people and goods and the delivery of State services

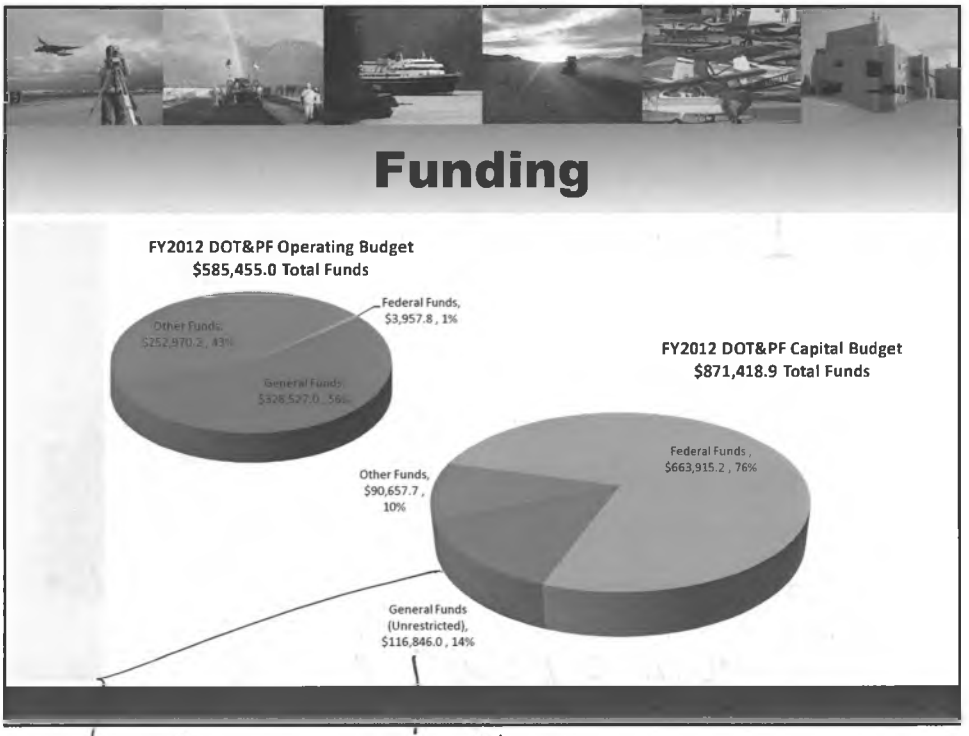
Vision

- Trusted performance-driven organization
- Collaborating with internal and external partners
- Delivering an efficient multi-modal transportation system and public facilities
- Enhancing the quality of life for Alaskans
- Promoting economic resource development

Values

- Integrity
- Transparency
- Outstanding service provided by
  - Continually developing our skills, tools, expertise
  - Developing internal/external relationships
  - Pioneering spirit: innovative ways of doing business
  - Adapting rapidly to opportunities and challenges
  - Quality work force





what portion are Fed leverage or match

Same if we had a dedicated fund w/ IB allocation to start -

Project Prioritization

- Safety
- Asset Management System
  - Pavement, bridges, airports, ferries, transit, maintenance
- 2030 Long Range Transportation Plan
  - Regional Transportation Plans
- Aviation Improvement Program (AIP)
- State Transportation Improvement Program (STIP)

Governor's Priorities

- Jobs ⊥ $500M in contracts last yr.
- Safety
- Roads to resources
  - Foothills West – road to Umiat
  - Western Access
  - Ambler mining district access
- Deferred maintenance
  - 27M in Gov's budget for this

Road to Nome?

Successes

Gustavus Causeway finished

Landslide on Taylor Hwy

Used all Stim. funds

Two runways in Barrow

Tanana Bridge Start 2007 open 2010

Hoonah dock done Terminal will slip to 2/11

Village Model Partner w/ DOD

Direct Svc to Denver & Fairbanks

Europe flts Winter Only

Fuel mgmt to vessels

Jet Blue ANC/Norge to LA

Re authorization not funded 4 May current funding/Continuing resolution well expire

Challenges

- Needs exceed resources
- Federal funding/process
- Recruitment retention
- AMHS
- Natural Disasters

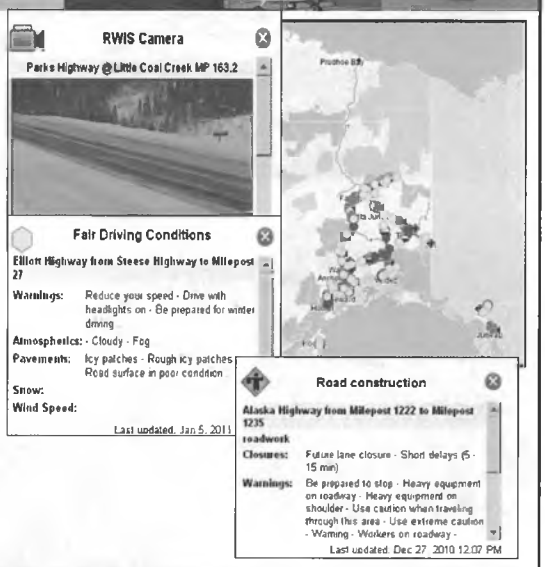
511Alaska.gov

Current Information on Alaska's Roadways

- Weather Cameras
- Weather Watches
- Road Construction
- Future Construction
- Incidents
- Driving Conditions
- Available by Phone or on the web

Project Description Project

GOV DELIVERY



Questions?

needs ↑ $
Contracting? design?

Lynn Hyway → waiting for court ruling

DOT Overall

1. Where does the department stand with regards to Regional Transportation Planning Organizations?

2. What happened with collaborations between the railroad and DOT regarding the costs of maintaining railroad crossings?

3. P. 4 Amber road

AMHS and Ports and Harbors

3. Could you talk a bit about how involved the state DOT is with the federal DOT coordinating and designating marine highway corridors? ARTIC

4. Please give us a status update on the negotiations between DOT and City of Prince Rupert about the railroad land that is critical part of the existing terminal facility 4g Term lease

5. Did the work get completed on the Hoonah Ferry Terminal as scheduled Jan 2011?

6. What is the status of the Haines ferry terminal upgrades? EIS Feb

7. I read that rural Alaska has come together and produced and single unified list of needed appropriations for ports and harbors. Have you seen the list? Has your department been working with the Denali Commission and the Corps of Engineers to put together one prioritized lists. If so can this committee have a copy of that list?

8. Rep. Wilson would like 2 maps of AK. One with our state owned harbors and one with all the state owned airports. It could be the same map with different designators. **Done**

9. Can we get an overview of the recent changes in the STIP?

Aviation

10. Ketchikan Borough is operating the KTN airport at a loss. They are requesting help from the state. What is the departments stand on this issue?

11. Can you give us the status of the request to expand the airport service hours of Bethel Airport.

12. Cost v Aviation Fuel

13

1. Where does the department stand with regards to Regional Transportation Planning Organizations.

The Department recognizes that there may be legislative discussions about this but at this point we have developed a position.

2. What happened with collaborations between the railroad and DOT regarding the costs of maintaining railroad crossings.

Frank Richards, Howard Thies and Randy Vanderwood met with the railroad during summer 2010. The RR refused to discuss a maintenance agreement at that time (RR attorneys were not present). It was agreed that crossing repair projects would be submitted as capital requests with coordination with the RR on priorities. Central Region did submit RR improvement capital requests for the FY12 budget process. I do not believe they were to be included in the Governor's budget (?). No other action has taken place in CR.

3. Could you talk a bit about how involved the state DOT is with the federal DOT coordinating and designating marine highway corridors.

DOT&PF and the Governor worked actively to get the Alaska Marine Highway System corridor to be a part of this. The M-5 alaska marine highway connector to the m-5 west coast corridor includes all of the AMHS system from bellingam to Dutch. Jim Beedle and John Falvey were in DC talking about it, as did Frank Richards and Jeff Ottesen. The governor sent a letter. This makes AMHS eligible for federal assistance under the "America's Marine Highway Program" but does not guarantee. This is an iniative to move more cargo on the water rather than on the crowded highways.

4. Can you give us the status of the request to expand the airport service hours of Bethel Airport.
5.

CR M&O has provided the commissioner's office with requested information pertaining the expanded hours of operation.

6. Please give us a status update on the negotiations between DOT and City of Prince Rupert about the railroad land that is critical part of the existing terminal facility
7. The Canadian National Railroad (CNRR) had taken the position that they could only grant a 5 year lease term which is insufficient to secure federal funding. The Prince Rupert Port Authority

assisted us in getting the CNRR to reconsider. After further consideration and our paying for an engineering report assessing impacts to their operations they indicated that they are now willing to grant us a long term lease for the portion of the Prince Rupert terminal located on its property. The solicitation for appraisal services closes Wednesday of this week so we anticipate having two contracts in place by the end of the week. The appraisal process is estimated to take two months, after which we will be in a position to make both the CNRR and the Port Authority an offer to purchase long term leases.

8. Did the work get completed on the Hoonah Ferry Terminal as scheduled Jan 2011?

No the Hoonah Ferry Terminal Building is a bit behind schedule. Indications are not much more than a month.
Will need to discuss other SE questions with project managers in the am on the other issues.

9. What is the status of the Haines ferry terminal upgrades?
10. We anticipate getting the environmental process started on this project in February 2011 (next month). The project is being designed in two phases; (1) replacement of the sheet pile cells and (2) construction of a new end loading facility to handle the Alaska class Ferry. Phase 1 is currently anticipated to go to bid in Dec 2011.

11. I read that rural Alaska has come together and produced and single unified list of needed appropriations for ports and harbors. Have you seen the list? Has your department been working with the Denali Commission and the Corps of Engineers to put together one prioritized lists. If so can this committee have a copy of that list?

12. Rep. Wilson would like 2 maps of AK. One with our state owned harbors and one with all the state owned airports. It could be the same map with different designators.

Done and sent to her.

13.
14. Can we get an overview of the recent changes in the STIP?

Attached

11 Has DOT thought about helping the city and borough of Ketchikan with it's losses of $400 per year for the operations of the airport. We hear the City and Borough of Ketchikan are thinking about giving the operations back to the state. Briefing paper attached

Marc knows this answer

Manley Airport is scheduled to advertise January 26, 2011. Bids are scheduled to be opened on February 10, 2011. The timeline for the project is at the contractors discretion, but there is the possibility that the contractor who wins the bid will complete clearing, ditch work and develop a material site on the Tanana River before break-up. The project completion date is October 31, 2013.

Funding for this project is all from the FAA, but from two separate grants. Because of these separate grants the project will be bid as one project, but built in phases. The 1st phase is to clear, ditch and place embankment material at the airport. The 2nd phase is to surface runways and taxiways, install airport lighting, construct a float plane facility and construct a snow removal equipment building.

Alaska Ports and harbor study
DOT&PF received $250K from the Legislature (SLA 08/29/7/18) to fund a joint Alaska Regional Ports and Harbor study with the Corps of Engineers. Although the Denali Commission didn't contribute funding to the study, they were included throughout the process and provided input to the study. The study started in January 2008 and concluded with the November 18, 2010 ports and harbor conference in Anchorage. The study:

1. Analyzed global trends and the Alaska transportation network
2. Made a baseline assessment of Alaskan ports and harbors
3. Conducted a 2010 harbormaster survey
4. Conducted a 2010 rock quarry material sources study to reduce costs (the cost of rock is a major construction item for harbor projects).
5. Proposed policies, strategies and actions to overcome port and harbor development obstacles and to improve federal, state, and local government interaction.

6. Developed a 900 plus project need list with input from communities, DOT&PF, USACE, and the Denali Commission.
7. Identified the need for the federal government and the State of Alaska (all departments) to make to commitment to regional hubs, i.e. a "hub and spoke" system for schools, fuel and tank farms, economic development, and the transportation system (central airport, central port or harbor, connecting roads to nearby villages and communities).

Resurfacing of the Parks Highway MP 83-90. Huggins could ask

- DOT scoped the resurfacing project in 2007 and evaluated the accident data, moose collision data, and traffic counts. At that time, the only numbers that were outside "normal ranges" were the moose collision numbers, but they were not that far off. None of the date warranted changes in the current road geometry.

- Two community open houses have been held, along with 2 meetings with the Upper Susitna Community Council.

- DOT has bid documents ready to advertise. Any change in scope would result in a year's delay, due to construction timing.

- The public has requested that DOT reevaluate the project scope to include, among other things, a pedestrian pathway, widening, and turn lanes at Parks and Hidden Hills Road(in the vicinity of Sheep Creek Lodge).

- DOT has hired a consultant to re-evaluate the data from the past couple of years. That info should be ready in rough draft at the end of the week. I have asked for a copy of that information for you when it becomes available.

- DOT is considering submitting a pedestrian pathway project for separate scoring by the DOT PEB.

- DOT is willing to work with the community on the clearing and may not need to clear the entire ROW from MP 90-99, depending on the moose collision data.

- Jim Amundsen will brief the Upper Susitna Community Council on February 3.

- I have a call in to Assemblymember Vern Halter regarding a meeting on February 5 while you are back in district.

SUCCESSESS

Gustavus Causeway – our 1st ARRA project to breakground – provides increased access for the community and allows AMHS to now provide service that will start this spring/summer.

AMHS –

- passenger traffic over 3% increase over 2009 and vehicle traffic up 2% and is the highest level sicne 1992. Remember this is during a down economy.
- Fuel saving – Aurora and Tustumena seeing about 12%. Columbia, Mat and Kennecott excpect greater savings as they are traveling greater distances allowing for the fuel management systems to provide the greatest effeciencies.

Tanana River Bridge

This summer construction on the new Tanana River Bridge, Alaska Highway milepost 1303, was completed and opened to traffic. NR started the design in the fall of 2007 for the, $30 million dollar project. It replaces an old span bridge that limited the size of loads that could be trucked into or out of Alaska and realigns a mile of highway to match the approaches on the new bridge. The Alaska Highway is the only overland route from Canada into the Interior of Alaska, the limitations on the old bridge impacted all goods coming into or out of Alaska.

During this winter the old bridge will be demolished and removed. This coming summer a boat ramp and interpretive wayside will be built near the bridge.

Taylor Highway

In early July record rains in the Fortymile River area between Chicken and Eagle, caused significant damage to the Taylor Highway. As a result of the storms, 45 roadway sites were washed out; landslides crossed the road, portions of the road slid away, and overwhelmed culverts washed out.

Response for the first three weeks was coordinated by DOT&PF M&O. Personnel from Delta, Tok, Northway, Trims, South Fork, O'Brien Creek,

Eagle, Fairbanks and Tazlina worked around the clock to repair damage and provide intermittent access for traffic, when possible. DOT&PF Construction assumed responsibility of the project at the end of July and completed $12 million in repairs by the end of October.

Successfully used all our ARARA $'s Ak was 5th in the nation in getting all our projects obligate

Barrow Airport runway and apron paving project completed in 2010
Anchorage Airport - Runway 7R extension project is ½ way completed ($40M obligated this year)
Petersburg Airport - Construction of a standard RSA at Petersburg was a large and complicated project accomplished in four stages—the final navaid work and relocation of the thresholds will begin this summer. Because the existing drainage structures under the runway were failing and had to be extended to accommodate the wider safety area, the airport was closed and the culverts were replaced. During the closure, passengers and freight were shuttled to and from Wrangell by ferry. The Closure, culvert replacement, and reopening were accomplished on schedule with the minimum disruption to travelers and air carriers. The RSA, which required nearly one million yards of fill, was completed in the fall of 2010.

AIAS cargo summit At the invitation of Governor Parnell, representatives from 18 air carriers from North America, Asia and Europe gathered in Anchorage in August 2010, for an Alaska International Air Cargo Summit. The summit was designed to spotlight the unique airline opportunities for international air cargo transfer in Alaska. Both airports are working to increase the air cargo activity by helping carriers expand markets and increase revenue through the combination of Alaska's strategic location and exclusive cargo transfer rights. Both John Parrott & Jesse Vanderzanden recently returned from Asia meeting with air carriers as a follow-up to the Air Cargo Summit.

Completed paving the Glenn Highway from Palmer to downtown started in summer 2009 and done this year. Next year will be lighting.

Trunk Rd in MatSu – a 4 lane road connecting Parks Highway to Palmer Wasilla hwy with a round about. Is one of the pieces for increasing traffic safety in MatSu

Sterling Hwy and Tok weigh station for our commercial vehicle enforcement staff

KABATA ROD completed and approved

Ports and harbor conference

January 25, 2011

The Honorable Mark Neuman
Alaska State House of Representatives
State Capitol, Room 513
Juneau, AK 99801

Dear Representative Neuman,

I join you and others in mourning the deaths of Arlys and Beulah Scates. When senseless accidents claim the lives of longtime community leaders, our collective sense of loss is felt across the state. My condolences are extended to all who knew "Art" and "Boots."

Thank you for sharing your concerns in your recent letter. Knik Goose Bay (KGB) Road was designated a Highway Safety Corridor in July 2009, due to the higher than average incidence of fatal and serious crashes that occur on it. Designated Highway Safety Corridors receive additional attention and resources from both the Department of Transportation and Public Facilities (DOT&PF) and the Department of Public Safety (DPS) with a focus on the "three E's" of highway safety – Engineering, Enforcement, and Education.

A number of improvements have been put in place in the last few years to improve the engineering of the KGB Road. An enclosure lists the specific highway safety (engineering) projects DOT&PF has completed in the past few years, as well as those planned for 2011 and 2012.

As to enforcement, DPS created the Alaska Bureau of Highway Patrol in December 2008. The Bureau has a detachment of 10 officers in the Mat-Su Valley. Patrol time, citations issued, and filing of appropriate criminal charges, for driver behavior from driving while intoxicated to excessive speed, have more than doubled from 136 in 2009, to 265 in 2010.

The third part of a comprehensive highway safety program is education. DOT&PF and DPS, working together, have developed TV spots highlighting the Report Every Dangerous Driver Immediately (REDDI) Campaign, as well as use of the seat belts and child safety seats, motorcycle safety, and distracted driving problems. The two commissioners meet monthly and are frequent guests on radio talk shows discussing highway safety and the need for responsible driving.

The statistics from the past three years indicate the strategies of departments are working. The crash data for KGB Road is:

2007 – 2 Fatal, 2 Major Injury, Both 4
2008 – 0 Fatal, 2 Major Injury, Both 2
2009 – 0 Fatal, 0 Major Injury, Both 0
2010 – 0 Fatal, 1 Major Injury, Both 1

We appreciate you sharing your concerns regarding highway safety. I have asked Commissioners Luiken and Masters to meet with you to discuss further the plans and options for improving safety on KGB Road. If you have any further questions or comments, feel free to contact our office at 907-465-3500.

Best regards,

Sean Parnell
Governor

Enclosure

cc: The Honorable Marc Luiken, Commissioner, Department of Transportation and Public Facilities
The Honorable Joe Masters, Commissioner, Department of Public Safety
Randy Ruaro, Deputy Chief of Staff, Office of the Governor

Region (Look-up)	Community/Location	Description	Source	Type of Hub
Arctic	Barrow	Dock	Denali Commission Ph I	Regional Hub
Arctic	Barrow	Barrow Harbor Proposal Phase I : Reconnaisance and feasibility	DOT MRS Ports & Harbo	Regional Hub
Arctic	Barrow	Barrow Boat Dock: Search & rescue equipment	USACE Survey	Regional Hub
Arctic	Kaktovik	Deadmen	Denali Commission Ph I	
Arctic	Point Lay	Dredging or Rock Removal	Denali Commission Ph I	
Interior	Nenana	Port of Nenana: Bank Stabilization / Sheet pile Installation	USACE Survey	Regional Hub
Interior	Nenana	Port of Nenana: Dock infrastructure sheetpile installation	USACE Survey	Regional Hub
Interior	Nenana	Port of Nenana: Replace marine ways	USACE Survey	Regional Hub
Interior	Tanana	Deadmen	Denali Commission Ph I	Subregional Hub
Interior	Tanana	Docking Facilities : Feasibility study for floating dock and permanent	DOT MRS Ports & Harbo	Subregional Hub
Interior	Tanana	City Dock: Deadman / Tie offs	USACE Survey	Subregional Hub
Interior	Tanana	City Dock: Recycling Center	USACE Survey	Subregional Hub
Interior	Beaver	Deadmen, Ramp,	Denali Commission Ph I	
Interior	Fairbanks	Chena River Watershed : Provides matching funds for Corps of	DOT MRS Ports & Harbo	
Interior	Fairbanks	Pioneer Park Boat Launch: Dredge and harden boat launch	USACE Survey	
Interior	Fort Yukon	Deadmen	Denali Commission Ph I	
Interior	Manley Hot Springs	Hot Springs Landing (Tanana River): Hot Springs Landing	USACE Survey	
Interior	Manley Hot Springs	Hot Springs Landing (Tanana River): Boat launch & sanitary	USACE Survey	
Interior	Stevens Village	Deadmen	Denali Commission Ph I	
Northwest	Kotzebue	Dredging or Rock Removal	Denali Commission Ph I	Regional Hub
Northwest	Kotzebue	Swan Lake Boat Harbor : Dredge existing harbor shallow areas,	DOT MRS Ports & Harbo	Regional Hub
Northwest	Kotzebue	Denali - Swan Lake Harbor Improvements :	DOT MRS Ports & Harbo	Regional Hub
Northwest	Kotzebue	Deep Water Port : Preliminary engineering and cost feasibility study	DOT MRS Ports & Harbo	Regional Hub
Northwest	Kotzebue	Drake Construction Boatways: Sheetpile portion of landing	USACE Survey	Regional Hub
Northwest	Nome	Navigational aides to mark channel through harbor entrance— piling	Denali Commission Ph I	Regional Hub
Northwest	Nome	Port Projects : Port Causeway bridge repair. Small Boat Harbor	DOT MRS Ports & Harbo	Regional Hub
Northwest	Nome	Small Boat Harbor : Construct a small boat harbor for	DOT MRS Ports & Harbo	Regional Hub
Northwest	Nome	Small Boat Harbor Repairs : Fender system, utilities, restrooms and	DOT MRS Ports & Harbo	Regional Hub
Northwest	Nome	Nome Small Boat Harbor: Harbor lighting project	USACE Survey	Regional Hub
Northwest	Nome	Nome Small Boat Harbor: Electrical hookups	USACE Survey	Regional Hub
Northwest	Nome	Nome Small Boat Harbor: Additional docking space	USACE Survey	Regional Hub
Northwest	Nome	Port of Nome – Causeway: Additional c-cell dock	USACE Survey	Regional Hub
Northwest	Koyukuk	Deadmen, Staging Area, Other	Denali Commission Ph I	Subregional Hub
Northwest	Koyukuk	Koyukuk River Erosion : Preliminary engineering and assessment	DOT MRS Ports & Harbo	Subregional Hub
Northwest	Ambler	Deadmen, Staging Area	Denali Commission Ph I	
Northwest	Brevig Mission	Deadmen	Denali Commission Ph I	
Northwest	Brevig Mission	Docking Facility : Reconnaissaince and preliminary feasibility	DOT MRS Ports & Harbo	
Northwest	Buckland	Deadmen, Staging Area, Ramp	Denali Commission Ph I	
Northwest	Buckland	Streambank Erosion : Preliminary engineering and cost feasibility	DOT MRS Ports & Harbo	
Northwest	Buckland	Dock and Erosion of River Bank : Preliminary engineering and cost	DOT MRS Ports & Harbo	
Northwest	Deering	Staging Area, Ramp, Other	Denali Commission Ph I	
Northwest	Deering	Emergency Bank Protection : Provide funding to match Corps of	DOT MRS Ports & Harbo	
Northwest	Elim	Deadmen, DockRamp, Other	Denali Commission Ph I	
Northwest	Elim	Erosion Control : Erosion control along beach near bridge.	DOT MRS Ports & Harbo	
Northwest	Elim	Navigation Improvements: Feasibility	USACE	
Northwest	Galena	Deadmen, Other	Denali Commission Ph I	
Northwest	Galena	Dock Repair : Denali commission SAFETEA-LU section 1934	DOT MRS Ports & Harbo	
Northwest	Gambell	Ramp, Road to beach	Denali Commission Ph I	
Northwest	Gambell	Erosion Control PE : Preliminary engineering and cost feasibility	DOT MRS Ports & Harbo	
Northwest	Golovin	Deadmen, Dock	Denali Commission Ph I	
Northwest	Golovin	Boat Harbor : Design and construct a boat harbor in Golovin that is	DOT MRS Ports & Harbo	
Northwest	Kaltag	Deadmen, Ramp	Denali Commission Ph I	
Northwest	Kiana	Deadmen, Staging Area, Other	Denali Commission Ph I	
Northwest	Kivalina	Docking Facility : Preliminary engineering and cost feasibility study	DOT MRS Ports & Harbo	
Northwest	Kobuk	Deadmen, Staging Area, Other	Denali Commission Ph I	
Northwest	Kotlik	Deadmen, Staging Area, DockRamp,	Denali Commission Ph I	
Northwest	Kotlik	Kotlik Apoon Mouth Dredging : Dredge Apoon Mouth to allow barge	DOT MRS Ports & Harbo	
Northwest	Koyuk	Deadmen, Staging Area, Ramp, Other	Denali Commission Ph I	
Northwest	Koyuk	Small Boat Harbor Feasibility Study : Conduct river harbor feasibility	DOT MRS Ports & Harbo	
Northwest	Little Diomede	Preliminary Engineering : Diomede Island people are working with	DOT MRS Ports & Harbo	
Northwest	Little Diomede	Navigation Improvements: Feasibility	USACE	
Northwest	Noorvik	Deadmen, Staging Area, Ramp	Denali Commission Ph I	
Northwest	Nulato	Deadmen	Denali Commission Ph I	
Northwest	Ruby	Deadmen, Ramp	Denali Commission Ph I	
Northwest	Savoonga	Deadmen, DockRamp	Denali Commission Ph I	
Northwest	Savoonga	Navigation Improvements: Feasibility	USACE	
Northwest	Selawik	Staging Area, Other	Denali Commission Ph I	
Northwest	Shaktoolik	Staging Area, Ramp	Denali Commission Ph I	
Northwest	Shungnak	Deadmen, Staging Area	Denali Commission Ph I	
Northwest	Teller	Deadmen	Denali Commission Ph I	
Northwest	Unalakleet	Deadmen, Dock	Denali Commission Ph I	
Northwest	Unalakleet	Navigation Improvements: Feasibility	USACE	
Northwest	White Mountain	Deadmen, Other	Denali Commission Ph I	
Prince William Sound	Seward	Dolphins and/or Fenders, Other	Denali Commission Ph II	Regional Hub
Prince William Sound	Seward	Seward Eastward Dock Expansion/Tidelands Fill	DOT Gas Line Needs	Regional Hub
Prince William Sound	Seward	Seward Dredging	DOT Gas Line Needs	Regional Hub
Prince William Sound	Seward	Port of Seward Dock Extension	DOT Gas Line Needs	Regional Hub
Prince William Sound	Seward	Seward Small Boat Harbor	DOT Harbor Grant	Regional Hub
Prince William Sound	Seward	Seward Small Boat Harbor	DOT Harbor Grant	Regional Hub
Prince William Sound	Seward	North Dock Extension and Breakwater Construction : Construct an	DOT MRS Ports & Harbo	Regional Hub
Prince William Sound	Seward	Seward Small Boat Harbor Expansion : Expand harbor by removal	DOT MRS Ports & Harbo	Regional Hub
Prince William Sound	Seward	Harbor Improvements and Float Replacement : Provide electrical	DOT MRS Ports & Harbo	Regional Hub
Prince William Sound	Seward	Seward Dredging : Dredge approach basin and berthing area to	DOT MRS Ports & Harbo	Regional Hub

List Compiled from Multiple Sources.
Duplicates and Out of Date Projects Have Not Yet Been Removed.

Region (Look-up)	Community/Location	Description	Source	Type of Hub
Prince William Sound	Seward	East Harbor Reconstruction : Denali Commission SAFETEA-LU	DOT MRS Ports & Harbo	Regional Hub
Prince William Sound	Seward	Coal ship loading dock: Fugitive dust control improvements	USACE Survey	Regional Hub
Prince William Sound	Seward	Seward Marine Center: ARRV Pier. Put in a wave barrier and dock	USACE Survey	Regional Hub
Prince William Sound	Seward	Seward Marine Industrial Center: Vessel Washdown Station for	USACE Survey	Regional Hub
Prince William Sound	Seward	Breakwater completion	USACE Survey	Regional Hub
Prince William Sound	Seward	Alaska Railroad East Dock: Basin dredging to increase mooring	USACE Survey	Regional Hub
Prince William Sound	Seward	Approach basin maintenance dredging to -30' MLLW	USACE Survey	Regional Hub
Prince William Sound	Seward	Alaska Railroad West Dock: Dredging of mooring basins to -42'	USACE Survey	Regional Hub
Prince William Sound	Seward	Maint. dredging of approach basin	USACE Survey	Regional Hub
Prince William Sound	Seward	Seward Small Boat Harbor: 2/Security Float - 870 linear feet of flats	USACE Survey	Regional Hub
Prince William Sound	Seward	Seward Small Boat Harbor: Replacement of D Float - Replace	USACE Survey	Regional Hub
Prince William Sound	Seward	Seward Small Boat Harbor: East Breakwater Extension - add 215	USACE Survey	Regional Hub
Prince William Sound	Seward	Seward Small Boat Harbor: Harbor Dredging - Local and Federal	USACE Survey	Regional Hub
Prince William Sound	Seward	Alaska Railroad East Dock: Expand dock to 315' wide from current	USACE Survey	Regional Hub
Prince William Sound	Seward	Alaska Railroad East Dock: Extend dock 400' south	USACE Survey	Regional Hub
Prince William Sound	Seward	Seward Marine Industrial Center: Repair of North Dock	USACE Survey	Regional Hub
Prince William Sound	Seward	Seward Marine Industrial Center: Dredging of SMIC Basin	USACE Survey	Regional Hub
Prince William Sound	Seward	Seward Small Boat Harbor: NE fish cleaning dock	USACE Survey	Regional Hub
Prince William Sound	Seward	Seward Small Boat Harbor: Replacement of A,B,C & S floats	USACE Survey	Regional Hub
Prince William Sound	Seward	Seward Small Boat Harbor: Replacement of launch ramps	USACE Survey	Regional Hub
Prince William Sound	Seward	Coal ship loading dock: Basin maintenance dredging	USACE Survey	Regional Hub
Prince William Sound	Seward	Seward Marine Center: Replace the warehouse	USACE Survey	Regional Hub
Prince William Sound	Valdez	Valdez/Uplands Development	DOT Gas Line Needs	Regional Hub
Prince William Sound	Valdez	Harbor Float Extension : Install a 8' x 100' concrete float and anchor	DOT MRS Ports & Harbo	Regional Hub
Prince William Sound	Valdez	Harbor Retaining Wall Extension : Construct a timber faced	DOT MRS Ports & Harbo	Regional Hub
Prince William Sound	Valdez	Valdez Small Boat Harbor Floats A-G Electrical : Replacing and	DOT MRS Ports & Harbo	Regional Hub
Prince William Sound	Valdez	Valdez Dock Facility Improvements : This project will complete the	DOT MRS Ports & Harbo	Regional Hub
Prince William Sound	Valdez	Harbor Boardwalk Extension : Extend 1,000' of boardwalk along	DOT MRS Ports & Harbo	Regional Hub
Prince William Sound	Valdez	Harbor Oil/Water Separators Installation : Install two storm drains	DOT MRS Ports & Harbo	Regional Hub
Prince William Sound	Valdez	Harbor Illumination : Install four high mast lights (125'+/-).	DOT MRS Ports & Harbo	Regional Hub
Prince William Sound	Valdez	Harbor Boardwalk and Guardrail Improvements : Replace 500 feet	DOT MRS Ports & Harbo	Regional Hub
Prince William Sound	Valdez	Navigation Improvements: Preliminary Engineering and Design	USACE	Regional Hub
Prince William Sound	Valdez	Valdez Ocean Dock: Complete sheet pile on front of dock	USACE Survey	Regional Hub
Prince William Sound	Whittier	Head of Passage Canal Industrial Park	DOT Gas Line Needs	Regional Hub
Prince William Sound	Whittier	Whittier Head of Passage Canal Industrial Dock/Harbor	DOT Gas Line Needs	Regional Hub
Prince William Sound	Whittier	Replace Whittier Marginal Wharf	DOT Gas Line Needs	Regional Hub
Prince William Sound	Whittier	Whittier Terminal and Yard Improvements	DOT Gas Line Needs	Regional Hub
Prince William Sound	Whittier	Harbor Repairs : Make general repairs.	DOT MRS Ports & Harbo	Regional Hub
Prince William Sound	Whittier	Harbor Expansion : Construct boat harbor expansion of the Whittier	DOT MRS Ports & Harbo	Regional Hub
Prince William Sound	Whittier	Small Boat Harbor Phase 1 :	DOT MRS Ports & Harbo	Regional Hub
Prince William Sound	Whittier	Navigation Improvements: Feasibility	USACE	Regional Hub
Prince William Sound	Whittier	Barge Slip: Convert stern road ramp from rail only to rail & container	USACE Survey	Regional Hub
Prince William Sound	Chenega Bay	Ramp, Other	Denali Commission Ph II	
Prince William Sound	Cordova	North Containment Dock Cathodic Protection System : Provides	DOT MRS Ports & Harbo	
Prince William Sound	Cordova	Small Boat Harbor Expansion : Expansion of harbor.	DOT MRS Ports & Harbo	
Prince William Sound	Cordova	Breakwater Extension : Design and permitting for 180-foot armor	DOT MRS Ports & Harbo	
Prince William Sound	Cordova	Shepard Point Dock Oil Spill Response Project : Construct a deep	DOT MRS Ports & Harbo	
Prince William Sound	Cordova	Inner Harbor Boat Launch Ramp Replacement : Replaces the	DOT MRS Ports & Harbo	
Prince William Sound	Cordova	Small Boat Harbor Repairs : Major repairs or replacment of oldest	DOT MRS Ports & Harbo	
Prince William Sound	Cordova	Navigation Improvements: Reconnaissance	USACE	
Prince William Sound	Cordova	New Harbor Floats G-M: Replace "G" Float, Replace transient float	USACE Survey	
Prince William Sound	Cordova	3 Stage Dock: Redecking/bullrail replacement	USACE Survey	
Prince William Sound	Cordova	Municipal Dock (AKA - Oceandock): Bullrail replacement	USACE Survey	
Prince William Sound	Cordova	Old Grid Approach: Redecking / bullrail replacement	USACE Survey	
Prince William Sound	Cordova	Prime Select Seafoods: Fuel Buying Station for Direct Marketers &	USACE Survey	
Prince William Sound	Tatitlek	Anodes on dock	Denali Commission Ph II	
Prince William Sound	Tatitlek	Harbor Construction : Construct inner harbor for 32 vessels after	DOT MRS Ports & Harbo	
Southcentral	Homer	Harbor Float Repairs (E,F,G,H,J,A) : Repair harbor float decking,	DOT MRS Ports & Harbo	Subregional Hub
Southcentral	Homer	Homer Harbor Approach, Gangways and Grid : Design and replace	DOT MRS Ports & Harbo	Subregional Hub
Southcentral	Homer	Deepwater Dock Berth 1 Fendering System Upgrade : Structural up	DOT MRS Ports & Harbo	Subregional Hub
Southcentral	Homer	Homer Harbor Float Replacement (E,F,G,H,J,A) : Harbor float	DOT MRS Ports & Harbo	Subregional Hub
Southcentral	Homer	Dock Bulkhead (Wharf) Construction : Construct wharf bulkhead.	DOT MRS Ports & Harbo	Subregional Hub
Southcentral	Homer	Homer Spit Storm Erosion : Construct revetment on beach below	DOT MRS Ports & Harbo	Subregional Hub
Southcentral	Homer	City of Homer Fish Dock: crane replacement	USACE Survey	Subregional Hub
Southcentral	Homer	Homer Small boat harbor Systems 1 and 2: Ramp Three / Ramp	USACE Survey	Subregional Hub
Southcentral	Homer	System 5 Homer Small boat Harbor: Shore power pedestal	USACE Survey	Subregional Hub
Southcentral	Homer	System 5 Homer Small boat Harbor: Heat traced Potable Water	USACE Survey	Subregional Hub
Southcentral	Homer	System 5 Homer Small boat Harbor: Derelict Vessel removal	USACE Survey	Subregional Hub
Southcentral	Anchor Point	Harbor Feasibility Study : Determine feasibility of navigation and	DOT MRS Ports & Harbo	
Southcentral	Cook Inlet Nav Channel	Navigation Improvements: Reconnaissance	USACE	
Southcentral	Halibut Cove	Halibut Cove Refuge Float	DOT Deferred Maintenar	
Southcentral	Kenai	Kenai Municipal Harbor	DOT Harbor Grant	
Southcentral	Kenai	Boat Launch	DOT Harbor Grant	
Southcentral	Kenai	Pacific Star Seafoods: Pacific Star dock repair of sheetpile dock	USACE Survey	
Southcentral	Kenai	Pacific Star Seafoods: Dock repair; aging dock needs lots of work	USACE Survey	
Southcentral	Lime Village	Lime Village Boat Dock: Public boat dock w/ small shelter / storage	USACE Survey	
Southcentral	Nanwalek	Ramp, Other	Denali Commission Ph II	
Southcentral	Ninilchik	Ninilchik Small Boat Harbor	DOT Deferred Maintenar	
Southcentral	Ninilchik	Harbor Sheetpile Bulkhead : Construct a sheet pile bulkhead along	DOT MRS Ports & Harbo	
Southcentral	Ninilchik	Deep Creek Custom Packing, Inc.: Dredging has stopped	USACE Survey	
Southcentral	Ninilchik	Deep Creek Custom Packing, Inc.: Sheet pile	USACE Survey	
Southcentral	Ninilchik	Deep Creek Custom Packing, Inc.: Water/power/sewer	USACE Survey	
Southcentral	Point MacKenzie	Port MacKenzie: Barge Dock expansion (286 Acres)	USACE Survey	

Region (Look-up)	Community/Location	Description	Source	Type of Hub
Southcentral	Point MacKenzie	Puget Sound: Rail line extension (to Parks Hwy) and rail off-load	USACE Survey	
Southcentral	Point MacKenzie	Juneau: Hill Reduction and Paving (2 Miles)	USACE Survey	
Southcentral	Point MacKenzie	Ketchikan: Ferry landing	USACE Survey	
Southcentral	Point MacKenzie	Puget Sound: Second rail loop (3 miles)	USACE Survey	
Southcentral	Point MacKenzie	Juneau: Road Connection & traffic loop for Knik Arm Bridge	USACE Survey	
Southcentral	Point MacKenzie	Ketchikan: Anchorage ferry landing	USACE Survey	
Southcentral	Port Graham	Port Graham Dock: New dock study; Denali commission feasibility	USACE Survey	
Southcentral	Port Graham	Port Graham Dock: Harbor Feasibility Study	USACE Survey	
Southcentral	Port Graham	Port Graham Dock: new dock	USACE Survey	
Southcentral	Seldovia	Jakolof Bay Float Access : Acquisition of 1.5 acres of uplands at	DOT MRS Ports & Harbo	
Southcentral	Seldovia	Harbor Basin Dredging : Dredge portions of the harbor.	DOT MRS Ports & Harbo	
Southcentral	Seldovia	Dock Phase I&II : Dock repair and maintenance and design for	DOT MRS Ports & Harbo	
Southcentral	Tyonek	North Forelands Dock: Barge Landing	USACE Survey	
Southcentral	Tyonek	North Forelands Dock: Fendering	USACE Survey	
Southcentral	Tyonek	North Forelands Dock: Extension to Cape Class Depth	USACE Survey	
Southcentral	Anchorage	Cook Inlet Navigation Improvements : Complete navigational	DOT MRS Ports & Harbo	Regional, Container
Southcentral	Anchorage	Knik Arm Intermodal Terminals: Ferry : Final engineering, design	DOT MRS Ports & Harbo	Regional, Container
Southcentral	Anchorage	Navigation Improvements: Feasibility of Harbor Deepening	USACE	Regional, Container
Southcentral	Anchorage	North Star Terminal / Anderson Dock: Dock extension	USACE Survey	Regional, Container
Southcentral	Anchorage	Port of Anchorage: Port of Anchorage Intermodal Expansion	USACE Survey	Regional, Container
Southcentral	Anchorage	Port of Anchorage Terminal No. 2 Wharf: Port Expansion Project;	USACE Survey	Regional, Container
Southeast	Juneau	Ramp	Denali Commission Ph II	Regional Hub
Southeast	Juneau	Funter Bay Cannery Float & Sea Plane Base	DOT Deferred Maintenar	Regional Hub
Southeast	Juneau	Funter Bay Refuge Float	DOT Deferred Maintenar	Regional Hub
Southeast	Juneau	Skagway small Boat Harbor	DOT Harbor Grant	Regional Hub
Southeast	Juneau	Aurora Harbor	DOT Harbor Grant	Regional Hub
Southeast	Juneau	Douglas Dock Reconstruction : Reconstruct dock, approach, hoist,	DOT MRS Ports & Harbo	Regional Hub
Southeast	Juneau	Tee Harbor Launch Ramp and Parking Lot : Construct a new	DOT MRS Ports & Harbo	Regional Hub
Southeast	Juneau	Douglas: Mayflower Island Causeway Upgrade : Work in	DOT MRS Ports & Harbo	Regional Hub
Southeast	Juneau	Areawide Moorage Reconfiguration : Reconfigure all existing	DOT MRS Ports & Harbo	Regional Hub
Southeast	Juneau	Areawide Electrical and Lighting : Retrofit wiring and lighting	DOT MRS Ports & Harbo	Regional Hub
Southeast	Juneau	Juneau Harbor Repairs : Work orders for Auke Bay: Signs for ADA	DOT MRS Ports & Harbo	Regional Hub
Southeast	Juneau	Auke Bay Commercial Landing Facility : Construct a marine loading	DOT MRS Ports & Harbo	Regional Hub
Southeast	Juneau	Aurora Harbor Reconstruction : Reconstruct finger floats at #A-A-	DOT MRS Ports & Harbo	Regional Hub
Southeast	Juneau	Douglas Harbor Expansion : Dredge turning basin and moorage	DOT MRS Ports & Harbo	Regional Hub
Southeast	Juneau	Aurora Harbor ADA Improvements : Construct ADA improvements	DOT MRS Ports & Harbo	Regional Hub
Southeast	Juneau	Auke Bay Breakwater : Construct additional breakwater at Auke	DOT MRS Ports & Harbo	Regional Hub
Southeast	Juneau	Taku Harbor Repairs : Work order to replace stringers, floatation,	DOT MRS Ports & Harbo	Regional Hub
Southeast	Juneau	Alaska Glacier Seafoods: Dock/ice house expansion	USACE Survey	Regional Hub
Southeast	Juneau	Alaska Steamship Wharf: Cruise ship dock repairs	USACE Survey	Regional Hub
Southeast	Juneau	Auke Bay Commercial Loading Facility (ABCLF): Paving, Access	USACE Survey	Regional Hub
Southeast	Juneau	Auke Bay Ferry Terminal: Rebuild terminal building	USACE Survey	Regional Hub
Southeast	Juneau	Aurora Harbor Float: Float replacement	USACE Survey	Regional Hub
Southeast	Juneau	Don Statter Harbor: Statter Harbor launch ramp	USACE Survey	Regional Hub
Southeast	Juneau	Don Statter Harbor: Replacement of floats for Deharts and Statter	USACE Survey	Regional Hub
Southeast	Juneau	NOAA - Auke Bay Lab Facility: N/A	USACE Survey	Regional Hub
Southeast	Juneau	NOAA - Support Facility: N/A	USACE Survey	Regional Hub
Southeast	Juneau	North Douglas Harbor Facility: New float and parking restroom	USACE Survey	Regional Hub
Southeast	Juneau	Norway Point Float: Elect, water and dredging	USACE Survey	Regional Hub
Southeast	Juneau	Alaska Steamship Wharf: New cruise terminal	USACE Survey	Regional Hub
Southeast	Juneau	Auke Bay Commercial Loading Facility (ABCLF): Boat haul out	USACE Survey	Regional Hub
Southeast	Juneau	Aurora Harbor Float: Approach dock	USACE Survey	Regional Hub
Southeast	Juneau	Don Statter Harbor: Replacement of ways and boat lift	USACE Survey	Regional Hub
Southeast	Juneau	Don Statter Harbor: Charter boat landing	USACE Survey	Regional Hub
Southeast	Juneau	Harris Harbor: Replacement	USACE Survey	Regional Hub
Southeast	Juneau	Indian Point Dock - National Park Service: Ramp replacement	USACE Survey	Regional Hub
Southeast	Juneau	Indian Point Dock - National Park Service: Float replacement	USACE Survey	Regional Hub
Southeast	Juneau	Indian Point Dock - National Park Service: Crane repair	USACE Survey	Regional Hub
Southeast	Juneau	Indian Point Dock - National Park Service: Pier repair	USACE Survey	Regional Hub
Southeast	Juneau	Intermediate Vessel Float (IVF): Upgrade & replacement	USACE Survey	Regional Hub
Southeast	Juneau	Lightering Float: Dock replacement	USACE Survey	Regional Hub
Southeast	Juneau	National Guard Pier: Float replacement	USACE Survey	Regional Hub
Southeast	Juneau	NOAA - Auke Bay Lab Facility: Float cleaning	USACE Survey	Regional Hub
Southeast	Juneau	NOAA - Auke Bay Lab Facility: Electrical service	USACE Survey	Regional Hub
Southeast	Juneau	NOAA - Auke Bay Lab Facility: Dock plank replacement	USACE Survey	Regional Hub
Southeast	Juneau	NOAA - Support Facility: Dock piling repair and decking	USACE Survey	Regional Hub
Southeast	Juneau	NOAA - Support Facility: Dock & float electrical upgrades	USACE Survey	Regional Hub
Southeast	Juneau	Norway Point Float: Condos, shops, and developments	USACE Survey	Regional Hub
Southeast	Ketchikan	Dredging or Rock Removal	Denali Commission Ph II	Regional Hub
Southeast	Ketchikan	Mountain Point Float and Boat Ramp	DOT Deferred Maintenar	Regional Hub
Southeast	Ketchikan	Tongass Narrows South Harbor Construction : Local matching	DOT MRS Ports & Harbo	Regional Hub
Southeast	Ketchikan	Thomas Basin Rebuild : Rebuild the float system in Thomas Basin	DOT MRS Ports & Harbo	Regional Hub
Southeast	Ketchikan	Thomas Basin Float Rehabilitation : Replace deteriorated timber	DOT MRS Ports & Harbo	Regional Hub
Southeast	Ketchikan	Denali - Thomas Basin Finger Floats :	DOT MRS Ports & Harbo	Regional Hub
Southeast	Ketchikan	Bar Harbor South Piling Replacement : Replace 22 deteriorated	DOT MRS Ports & Harbo	Regional Hub
Southeast	Ketchikan	Bar Harbor North Float Repair : Remove spalled concrete from the	DOT MRS Ports & Harbo	Regional Hub
Southeast	Ketchikan	Ketchikan Shipyard Marine Dry-Dock Facility Improvements :	DOT MRS Ports & Harbo	Regional Hub
Southeast	Ketchikan	Ketchikan Area Harbor Repairs : Work orders for Hole in the Wall:	DOT MRS Ports & Harbo	Regional Hub
Southeast	Ketchikan	Thomas Basin Dolphin 1 : Widen entrance to basin to allow	DOT MRS Ports & Harbo	Regional Hub
Southeast	Ketchikan	Hansen Float Expansion : Construct a 72' x 12' expansion to	DOT MRS Ports & Harbo	Regional Hub
Southeast	Ketchikan	Ketchikan: Waterfront Reconfiguration : Replace floats, gangways	DOT MRS Ports & Harbo	Regional Hub
Southeast	Ketchikan	City Float Uplands : Develop plans and estimate costs to construct	DOT MRS Ports & Harbo	Regional Hub
Southeast	Ketchikan	Lewis Reef Industrial Complex Design : Engineering design for	DOT MRS Ports & Harbo	Regional Hub

Region (Look-up)	Community/Location	Description	Source	Type of Hub
Southeast	Ketchikan	Airport Small Boat Dock Construction : Construct small boat dock	DOT MRS Ports & Harbo	Regional Hub
Southeast	Ketchikan	Berth II Repairs : Repair the fender system on berth II.□	DOT MRS Ports & Harbo	Regional Hub
Southeast	Ketchikan	Knudson Cove Launch Ramp Reconstruction : Construct an	DOT MRS Ports & Harbo	Regional Hub
Southeast	Ketchikan	Denali - Knudson Cove Harbor Launch Ramp Replacement :	DOT MRS Ports & Harbo	Regional Hub
Southeast	Ketchikan	Boat Launch Ramp Repair Bar Harbor : Repair launch ramp.	DOT MRS Ports & Harbo	Regional Hub
Southeast	Ketchikan	Bar Harbor North Dredging : This project would reimburse city for	DOT MRS Ports & Harbo	Regional Hub
Southeast	Ketchikan	Navigation Improvements: Reconnaissance	USACE	Regional Hub
Southeast	Ketchikan	Alaska General Seafoods: Replace ice house	USACE Survey	Regional Hub
Southeast	Ketchikan	Alaska General Seafoods: Upgrade fresh/frozen processing	USACE Survey	Regional Hub
Southeast	Ketchikan	Talbot's: Talbot's Float Plane Base POA-2006-688-1, POA-2006-	USACE Survey	Regional Hub
Southeast	Ketchikan	Trident Freezer Plant: Pile reinforcing	USACE Survey	Regional Hub
Southeast	Ketchikan	AMHS Ketchikan Ferry Terminal: Administration warehouse project	USACE Survey	Regional Hub
Southeast	Ketchikan	Bar Harbor South Floats 1-9: Deck & bullrail repairs to floats 7, 8, &	USACE Survey	Regional Hub
Southeast	Ketchikan	Berths 1 & 2: Repairs to piles & dredging	USACE Survey	Regional Hub
Southeast	Ketchikan	Berths 3 & 4: Corrosion repairs to pile caps	USACE Survey	Regional Hub
Southeast	Ketchikan	Ketchikan Ship Yard: Ship fabrication & assembly facilities at	USACE Survey	Regional Hub
Southeast	Ketchikan	Knudson Cove: Replace launch ramp	USACE Survey	Regional Hub
Southeast	Ketchikan	Thomas Basin: Replace finger floats on floats 2, 3, & 4	USACE Survey	Regional Hub
Southeast	Ketchikan	Thomas Basin: Replace finger floats on float 5	USACE Survey	Regional Hub
Southeast	Ketchikan	Air Marine Harbor: Dock Replacement	USACE Survey	Regional Hub
Southeast	Ketchikan	Bar Harbor North Floats 10-17: Replace access ramps & electrical	USACE Survey	Regional Hub
Southeast	Ketchikan	Bar Harbor South Floats 1-9: Replace floats 1, 8 & 9	USACE Survey	Regional Hub
Southeast	Ketchikan	Replace & repair launch ramp & replace grid	USACE Survey	Regional Hub
Southeast	Ketchikan	Berths 1 & 2: Replacement of wooden portions of Berth 1 & 2 with	USACE Survey	Regional Hub
Southeast	Ketchikan	Hole in the Wall: Replace access ramp, floats & breakwater	USACE Survey	Regional Hub
Southeast	Ketchikan	Ketchikan Ship Yard (KSY): A planning complete environmental	USACE Survey	Regional Hub
Southeast	Ketchikan	Thomas Basin: Replace Float1, access ramps & grids	USACE Survey	Regional Hub
Southeast	Sitka	ANB Harbor	DOT Harbor Grant	Regional Hub
Southeast	Sitka	ANB Harbor	DOT Harbor Grant	Regional Hub
Southeast	Sitka	Old Thomsen Harbor Rebuild : Replace harbor components that	DOT MRS Ports & Harbo	Regional Hub
Southeast	Sitka	Cresent Harbor Electrical Upgrade : Electrical upgrade of the main	DOT MRS Ports & Harbo	Regional Hub
Southeast	Sitka	Lightering Facility Breakwater Construction : Construct a	DOT MRS Ports & Harbo	Regional Hub
Southeast	Sitka	Sitka Harbor Repairs : Construct inner harbor repairs of existing	DOT MRS Ports & Harbo	Regional Hub
Southeast	Sitka	Thomsen Harbor Expansion (Inner Harbor Floats) : Construct inner	DOT MRS Ports & Harbo	Regional Hub
Southeast	Sitka	Sawmill Dock Reconstruction : Denali Commission SAFETEA-LU	DOT MRS Ports & Harbo	Regional Hub
Southeast	Sitka	Boat Ramp Beautification Project : Boat launch ramp beautification	DOT MRS Ports & Harbo	Regional Hub
Southeast	Sitka	Crescent Harbor ADA Upgrade : Upgrade existing facilities to ADA	DOT MRS Ports & Harbo	Regional Hub
Southeast	Sitka	Crescent Harbor, Navigation Improvements: Reconnaissance	USACE	Regional Hub
Southeast	Sitka	ANB Harbor: ANB replacement	USACE Survey	Regional Hub
Southeast	Sitka	Sitka Float Plane Dock: Complete replacement	USACE Survey	Regional Hub
Southeast	Sitka	Sitka Float Plane Dock: Sitka sea plane base	USACE Survey	Regional Hub
Southeast	Haines	NGP Lutak Dock Expansion	DOT Gas Line Needs	Subregional Hub
Southeast	Haines	New Boat Launch Ramp : Construct new launching ramp and float.	DOT MRS Ports & Harbo	Subregional Hub
Southeast	Haines	Letnikof Cove Repairs : Repair approach float and replace	DOT MRS Ports & Harbo	Subregional Hub
Southeast	Haines	NGP Haines Terminal Modifications : Haines Terminal Modifications	DOT MRS Ports & Harbo	Subregional Hub
Southeast	Haines	NGP Lutak Dock Expansion : Lutak Dock Expansion	DOT MRS Ports & Harbo	Subregional Hub
Southeast	Haines	Portage Cove Harbor Expansion : Relocate Portage Cove	DOT MRS Ports & Harbo	Subregional Hub
Southeast	Haines	Lutak Dock and Fender : Replace fender system.	DOT MRS Ports & Harbo	Subregional Hub
Southeast	Haines	Harbor Repairs : Repair or replace old boat grid, old concrete ramp,	DOT MRS Ports & Harbo	Subregional Hub
Southeast	Haines	Navigation Improvements: Preliminary Engineering and Design	USACE	Subregional Hub
Southeast	Haines	Chilkoot Lumber Co., Inc.: Environmental cleanup from sawmill	USACE Survey	Subregional Hub
Southeast	Haines	Delta Western, Inc.: Paving, Fencing	USACE Survey	Subregional Hub
Southeast	Haines	Delta Western, Inc.: Lutak Dock	USACE Survey	Subregional Hub
Southeast	Haines	Letnikof Cove: Engineering assessment of floats, anchors. Piles,	USACE Survey	Subregional Hub
Southeast	Haines	Portage Cove Harbor: Portage Cove, small boat harbor expansion	USACE Survey	Subregional Hub
Southeast	Haines	Port Chilkoot Dock: Trestle and approach repair	USACE Survey	Subregional Hub
Southeast	Haines	Portage Cove Harbor: Dredging, uplands improvements	USACE Survey	Subregional Hub
Southeast	Haines	Portage Cove Harbor: Breakwater extension for better protection	USACE Survey	Subregional Hub
Southeast	Haines	Portage Cove Harbor: New boat launch	USACE Survey	Subregional Hub
Southeast	Haines	Letnikof Cove: Replace chains holding docks to bottom	USACE Survey	Subregional Hub
Southeast	Haines	Letnikof Cove: Replace floating breakwater and attached tank floats	USACE Survey	Subregional Hub
Southeast	Haines	Letnikof Cove: construct new seasonal timber floats	USACE Survey	Subregional Hub
Southeast	Haines	Lutak Dock: Major upgrades to accommodate gas pipeline	USACE Survey	Subregional Hub
Southeast	Haines	Chilkoot Lumber Co., Inc.: Dock repairs - fender piles redecking	USACE Survey	Subregional Hub
Southeast	Skagway	Skagway small Boat Harbor	DOT Harbor Grant	Subregional Hub
Southeast	Skagway	Skagway Harbor Deferred Maintenance : Work orders to seal	DOT MRS Ports & Harbo	Subregional Hub
Southeast	Skagway	Basin Dredging and Improve Entrance : Dredge basin to original	DOT MRS Ports & Harbo	Subregional Hub
Southeast	Skagway	Harbor Improvements : Install pumpout, add 14 water connections	DOT MRS Ports & Harbo	Subregional Hub
Southeast	Skagway	Harbor Retaining Wall, Preliminary Engineering : Preliminary	DOT MRS Ports & Harbo	Subregional Hub
Southeast	Skagway	Harbor	DOT MRS Ports & Harbo	Subregional Hub
Southeast	Skagway	Skagway Ore Terminal: See Skagway Port Development Plan	USACE Survey	Subregional Hub
Southeast	Skagway	Port of Skagway: Seawall – Railroad Dock (2 cruise ships)	USACE Survey	Subregional Hub
Southeast	Skagway	Port of Skagway: Small Boat Harbor Wave Barrier	USACE Survey	Subregional Hub
Southeast	Skagway	Port of Skagway: Port Gateway Project TIGGR Grant Pending - US	USACE Survey	Subregional Hub
Southeast	Skagway	Port of Skagway: Small Boat Harbor Phase 1B dredging and dock	USACE Survey	Subregional Hub
Southeast	Skagway	Skagway Small Boat Harbor: Skagway Small Boat Harbor Master	USACE Survey	Subregional Hub
Southeast	Skagway	Port of Skagway*: Ore dock improvements	USACE Survey	Subregional Hub
Southeast	Skagway	Port of Skagway*: Port expansion	USACE Survey	Subregional Hub
Southeast	Angoon	New Dock, Other	Denali Commission Ph II	
Southeast	Angoon	Angoon Dock Repairs : Repair and renovate the dock and	DOT MRS Ports & Harbo	
Southeast	Angoon	Harbor Repairs : Repair existing harbor deficiencies including	DOT MRS Ports & Harbo	
Southeast	Angoon	Denali - Barge Facility Angoon : Develop/improve barge facility	DOT MRS Ports & Harbo	
Southeast	Angoon	Launch Ramp : Construct launch ramp facility in Kootznahoo Inlet.	DOT MRS Ports & Harbo	

List Compiled from Multiple Sources.
Duplicates and Out of Date Projects Have Not Yet Been Removed.

Region (Look-up)	Community/Location	Description	Source	Type of Hub
Southeast	Angoon	Angoon Oil and Gas: New Pilings	USACE Survey	
Southeast	Auke Bay	Navigation Improvements: Reconnaissance	USACE	
Southeast	Baranof Warm Springs	Baranof Warm Springs Refuge Float & Sea Plane Base	DOT Deferred Maintenar	
Southeast	Baranof Warm Springs	Baranof Warm Springs Harbor Improvements : Extend the floats to	DOT MRS Ports & Harbo	
Southeast	Bartlett Cove	Glacier Bay Park Float : Extend existing dock to deeper water and	DOT MRS Ports & Harbo	
Southeast	Coffman Cove	Launch Ramp Float Installation : Install a float at the launch ramp to	DOT MRS Ports & Harbo	
Southeast	Coffman Cove	Float Repairs : Design is complete. Denali Commission funds	DOT MRS Ports & Harbo	
Southeast	Coffman Cove	Float Expansion : Expand harbor float system to provide additional	DOT MRS Ports & Harbo	
Southeast	Coffman Cove	Harbor: Harbor Expansion	USACE Survey	
Southeast	Coffman Cove	Harbor: Charter dock	USACE Survey	
Southeast	Coffman Cove	Harbor: Barge ramp and bulkhead	USACE Survey	
Southeast	Coffman Cove	Harbor: Northland Ferry	USACE Survey	
Southeast	Craig	South Cove Improvements : Provides new slips for small craft at	DOT MRS Ports & Harbo	
Southeast	Craig	Craig Harbor Expansion : Construct new public harbor with parking	DOT MRS Ports & Harbo	
Southeast	Craig	Craig City Dock and Grid : Dolphin piling construction.	DOT MRS Ports & Harbo	
Southeast	Craig	South Cove Uplands : Provides harbor office, restrooms, shower,	DOT MRS Ports & Harbo	
Southeast	Craig	South Cove Harbor Breakwater, PE : Preliminary engineering and	DOT MRS Ports & Harbo	
Southeast	Craig	North Cove Grid : Construct new grid in North Cove.	DOT MRS Ports & Harbo	
Southeast	Craig	North Cove Harbor Breakwater Spur Construction : Design and	DOT MRS Ports & Harbo	
Southeast	Craig	South Cove Harbor Loading Zone : Construct loading zone off of	DOT MRS Ports & Harbo	
Southeast	Craig	Navigation Improvements: Reconnaissance	USACE	
Southeast	Douglas	Douglas Boat Harbor: Dredging and float replacement	USACE Survey	
Southeast	Douglas	Douglas Boat Harbor: Floating Breakwater	USACE Survey	
Southeast	Douglas	Douglas Boat Harbor: Breakwater access / gangway	USACE Survey	
Southeast	Edna Bay	New Dock	Denali Commission Ph II	
Southeast	Edna Bay	Edna Bay Refuge Float & Sea Plane Base	DOT Deferred Maintenar	
Southeast	Edna Bay	Breakwater and Floats : Construct 250 feet of rubble-mound	DOT MRS Ports & Harbo	
Southeast	Elfin Cove	Ramp	Denali Commission Ph II	
Southeast	Elfin Cove	Elfin Cove Inner Float	DOT Deferred Maintenar	
Southeast	Elfin Cove	Elfin Cove Outer Float & Sea Plane Base	DOT Deferred Maintenar	
Southeast	Elfin Cove	Inner Harbor : Construct new stall floats.	DOT MRS Ports & Harbo	
Southeast	Excursion Inlet	Excursion Inlet Maintenance and Repairs : Work orders to install 4	DOT MRS Ports & Harbo	
Southeast	Funter Bay	Funter Bay Seaplane Float Repairs : Minor repairs to trestle,	DOT MRS Ports & Harbo	
Southeast	Gustavus	Gustavus Float	DOT Deferred Maintenar	
Southeast	Gustavus	Dock and Approach Replacement : Construct a transfer facility	DOT MRS Ports & Harbo	
Southeast	Gustavus	Gustavus Trestle and Dock Repairs : Work orders to reinforce	DOT MRS Ports & Harbo	
Southeast	Gustavus	Public Dock and Floats : Construct a breakwater float adjacent to	DOT MRS Ports & Harbo	
Southeast	Gustavus	Gustavus: Timber Mooring Floats : Supplement existing mooring	DOT MRS Ports & Harbo	
Southeast	Gustavus	Navigation Improvements: Reconnaissance	USACE	
Southeast	Gustavus	Gustavus Dray: New Dock	USACE Survey	
Southeast	Gustavus	Gustavus Dray: New tank farm & pipeline	USACE Survey	
Southeast	Gustavus	Gustavus Dray: Floating Breakwater	USACE Survey	
Southeast	Helm Bay	Helm Bay Refuge Float	DOT Deferred Maintenar	
Southeast	Hobart Bay	Entrance Island Refuge Float	DOT Deferred Maintenar	
Southeast	Hollis	Hollis Float & Sea Plane Base	DOT Deferred Maintenar	
Southeast	Hollis	Hollis Harbor : Work order for minor repairs to float and seaplane	DOT MRS Ports & Harbo	
Southeast	Hollis	IFA Ferry Terminal: Hollis Terminal dredging. Maintenance	USACE Survey	
Southeast	Hoonah	Mooring Points (Dock or Shore), Dolphins and/or Fenders, Ramp, O	Denali Commission Ph II	
Southeast	Hoonah	Hoonah Maintenance Dredging : Maintenance dredge harbor in	DOT MRS Ports & Harbo	
Southeast	Hoonah	Harbor Repairs : Repair spalling concrete decks in harbor and	DOT MRS Ports & Harbo	
Southeast	Hoonah	Denali - Barge Facility: Hoonah : Develop/improve barge facility.	DOT MRS Ports & Harbo	
Southeast	Hoonah	Hoonah Boat Lift : Construct marine travel lift to remove boats for	DOT MRS Ports & Harbo	
Southeast	Hoonah	Boat Harbor Expansion : Construct 18 new stalls for boats between	DOT MRS Ports & Harbo	
Southeast	Hoonah	Hoonah Tour Ship Dock : Design engineering for tour ship dock	DOT MRS Ports & Harbo	
Southeast	Hoonah	Hoonah Harbor and visitor Dock: Redecking of transient float	USACE Survey	
Southeast	Hoonah	Hoonah Ferry Terminal: State of Alaska - Channel Construction -	USACE Survey	
Southeast	Hydaburg	Hydaburg small Boat Harbor	DOT Harbor Grant	
Southeast	Hydaburg	Harbor Repairs : Work orders for electrical repair, remove two wood	DOT MRS Ports & Harbo	
Southeast	Hydaburg	Launch Ramp : Construct launching ramp, turn around and parking	DOT MRS Ports & Harbo	
Southeast	Hydaburg	Harbor Breakwater : Construct rubble-mound breakwater, 200 feet	DOT MRS Ports & Harbo	
Southeast	Hydaburg	City Dock Breakwater, PE : Preliminary Engineering to construct a	DOT MRS Ports & Harbo	
Southeast	Hyder	Dolphins and/or Fenders, New Dock	Denali Commission Ph II	
Southeast	Hyder	Hyder Inner Float & Sea Plane Base	DOT Deferred Maintenar	
Southeast	Hyder	Hyder Outer Float	DOT Deferred Maintenar	
Southeast	Hyder	Transfer Bridge and Dolphins : Design and construct a new transfer	DOT MRS Ports & Harbo	
Southeast	Hyder	Barge Ramp Construction : Construct a barge ramp to serve cargo	DOT MRS Ports & Harbo	
Southeast	Hyder	Small Boat Harbor Dredging : Dredge the small boat harbor to	DOT MRS Ports & Harbo	
Southeast	Hyder	Marine Terminal Construction : In conjunction with Innovative	DOT MRS Ports & Harbo	
Southeast	Hyder	Floating Marine Terminal and Staging Area : Construct 20,000 sq ft	DOT MRS Ports & Harbo	
Southeast	Kake	Fender piles on existing dock need replacement.	Denali Commission Ph II	
Southeast	Kake	Dock Repair : Minor repairs to the public dock, which is used for the	DOT MRS Ports & Harbo	
Southeast	Kake	Seaplane Float Replacement : Work order to replace float system	DOT MRS Ports & Harbo	
Southeast	Kake	Portage Cove Harbor Inner Harbor Expansion : Relocation of	DOT MRS Ports & Harbo	
Southeast	Kake	Kake Harbor Repairs : Work Order to replace broken bull rails,	DOT MRS Ports & Harbo	
Southeast	Kake	Portage Cove Harbor Breakwater and Expansion : Construct a	DOT MRS Ports & Harbo	
Southeast	Kasaan	Kasaan Harbor & Sea Plane Base	DOT Deferred Maintenar	
Southeast	Kasaan	Kasaan Harbor Repairs : Work orders to replace transition plates	DOT MRS Ports & Harbo	
Southeast	Kasaan	Kasaan Dock Replacement/ Repairs and New Grid : Dock	DOT MRS Ports & Harbo	
Southeast	Kasaan	Unnamed: Breakwater	USACE Survey	
Southeast	Kasaan	Unnamed: Harbor and dock upgrades	USACE Survey	
Southeast	Kasaan	Unnamed: Boat launch ramp	USACE Survey	
Southeast	Klawock	Harbor Deferred Maintenance : Construct breakwater to stop ice	DOT MRS Ports & Harbo	
Southeast	Klawock	Harbor Expansion : Construct new harbor facilities to provide	DOT MRS Ports & Harbo	

Region (Look-up)	Community/Location	Description	Source	Type of Hub
Southeast	Klawock	Seaplane Float Maintenance : Work order to repair damaged float	DOT MRS Ports & Harbo	
Southeast	Kupreanof	Kupreanof Float	DOT Deferred Maintenar	
Southeast	Kupreanof	Float Improvements : Reconstruct and extend capacity of float.	DOT MRS Ports & Harbo	
Southeast	Kupreanof	Kupreanof State Float: Repair rotten pilings & water soaked floats	USACE Survey	
Southeast	Little Port Walter	NOAA facility: Dock plank replacement	USACE Survey	
Southeast	Little Port Walter	NOAA facility: Boat haul and float replacement	USACE Survey	
Southeast	Little Port Walter	NOAA facility: Personnel & Float plane dock replacement	USACE Survey	
Southeast	Little Port Walter	NOAA - Little Port Walter: Float cleaning	USACE Survey	
Southeast	Little Port Walter	Little Port Walter: Electrical service	USACE Survey	
Southeast	Loring	Float Repairs : Work order to replace decking, signs, and resecure	DOT MRS Ports & Harbo	
Southeast	Loring	Breakwater Float : Construct heavy duty float to replace existing.	DOT MRS Ports & Harbo	
Southeast	Metlakatla	Dolphins and/or Fenders	Denali Commission Ph II	
Southeast	Metlakatla	City Dock Improvements : Upgrade the approach and replace piles	DOT MRS Ports & Harbo	
Southeast	Metlakatla	Harbor Repair/Replacement : Work order to replace transition	DOT MRS Ports & Harbo	
Southeast	Metlakatla	Launch Ramp Replacement : Replace existing launch ramp at the	DOT MRS Ports & Harbo	
Southeast	Metlakatla	Haul-Out Improvements : Improvement and renovation of	DOT MRS Ports & Harbo	
Southeast	Metlakatla	Harbor Office Construction : Construct new harbor office that is	DOT MRS Ports & Harbo	
Southeast	Metlakatla	Work Float : Construct new 5000 square-foot work float at city float.	DOT MRS Ports & Harbo	
Southeast	Metlakatla	Grid Construction : Construct new grid for two boats up to 75 feet	DOT MRS Ports & Harbo	
Southeast	Metlakatla	Barge Ramp Improvements : Preliminary engineering and site	DOT MRS Ports & Harbo	
Southeast	Meyers Chuck	Ramp	Denali Commission Ph II	
Southeast	Meyers Chuck	Meyer's Chuck Float & Sea Plane Base	DOT Deferred Maintenar	
Southeast	Meyers Chuck	Harbor Repairs : Work order to add signage, repair fire breaks and	DOT MRS Ports & Harbo	
Southeast	Meyers Chuck	Grid Repairs : Refurbish the grid by replacing the deteriorated caps	DOT MRS Ports & Harbo	
Southeast	Naukati	Launch Ramp Improvements : Increase the grade and construct an	DOT MRS Ports & Harbo	
Southeast	Naukati	Klinau Cove Skiff Facility : Construct a gravel launch ramp and float	DOT MRS Ports & Harbo	
Southeast	Naukati	Floating Breakwater Installation : Construct and install a concrete	DOT MRS Ports & Harbo	
Southeast	Naukati	Grid Construction : Construct a grid 15 feet wide by 60 feet long, as	DOT MRS Ports & Harbo	
Southeast	Naukati	Harbor Facility Construction : Construct and install floats that can	DOT MRS Ports & Harbo	
Southeast	Pelican	Dolphins and/or Fenders, Other	Denali Commission Ph II	
Southeast	Pelican	Denali - Barge Facility Pelican : Develop/improve barge facility	DOT MRS Ports & Harbo	
Southeast	Pelican	Harbor Water and ADA Gangway : Construct new ADA gangway	DOT MRS Ports & Harbo	
Southeast	Pelican	Pelican Boat Harbor: Multi-use cargo dock/barge landing	USACE Survey	
Southeast	Pelican	Pelican Boat Harbor: Seaplane Mooring Dock	USACE Survey	
Southeast	Pelican	Pelican Boat Harbor: Alaska Marine Highway Terminal	USACE Survey	
Southeast	Pelican	Harbor: Breakwater expansion	USACE Survey	
Southeast	Pelican	Pelican Boat Harbor: Boat launch ramp	USACE Survey	
Southeast	Pelican	Pelican Boat Harbor: Fishermen's work float	USACE Survey	
Southeast	Pelican	Pelican Boat Harbor: Replace E float	USACE Survey	
Southeast	Pelican	Pelican Boat Harbor: Water distribution system	USACE Survey	
Southeast	Pelican	Pelican Boat Harbor: Dredging of inner harbor	USACE Survey	
Southeast	Pelican	Pelican Boat Harbor: Reconstruction of two oldest floats and	USACE Survey	
Southeast	Pelican	Pelican Boat Harbor: Public Access Hoist	USACE Survey	
Southeast	Petersburg	Dredging or Rock Removal	Denali Commission Ph II	
Southeast	Petersburg	Papke's Landing Float	DOT Deferred Maintenar	
Southeast	Petersburg	South Harbor	DOT Harbor Grant	
Southeast	Petersburg	Middle harbor	DOT Harbor Grant	
Southeast	Petersburg	South Harbor	DOT Harbor Grant	
Southeast	Petersburg	Petersburg Area Repairs : Work orders for Kurpreanof Harbor to	DOT MRS Ports & Harbo	
Southeast	Petersburg	South Boat Harbor Expansion : Enlarge basin by dredging adjacent	DOT MRS Ports & Harbo	
Southeast	Petersburg	Papke's Landing Rehabilitation : Extend float, add moorage, install	DOT MRS Ports & Harbo	
Southeast	Petersburg	Middle Boat Harbor Float Replacement : Major renovation of old	DOT MRS Ports & Harbo	
Southeast	Petersburg	North Boat Harbor Float Replacement : Replace North Boat Harbor	DOT MRS Ports & Harbo	
Southeast	Petersburg	Tour Ship Dock Construction, Preliminary Engineering : Preliminary	DOT MRS Ports & Harbo	
Southeast	Petersburg	Middle Harbor :	DOT MRS Ports & Harbo	
Southeast	Petersburg	South Harbor :	DOT MRS Ports & Harbo	
Southeast	Petersburg	Entrance Island Harbor Float Replacement : Work order to remove	DOT MRS Ports & Harbo	
Southeast	Petersburg	Petersburg Fisheries: Floor Replacement	USACE Survey	
Southeast	Petersburg	Petersburg Ferry Terminal: Dock bumper "donuts"	USACE Survey	
Southeast	Petersburg	City of Petersburg South Harbor: South Harbor cathodic protection	USACE Survey	
Southeast	Petersburg	Petersburg Fisheries: Cooling Tower	USACE Survey	
Southeast	Petersburg	Petersburg Fisheries: New float – dock system	USACE Survey	
Southeast	Petersburg	Petersburg Shipwrights, Inc.: 300 ton travel lift	USACE Survey	
Southeast	Petersburg	Tamico Inc: Float replacement	USACE Survey	
Southeast	Petersburg	Tamico Inc: Land expansion	USACE Survey	
Southeast	Petersburg	Tamico Inc: Dredging	USACE Survey	
Southeast	Point Baker	Ramp	Denali Commission Ph II	
Southeast	Point Baker	Point Baker Refuge Float & Sea Plane Base	DOT Deferred Maintenar	
Southeast	Point Baker	Point Baker Float Improvements : Provide additional capacity at the	DOT MRS Ports & Harbo	
Southeast	Point Baker	Point Baker Vessel and Seaplane Float: Harbor facilities upgrade.	USACE Survey	
Southeast	Port Alexander	Port Alexander Inner Float	DOT Deferred Maintenar	
Southeast	Port Alexander	Port Alexander Outer Float & Sea Plane Base	DOT Deferred Maintenar	
Southeast	Port Alexander	Port Alexander Harbor Repairs : Work order to replace approach	DOT MRS Ports & Harbo	
Southeast	Port Alexander	Inner Harbor Rehabilitation : Reinforce main floats with fendered	DOT MRS Ports & Harbo	
Southeast	Port Alexander	Back Dock: State of Alaska to repair approach to back dock	USACE Survey	
Southeast	Port Alexander	Front Dock: Front dock repairs, new floatation, pilings, some	USACE Survey	
Southeast	Port Protection	New Dock	Denali Commission Ph II	
Southeast	Port Protection	Port Protection Refuge Float & Sea Plane Base	DOT Deferred Maintenar	
Southeast	Saxman	Saxman Seaport: Roof replacement, large warehouse	USACE Survey	
Southeast	Tenakee Springs	Ramp, Other	Denali Commission Ph II	
Southeast	Tenakee Springs	Tenakee Springs Small Boat Harbor	DOT Deferred Maintenar	
Southeast	Tenakee Springs	A' and 'B' Float at Tenakee Springs SBH	DOT Deferred Maintenar	
Southeast	Tenakee Springs	Denali - Tenakee Springs Terminal Improvments : AMHS - Upgrade	DOT MRS Ports & Harbo	

List Compiled from Multiple Sources.
Duplicates and Out of Date Projects Have Not Yet Been Removed.

Region (Look-up)	Community/Location	Description	Source	Type of Hub
Southeast	Tenakee Springs	Skiff Float Installation : Provide float suitable for handling 8 skiffs,	DOT MRS Ports & Harbo	
Southeast	Tenakee Springs	Port Shed Repairs : Rebuild the east side of the dock shed,	DOT MRS Ports & Harbo	
Southeast	Tenakee Springs	Harbor Repairs : Work order to replace broken stringers in	DOT MRS Ports & Harbo	
Southeast	Tenakee Springs	Floating Breakwater Installation : Construct a third floating	DOT MRS Ports & Harbo	
Southeast	Tenakee Springs	Harbor Improvements : Provide harbor shed/office and fire	DOT MRS Ports & Harbo	
Southeast	Tenakee Springs	Float D Upgrade : Replace Float D with a heavy-duty float that is	DOT MRS Ports & Harbo	
Southeast	Tenakee Springs	City Dock: City Dock deck rehabilitation	USACE Survey	
Southeast	Tenakee Springs	City Dock: Marine Highway Tenakee	USACE Survey	
Southeast	Tenakee Springs	Tenakee Springs Boat Harbor: Replacement of 2 floats - (A&B) by	USACE Survey	
Southeast	Tenakee Springs	Tenakee Springs Boat Harbor: Feasibility study - freight barge	USACE Survey	
Southeast	Thorne Bay	Thorne Bay Main Harbor	DOT Harbor Grant	
Southeast	Thorne Bay	Harbor Grid Construction : Construction of grid.	DOT MRS Ports & Harbo	
Southeast	Thorne Bay	Tolstoi Bay Port Construction : Construct a barge landing facility	DOT MRS Ports & Harbo	
Southeast	Thorne Bay	Harbor Expansion : Extend breakwater, finger floats and utilities.	DOT MRS Ports & Harbo	
Southeast	Thorne Bay	Dock : Pile supported 40 x 100 general purpose dock with cargo	DOT MRS Ports & Harbo	
Southeast	Thorne Bay	Davidson Landing Float Replacement : Replace and expand the	DOT MRS Ports & Harbo	
Southeast	Thorne Bay	Denali - Davidson Harbor Landing Phase 1 Mooring Floats :	DOT MRS Ports & Harbo	
Southeast	Thorne Bay	Thorne Bay Harbor: Davidson landing harbor improvement	USACE Survey	
Southeast	Thorne Bay	Thorne Bay Harbor: Main harbor seaplane dock conversion	USACE Survey	
Southeast	Thorne Bay	Thorne Bay Harbor: Main harbor float approach refurbish / replace	USACE Survey	
Southeast	Thorne Bay	Thorne Bay Harbor: Breakwater for main harbor - construct	USACE Survey	
Southeast	Thorne Bay	Thorne Bay Harbor: Construct commercial dock for freight transfer	USACE Survey	
Southeast	Whale Pass	Whale Pass Float & Sea Plane Base	DOT Deferred Maintenar	
Southeast	Whale Pass	Boat Launch Ramp Construction : Construct boat launch ramp.	DOT MRS Ports & Harbo	
Southeast	Whale Pass	Boat Float Replacement : Replace community boat float.	DOT MRS Ports & Harbo	
Southeast	Whale Pass	Whale Pass: Dock Expansion – add additional slips	USACE Survey	
Southeast	Whale Pass	Whale Pass: Build breakwater around dock	USACE Survey	
Southeast	Whale Pass	Whale Pass: Seawall improvements. Replace old logs w/cement &	USACE Survey	
Southeast	Whale Pass	Whale Pass: Dock expansion - add additional slips	USACE Survey	
Southeast	Whale Pass	Whale Pass: Sea Wall - build sea wall to replace logs	USACE Survey	
Southeast	Whale Pass	Whale Pass: Break Water - around dock	USACE Survey	
Southeast	Wrangell	Dredging or Rock Removal,,	Denali Commission Ph II	
Southeast	Wrangell	Heritage Harbor Construction : Corp program match to construct a	DOT MRS Ports & Harbo	
Southeast	Wrangell	Fish and Game Float Electrical : Expand electrical system.	DOT MRS Ports & Harbo	
Southeast	Wrangell	Standard Oil Float Phase II : Upgrade and expand Reliance Harbor.	DOT MRS Ports & Harbo	
Southeast	Wrangell	Float Relocation and Upgrade : Relocate upgrade seaplane float to	DOT MRS Ports & Harbo	
Southeast	Wrangell	Upgrade In-town Pullout and Adjoining Dock : Design and construct	DOT MRS Ports & Harbo	
Southeast	Wrangell	Port Fill Placement : Fill behind dike at port.	DOT MRS Ports & Harbo	
Southeast	Wrangell	Inner Harbor Improvements : Maintenance dredge to original limits	DOT MRS Ports & Harbo	
Southeast	Wrangell	Travel Lift and Boat Haul-out Facility : Construct 150-ton boat haul-	DOT MRS Ports & Harbo	
Southeast	Wrangell	North/South Summer Float : Upgrade the existing float and add a	DOT MRS Ports & Harbo	
Southeast	Wrangell	Reliance Harbor : Extend dock by 60 x 100 feet and 600 LF. of	DOT MRS Ports & Harbo	
Southeast	Wrangell	Deep Draft Harbor Expansion : Provide a new harbor for deep draft	DOT MRS Ports & Harbo	
Southeast	Wrangell	Denali - City Dock Rehablitation :	DOT MRS Ports & Harbo	
Southeast	Wrangell	Wrangell Oil Inc.: Replace and re-secure outside whaler on	USACE Survey	
Southeast	Wrangell	Wrangell Oil Inc.: Replace and repair cross braces under length of	USACE Survey	
Southeast	Yakutat	Statter (AukeBay) Harbor	DOT Harbor Grant	
Southeast	Yakutat	Harbor Upgrade of Water/Electrical System : Major rehabilitation of	DOT MRS Ports & Harbo	
Southeast	Yakutat	Harbor Improvements : Extend float 200', construct two fingers	DOT MRS Ports & Harbo	
Southeast	Yakutat	Yakutat Ocean Cape Dock : Install catwalks to mooring dolphins.	DOT MRS Ports & Harbo	
Southeast	Yakutat	Unnamed: Bathrooms, boat haul out, fish cleaning	USACE Survey	
Southeast	Yakutat	Unnamed: Remove power pole from launch ramp	USACE Survey	
Southeast	Yakutat	Unnamed: Boat Haul out	USACE Survey	
Southeast	Yakutat	Unnamed: Power Grid	USACE Survey	
Southwest	Adak	Recommend fender pile repair	Denali Commission Ph II	Subregional Hub
Southwest	Adak	Small Boat Harbor Construction : Denali Commission SAFETEA-LU	DOT MRS Ports & Harbo	Subregional Hub
Southwest	Dillingham	Erosion Phase II : Construct 1200' of bulkhead near the boat dock.	DOT MRS Ports & Harbo	Subregional Hub
Southwest	Dillingham	Harbor Erosion Control : The harbor is separated from Nushagak	DOT MRS Ports & Harbo	Subregional Hub
Southwest	Dillingham	Small Boat Harbor Ramps : Denali Commission SAFETEA-LU	DOT MRS Ports & Harbo	Subregional Hub
Southwest	Dillingham	Erosion Phase III : Erosion control near Squaw Creek.	DOT MRS Ports & Harbo	Subregional Hub
Southwest	Dillingham	Small Boat Harbor Wharf/Bulkhead: Bulkhead Extension / Crane	USACE Survey	Subregional Hub
Southwest	Dillingham	Dillingham Small Boat Harbor: Bulkhead extension encompassing	USACE Survey	Subregional Hub
Southwest	Dillingham	Dillingham Small Boat Harbor: Breakwater on out channel to help	USACE Survey	Subregional Hub
Southwest	Naknek	Dock Dredging or Rock Removal, Other	Denali Commission Ph I	Subregional Hub
Southwest	Naknek	Port of BristolBay	DOT Harbor Grant	Subregional Hub
Southwest	Naknek	Naknek Fisherman's Dock and Harbor : Construct a dock and	DOT MRS Ports & Harbo	Subregional Hub
Southwest	Naknek	Bristol Bay Borough Freight Dock : Expand the Borough's existing	DOT MRS Ports & Harbo	Subregional Hub
Southwest	Naknek	Delta Western: Dock Replacement	USACE Survey	Subregional Hub
Southwest	Naknek	Alaska General Seafoods: Freezer Plant East Extension	USACE Survey	Subregional Hub
Southwest	Naknek	Alaska General Seafoods: Freezer Plant West Extension	USACE Survey	Subregional Hub
Southwest	Naknek	Port of Bristol Bay: Fisherman's Dock	USACE Survey	Subregional Hub
Southwest	Naknek	Ocean Beauty Seafoods: Dock Deck replacement	USACE Survey	Subregional Hub
Southwest	Naknek	Port of Bristol Bay: Fishery support center / community fish	USACE Survey	Subregional Hub
Southwest	Naknek	Port of Bristol Bay: Cold storage facility	USACE Survey	Subregional Hub
Southwest	Naknek	Port of Bristol Bay: Slurry ice delivery	USACE Survey	Subregional Hub
Southwest	Naknek	Ocean Beauty Seafoods: Piling replacement / cap replacement	USACE Survey	Subregional Hub
Southwest	Naknek	Alaska General Seafoods: Upriver dock extension	USACE Survey	Subregional Hub
Southwest	Afognak	Mooring Points (Dock or Shore), Dolphins and/or Fenders	Denali Commission Ph II	
Southwest	Akutan	Small Boat Harbor : Construct small boat harbor for home port 41	DOT MRS Ports & Harbo	
Southwest	Akutan	Akutan City Dock Fendering: Raise/improve fendering system on	DOT MRS Ports & Harbo	
Southwest	Akutan	Port/Ferry Dock Improvement : Upgrade the dock cathodic	DOT MRS Ports & Harbo	
Southwest	Akutan	Akutan City Dock Improvements : Install raised fender panel	DOT MRS Ports & Harbo	
Southwest	Akutan	Navigation Improvements: Construction	USACE	

Region (Look-up)	Community/Location	Description	Source	Type of Hub
Southwest	Attu	Dolphins and/or Fenders	Denali Commission Ph II	
Southwest	Chignik	Mooring Points (Dock or Shore), Dolphins and/or Fenders	Denali Commission Ph II	
Southwest	Chignik	Chignik small Boat Harbor	DOT Harbor Grant	
Southwest	Chignik	Public Dock : Construct a 50' x 200' public dock in Chignik to	DOT MRS Ports & Harbo	
Southwest	Chignik	Inner Harbor : Construct inner harbor facilities to accommodate 105	DOT MRS Ports & Harbo	
Southwest	Chignik	Small Boat Harbor Breakwater : Construct breakwater, dredge	DOT MRS Ports & Harbo	
Southwest	Cold Bay	Dock Repair	Denali Commission Ph II	
Southwest	Cold Bay	Cold Bay Dock	DOT Harbor Grant	
Southwest	Cold Bay	Dock Electrification : Install approximately 2,150 feet of three-phase	DOT MRS Ports & Harbo	
Southwest	Cold Bay	Breakwater and Small Boat Harbor : Construct breakwater and	DOT MRS Ports & Harbo	
Southwest	Egegik	Deadmen, Other	Denali Commission Ph I	
Southwest	Ekwok	Ramp, Gravel Improvements	Denali Commission Ph I	
Southwest	False Pass	Dolphins and/or Fenders	Denali Commission Ph II	
Southwest	False Pass	False Pass Harbor	DOT Harbor Grant	
Southwest	False Pass	Public Dock Improvements : Improve the dock (175' x 40') by	DOT MRS Ports & Harbo	
Southwest	False Pass	Breakwater and Harbor : Construct a breakwater and harbor	DOT MRS Ports & Harbo	
Southwest	Igiugig	Ramp	Denali Commission Ph II	
Southwest	Igiugig	Public Dock : Design and construct a public dock and float plane	DOT MRS Ports & Harbo	
Southwest	Iliamna	New Dock, Other	Denali Commission Ph II	
Southwest	Iliamna	Iliamna Public Dock Modifications : Design, permitting and business	DOT MRS Ports & Harbo	
Southwest	Karluk	Dolphins and/or Fenders, New Dock	Denali Commission Ph II	
Southwest	King Cove	Robert Newman Boat Harbor: Completely redo King Cove Harbor	USACE Survey	
Southwest	King Cove	King Cove Small Boat Harbor Transient Dock: New decking &	USACE Survey	
Southwest	King Cove	Robert E. Newman Harbor: Narrow Entrance to cut down on swell	USACE Survey	
Southwest	King Cove	Small boat harbor floats A-C: Total float Replacement	USACE Survey	
Southwest	King Cove	Small Harbor Tee Dock: Some new fender pile & Bull rail	USACE Survey	
Southwest	King Cove	Robert E. Newman Harbor: 400 ft sheet pile dock along road to	USACE Survey	
Southwest	King Salmon	US Fish & Wildlife Service: Replace Old Dock Structures	USACE Survey	
Southwest	King Salmon	US Fish & Wildlife Service: Grade and surface boat ramp	USACE Survey	
Southwest	Kokhanok	Ramp	Denali Commission Ph II	
Southwest	Kokhanok	Small Boat Harbor : Conduct feasibility study.	DOT MRS Ports & Harbo	
Southwest	Larsen Bay	Dolphins and/or Fenders	Denali Commission Ph II	
Southwest	Larsen Bay	Inner Harbor Construction : Construct the float system and	DOT MRS Ports & Harbo	
Southwest	Larsen Bay	Small Boat Harbor : Fund match for the Corps of Engineers project	DOT MRS Ports & Harbo	
Southwest	Larsen Bay	Anton Larsen Bay Dock: Replace float	USACE Survey	
Southwest	Larsen Bay	Boat Harbor: We are in the process of putting new lights in harbor,	USACE Survey	
Southwest	Levelock	Mooring Points (Dock or Shore), Dolphins and/or Fenders, New Doc	Denali Commission Ph II	
Southwest	Levelock	Public Dock : Construct a public dock.	DOT MRS Ports & Harbo	
Southwest	New Stuyahok	Staging Area, Ramp	Denali Commission Ph I	
Southwest	Nikolski	Dredging or Rock Removal, Other	Denali Commission Ph II	
Southwest	Old Harbor	New Dock	Denali Commission Ph II	
Southwest	Old Harbor	Old Harbor City Harbor	DOT Harbor Grant	
Southwest	Old Harbor	Old Harbor Launching Ramp : Construct a small boat launch ramp.	DOT MRS Ports & Harbo	
Southwest	Old Harbor	Old Harbor Wharf : Construction of Wharf	DOT MRS Ports & Harbo	
Southwest	Old Harbor	City Dock Improvements : Complete improvements.	DOT MRS Ports & Harbo	
Southwest	Old Harbor	Small Boat Harbor Repairs : Replace floats, gangway and	DOT MRS Ports & Harbo	
Southwest	Old Harbor	Denail - City Dock Reconstruction :	DOT MRS Ports & Harbo	
Southwest	Old Harbor	Navigation Improvements: Reconnaissance	USACE	
Southwest	Old Harbor	City Dock: Old Harbor City Dock	USACE Survey	
Southwest	Old Harbor	Boat Harbor: Harbor Floats & Slips	USACE Survey	
Southwest	Old Harbor	Boat Harbor: Harbor Dredging and Channel	USACE Survey	
Southwest	Old Harbor	Old Harbor Port Facilities: New Dock	USACE Survey	
Southwest	Old Harbor	Old Harbor Port Facilities: Harbor & Channel Dredging	USACE Survey	
Southwest	Old Harbor	Old Harbor Port Facilities: Power (electrical meters) to commercial	USACE Survey	
Southwest	Old Harbor	Old Harbor Port Facilities: Harbor and channel dredging	USACE Survey	
Southwest	Ouzinkie	Dolphins and/or Fenders	Denali Commission Ph II	
Southwest	Ouzinkie	Inner Harbor : Construct inner harbor facilities in conjunction with	DOT MRS Ports & Harbo	
Southwest	Ouzinkie	Small Boat Harbor Breakwater : Provides match and local share for	DOT MRS Ports & Harbo	
Southwest	Perryville	Mooring Points (Dock or Shore), Ramp	Denali Commission Ph II	
Southwest	Perryville	Public Dock Construction : Design a public dock that will	DOT MRS Ports & Harbo	
Southwest	Pilot Point	Deadmen	Denali Commission Ph I	
Southwest	Pilot Point	Public Dock : Construct a new and upgraded public dock at Dago	DOT MRS Ports & Harbo	
Southwest	Port Heiden	Other	Denali Commission Ph II	
Southwest	Port Lions	New Dock,Other	Denali Commission Ph II	
Southwest	Port Lions	Port Lions small Boat Harbor	DOT Harbor Grant	
Southwest	Port Lions	Port Lions Electrical Replacement : Replace all abraded electrical	DOT MRS Ports & Harbo	
Southwest	Port Lions	Harbor Water for Floats : Install water system on floats.	DOT MRS Ports & Harbo	
Southwest	Port Lions	Harbor Fire Protection System : Install fire protection system.	DOT MRS Ports & Harbo	
Southwest	Port Lions	Port Lions Launching Ramp : Construct launch ramp.	DOT MRS Ports & Harbo	
Southwest	Port Lions	Spur Breakwater : Construct a rubble-mound breakwater and heavy-	DOT MRS Ports & Harbo	
Southwest	Port Lions	Dock Repairs/Improvement : Replace damaged concrete float	DOT MRS Ports & Harbo	
Southwest	Port Lions	Denali - City Dock and Ferry Terminal Repairs :	DOT MRS Ports & Harbo	
Southwest	Port Lions	Navigation Improvements: Preliminary Engineering and Design	USACE	
Southwest	Port Lions	City Dock and Ferry Terminal: Port Lions City Dock and Ferry	USACE Survey	
Southwest	Port Lions	Port Lions Small Boat Harbor: Port Lions Small Boat Harbor	USACE Survey	
Southwest	Portage Creek	Mooring Points (Dock or Shore)	Denali Commission Ph II	
Southwest	Saint George	Widen entrance to harbor	Denali Commission Ph II	
Southwest	Saint George	East Landing Boat Ramp : Remove existing ramp. Dig back into	DOT MRS Ports & Harbo	
Southwest	Saint George	St. George Harbor South Breakwater repairs : South Breakwater	DOT MRS Ports & Harbo	
Southwest	Saint Paul	Dredging or Rock Removal	Denali Commission Ph II	
Southwest	Saint Paul	Harbor Improvements : Channel dredging to deepen and enlarge	DOT MRS Ports & Harbo	
Southwest	Sand Point	Mooring Points (Dock or Shore), Dolphins and/or Fenders, Dredging	Denali Commission Ph II	
Southwest	Sand Point	Sand Point Harbor	DOT Harbor Grant	

List Compiled from Multiple Sources.
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Region (Look-up)	Community/Location	Description	Source	Type of Hub
Southwest	Sand Point	Sand Point Harbor	DOT Harbor Grant	
Southwest	Sand Point	Sand Point Harbor	DOT Harbor Grant	
Southwest	Sand Point	Sand Point Harbor Float A	DOT Harbor Grant	
Southwest	Sand Point	Sand Point Harbor Expansion : Expand existing harbor for 27	DOT MRS Ports & Harbo	
Southwest	Sand Point	Denali - Harbor Main Float :	DOT MRS Ports & Harbo	
Southwest	Sand Point	Aleutians East Borough - Sand Point Harbor :	DOT MRS Ports & Harbo	
Southwest	Sand Point	City of Sand Point Harbor :	DOT MRS Ports & Harbo	
Southwest	Sand Point	Robert E. Galovin Small Boat Harbor: Replace Infrastructure in	USACE Survey	
Southwest	Sand Point	Peter Pan Seafoods, Inc: New Decking	USACE Survey	
Southwest	Sand Point	Robert E. Galovin Small Boat Harbor: Water & electricity & floats to	USACE Survey	
Southwest	Shemya	Lengthening fender panels	Denali Commission Ph II	
Southwest	South Naknek	Dock Maintenance	Denali Commission Ph I	
Southwest	St. George Island	St. George Island Harbor: Build two additional breakwaters and	USACE Survey	
Southwest	St. George Island	St. George Island Harbor: Fish Handling Facility St. George Harbor	USACE Survey	
Southwest	St. George Island	St. George Island Harbor: Warehouse - St. George Harbor	USACE Survey	
Southwest	St. George Island	St. George Island Harbor: Inter Island Ferry Service St. George to	USACE Survey	
Southwest	St. Paul Island	St. Paul Harbor or St. Paul Municipal Harbor: Small Boat Harbor	USACE Survey	
Southwest	St. Paul Island	St. Paul Harbor or St. Paul Municipal Harbor: Berth dredge	USACE Survey	
Southwest	St. Paul Island	St. Paul Harbor or St. Paul Municipal Harbor: SBH Infrastructure	USACE Survey	
Southwest	St. Paul Island	St. Paul Harbor or St. Paul Municipal Harbor: North Dock Repairs	USACE Survey	
Southwest	St. Paul Island	Saint Paul Harbor/ Municipal Harbor: Replace harbormaster's	USACE Survey	
Southwest	St. Paul Island	Saint Paul Harbor/ Municipal Harbor: Travel Lift	USACE Survey	
Southwest	St. Paul Island	Saint Paul Harbor/ Municipal Harbor: Ocean Outfall	USACE Survey	
Southwest	Togiak	Deadmen	Denali Commission Ph I	
Southwest	Togiak	River Harbor :	DOT MRS Ports & Harbo	
Southwest	Togiak	Togiak: Corps of Engr. Boat Harbor, Dock, dredged channel to	USACE Survey	
Southwest	Togiak	Togiak: BBEDC study for Dock & Boat Ramp	USACE Survey	
Southwest	Togiak	Togiak: Sea wall and Dock	USACE Survey	
Southwest	Togiak	Unnamed: Replace 25 year old timber seawall with seawall/dock	USACE Survey	
Southwest	Twin Hills	Deadmen, Staging Area	Denali Commission Ph I	
Southwest	Ugashik	Mooring Points (Dock or Shore)	Denali Commission Ph II	
Southwest	Ugashik	Public Dock : Conduct a feasibility study to construct a public dock.	DOT MRS Ports & Harbo	
Southwest	Williamsport	Channel Dredging and Barge Landing : Dredge channel and	DOT MRS Ports & Harbo	
Southwest	Womens Bay	Dolphins and/or Fenders	Denali Commission Ph II	
Southwest	Kodiak	Old Douglas Harbor	DOT Harbor Grant	Regional, Container
Southwest	Kodiak	City Float Deferred Maintenance : Reconstruct flotation, decking	DOT MRS Ports & Harbo	Regional, Container
Southwest	Kodiak	St. Herman's New Harbor Facilities : Construct inner harbor	DOT MRS Ports & Harbo	Regional, Container
Southwest	Kodiak	Pier 3 Cargo Terminal Repair : Denali Commission SAFETEA-LU	DOT MRS Ports & Harbo	Regional, Container
Southwest	Kodiak	St. Herman's Inner Harbor : Deferred maintenance on fire	DOT MRS Ports & Harbo	Regional, Container
Southwest	Kodiak	St. Paul Harbor : Replace/repair floats A through D, repair water	DOT MRS Ports & Harbo	Regional, Container
Southwest	Kodiak	Pier 1 - Ferry Dock: Replace w/l 3 years	USACE Survey	Regional, Container
Southwest	Kodiak	Pier 2 Fisherman's Terminal: Passenger Access Sidewalks	USACE Survey	Regional, Container
Southwest	Kodiak	Pier III Cargo Terminal: New Crane	USACE Survey	Regional, Container
Southwest	Kodiak	Transient Float – N.I. Channel: Kodiak Channel Transient Float	USACE Survey	Regional, Container
Southwest	Kodiak	St. Herman Harbor: Replace E-L floats	USACE Survey	Regional, Container
Southwest	Unalaska (Dutch Harbor)	Robert Storrs Int' lHarbor	DOT Harbor Grant	Regional, Container
Southwest	Unalaska (Dutch Harbor)	Robert Storrs International Harbor :	DOT MRS Ports & Harbo	Regional, Container
Southwest	Unalaska (Dutch Harbor)	Small Boat Harbor Expansion : Expand the existing small boat	DOT MRS Ports & Harbo	Regional, Container
Southwest	Unalaska (Dutch Harbor)	Unalaska Spit Dock Extension : Extend the existing pin-piled	DOT MRS Ports & Harbo	Regional, Container
Southwest	Unalaska (Dutch Harbor)	(LSA) New Small Boat Harbor : Construct a new small boat harbor	DOT MRS Ports & Harbo	Regional, Container
Southwest	Unalaska (Dutch Harbor)	Iliuliuk River Skiff Float : Construct an 8' x 300' pin-piled, floating	DOT MRS Ports & Harbo	Regional, Container
Southwest	Unalaska (Dutch Harbor)	Unalaska Marine Center Expansion : This project consists of	DOT MRS Ports & Harbo	Regional, Container
Southwest	Unalaska (Dutch Harbor)	Navigation Improvements: Construction	USACE	Regional, Container
Southwest	Unalaska (Dutch Harbor)	Westward Seafoods: Resurfacing concrete	USACE Survey	Regional, Container
Southwest	Unalaska (Dutch Harbor)	Ballyhoo Wharf (Position 3 UMC): UMC Position 3	USACE Survey	Regional, Container
Southwest	Unalaska (Dutch Harbor)	Marine Center Wharf (UMC Position 4-7): Position 4-7 fender	USACE Survey	Regional, Container
Southwest	Unalaska (Dutch Harbor)	Marine Center Wharf (UMC Position 4-7): UMC back reach grading	USACE Survey	Regional, Container
Southwest	Unalaska (Dutch Harbor)	Marine Center Wharf (UMC Position 4-7): UMC Position 4-7	USACE Survey	Regional, Container
Southwest	Unalaska (Dutch Harbor)	Marine Center Wharf (UMC Position 4-7): Anode Replacement	USACE Survey	Regional, Container
Southwest	Unalaska (Dutch Harbor)	Port of Dutch Harbor: New small boat harbor	USACE Survey	Regional, Container
Southwest	Unalaska (Dutch Harbor)	Robert Storrs International Small Boat Harbor (Unalaska Small	USACE Survey	Regional, Container
Southwest	Unalaska (Dutch Harbor)	Robert Storrs International Small Boat Harbor (Small Boat Harbor	USACE Survey	Regional, Container
Southwest	Unalaska (Dutch Harbor)	UMC USCG Wharf (Position 1&2 UMC): UMC back reach grading	USACE Survey	Regional, Container
Southwest	Unalaska (Dutch Harbor)	Westward Seafoods: Resurfacing concrete	USACE Survey	Regional, Container
Soutwest	Manokotak	Mooring Points (Dock or Shore)	Denali Commission Ph II	
Soutwest	Manokotak	Weary River Dock : Construction of dock at Weary River.	DOT MRS Ports & Harbo	
Soutwest	Manokotak	Igushik River Dock : Construct a dock on the Igushik River at the	DOT MRS Ports & Harbo	
Yukon-Kuskokwim	Bethel	Bethel small Boat Harbor	DOT Harbor Grant	Regional Hub
Yukon-Kuskokwim	Bethel	Brown's Slough Bank Stabilization : Denali Commission SAFETEA-	DOT MRS Ports & Harbo	Regional Hub
Yukon-Kuskokwim	Bethel	Bank Stabilization : Construct rock blanket slope protection in front	DOT MRS Ports & Harbo	Regional Hub
Yukon-Kuskokwim	Bethel	Denali - Small Boat Harbor Dredging	DOT MRS Ports & Harbo	Regional Hub
Yukon-Kuskokwim	Bethel	Beach #2: Petro port expansion	USACE Survey	Regional Hub
Yukon-Kuskokwim	Bethel	Beach #1: Resurface	USACE Survey	Regional Hub
Yukon-Kuskokwim	Bethel	City of Bethel Seawall Dock: East side of dock	USACE Survey	Regional Hub
Yukon-Kuskokwim	Bethel	City of Bethel Seawall Dock: Resurface the dock	USACE Survey	Regional Hub
Yukon-Kuskokwim	Bethel	Port of Bethel: Bethel City Dock study cond. survey	USACE Survey	Regional Hub
Yukon-Kuskokwim	Bethel	St. Paul Harbor: Dredge entrance channel USACE project	USACE Survey	Regional Hub
Yukon-Kuskokwim	Akiachak	Deadmen	Denali Commission Ph I	
Yukon-Kuskokwim	Akiak	Deadmen, Staging Area	Denali Commission Ph I	
Yukon-Kuskokwim	Alakanuk	Deadmen, Ramp	Denali Commission Ph I	
Yukon-Kuskokwim	Alakanuk	St. Herman Harbor: None planned but many floats are 25+ years	USACE Survey	
Yukon-Kuskokwim	Aniak	Deadmen, Staging Area, Dock	Denali Commission Ph I	
Yukon-Kuskokwim	Aniak	Flood Damage Protection : Corps of Engineers investigation of	DOT MRS Ports & Harbo	

List Compiled from Multiple Sources.
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Region (Look-up)	Community/Location	Description	Source	Type of Hub
Yukon-Kuskokwim	Aniak	Dock and Harbor Facility Improvement : Provide for dock and	DOT MRS Ports & Harbo	
Yukon-Kuskokwim	Anvik	Deadmen, Ramp, Other	Denali Commission Ph I	
Yukon-Kuskokwim	Chefornak	Ramp, Dredging or Rock Removal, Other	Denali Commission Ph I	
Yukon-Kuskokwim	Chevak	Deadmen, Other	Denali Commission Ph I	
Yukon-Kuskokwim	Chuathbaluk	Deadmen, Staging Area, Ramp	Denali Commission Ph I	
Yukon-Kuskokwim	Crooked Creek	Deadmen, Staging Area	Denali Commission Ph I	
Yukon-Kuskokwim	Crooked Creek	Barge Landing: Barge landing & dock	USACE Survey	
Yukon-Kuskokwim	Eek	Deadmen, Staging Area, Ramp	Denali Commission Ph I	
Yukon-Kuskokwim	Emmonak	Deadmen, Staging Area, DockRamp	Denali Commission Ph I	
Yukon-Kuskokwim	Emmonak	Erosion Control Dike : Construct erosion control dike.	DOT MRS Ports & Harbo	
Yukon-Kuskokwim	Goodnews Bay	Deadmen, Staging Area, Dredging or Rock Removal	Denali Commission Ph I	
Yukon-Kuskokwim	Grayling	Deadmen	Denali Commission Ph I	
Yukon-Kuskokwim	Holy Cross	Deadmen, Staging Area	Denali Commission Ph I	
Yukon-Kuskokwim	Hooper Bay	Other	Denali Commission Ph I	
Yukon-Kuskokwim	Kasigluk	Deadmen, Staging Area, Ramp	Denali Commission Ph I	
Yukon-Kuskokwim	Kipnuk	Deadmen, Staging Area, DockRamp	Denali Commission Ph I	
Yukon-Kuskokwim	Kongiganak	Deadmen, Staging Area, DockRamp, Dredging or Rock Removal,(	Denali Commission Ph I	
Yukon-Kuskokwim	Kwethluk	Staging Area, DockRamp	Denali Commission Ph I	
Yukon-Kuskokwim	Kwigillingok	Deadmen, Staging Area, Other	Denali Commission Ph I	
Yukon-Kuskokwim	Lower Kalskag	Deadmen	Denali Commission Ph I	
Yukon-Kuskokwim	Marshall	Deadmen, Staging Area, Ramp	Denali Commission Ph I	
Yukon-Kuskokwim	McGrath	Deadmen, Ramp	Denali Commission Ph I	
Yukon-Kuskokwim	Mekoryuk	Staging Area, Dredging or Rock Removal	Denali Commission Ph I	
Yukon-Kuskokwim	Mekoryuk	MEKORYUK BARGE FACILITY : Construct a barge loading facility	DOT MRS Ports & Harbo	
Yukon-Kuskokwim	Mekoryuk	Harbor Construction : Construct a medium draft port.	DOT MRS Ports & Harbo	
Yukon-Kuskokwim	Mountain Village	Deadmen, Staging Area, Other	Denali Commission Ph I	
Yukon-Kuskokwim	Mountain Village	Small Boat Dock : Construct a 20' x 40' dock.	DOT MRS Ports & Harbo	
Yukon-Kuskokwim	Napaimute	Napaimute Barge Landing: Napaimute freight storage & barge	USACE Survey	
Yukon-Kuskokwim	Napaimute	Napaimute Barge Landing: Napaimute Freight Storage/Barge	USACE Survey	
Yukon-Kuskokwim	Napakiak	Staging Area, DockRamp, Other	Denali Commission Ph I	
Yukon-Kuskokwim	Napaskiak	Deadmen, Staging Area, Ramp, Dredging or Rock Removal	Denali Commission Ph I	
Yukon-Kuskokwim	Nightmute	Staging Area, Dredging or Rock Removal	Denali Commission Ph I	
Yukon-Kuskokwim	Nunamlqua (Sheldon Pt)	Deadmen, Other	Denali Commission Ph I	
Yukon-Kuskokwim	Nunapitchuk	Staging Area, Ramp, Other	Denali Commission Ph I	
Yukon-Kuskokwim	Nunapitchuk	Erosion Control Feasibility Study : Corp of Engineers Program,	DOT MRS Ports & Harbo	
Yukon-Kuskokwim	Oscarville	Ramp	Denali Commission Ph I	
Yukon-Kuskokwim	Pilot Station	Deadmen, Ramp, Other	Denali Commission Ph I	
Yukon-Kuskokwim	Pitkas Point	Deadmen, Other	Denali Commission Ph I	
Yukon-Kuskokwim	Platinum	DockDredging or Rock Removal	Denali Commission Ph I	
Yukon-Kuskokwim	Quinhagak	Quinhagak Dock : Construct dock.	DOT MRS Ports & Harbo	
Yukon-Kuskokwim	Quinhagak (Kwinhagak)	DockDredging or Rock Removal	Denali Commission Ph I	
Yukon-Kuskokwim	Red Devil	Staging Area	Denali Commission Ph I	
Yukon-Kuskokwim	Russian Mission	Deadmen, Staging Area, Ramp, Other	Denali Commission Ph I	
Yukon-Kuskokwim	Saint Marys	Deadmen, Dredging or Rock Removal Other	Denali Commission Ph I	
Yukon-Kuskokwim	Saint Marys	Boreal Fisheries Inc.: Finish pier to its approved length	USACE Survey	
Yukon-Kuskokwim	Saint Michael	Barge Facility : Create a barge docking facility at St. Michael.	DOT MRS Ports & Harbo	
Yukon-Kuskokwim	Scammon Bay	Deadmen, Staging Area	Denali Commission Ph I	
Yukon-Kuskokwim	Shageluk	Deadmen, Staging Area, Ramp, Other	Denali Commission Ph I	
Yukon-Kuskokwim	Sleetmute	Staging Area	Denali Commission Ph I	
Yukon-Kuskokwim	Stebbins	DockDredging or Rock Removal	Denali Commission Ph I	
Yukon-Kuskokwim	Toksook Bay	Ramp, Dredging or Rock Removal	Denali Commission Ph I	
Yukon-Kuskokwim	Tuluksak	Staging Area	Denali Commission Ph I	
Yukon-Kuskokwim	Tuntutuliak	Deadmen, Dock	Denali Commission Ph I	
Yukon-Kuskokwim	Tununak	Deadmen, Staging Area, Ramp, Dredging or Rock Removal Other	Denali Commission Ph I	
Yukon-Kuskokwim	Tununuak	Unnamed: Sanitation improvement under planning	USACE Survey	
Yukon-Kuskokwim	Tununuak	Unnamed: ATV Geo-Block trails	USACE Survey	
Yukon-Kuskokwim	Tununuak	Unnamed: Relocation of Airport	USACE Survey	
Yukon-Kuskokwim	Upper Kalskag	Deadmen	Denali Commission Ph I	
Yukon-Kuskokwim	Yukon River	Yukon River Small Boat Harbor Study : Conduct a reconnaisance	DOT MRS Ports & Harbo	
#N/A	Southeast - various	Terminal: Transfer Bridges and Pontoons : Repair transfer bridges	DOT MRS Ports & Harbo	
#N/A	Statewide	Statewide Harbors Pre-Construction : Conducts condition surveys	DOT MRS Ports & Harbo	
#N/A	Statewide	Statewide Deferred Maintenance - Harbors : Deferred maintenance	DOT MRS Ports & Harbo	
#N/A	Statewide	Barge Landing System Design : Denali Commission SAFETEA-LU	DOT MRS Ports & Harbo	
#N/A	Statewide	Corps of Engineers (COE) Program : Provides match for state and	DOT MRS Ports & Harbo	
#N/A	Statewide	Harbor Major Repairs : Maintenance and repair for DOT&PF-owned	DOT MRS Ports & Harbo	
#N/A	Statewide	Denali - Barge Landing System Design & Const Ph I-IV :	DOT MRS Ports & Harbo	

Central Region Change Summary

Reg	Need ID	Title	Change
CR	2186	Wood River Bridge	Updated description and revised funding in FFY11 and FFY13
CR	2324	MP 66.5 - 80 Rehabilitation- Chickaloon	Moved PH3 to FFY13
CR	2337	Ninilchik Village Bridge Replacement	Added PH3 FFY11
CR	2386	Iliamna to Nondalton Road Completion	Moved PH4 to FFY13
CR	2481	Mat-Su: Seward Meridian Rd. Improvements	Moved funding from FFY10 to FFY11, also increased PH4 and PH7
CR	2500	Mat-Su: Trunk Road Reconstruction	Moved PH4 from FFY12 to FFY11
CR	2620	MP 25 to 36 Reconstruction - Moose Pass to Sterling Wye	Moved PH2 to FFY11, moved PH3 to FFY 13
CR	2670	MP 157 to 169 Rehabilitation - Anchor Point to Baycrest Hill	Moved PH2 to FFY11, moved PH3to FFY13, moved PH4 to FFY 13
CR	2673	MP 45 to 60 - Sunrise Inn to Skilak Lake Road Construction	Revised funding in FFY13 and increased "After FFY13" total
CR	6087	Highway Safety Improvement Program/Safety Management	Increased Funding
CR	6460	AMATS CTP Program Allocation	Increased PH9 funding in FFY11
CR	6461	AMATS TRAAK Program Allocation	Increased PH9 funding in FFY11
CR	9299	AMATS CMAQ Allocation for Qualifying Air Quality Projects	Increased PH9 funding in FFY11
CR	9580	Rezanof Drive Rehabilitation	Increase PH2 in FFY11
CR	11921	MP 60 to 79 - Skilak Lake Road to Sterling Rehabilitation and Passing Lanes	Moved PH2 to FFY11
CR	11961	MP 44 to 52.3 Reconstruction - Lucus Road to Big Lake Cutoff	Added ACC and IM to FFY11 PH 2
CR	12640	MP 99 to 104 - Bird and Indian Improvements	Moved PH2 to FFY11, moved PH3 to FFY 12
CR	12641	MP 104 to 115 Passing Lanes - Indian to Potter	Moved PH4 and PH7 from FFY11 to FFY12
CR	15979	Boardwalk Improvements, Phase 2	Moved PH2 and increased it in FY11
CR	16057	Portage Glacier Road Embankment Stabilization	Added project to STIP
CR	17021	Guardrail End Treatment Upgrade	Moved PH4 and PH7 to FFY11
CR	17902	King Cove to Cold Bay Corridor	Funded design and construction
CR	18361	Glenn and Parks Highways Corridor ITS Project (IWAYS)	Slipped some construction funding from FY10 to FY11
CR	18784	Unalaska Marine Center Berth 1 Upgrades	Removed from STIP
CR	18903	Recreational Improvements	Moved PH 4 to FFY11
CR	18924	Pavement and Bridge Rehabilitation	Increased PH9 FFY11
CR	20235	Wideband Multimedia Mobile Emergency Communications Pilot	Removed from STIP
CR	20255	Knik Arm Crossing Anchorage Access Connections	Moved earmark funding from Construction to Right of Way
CR	20256	Knik Arm Crossing Toll Financed Bridge Facilities	Moved PH4 to FFY12
CR	22758	Mat-Su Off-System Bridges #s 1713, 1709, 1185, 1712	Moved PH2 to FFY11 and moved PH4 to FFY12
CR	23319	Hatcher Pass Scenic Overlook & Trailhead Construction Phase III	Moved PH2 to FFY11
CR	23335	Ridgecrest Drive Rehabilitation	Moved PH2 and increased in FFY11, moved PH3 to FFY12
CR	24493	Akutan Airport Access Road Project	Moved PH4 to FFY11
CR	24816	Central Region ITS Signal Control Upgradges	Moved some of FY10 PH9 to FFY11
CR	24838	MP 45-46 Realignment	Moved PH4 to FFY11
CR	25097	Mat-Su Arterial Road and Bridge Improvements	Moved some of FY10 PH9 to FFY11
CR	25436	Williamsport-Pile Bay Road Planning Study	Moved funding to FFY 11

Northern Region Change Summary

Reg	Need ID	Title	Change
NR	3640	MP 82 to Border	Added project to STIP
NR	3742	Nome-Council Road: MP 4 to 16	Changed PH3 and PH4 FFY11 to ILLU
NR	3887	MP 107.7 to 120.5 Rehabilitation (Minto Jct. Area)	Removed PH2 FFY11
NR	6173	MP 64 to 82 Reconstruction: Mosquito Fork to Walker Fork	Added project to STIP
NR	6382	MP 172 to 189 Rehabilitation - Tolsona River to Richardson Hwy. Jct.	Moved PH7 to FFY11, increased PH4 funding in FFY11
NR	6462	Highway Safety Improvement Program/Safety Management	Increased Funding
NR	6571	Campion Road Erosion Protection	Removed PH3 from FFY11, decreased PH3 in FFY12, Moved PH4 from "After FFY13" to FFY12
NR	6617	Shepard Point Road	Moved PH4 to FFY12
NR	6657	Airport/Cushman Intersection Improvements	Moved PH2 and increased in FFY12, reduced PH3 in FFY12, added PH7 to
NR	7371	New Weigh Station	Moved PH4 to FFY12
NR	10554	MP 228 One Mile Creek Bridge #0591	Changed ILLU funding in PH4 FFY11 to NHS
NR	10555	MP 257 to 265 Reconstruction & Jarvis Ck. Bridge #0595	Moved PH3 to FFY12
NR	15685	Airport Way (West) Improvements	Moved PH2 to FFY11, removed PH3 from FFY11 added PH7 to FFY11
NR	16556	Northern Region: Winter Trail Marking	Added project to STIP
NR	17662	FMATS CTP Program Allocation	Increased PH9 funding in FFY11
NR	17663	FMATS CMAQ Allocation	Increased PH9 funding in FFY11
NR	17681	FMATS TRAAK Allocation	Increased PH9 funding in FFY11
NR	18923	Pavement and Bridge Rehabilitation	Increased PH9 Funding in FFY11
NR	22298	MP 1309 Tok River Bridge Replacement #0506	Moved PH2 and PH3 to FFY12, Moved PH4 and increased in FFY 13
NR	22331	MP 163-185 Rehabilitation (NR Boundary to East Fork Chulitina)	Changed PH2 FFY12 funding to PSF
NR	22333	MP 239-263 Reconstruction (Nenana Canyon to Bear Creek)	Changed PH4 FFY11 from IM to AC in FFY11, added AC and IM in FFY12
NR	22360	MP 163-305 Passing Lanes	Increased PH2 FFY11, removed PH3 FFY11, removed PH7 FFY11, added PSF for PH7 in FFY12, changed all PH4 funding to PSF in FFY 13
NR	22401	Goldstream Road Rehabilitation	Increased PH2 FFY11, added PH7 FFY12, increased PH4 funding in FFY 13
NR	22406	MP 353-357 Access Improvements (Frontier Rd to Badger Rd)	Moved PH3 and ph7 to FFY13, added PH2 to FFY13
NR	22444	MP 11 - 18 Reconstruction	Changed PH2 FFY12 and changed PH4 FFY13 to PSF
NR	22447	MP 197 - 209 (Gold Creek to Dietrich)	Increased PH4 FFY11
NR	22451	MP 9-11 Reconstruction - 9 Mile Hill North	Moved PH2 to FFY11, increased PH4 FFY11
NR	22456	MP 267 Holden Creek Bridge Repair/Replacement	Moved and increased PH2 in FFY12, increased PH4 in FFY12
NR	22480	MP 289-305 Reconstruction (Kuparuk to Sag Camp)	Moved funding to After FFY13

Northern Region Change Summary, continued

Reg	Need ID	Title	Change
NR	23636	Livengood Creek Bridge #229 - Old Elliott Highway	Increased PH2 FFY11, removed PH4 from FFY11, added and increased PH4 in FFY12 and FFY13
NR	23675	Barge Landing Access Road and Boardwalk Improvements	Moved PH2 to FFY11 and FFY12
NR	24196	MP 201 Phelan Creek Bridge (#0579) Replacement	Increased PH4 FFY12
NR	24257	MP 75.6 Slana River Bridge #0654 Replacement	Increased PH2 FFY11, moved PH4 to "After FFY13"
NR	24515	Top of the World Hwy 0-13	Removed PH3 FFY11
NR	24518	MP 0 - 12 Rehabilitation (Fox to Haystack)	Moved PH2 to FFY13
NR	24519	Little Goldstream Creek Bridge Replacement (Br # 2080)	Moved PH2 to FFY11 with increase
NR	24575	65-74 Rehab	Moved PH2 to FFY13 with increase
NR	25756	Lakina River Bridge Replacement	Added project to STIP

Southeast Region Change Summary

Reg	Need ID	Title	Change made
SER	7174	Highway Safety Improvement Program/Safety Management	Increased funding
SER	8462	Gravina Access Construction	Moved design up to FY11
SER	12560	Salmon River Road Rehabilitation	Updated description and increased FH funding
SER	18363	Widen and Resurface, Eagle Beach to Bessie Creek	Changed all phases in FFY11 to ILLU
SER	22279	MP 21-25.3 Reconstruction & Chilkat Bridge Replacement	Changed PH3 and PH7 FFY12 funding to PSF. Also changed PH4 FFY13 funding to PSF
SER	22740	POW Island: Klawock to Hollis Pavement Rehabilitation and Culvert Replacement	Changed all phases in FFY11 to ILLU
SER	23375	Kake: Keku Road Rehabilitation	Adjusted scope
SER	23376	POW: Reconstruct NPOWI Hwy from Jct. with Coffman Cove Road north to Jct. with Naukati Spur Road	Funded with Earmark
SER	23395	Halibut Point Road Resurfacing, Drainage Improvements, and Bridge Replacement	Adjusted scope, increased construction costs
SER	23436	Cross Trail Construction - High School to Baranof, Charles, Yaw and Pherson Streets	Reduced construction match to that required
SER	24856	Elfin Cove Boardwalk Reconstruction Phase II	Moved PH2 and PH4 to FFY11 with increases
SER	24857	Fritz Cove Road Rehabilitation and Repair	Increased PH2 FFY11, removed PH3 FFY11, added PH2 and PH3 funding in FFY12, removed PH4 funding in FFY12, added PH7 to FFY12, added PH3 and PH4 to FFY 13 with increases
SER	25716	Port Alexander Boardwalk Reconstruction Phase II	Added project to STIP

1/27/11 OVERVIEW: ALASKA RAILROAD CORPORATION

<TARGET><BILL></BILL><SUBJECT>1-27-11 OVERVIEW ALASKA RAILROAD CORPORATION</SUBJECT><COMM>HTRA27</COMM></TARGET>

ALASKA RAILROAD CORPORATION

2011 Real Estate Action Plan to Enhance Customer Service

I. **Creation of Cross Functional Quality Assurance Team**

- Team will coordinate Customer Service Programs.
- Team Members include:
  - Chris Aadnesen, *President & CEO*
  - Jim Kubitz, *Vice-President of Real Estate & Facilities*
  - Bill O'Leary, *Vice-President of Finance & CFO*
  - Bill Hupprich, *Vice-President & General Counsel*
  - Susan Lindemuth, *Human Resources Director*

(To be Implemented February 2011)

II. **Tenant Communication & Outreach**

- "Tenant WISE": A supplement to *Tenant Ties* and a stand alone handout
  - Emphasizing customer relations
  - Introducing 2011 Customer Service Improvement Plan
- Alaska Railroad website: Real Estate pages
  - Web page enhancements and updates to increase customer awareness

(Target completion February 2011)

III. **Customer Service Employee Advanced Training & Customer Satisfaction Measurement Program**

- Develop survey for Real Estate Customers to create a baseline of current customer satisfaction. Follow up with subsequent survey to measure progress.
- ARRC Manager of Training & Development will design and implement Training Program to include:
  1. Customer Service skill development for Lessee relations, as well as internal ARRC customers and departments.

2. Incorporate a Customer Service Performance Measurement Program for all ARRC personnel who have direct contact with Real Estate Customers.

3. Participants will include all those who have interaction with Real Estate Customers including but not limited to:

   - All Real Estate Department Employees
   - Marketing Department
   - Projects Department
   - Accounts Receivable Manager
   - Senior Attorney for Environmental and Real Estate
   - Manager of Facilities Contracts

- Employee performances appraisals beginning in 2011 will include ratings for:

  1. Customer Service- External and Internal

  2. Time Management and Record Keeping

(Implemented January 2011)

IV. Development of Customer Complaint Program

- Process for Customer Complaint Program:

  - Begin internal record of complaint
  - Initial response to complaint
  - Investigation of complaint
  - Resolution proposal to customer
  - Agreement of resolution
  - Preventative steps to avoid reoccurrence

- Tracking of customer feedback to be logged electronically in RE files.

(Target Completion February 2011)

V. Real Estate Department Action Meetings

- Meetings are conducted every two weeks to include Customer Service updates and activities agenda:

  - Review of highlights of RE Committee meetings and tasks
  - Address Customer Complaints
  - Lease Activity-Status Report review
  - Communicate with CEO after each meeting to discuss significant customer service opportunities and issues

(Implemented January 2011)

VI. Appraisal Communication with Tenants

- Create a time line for James Kubitz and Senior Staff to contact lessees who are due for an appraisal beginning in 2011 to clearly explain the following by phone or in a personal meeting if necessary:

  - Appraisal Process
  - Lease caps and new floor policy
  - The supplement that will be forthcoming to change the original lease to reflect the Policy change concerning the new rent floor

(To be Implemented February 2011)

VII. Lease Activity- Status Report

- Develop an electronic tracking document to be used daily in prioritizing lease and other lease documents. The Excel workbook holds two spreadsheets; one for finalized documents and the other is for non-finalized documents. The spreadsheets keep track of the following:

  - Requests for Lease Application
  - Leases in Process
  - Lease Assignments
  - Lease Supplements
  - Lease Security Assignments

- The Lease- Activity Status Report is sent on a weekly basis to James Kubitz and all Senior Staff, including the Legal Department, from the leasing technician.

(Implemented January 2011)

VIII Land Sale Policy Public Information and Adoption Effort

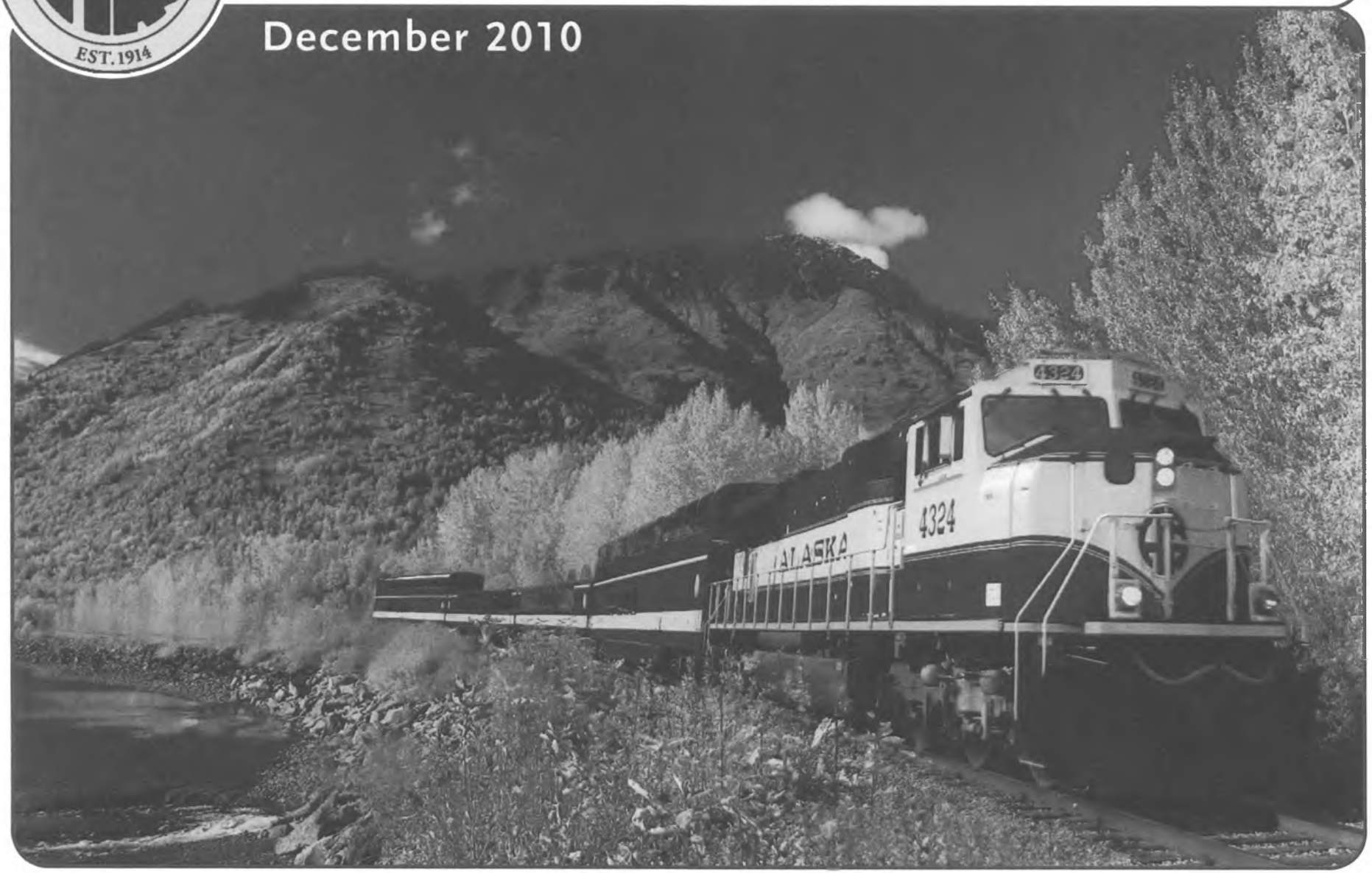
- Continue to respond to inquiries and collect feedback from Real Estate customers and public concerning Board's Land Sale Policy. Record of all inquiries is kept electronically in spreadsheet and will be distributed to the Board of Directors.

- Expect Board of Directors Action and Adoption of Land Sale Policy by Early Spring 2011.

(Implemented January 2011)

Report to the State of Alaska

December 2010



ARRC President: A Look Ahead

The Alaska Railroad Corporation Act (AS 42.40.290) requires the Alaska Railroad Board of Directors to annually adopt a long-range capital improvement and program plan and to forward that plan to the governor and legislature. I am pleased to present the railroad's capital plan for 2011 through 2015.

I joined the Alaska Railroad Corporation (ARRC) as the President and CEO in September 2010 and already I appreciate the railroad's significant role in the state's history and its future. While new to the Alaska Railroad, I have spent 37 years in the national and international rail industry. Through that experience I understand the importance of communicating and working with local government leaders. This report begins my dialogue with you.

CHRISTOPHER AADNESEN
PRESIDENT & CEO

The 2010 business year sets the stage for the railroad's outlook. We will emerge from 2010 better than expected even though our largest freight commodity, petroleum, underperformed based on budget forecasts. While rail passenger numbers are down from the peak a couple of years ago, 2010 passenger service revenue surpassed revenue expectations. Gravel and trailer/container businesses were both strong, and export coal volumes set another record year. Real estate lease and permit revenue continued steady growth. Incremental revenue growth coupled with tight expense control yielded total unaudited revenues at $174.2 million, total expense at $160.5 million, with corporate net income forecast to be $13.7 million. Audited results will true these numbers up by April 1, 2011.

Railroaders marked many significant accomplishments in 2010. On the transportation side, we developed a method to move export coal trains over Grandview Pass with a single train rather than breaking the train into several sections. This approach offered measurable safety gains and more efficient operations that benefit our customers and our bottom line. We also increased the length of our export coal trains to 75 cars to better serve Usibelli Coal Mine as it increases its capacity to meet demands of the growing export market.

The railroad also continued core infrastructure investments in 2010. Crews installed 43 additional miles of continuous welded rail and replaced 50,000 crossties. We completed important track realignment and retaining wall work in Healy Canyon and constructed bridge improvements along the system. Federal Stimulus funding accelerated rehabilitation work on the Anchorage Historic Depot and made passenger improvements possible at the Seward and Talkeetna depots. Stimulus funds also enabled installation of a Wheel Impact Load Detector to improve the safety of rail operations.

Improving safety was the driver behind another 2010 highlight. July 2010 marked the first time since 1983 that ARRC was allowed to use herbicides as part of an integrated vegetation management program. Without this crucial component to weed control, the Alaska Railroad was failing to live up to Federal Railroad Administration (FRA) safety standards. Thanks to a state-issued herbicide use permit and ARRC's implementation of an her-

ARRC President: A Look Ahead

bicide program on the south end of the rail corridor, the FRA has indicated it may consider suspending previously issued vegetation violations, which could save the railroad millions of dollars in fines.

Charting the course for capital spending over the next five years is a little like looking into a crystal ball. The Alaska and national economies appear to be slowly strengthening but the Alaska Railroad is not out of the woods yet. We are guardedly optimistic that improved Flint Hills Refinery forecasts will pan out. Our five-year revenue estimates hinge largely on this essential customer.

Looking forward, we will continue to improve the Alaska Railroad's safety systems, customer service, and infrastructure. This includes plans to modernize signal and train communication systems and is driven in large part by the Federal mandate to implement Positive Train Control by the end of 2015. We will pursue diversification of our revenue sources, working closely with customers and partners to identify new lines of business.

Renovating the Historic Freight Shed to Leadership Energy & EEnvironmental Design (LEED) standards is a major internally-funded project.

The information in this report provides a high-level snapshot of our long-range capital improvement plan. Particularly as the legislative session begins, I will make myself and my team available to provide a more in-depth look at our operation and our budget through one-on-one meetings, facility tours, or informational committee hearings in Juneau. Please contact our Vice President of Corporate and Government Affairs Wendy Lindskoog if you are interested in any or all of these avenues. You are always invited to stop by my office at our headquarters in Anchorage. I look forward to meeting Alaska's lawmakers and policy makers in the very near future and to working with you all to ensure the continued vitality of the state-owned Alaska Railroad.

AquaMaster herbicide is applied to the Seward Rail Yard in late July 2010.

Best regards,

Chris Aadnesen

Chris Aadnesen
President and CEO

Mission, Vision and Values

Alaska Railroad Mission

- Safety... Customer Service... Profitability

Alaska Railroad Vision

"Building a great Railroad across the Greatland."

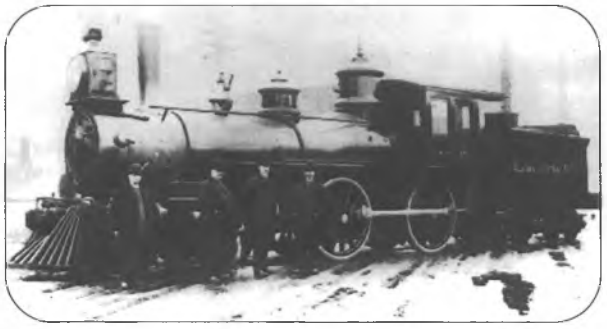
An important element in fulfilling this vision is ARRC's success since 1996 in qualifying for federal funding...an entitlement afforded the railroad's public status and its passenger service mission. As a result, ARRC has been able to greatly accelerate long overdue mainline maintenance and upgrades.

In addition, other federal grants have funded facility improvements, such as intermodal facilities and docks; technology improvements, such as the collision avoidance system; and homeland security grants. These have come to the the Alaska Railroad via recent major federal legislation.

Alaska Railroad Values

We are a values based organization. Values are all about people, not things. We are all about taking care of our people. We believe who you are is as important as what you do. Character counts. Many of our values are embodied in our corporate Code of Conduct. Our fundamental core values consist of integrity, excellence, and service.

As a responsible partner, in order to accomplish the ambitious goals we set out for ourselves in conjunction with those of others along the railbelt, the ARRC must be a safe, secure, customer responsive, financially and environmentally sound, employee friendly corporation. We must provide a stable, reliable foundation that can be counted on to enhance the future economic growth of the state and the municipalities we support. If our corporate foundation is not sound, support for further state growth and development becomes problematic at best. Values and high standards are the building blocks of that foundation.

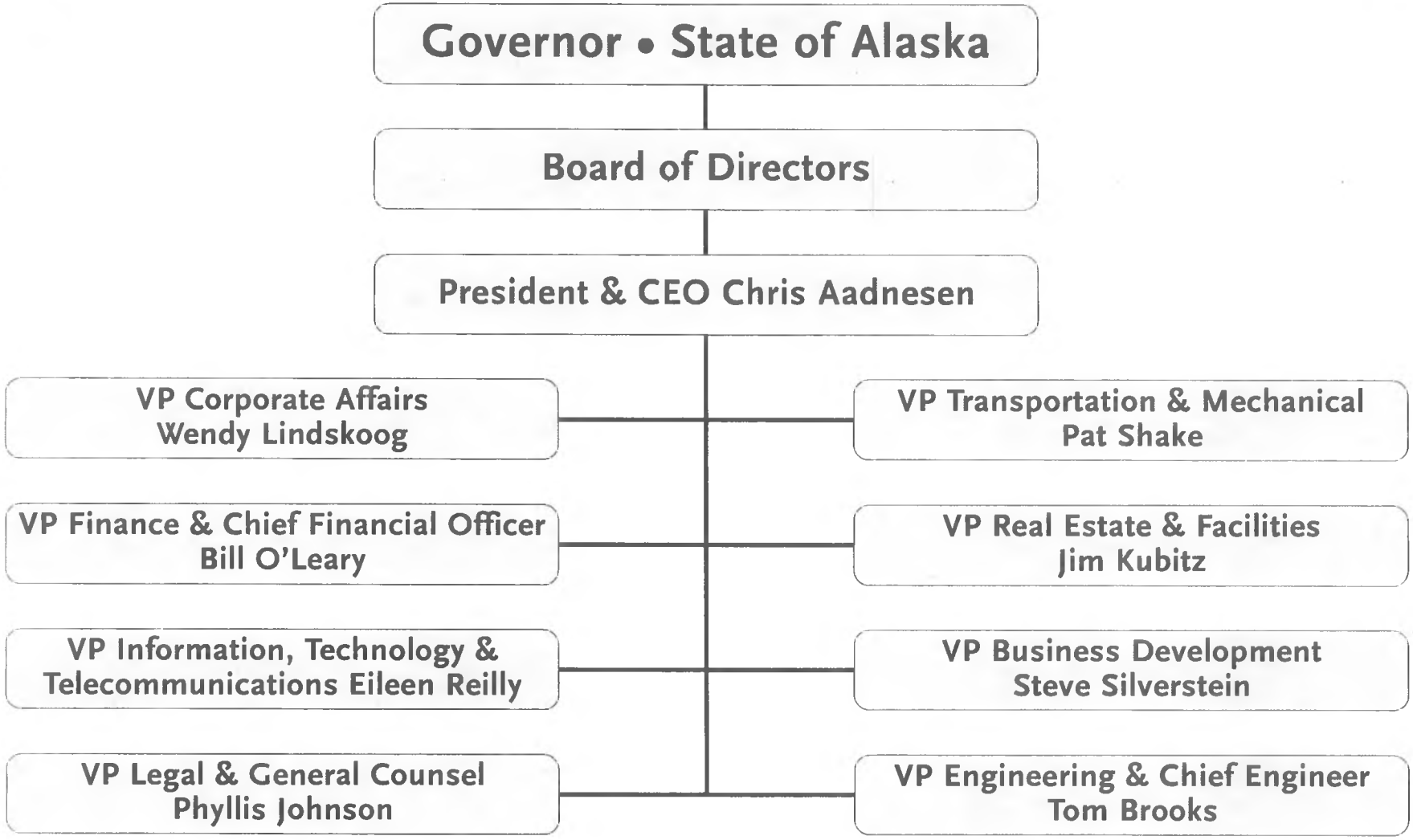


Alaska Central Railway owners pose in Seward. Circa 1902 to 1907.

Hurricane Bridge under construction. Circa 1921.

Brace work to stiffen the Loop District trestle at mile 48.3. Circa 1948.

Alaska Railroad Organizational Chart



Alaska Railroad Quick Facts

Purchase Price (January 5, 1985)

Paid to federal government	$22.3 million
Start-up costs & contributed capital	$11.9 million
Total Investment-State of Alaska	$34.2 million

Organization (following State purchase)

- Independent corporation owned by State
- Managed by a seven-member board of directors. Position qualifications are spelled out in law, members appointed by the Governor.
- Mandated to be self-sustaining, responsible for all its own financial and legal obligations

Financial Statistics

January 1-December 31, 2010* (estimated & unaudited)

Total Assets	$ 882.0 million
Total Revenues	$ 174.2 million
Total Expenses	$ 160.5 million
Forecasted Net Income (as of October)	$ 13.7 million
Budgeted Net Income	$ 8.4 million

Operating Data

Miles of main line	467
Miles of branch line	54
Miles of yards and sidings	130
Total miles of track	651
Freight cars (owned & leased)	1,160
Passenger cars	47
Locomotives	51

Operating Statistics

January 1-December 31, 2010 (estimated & unaudited)

Passenger ridership	404,000 passengers
Freight tonnage	6.6 million tons

Employees (as of December 2010) (estimated)

Number of year-round employees	657
Average years of service	12.3
Average age	46
Male	541
Female	116

Union Membership

Most of ARRC employees are members in one of five unions:

United Transportation Union	125
Transportation Communication Union	41
International Association of Machinists	63
American Federation of Govt. Employees	254
American Train Dispatchers Department	8

Benefits

- Corporation provides a defined benefit pension plan
- Corporation provides for health and life insurance
- Corporation provides for retiree medical benefits

** ARRC audits are normally complete by March 31.*

Five-Year Forecast — Operating Budget

(in millions)	2011 Budget	2012 Plan	2013 Plan	2014 Plan	2015 Plan	TOTAL
Net Operating Income	$ 11.3	$ 12.1	$ 12.1	$ 12.6	$ 12.4	$ 60.5
Net Income-Real Estate	8.3	8.1	8.5	8.4	8.3	41.6
Net Other Income (Expense)	(1.4)	(1.1)	(1.0)	(0.8)	(0.3)	(4.6)
Net Income	**$ 18.2**	**$ 19.1**	**$ 19.6**	**$ 20.2**	**$ 20.4**	**$ 97.5**

Five-Year Capital Project Plan — Internal Funding

(in millions)	2011 Budget	2012 Plan	2013 Plan	2014 Plan	2015 Plan	TOTAL
Nondiscretionary Projects	$ 14.9	$ 14.4	$ 16.2	$ 9.2	$ 7.0	$ 61.7
Continuing Program Projects	6.3	7.2	7.0	7.6	6.8	34.9
Strategic Business Initiatives	2.9	2.9	1.6	1.3	1.3	10.0
Ranked Projects	1.0	1.4	0.5	9.3	13.1	25.3
Total Internal Funding	**$ 25.1**	**$ 25.9**	**$ 25.3**	**$ 27.4**	**$ 28.2**	**$ 131.9**

Five-Year Capital Project Plan — Federal and Bond Funding

	2011	2012	2013	2014	2015	5-YR TOTAL
Federal Transit Administration						
Passenger Equipment: Rehabilitation	$ 530,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 2,530,000
Projects:						
Depot Improvements	—	—	—	—	300,000	300,000
Track Rehabilitation	8,328,206	6,666,152	8,965,478	11,797,879	14,482,177	50,239,892
Positive Train Control	3,557,000	7,335,000	6,1561,000	3,556,000	2,040,000	22,649,000
Track Project Subtotal	12,415,206	14,501,152	15,626,478	15,853,879	17,322,177	75,718,892
Bridge Replacements/Upgrades:						
Bridge at Mile Post 29.5 Trail Lake	579,000	—	—	1,000,000	—	1,579,000
Bridge at Mile Post 422.9 Little Goldstream	—	—	—	—	458,402	458,402
Bridge 447.7 Permafrost Bridge	—	—	—	—	300,000	300,000
Bridge Program Subtotal	579,000	—	—	1,000,000	758,402	2,337,402
Debt Service Subtotal:						
2006 Bond Issue Debt Service	7,520,266	7,513,216	7,519,254	7,503,586	7,486,648	37,542,970
2007 Bond Issue Debt Service	9,175,686	9,176,261	9,180,361	9,140,152	9,139,078	45,811,538
Debt Service Subtotal	16,695,952	16,689,477	16,699,615	16,643,738	16,625,726	83,354,508
Preventive / Safety / Security:						
Preventive Maintenance Reimbursement	9,888,331	9,987,214	10,087,086	10,187,957	10,289,836	50,440,424
Slope Stabilization - Area MP52	400,000	—	—	—	—	400,000
Transit Enhancements	208,660	214,920	221,367	228,008	234,849	1,107,804
Transit Security	208,660	214,920	221,367	228,008	234,849	1,107,804
Preventive/Safety/Security Subtotal	27,401,603	27,106,531	27,229,435	27,287,711	27,385,259	136,410,540
Total Federal Transit Administration	40,395,809	41,607,683	42,855,914	44,141,591	45,465,838	214,466,835
Less: Preventive Maintenance Reimbursement	(9,888,331)	(9,987,214)	(10,087,086)	(10,187,957)	(10,289,836)	(50,440,424)
Less: Debt Service Grants	(16,695,952)	(16,689,477)	(16,699,615)	(16,643,738)	(16,625,726)	(83,354,508)
Add: 2010 FTA funds for track rehab	6,628,853	—	—	—	—	6,628,853
Total FTA for Federal Capital Projects	**$ 20,440,379**	**$ 14,930,992**	**$ 16,069,213**	**$ 17,309,896**	**$ 18,550,726**	**$ 87,300,756**

Five-Year Capital Project Plan — Federal and Bond Funding (continued)

	2011	2012	2013	2014	2015	5-YEAR TOTAL
FTA Capital Grant Receipts 2007 Bonds						
Track Rehabilitation Program	$ 13,580,907	$ 12,341,552	—	—	—	$ 25,922,459
Other Federal Funds						
US DOT TIGGER II, Locomotive Emissions Reduction Program	1,380,000	—	—	—	—	1,380,000
FEMA Grants, flood related	2,450,635	—	—	—	—	2,450,635
FEMA Security Related Projects, Anchorage and Fairbanks	478,000	—	—	—	—	478,000
Total Other Federal Funds	**4,308,635**	—	—	—	—	**4,308,635**
TOTAL FEDERAL & BOND FUNDING	**$ 38,329,921**	**$ 27,272,544**	**$ 16,069,213**	**$ 17,309,896**	**$ 18,550,726**	**$117,532,300**

FIVE-YEAR CAPITAL PROJECT PLAN SUMMARY - TOTALS BY FUNDING SOURCE

(in millions)	2011 Budget	2012 Plan	2013 Plan	2014 Plan	2015 Plan	5-YEAR TOTAL
FTA Formula Funds (net of PM/Debt Svc)	$ 20.4	$ 14.9	$ 16.1	$ 17.3	$ 18.6	$ 87.3
FTA Bond Proceeds - 2007 issue	13.6	12.3	—	—	—	25.9
Other Federal (FEMA, US DOT TIGGER II	4.3	—	—	—	—	4.3
Internal Funds (ARRC Revenue)	25.1	26.0	25.3	27.4	28.1	131.9
Third Party Performance Settlement	—	2.7	—	—	—	2.7
Total Capital Program	$ 63.4	$ 55.9	$ 41.4	$ 44.7	$ 46.7	$ 252.1

Alaska Railroad 2011 Program of Projects

Established in 1923, the Alaska Railroad Corporation (ARRC) is the last of the full-service railroads in the United States, offering both freight and passenger services. From tidewater at Whittier and Seward to the heart of Interior Alaska, our route covers more than 500 miles. ARRC is a state-owned corporation, but it does not receive state funding to operate. ARRC relies on passenger, freight and real estate revenues to operate its trains and maintain tracks and facilities. About $55.9 million is budgeted in new spending for capital improvements in 2011. Detailed project fact sheets are also available online at **www.AlaskaRailroad.com**.

Federally-funded Projects

ARRC receives federal grant funding for capital infrastructure improvements and rehabilitation. Funding has been received from the Department of Defense (DOD), Federal Railroad Administration (FRA), Federal Transit Administration (FTA), Federal Highway Administration (FHWA), Transportation Security Administration (TSA), Federal Emergency Management Agency (FEMA), U.S. Forest Service (USFS) as well as other federal funding, such as "Stimulus" money from the American Recovery & Reinvestment Act of 2009. Most FTA, FHWA and FEMA funded projects require 9% to 25% matching funds from the Alaska Railroad. Although ARRC receives no direct funding from the state for capital or operating expenses, ARRC provides support to the Matanuska-Susitna Borough, City of Seward and Fairbanks North Star Borough to execute State of Alaska funded capital projects.

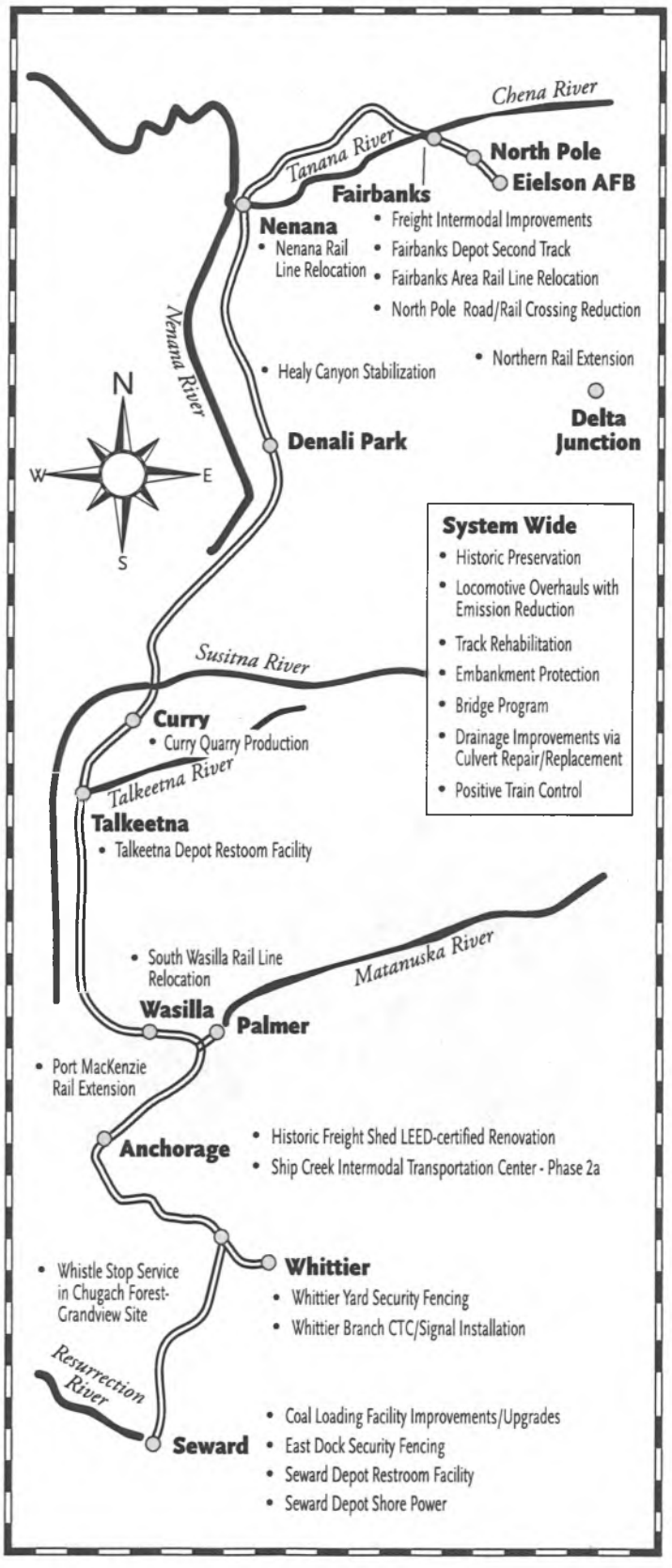
In 2011, ARRC expects to receive continuing FTA formula funding grants totaling $13.8 million (ARRC will contribute 9% of this amount). Other federal funds for 2011 include $2.93 million in FEMA-administered grants and a $1.38 million Stimulus-funded grant.

Internally-funded Projects

In addition to the match for federal funds, ARRC internal funds (funds generated by corporate freight, passenger and real estate revenues) support ARRC's ongoing expense activities as well as an annual capital program. In 2011, internal funds will provide $23.7 million toward capital improvements and capital rehabilitation activities.

Bond-funded Projects

In 2006, ARRC sold $76.1 million in revenue bonds with another $89 million bond sale in 2007. These funds are primarily used to accelerate track rehabilitation efforts. About $14.1 million will be spent in 2011. Bonds are repaid with FTA formula fund appropriations.



Frequently used acronyms:

- ARRC = Alaska Railroad Corporation
- ARRA = American Recovery & Reinvestment Act
- FEMA = Federal Emergency Management Agency
- FTA = Federal Transit Administration
- FRA = Federal Railroad Administration
- FHWA = Federal Highway Administration
- DOD = Department of Defense
- EA = Environmental Assessment
- EIS = Environmental Impact Study
- STB = Surface Transportation Board

Seward Coal Loading Facility

ARRC acquired the Seward Coal Loading Facility in 2003 and made subsequent improvements in order to increase facility efficiency, driving down the cost of operation, thus making Alaska's coal resources more competitive in the global market. ARRC completed an EA of proposed improvements and upgrades in 2004. FRA provided the original $9.54 million grant, with $8.3 million spent on acquisition and associated studies and $1.24 million used for inspections, repairs and improvements. ARRC is underwriting ongoing maintenance and capital improvements. In response to community concerns over coal dust problems resulting from unusual dry, windy weather in early 2007, ARRC and facility operator Aurora Energy Services (AES) modified operations and ARRC hired industry experts to analyze and recommend future capital improvements. Since 2007, ARRC and AES have spent more than $1 million on safety, operations and environmental improvements. $540,000 is budgeted for 2011.

A coal ship docks at the Seward Coal Loading Facility.

Seward Depot Improvements

Construction of a new restroom facility next to the Seward Depot will be complete in 2011. The 24.5-by-26-foot building houses separate men's and women's facilities. Also, a power hook-up was installed beside the track near the depot, allowing trains to plug-in to support onboard food and beverage service. This eliminates the need for locomotives to run their engines to supply power to a parked train. The $750,000 budget is funded 100% by ARRA Stimulus money via FTA.

ARRC's West (left) and East docks in Seward.

Seward East and West Dock Investments

ARRC built a new East Dock in Seward in 2000, and a section of the 640-by-200-foot East dock was expanded to 320 feet wide in 2007. Begining in 2001, the West Dock and terminal building have been substantially improved to support intermodal passenger activity. In 2010-2011 a 2,000-foot security fence is being installed around the East Dock, with $162,400 funded by ARRA Stimulus money. State revenues from the Cruise Ship Tax funded dredging around the docks in 2010 to accommodate larger ships.

Chugach National Forest Whistle Stop Service

ARRC and the U.S. Forest Service (USFS) are partners in developing a whistle stop service in the Chugach National Forest. Plans call for five recreational sites between Portage and Moose Pass that will be accessible by rail and interconnected by trail. Sites include a passenger rail platform, passenger shelter, toilets and interpretive signage. Other features may include picnic, camping and wildlife viewing facilities. The project purchased a self-propelled diesel multiple unit (DMU) rail car, which arrived spring 2009. The first stop site at Spencer was completed late summer 2007. The USFS recently completed preliminary design and engineering for the Grandview stop site and construction is scheduled in 2011. $1.8 million for Spencer funded by USFS and ARRC. The $5.35 million DMU was funded $4.7 million by USFS and $648,000 by FTA and ARRC. Construction of a pedestrian bridge over Placer River at Spencer ($1.6 million), and the Grandview site ($1.2 million) is scheduled for 2011 and funded by ARRA grants obtained by the USFS. Estimated $14 million is needed to complete all five site facilities.

The bi-level self-propelled "DMU" railcar is delivered in 2009.

Whittier Infrastructure & Master Planning

ARRC is pursuing a Whittier Master Plan to improve railroad infrastructure. Recent projects: **1)** built a pedestrian underpass (2002); **2)** built an equipment maintenance facility (2002); **3)** improved Delong Dock (2002); **4)** built barge slip side-loading structures (2002); **5)** demolished the old transit shed (2003); **6)** built a cruiseship passenger spur and platform (2004); **7)** improved security with a yard office at the entrance, seasonal yard fence and video cameras (2006/07); and **8)** demolished the marginal wharf (2008). Barge Slip major modification began in 2009 with a $870,000 ramp extension and track/ground work funded by ARRC. The stern (front) unloading area was replaced in 2010 with the $4 million cost split between ARRC and Lynden. A security fence around the Whittier Yard will be installed in 2011 with a $311,224 Homeland Security grant and $82,000 from ARRC. Future actions recommended by the Master Plan include: **a)** construction of improved intermodal passenger and public use facilities; **b)** rail yard reconfiguration and track improvements to separate freight and passenger activity; and **c)** additional security measures including lighting and detection equipment for passenger facilities.

The Whittier barge slip stern (front) is replaced. The towers were removed and replaced by hydraulic devices to lower/raise the slip.

Whittier Branch CTC / Signal Installation

ARRC is incorporating the 12-mile Whittier Branch into the Centralized Traffic Control (CTC) network. Signals will be installed at sidings near Portage and at the west end of Portage Tunnel. Remote controlled power switches will be installed at the turn-around wye in Portage. $1.11 million project funded 91% by FTA and 9% by ARRC.

Ship Creek Intermodal Transportation Center

ARRC is pursuing an Intermodal Transportation Center (ITC) and associated improvements (pedestrian amenities, transit infrastructure, parking, track modifications, etc.) in the Ship Creek area. The ITC will facilitate connections from one transportation mode to another — rail, public transit, air, marine, bus, taxi, private vehicle, bicycle and pedestrian — and improve links to Anchorage's downtown business district meet passenger transit needs over the next 30 years. Phase e, completed 2007-2009, included utility relocation, new track and passenger platform construction, and track rehabilitation. Part of Phase Two (2a) began in 2010 to include Anchorage Historic Depot exterior improvements, electrical upgrades and boiler replacement. Phase 2a wraps up in 2011. Future phases will construct a service / office building, a new departure lounge over the tracks and an elevated covered walkway connecting to downtown. Approximately $23 million for conceptual and environmental work, preliminary design, and Phase One was funded 91% by the FTA and 9% by ARRC. Phase 2a cost of $7.94 million is funded by ARRA Stimulus money. ARRA Stimulus money also funded $300,000 in 2009-2010 to install an additional 1,000 feet of security fencing east of the depot. Total cost is estimated at $78 million.

Phase One of the Ship Creek ITC constructs two new tracks and a pedestrian platform next to the Anchorage Historic Depot.

Historic Freight Shed LEED-certified Renovation

The Alaska Railroad (ARRC) is renovating a historic freight shed in Anchorage's Ship Creek District. It is Alaska's first historic building to be reconstructed with the high environmental standards established by Leadership in Energy and Environmental Design (LEED) criteria. Originally built in 1941, the 36,000-square-foot heavy timber facility offers a "green" commercial office space in lower downtown, featuring a raised heated walkway and ample parking. The building core-and-shell was completed late 2009 and site construction wrapped up in summer 2010. ARRC signed leases with two tenants in 2010 for 93% occupancy by the end of 2011. The overall facility renovation cost $10.1 million and tenant space renovations are estimated at $2 million, funded by ARRC.

The Historic Freight Shed renovation nears completion.

South Wasilla Rail Line Relocation

ARRC plans to straighten curves along the main line track in South Wasilla, between ARRC MP 154 and 158. The track relocation would eliminate five at-grade crossings, reduce derailment risk, reduce operational and maintenance costs, and allow for faster train speeds. An EA of alternative relocation routes was completed in 2005. Land acquisition should be complete in 2011. $246,000 for conceptual engineering and the EA and $2.72 million for preliminary engineering and land acquisition, funded by 91% FTA and 9% by ARRC. $2.5 million to continue right-of-way land acquisition funded 91% by FHWA and 9% by ARRC. Total cost for construction of Phase One (MP 154 to 156) is estimated at $37 million.

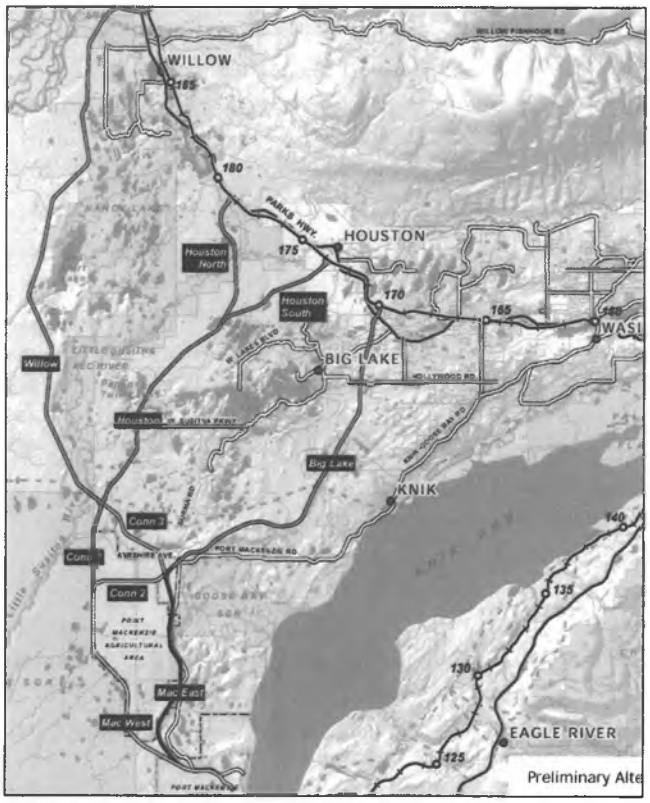
A large curve in the track slows train speeds in south Wasilla.

Port MacKenzie Rail Extension

The Mat-Su Borough and ARRC are partners in proposing a new rail line connecting Port MacKenzie to the existing main track at a point between Meadow Lakes and north of Willow. Three main routes were developed in 2007, ranging from 30 to 45 miles long, depending on a connection near Big Lake, Houston or Willow. Extensive public involvement activities were conducted in summer and fall 2007 to obtain citizen and agency input. In early 2008, ARRC submitted an application to the STB, the federal agency with authority over rail extensions in the United States. STB is conducting the environmental impact study (EIS) as required by the National Environmental Policy Act (NEPA). STB hired a third party contractor (ICF International) to begin the EIS in early 2008; completion is expected in 2011. The State of Alaska appropriated $27.5 million (2007/2008) to support the NEPA process and $37 million (2010) to pursue design and construction. Depending on the route selected, an additional $170 to $240 million is needed to complete design and construction.

Talkeetna Depot Restoom Facility

In 2011, construction will be completed on a 26-by-24.5-foot restroom facility about 20 feet from the existing Talkeetna Depot. The building houses separate men's and women's restrooms for passengers and employees. With modern plumbing and electrical systems, the new facility will eliminate the need to rent port-a-potties. The $500,000 budget is funded by ARRA Stimulus money.



Potential Port MacKenzie Rail Extension routes.

Curry Quarry Ballast & Riprap Production

The Alaska Railroad's track rehabilitation, embankment protection and other construction activities are supported by rock material production at the Curry Quarry. The quarry was developed 2005-2007, and a three-year production contract for ballast and riprap followed in 2007-2009. The quarry was dormant in 2010. Production resumes spring 2011.

Healy Canyon Safety & Reliability Program

Healy Canyon lies between Denali Park Station and Healy. The tracks follow the Nenana River gorge on a narrow grade with two tunnels. The area has steep slopes and erosion-prone soil. ARRC proposed a series of projects to: **1)** stabilize the track bed in Healy Canyon; **2)** control the rock fall problems; **3)** "daylight" (remove the top of) Moody Tunnel; **4)** realign tracks around Garner Tunnel; and **5)** realign the tracks to straighten the corridor. Total cost is estimated at approximately $71 million. $2.9 million in FRA funds were used to address track realignment and the slide zone around Garner Tunnel in 2005. $5.2 million in FTA grants and FTA-backed revenue bonds were used to daylight Moody Tunnel, which was completed in 2009. About $5.86 million was spent in 2009/2010 to stabilize several areas (MPs 352.9, 354.1, 355.2 and 357) in the canyon, with a combination of funding from FEMA, FRA, ARRC and the Alaska Division of Emergency Services. ARRC continues to seek funding to pursue future stabilization projects, including completion of MP 352.9.

Nenana Rail Line Relocation

ARRC proposes to realign the railroad main track around downtown Nenana, following a route outside of the existing right-of-way, north of the airport and southeast of town, near the Parks Highway. The track structure through Nenana would be maintained to support port activities. ARRC completed an EA of three alternative realignment routes and a "no action" alternative in 2004. Right-of-way acquisition was complete in 2009. A hydrology study completed in 2010 will be used to pursue flood plain permits in 2011. $1 million budget for the EA funded 91% by the FTA and 9% by ARRC. $1.04 million for land acquisition funded by 91% FHWA (administered via FTA) and 9% ARRC. $350,000 for the hydrology study funded by ARRA Stimulus funding. Estimated $31 million budget for construction and land acquisition. Funding for construction has not yet been identified.

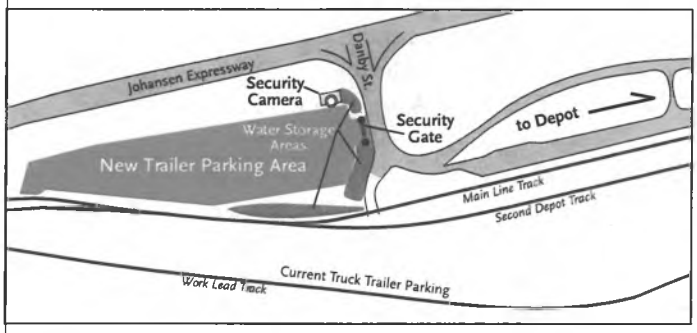
Fairbanks Depot Second Track

ARRC built a new depot in Fairbanks in 2005. Original plans called for two passenger tracks adjacent to the depot. The second track will be completed in 2011. The new 3,000-foot track will provide staging for passenger trains, improving operations efficiency and reducing equipment wear-and-tear. The second track cost of $1.2 million is funded by ARRA Stimulus money administered via an FTA grant.

A second track is constructed parallel to the existing track by the Fairbanks Depot.

Fairbanks Freight Intermodal Improvements

ARRC and ADOT/PF are improving the freight intermodal area of the ARRC Fairbanks Rail Yard to enable faster pick-up and drop-off by truck operators, and to enhance safety and security of train/truck operations. Improvements to Danby Street intersection area include: **a)** moving and improving at-grade crossings; **b)** constructing a centralized trailer parking area near the entrance and adjacent to Danby; **c)** realigning Danby Street access; and **d)** improving drainage. Construction began in 2010 and will be complete in 2011. The $2 million budget is funded 91% by FHWA and 9% by ARRC. In 2011, the railroad also plans to install a rolling chain-link gate with ID card reader access and a video security camera at the entrance of the new trailer parking area, with funding from a FEMA-administered grant. Future improvements call for 100-foot high mast lighting to be added incrementally and funded annually by ARRC.



Fairbanks Freight Intermodal Site Plan

Fairbanks Area Rail Line Relocation

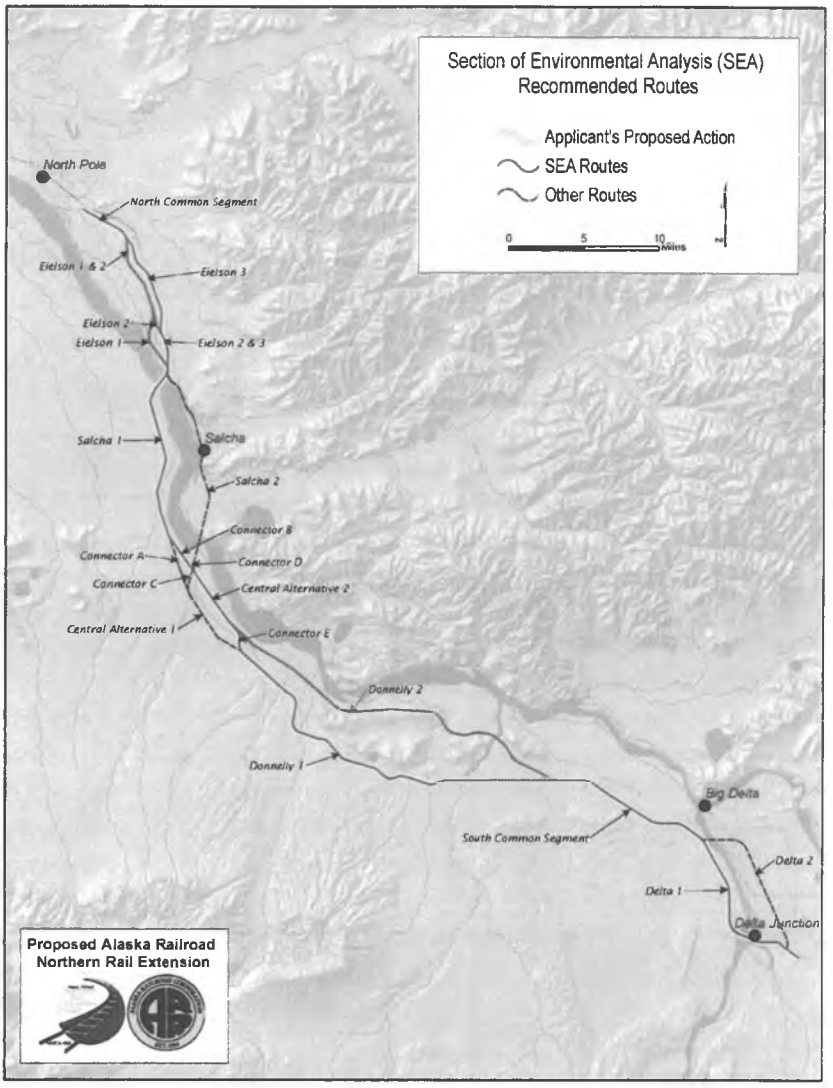
ARRC is analyzing options to: **a)** realign and improve safety of the main line and branch track, including potential realignments outside the more populated areas of Fairbanks and **b)** realign and improve the Eielson Branch, from the new Fairbanks depot to the end of the branch near Eielson AFB. The Fairbanks Area Rail Line Relocation will likely require an EIS. As a pre-cursor to the EIS, ARRC conducted an Alternatives Analysis (AA) in 2007-2008 that capitalizes on the findings of previous reconnaissance and engineering studies. The AA recommends a three-phased approach. ARRC also commissioned a *North End Rail Public Transportation Study and Operation Plan* to explore options for passenger rail and commuter service. Findings indicate low demand for Fairbanks-North Pole commuter service and results are inconclusive for Fairbanks-Denali service options. The AA and transportation study were funded by $450,000 in grants from FHWA and FTA with 9% from ARRC. Funding sources are being sought for NEPA environmental work to include an EIS.

North Pole Road/Rail Crossing Reduction

ARRC, in cooperation with the FRA, is initiating an EA and preliminary engineering for a proposed project to reduce at-grade road/rail crossings by realigning an 8-mile section of the Eielson Branch that currently runs through North Pole, between Richardson Hwy milepost 9 and the Chena River floodway. This project is essentially Phase One of the three-phased Fairbanks Area Rail Line Relocation. The EA is expected to be complete by the end of 2011. Funding of $1 million comes from FHWA funds reallocated by the Fairbanks Metropolitan Area Transportation System (FMATS) and the Alaska Department of Transportation & Public Facilities.

Northern Rail Extension

ARRC proposes to extend its main line track from North Pole / Eielson AFB, about 80 miles southeast to Delta Junction. The project would offer: **a)** commercial freight service supporting communities and commerce in the corridor; **b)** a passenger transportation alternative to the Richardson Hwy; **c)** support of military training; and **d)** support of regional tourism. ARRC initiated the conceptual development in 2004. The STB initiated an EIS in 2005. A draft EIS was released for public comment in December 2008. The final EIS was released in late 2009 and the STB approving a license to construct and operate a rail extension on January 5, 2010. Design of Phase One, Tanana River Crossing, got underway in 2010. Construction is scheduled to begin in 2011. The EIS, preliminary engineering and design was funded by $16.5 million in DOD appropriations, administered by the FRA. DOD appropriated another $44.2 million in 2007 and $60 million in 2008 for planning, engineering, environmental work, design and to begin construction on the first phase of the project. The State of Alaska appropriated $40 million toward Phase One in 2010. Entire rail line cost is estimated at $650 to $850 million; later phase funding is not yet identified.



Proposed and recommended routes identified in the Northern Rail Extension EIS.

Passenger Rail Cars and Locomotives

ARRC has 45 passenger-related railcars, including 30 coaches, six diners, six baggage cars, two business cars (charters) and one DMU. ARRC also has 53 locomotives: 28 SD70MACs (12 equipped with head-end-power to supply electricity to passenger cars), 15 GP40s, eight GP38s and two cab/power cars. ARRC upgrades older equipment and buys newer equipment to meet current and future passenger demands. In 2011, several passenger cars will be upgraded with new lighting, public address systems, batteries, signs, carpeting, wall-covering, seat upholstery and restroom refurbishment, thanks to a $530,000 grant funded 91% by FTA and 9% by ARRC. Four GP40 locomotives will be overhauled to include installation of engine idle reduction systems, and installation of a Tier-0-plus kit to improve fuel efficiency and reduce emissions; funded by a $1.4 million FTA "TIGGER" (Stimulus-funded) grant and $328,000 by ARRC.

Left to Right: GP-38-2, GP 40-2 and SD70MAC locomotive.

Positive Train Control

ARRC is developing a multi-phased program to design, develop, and implement a communication-based train control system that uses data radio communications between train dispatchers and train crews, or dispatchers and roadway workers. The Positive Train Control (PTC) project is comprised of a Computer Aided Dispatch (CAD) system, an on-board computer system, VHF packet data radio technology, and GPS locator technology. The PTC will provide improved information for decision-making, and will also detect infrastructure failure and potential operations violations quickly, and intervene when necessary. The PTC is being accomplished in phases, each achieving incremental safety benefits. The total cost is estimated to be more than $70 million. To date, FRA has funded $15.74 million; $4.48 million has come from FTA-backed revenue bonds; and FTA grants (91% FTA and 9% ARRC) account for $29 million. An additional $2 million was provided in 2009-2010, funded by ARRA Stimulus funding.

Matanuska River Bridge is undergoing rehabilitation work.

Bridge Program

ARRC's 500-plus miles of main line track include about 160 bridges that cross barriers ranging from streams to gulches. ARRC's 2011 Bridge Program calls for major maintenance, overhaul and replacement needed to maintain railroad integrity, safety and efficiency. In 2011, ARRC plans to complete replacement of two aging bridges (Little Goldstream Creek at MP 432.1 and Ship Creek at MP 115.1) and to design replacement of three culverts at Indian Creek (MP 88.1). A new bridge may be constructed over Skookum Creek Drainage (MP 59.4, near Portage). Upgrades and rehabilitation are also planned for five other bridges. In addition, a "rock shed" will be installed at the tunnel about 50 miles rth of Seward to protect against falling rock and ice. Fund- g includes $1.69 million by FTA, $1.25 million by ARRC and $1.19 by FEMA.

Drainage Improvement/Embankment Protection

ARRC will repair or replace up to nine culverts along the northern half of the rail corridor. Several culverts in this area are at risk of washout, collapse or clogging. ARRC also plans to install riprap and armor rock to fortify track embankment that is susceptible to high water events, including flooding. Culvert repair/replacement budget is $1.05 million funded by ARRC. Embankment protection work is supported by a $2.45 million grant funded 75% by FEMA and 25% by ARRC.

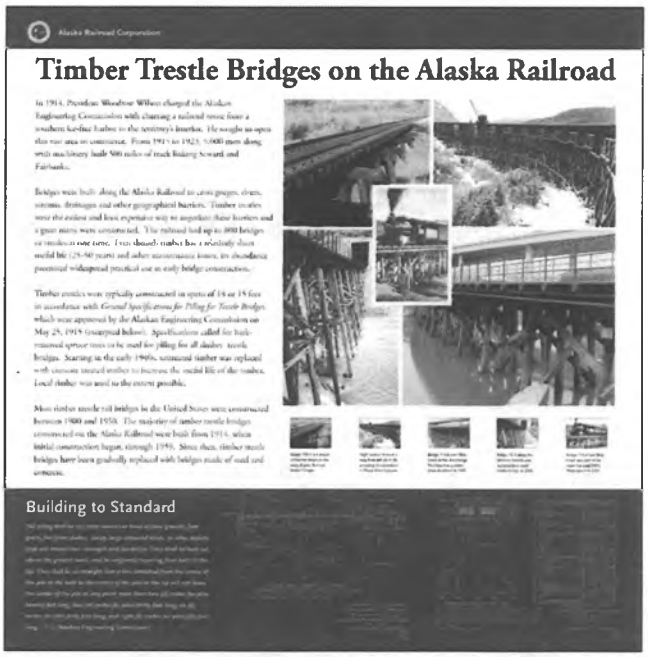
A culvert becomes clogged with ballast (track bed rock) leaking in.

Track Rehabilitation

ARRC continues an aggressive track rehabilitation program in 2011 that calls for replacement of rail, ties and ballast in areas of critical need. Each year, ARRC converts several miles of track into continuously welded rail, which dramatically decreases maintenance costs and improves ride quality. ARRC also replaces a portion of its nearly two million wooden ties (50,000 ties in 2011), and installs concrete ties along curves and other high-use stretches (none in 2011). ARRC also plans to resurface many miles of track using 70,000 tons of ballast rock. For 2011, $14.1 million is funded through the sale of ARRC revenue bonds backed by FTA formula funds; $8.3 million is funded by FTA grants (91% FTA; 9% ARRC); and $665,000 is funded by ARRC.

Historic Preservation

ARRC supports historic preservation efforts that are related to railroad assets and infrastructure. Some ARRC assets are historic properties and are listed on the National Register of Historic Places and more than 50 ARRC properties are eligible for listing on the National Register. ARRC often consults with state and federal historic preservation agencies to mitigate impacts from capital projects that may adversely impact historic assets. Mitigation often takes the form of educational materials, including brochures, interpretive signage, archived photos and documentation.



This interpretive sign will be posted in several common-use passenger railcars as part of a public education effort.

Integrated Vegetation Management Program

The Alaska Railroad pursues an integrated vegetation management program to protect the millions of dollars invested each year in its infrastructure. Uncontrolled weeds pose safety risks to ARRC operations and employees, including: **a)** vegetation makes track and train inspection difficult; **b)** plants hinder automated equipment operation; **c)** overgrown weeds hide walking hazards, contributing to slips, trips and falls; **d)** roots create uneven, heaving surfaces, again posing walking hazards for track workers; and **e)** vegetation accelerates rail and tie deterioration. Public safety is also impacted by uncontrolled weeds: **a)** overgrown bushes block line-of-sight; **b)** vegegation can obscure signs and signals that warn the public; **c)** plants cause heaving and slippery conditions at road/rail crossings; and **d)** dry vegetation can fuel brush fires.

The railroad has always, and wil continue to use mechanical and manual methods to clean the ballast, cut and clip brush, mow grass and weeds, saw roots and trim limbs, etc. Mechanical and manual methods achieve limited and temporary success. ARRC has also tested many alternative and experimental methods of controlling weeds (including steam, hot water, radient heat, abrasion, flaming and burning), with no lasting success. Herbicides provide an additional tool to help maintain safe operations and regulatory compliance, and to protect infrastructure investments. The railroad seeks to control vegetation with a combination of mechanical and chemical methods, using herbicides in the most critical and difficult areas.

In 2008, ARRC commissioned herbicide research to provide scientific information about use in Alaska's environment. Results indicate that herbicides behave the same as in other climates, and the glyphosate-based herbicide AquaMaster does not linger or migrate in the soil. In 2009, ARRC applied for a Department of Environmental Conservation (ADEC) permit to use herbicides in the Seward yard and along 30 miles between Seward and Indian. The permit was approved in spring 2010 and AquaMaster was applied selectively within the permitted area with good results. ARRC is currently applying for additional permits for herbicide use in the Anchorage Yard, Healy Yard, Fairbanks Yard and along the Eielson Branch.

Ineffective mechanical/manual control in Seward yard prior to herbicide application.

current as of 1/05/2011

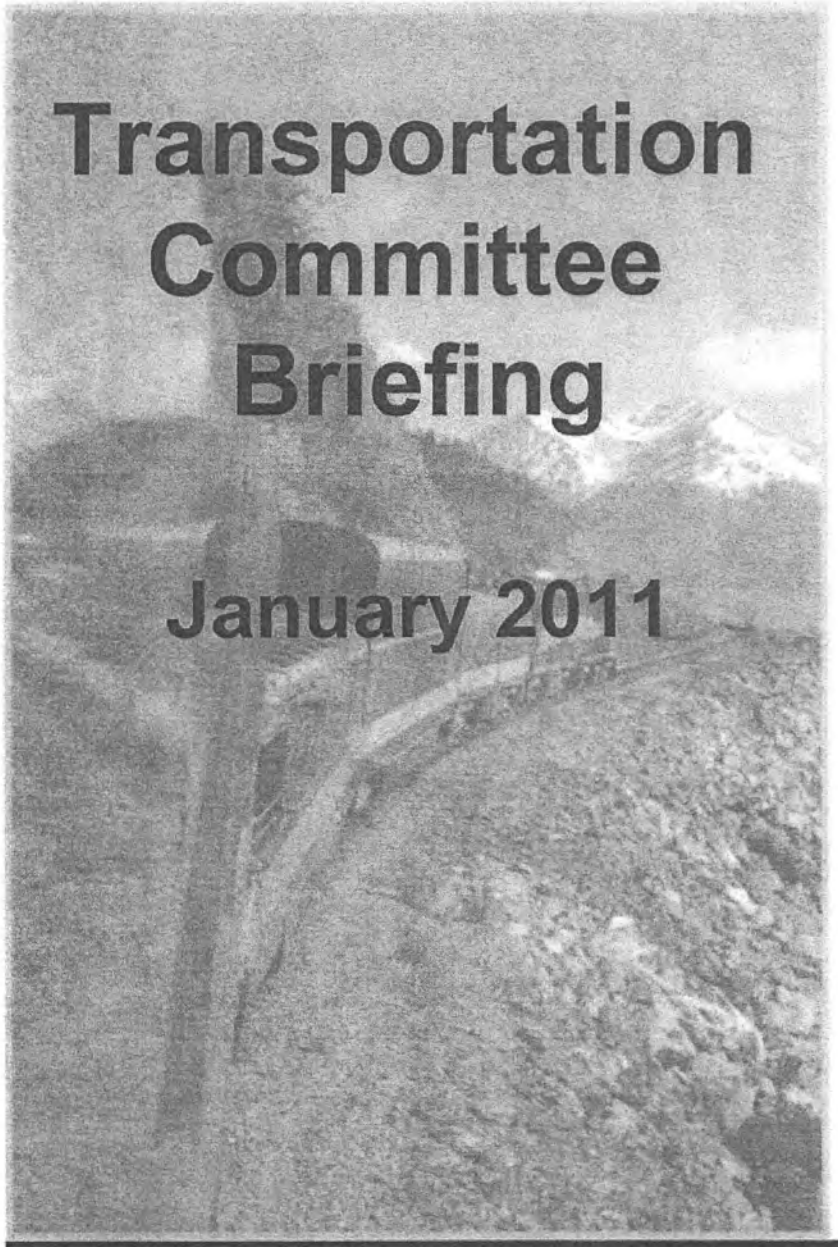
Alaska Railroad Corporation 2011 Program of Projects

At the beginning of each calendar year, ARRC conducts project open house events in Anchorage, Fairbanks, the Mat-Su Valley and Seward to inform the public about the proposed Program of Projects (POP) for the year. While these events provide a good forum for residents to comment on any or all projects, the public is not limited to commenting at these events. Public input is accepted year-round, and in a variety of formats as outlined at the right. Detailed project descriptions are provided within fact sheets that are created for major federally-funded and internally-funded capital improvement efforts. These fact sheets are accessible at the Alaska Railroad web site **ww.AlaskaRailroad.com** (click on "Capital Projects").

Public Input:

Public comment on any or all of these projects may be submitted via:

- Mail to: Capital Projects
  Alaska Railroad Corporation
  P.O. Box 107500
  Anchorage, AK 99510-7500
- E-mail to *public_comment@akrr.com*
- Fax to (907) 265-2365
- Call Stephenie Wheeler at (907) 265-2671
  ARRC's TTY/TTD 265-2620
  or voice 265-2494 or Alaska Relay TTY
  800-770-8973 or voice 1-800-770-82555



Transportation Committee Briefing

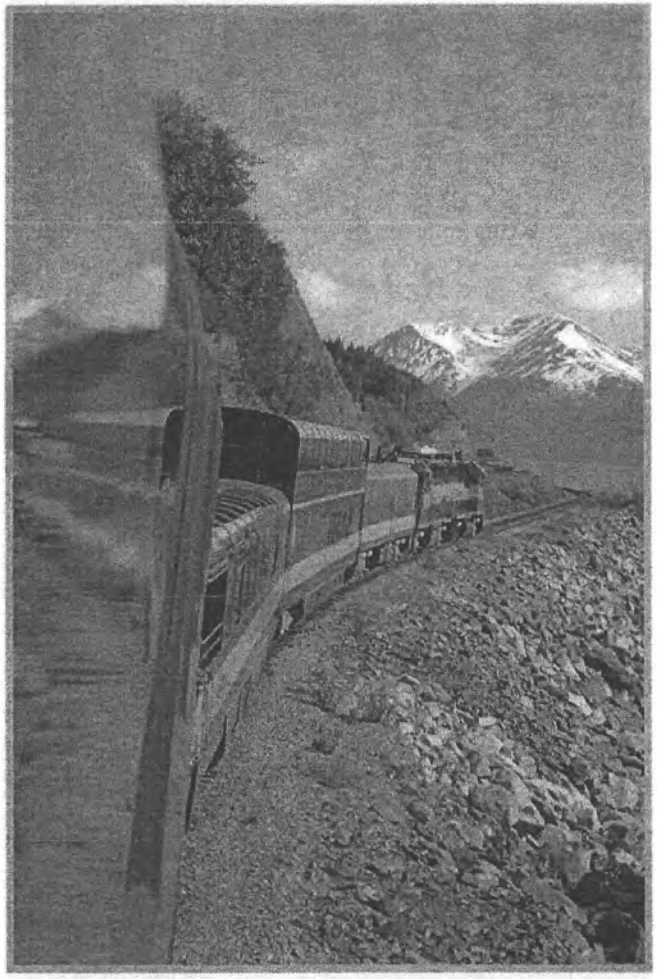
January 2011

Briefing Contents

- Corporate Information
- Budget Highlights
- Project News
- ARRC Statewide Issues

Handouts

- December 2010 State Report
- Program of Projects Summary
- 2011 Real Estate Customer Service Action Plan



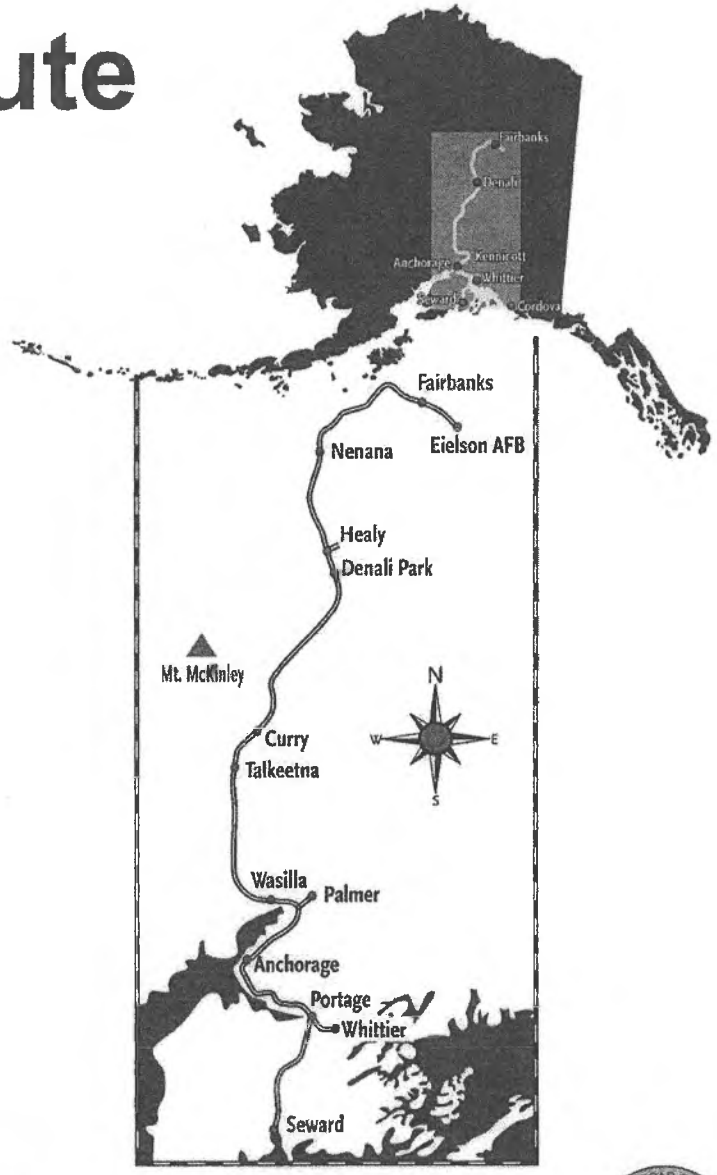
ARRC Corporate Information

Alaska Railroad Corporation

- Railroad built by the federal government (1914 – 1923)
- Purchased by the State of Alaska for $22 million in January 1985
- Self-supporting, State-owned corporation
- Full-service railroad serving ports and communities from the Gulf of Alaska to Interior Alaska

Our Route

- 469 miles of mainline track, Seward to Fairbanks
- Full-service passenger and freight railroad serving communities from the Gulf of Alaska to Fairbanks.



Different from Other State Agencies

The Alaska Railroad Corporation Act of 1984 established an independent state-owned corporation that is governed by a seven-member board of directors appointed by the Governor. The President and CEO of the corporation reports to the board. Although ARRC is not covered under the State's Executive Budget Act, the state government ensures oversight of ARRC's operation and management practices through the following controls:

- The ARRC Board of Directors is responsible for initiating both a financial and a performance audit each year conducted by independent auditors and management companies. The annual performance audit is conducted by a recognized railroad management expert to ensure that ARRC is being managed and operated effectively and efficiently.
- The Legislative Budget and Audit Committee can review ARRC's operation, management and financial practices.
- ARRC must file an oversight report with the Legislature and Governor before it undertakes certain expansion, reduction, or diversification of services.
- Legislative approval is required for certain corporate actions, such as sale or transfer of the Railroad's entire interest in land, or leasing land for longer than 55 years.
- ARRC's procurement procedures are required to be substantially equivalent to state procurement requirements.
- ARRC employees and directors are subject to the Executive Branch Code of Ethics.
- ARRC's spill prevention and response plans are filed and regulated by the State and ARRC is required by state law to show sufficient financial responsibility to respond to spills.
- Bond authorizations must be approved by the Legislature.
- ARRC is required by law to submit an annual report with audited financial statements
- ARRC is required by law to adopt a long-range capital improvement plan each year and shall share that plan with the Governor and Legislature.
- ARRC is defined as an interstate commerce carrier by the Federal Alaska Railroad Transfer Act of 1982 (ARTA).

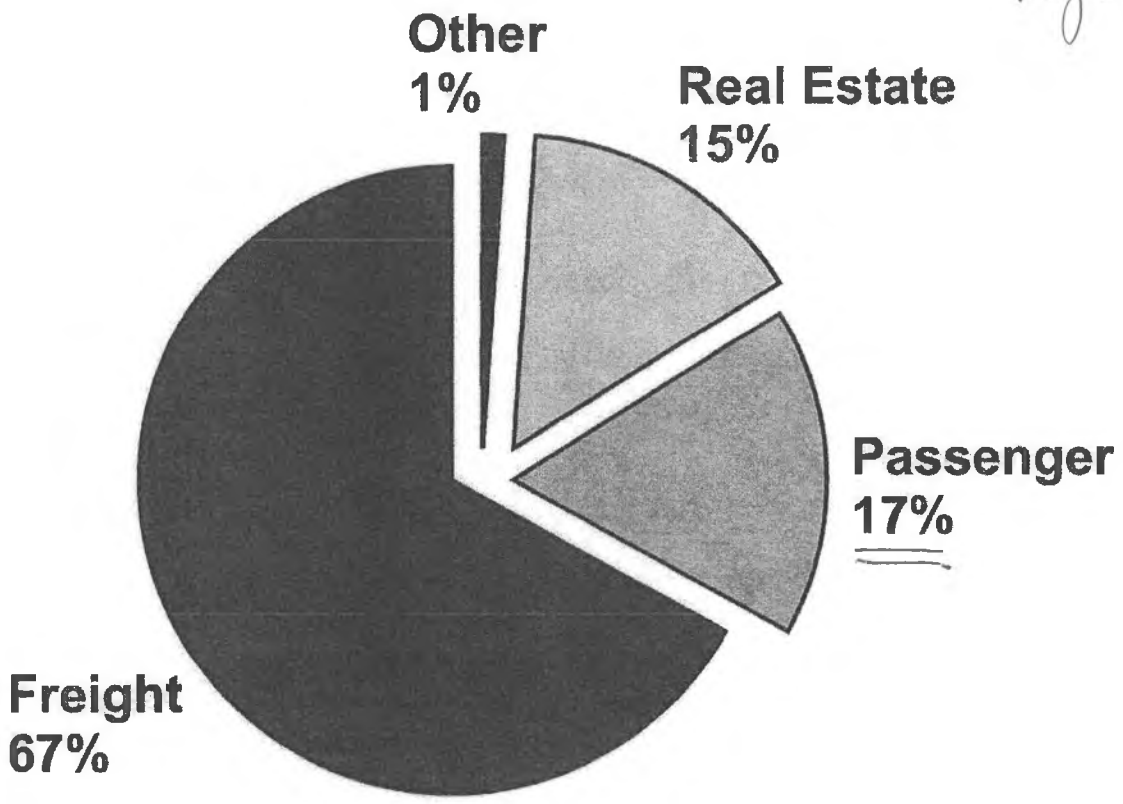
Alaska's Railroad

- Contributes to health care, business services, and retail payrolls
- Principal transport for heavy and/or bulk commodities to tidewater
- Major mover of jet fuel to Anchorage International Airport
- Viable passenger alternative to long-distance driving
- Supports the U.S. military with the transport of equipment to and from the "DOD Strategic Port" of Anchorage
- Potential to reduce pressure on State road system … commuting
- Potential to significantly contribute to the Alaska Natural Gas Pipeline

Creates 3,000 jobs and $150 million in payroll across the State

Source: "Economic Significance of Alaska Railroad", December 2004, ISER report, University of Alaska

2010 Sources of Customer Revenue*



*Preliminary/unaudited

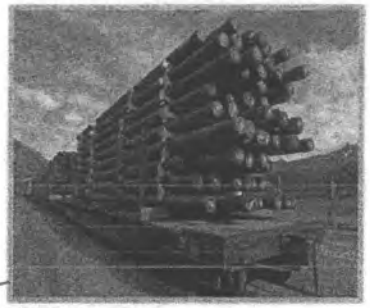
Freight Business

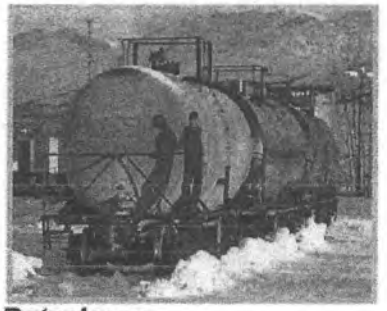
- Moved 6.3 million tons of freight overall in 2010, compared to 6.2 tons in 2009 (2% increase)
- Anticipate 3.5% overall freight growth over 2010
- Moved just under 1 million tons of export coal in 2010; anticipate moving nearly 1.1 million tons in 2011

Export Coal due to shipping

3.9% growth

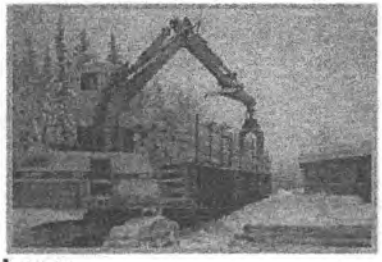
1.3M in 2012


Oilfield pipe


Petroleum

Military

Coal

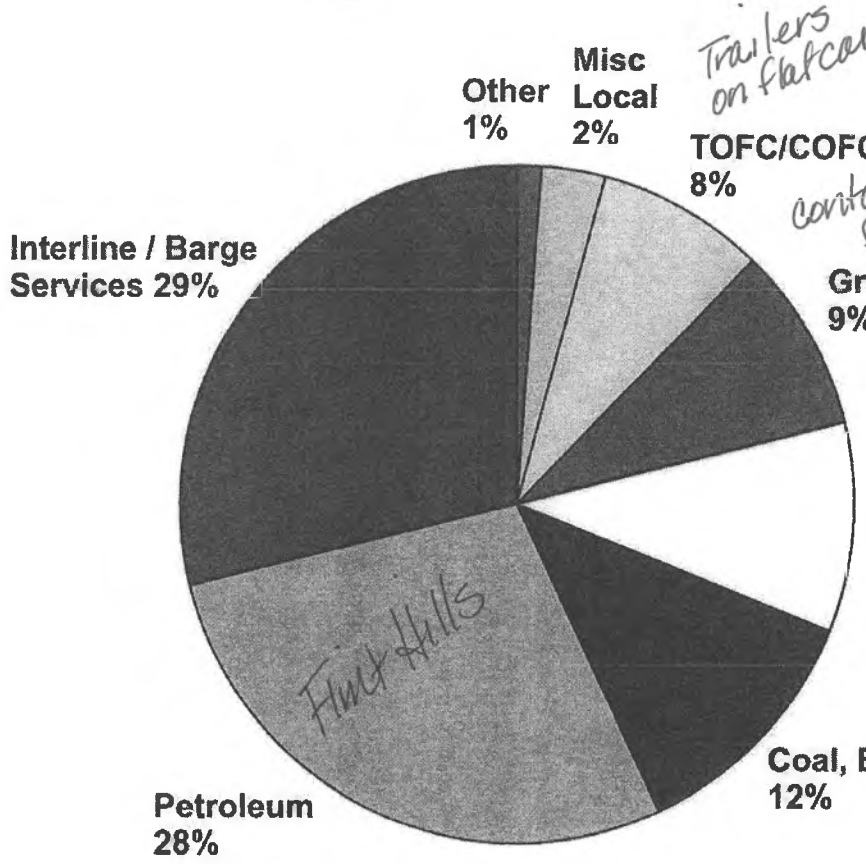

Logs

Gravel

Interstate Barge

Trailers

2010 Freight Revenue Mix*

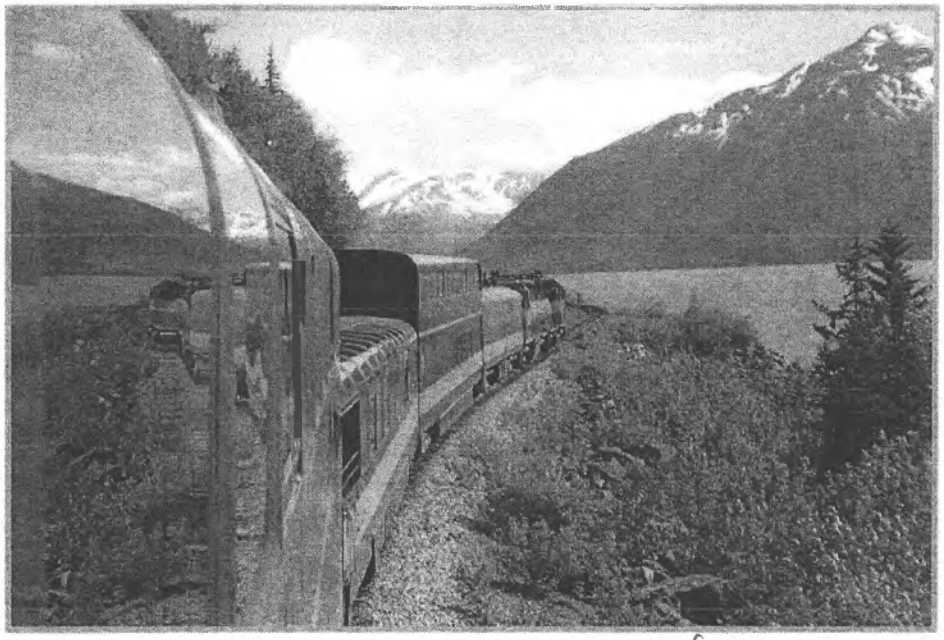


*Preliminary/unaudited

TOFC: Trailer on Flat Car
COFC: Containers on Flat Car

Passenger Business

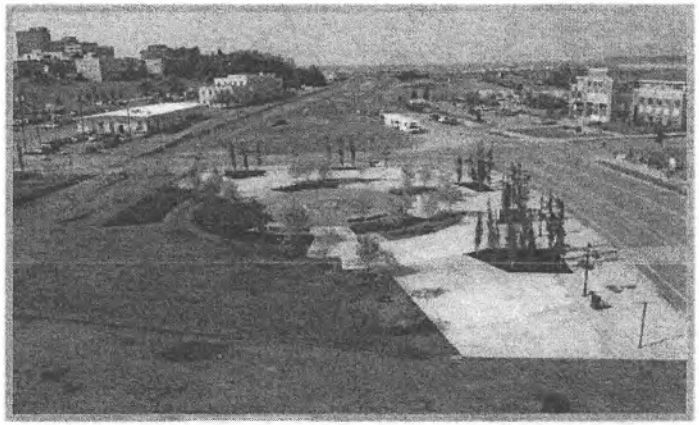
- Moved 405,000 passengers in 2010, compared to 471,000 in 2009 (14% decrease) driven by downturn in economy
- For 2011, we anticipate 3.2% passenger growth over 2010

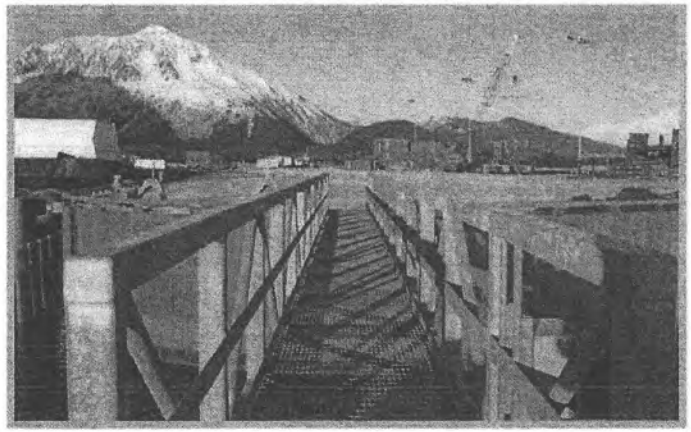


onboard tour guides / plan to work w/ airlines & cruise ships stops

Real Estate

- Property Development
- Leases and Permits
- Dockage and Wharfage
- Facilities Maintenance and Management
- Revenue from Real Estate activities are key component to ARRC being self-sustaining
  - 2010: 69% of corporate net income derived from real estate

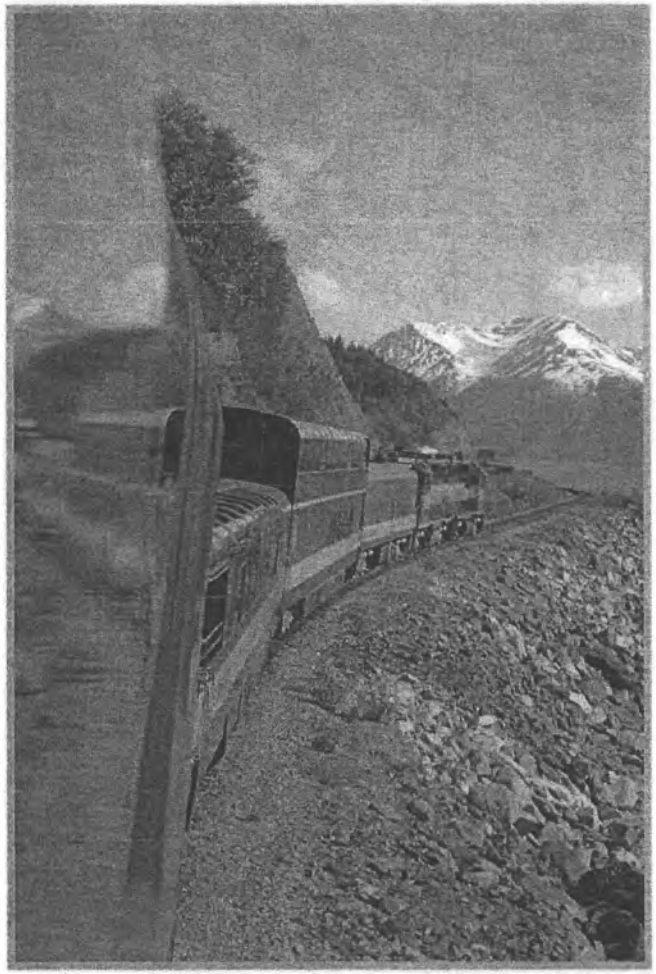




Top: Ship Creek basin includes highly valuable leasable land. Bottom: upland from the Seward freight dock is being developed

Capital Funding Sources

- ARRC Earnings
  - Provides required match for federal funds
  - Essential for freight-related improvements
- USDOT/Federal Transit Administration
  - Formula Funds, Grants
  - 9-20% ARRC Match Required
- Other Federal Agencies – (Dept of Defense, FEMA, FHWA, Homeland Security, etc)
- Federal funds allocated to ARRC do not affect federal funding for other state transportation projects
- ARRC federal match is *not* from State of Alaska general fund or gas tax...match is solely from ARRC earnings.



ARRC Budget Highlights

2010 Financial Snapshot

- 2010 Plan – prepare for uncertain future
  - Petroleum haul anticipated to be half that of 2003
  - Passenger: cruise ship redeployments
  - Impact of significant 2009 ARRC personnel downsizing
  - Budgeted net earnings: $8.4 million
    - $4.3 million loss from train operations

decrease passengers and flintkiss cut backs

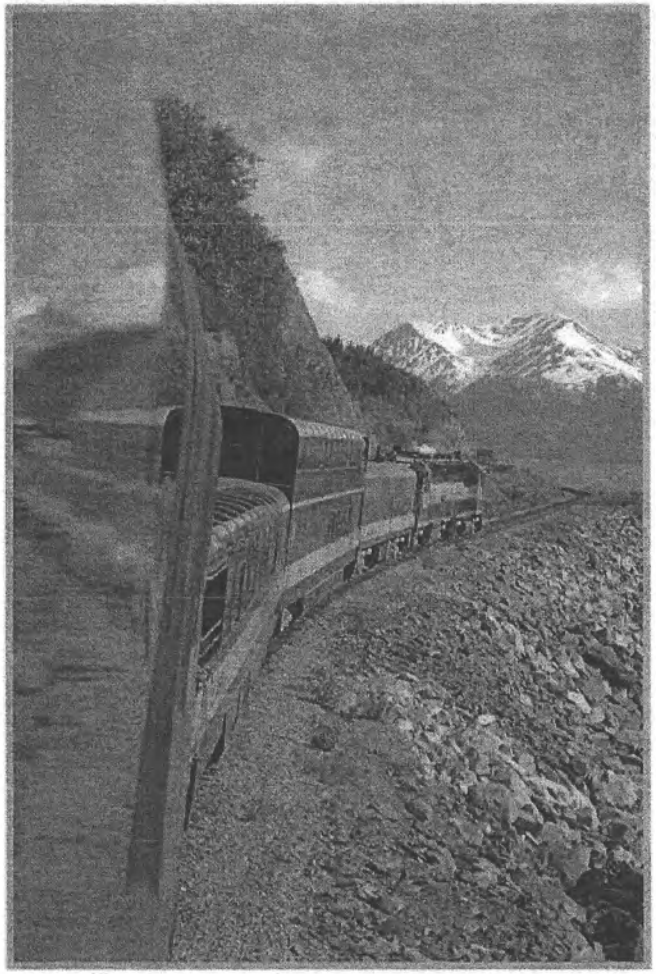
- Preliminary 2010 numbers exceed expectations
  - Petroleum performed worse than expected, offset somewhat by Trailer on Flat Car (TOFC) and Gravel hauls
  - Passenger revenue did not fall as far as anticipated
  - Solid expense control offset rising fuel costs
  - Year-end boost from tax credit legislation approved by Congress
  - Preliminary, unaudited net earnings: $13.7 million
    - $700,000 loss from train operations

2011 Overview – Operating Budget

- ARRC financial situation still fragile
  - Net loss on core train operations 2006 – 2010
    - Calculated without impact of non-traditional fund sources such as tax credits and federal grant reimbursements of operating expenses
  - Corporate net earnings rely on real estate for stability and sustainability
- Market uncertainty/expense pressures persist
  - Flint Hills projecting growth, but off to rough start
  - Export Coal – strong global demand, tempered by environmental issues
  - Moderate passenger growth seen
  - Fuel, benefit cost increases dragging on bottom line
- ARRC Board approved earnings budget of $18.2 million
  - Contingency plans in place if revenue does not materialize

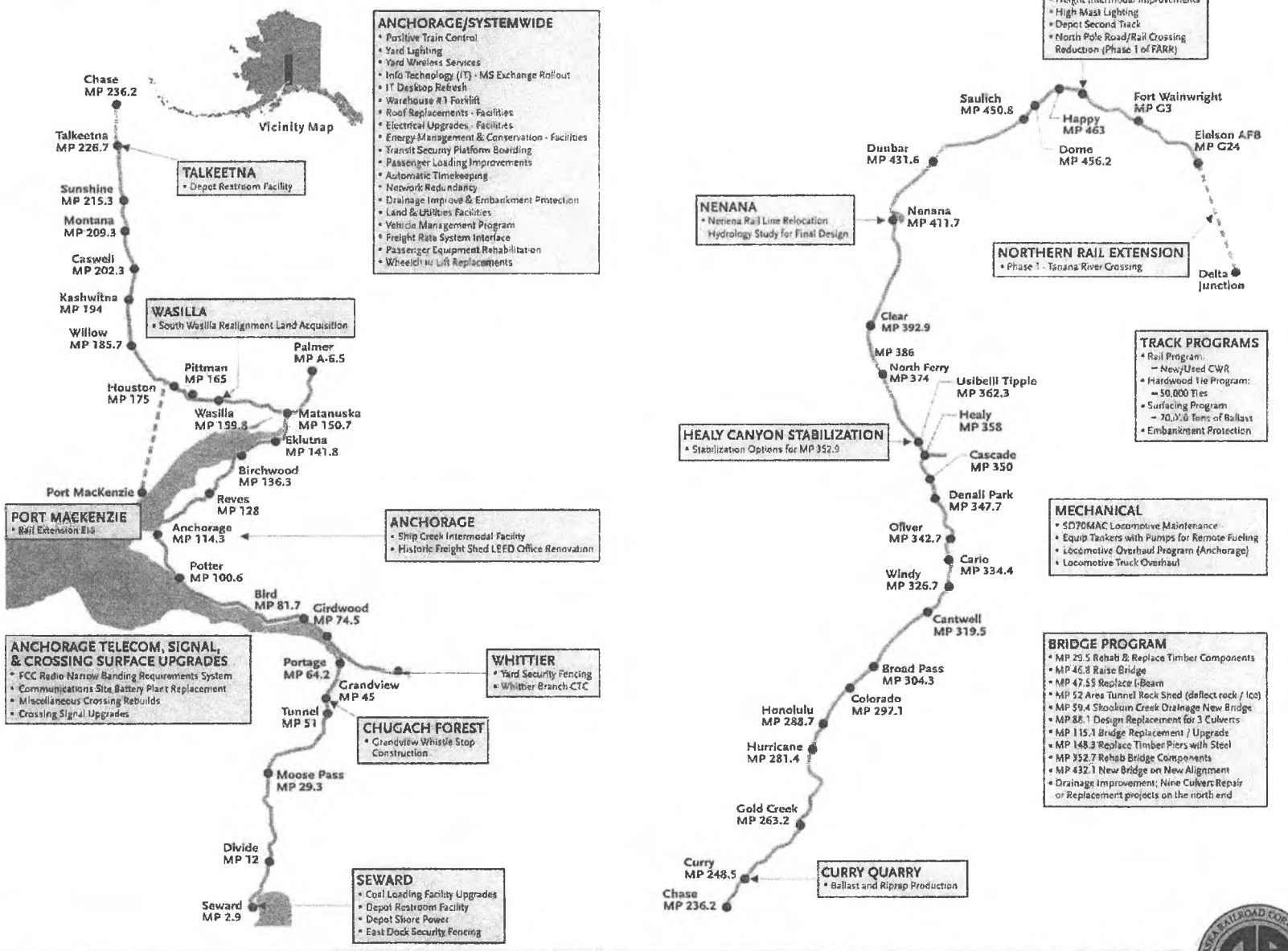
2011 Overview – Capital Budget

- **$63.4 million** in new spending for capital projects in 2011
  - $25.1 million from Alaska Railroad generated cash flow from earnings
  - $20.4 million from FTA formula funds (railroad match of 9% included)
  - $13.6 million from Federal Transit Administration (FTA) bond proceeds
  - $4.3 million from other sources – Federal Emergency Management Agency and USDOT grants (stim funds)
- Highlights:
  - Vast majority of funds allocated to non-discretionary capital maintenance to existing infrastructure
    - Sixth year of seven-year accelerated track rehabilitation program focused between Anchorage and Fairbanks "stable, safe railroad"
    - Unfunded federal mandate of Positive Train Control ?
    - Bridge rehabilitation and equipment, vehicle, and freight car replacements are other major components
  - Funding phased based upon revenue/earnings achievement



ARRC Project News

Capital projects to be started, continued or completed in 2011.



ANCHORAGE/SYSTEMWIDE
- Positive Train Control
- Yard Lighting
- Yard Wireless Services
- Info Technology (IT) - MS Exchange Rollout
- IT Desktop Refresh
- Warehouse #1 Forklift
- Roof Replacements - Facilities
- Electrical Upgrades - Facilities
- Energy Management & Conservation - Facilities
- Transit Security Platform Boarding
- Passenger Loading Improvements
- Automatic Timekeeping
- Network Redundancy
- Drainage Improve & Embankment Protection
- Land & Utilities Facilities
- Vehicle Management Program
- Freight Rate System Interface
- Passenger Equipment Rehabilitation
- Wheelchair Lift Replacements

TALKEETNA
- Depot Restroom Facility

WASILLA
- South Wasilla Realignment Land Acquisition

PORT MACKENZIE
- Rail Extension EIS

ANCHORAGE
- Ship Creek Intermodal Facility
- Historic Freight Shed LEED Office Renovation

ANCHORAGE TELECOM, SIGNAL, & CROSSING SURFACE UPGRADES
- FCC Radio Narrow Banding Requirements System
- Communications Site Battery Plant Replacement
- Miscellaneous Crossing Rebuilds
- Crossing Signal Upgrades

WHITTIER
- Yard Security Fencing
- Whittier Branch CTC

CHUGACH FOREST
- Grandview Whistle Stop Construction

SEWARD
- Coal Loading Facility Upgrades
- Depot Restroom Facility
- Depot Shore Power
- East Dock Security Fencing

FAIRBANKS
- Freight Intermodal Improvements
- High Mast Lighting
- Depot Second Track
- North Pole Road/Rail Crossing Reduction (Phase 1 of FARR)

NENANA
- Nenana Rail Line Relocation Hydrology Study for Final Design

NORTHERN RAIL EXTENSION
- Phase 1 - Tanana River Crossing

HEALY CANYON STABILIZATION
- Stabilization Options for MP 352.9

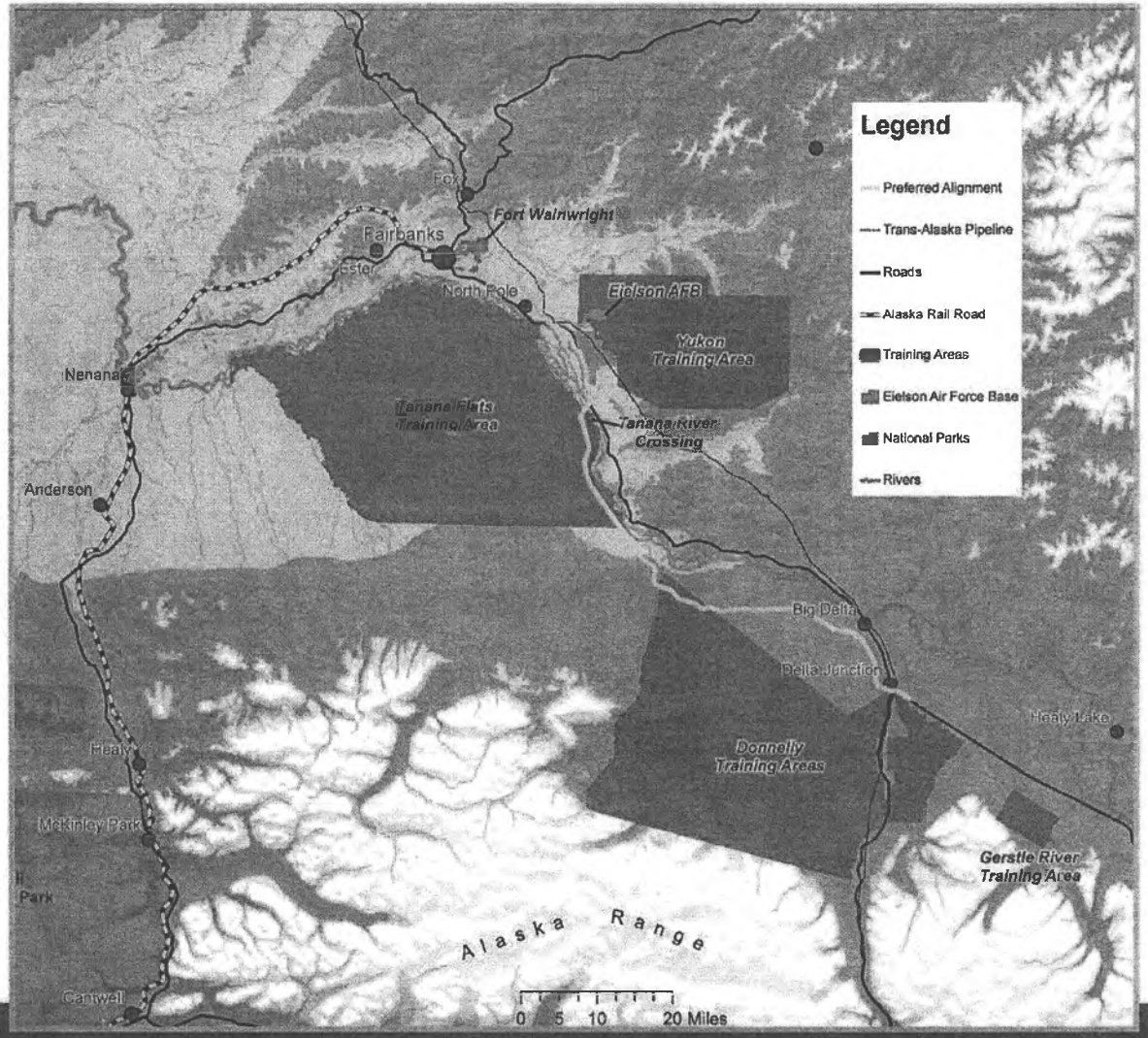
TRACK PROGRAMS
- Rail Program:
  - New/Used CWR
- Hardwood Tie Program:
  - 50,000 Ties
- Surfacing Program
  - 70,000 Tons of Ballast
- Embankment Protection

MECHANICAL
- SD70MAC Locomotive Maintenance
- Equip Tankers with Pumps for Remote Fueling
- Locomotive Overhaul Program (Anchorage)
- Locomotive Truck Overhaul

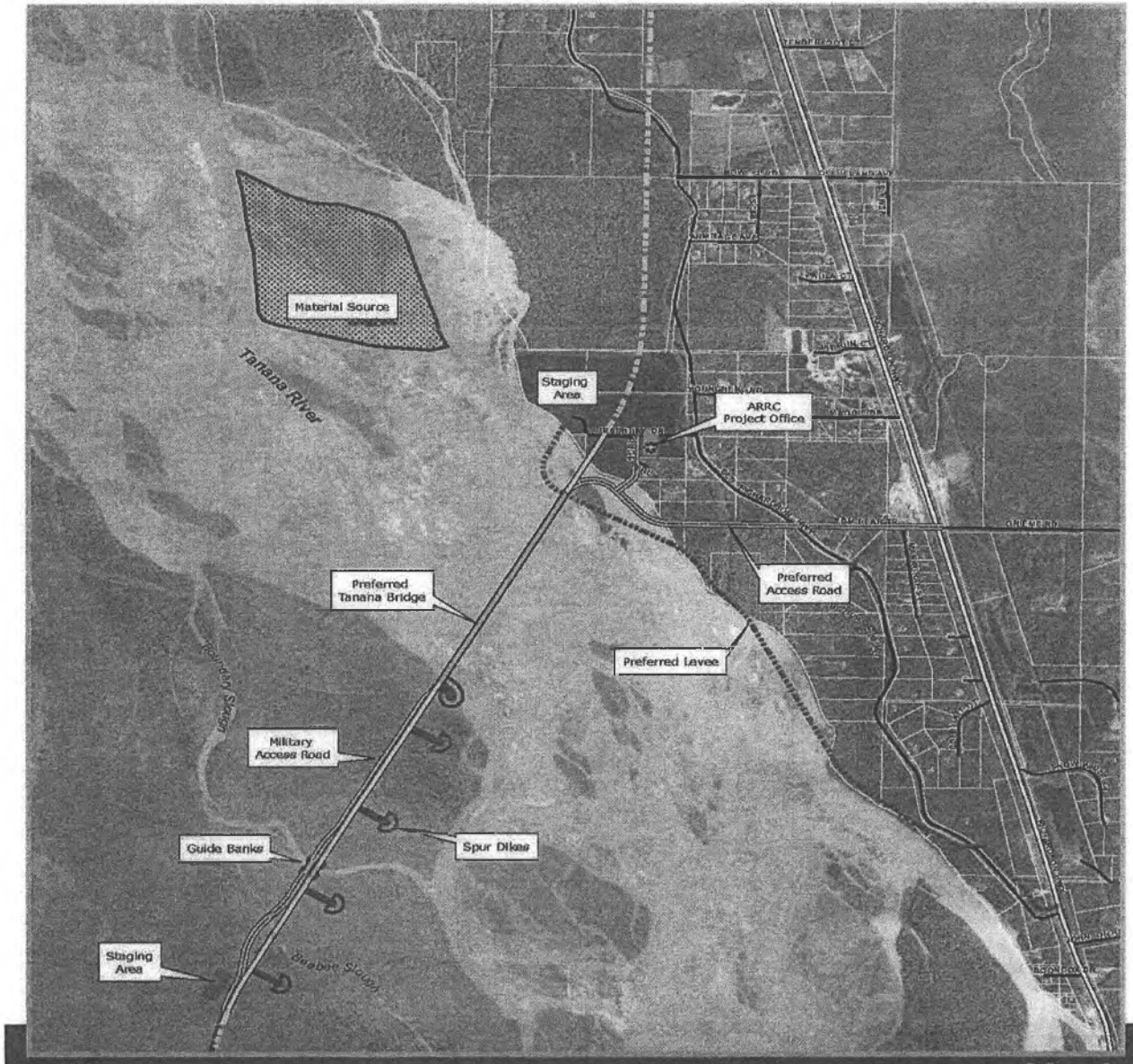
BRIDGE PROGRAM
- MP 29.5 Rehab & Replace Timber Components
- MP 46.8 Raise Bridge
- MP 47.55 Replace I-Beam
- MP 52 Area Tunnel Rock Shed (deflect rock / ice)
- MP 59.4 Skookum Creek Drainage New Bridge
- MP 88.1 Design Replacement for 3 Culverts
- MP 115.1 Bridge Replacement / Upgrade
- MP 148.3 Replace Timber Piers with Steel
- MP 352.7 Rehab Bridge Components
- MP 432.1 New Bridge on New Alignment
- Drainage Improvement; Nine Culvert Repair or Replacement projects on the north end

CURRY QUARRY
- Ballast and Riprap Production

Northern Rail Extension (NRE)



- Construct an 80-mile rail line between North Pole and Delta Junction
- Surface Transportation Board (STB) completed EA in 2009 and approved license in early 2010.



- Project to be accomplished in 4 phases
- Phase One is the bridge crossing over the Tanana River near Salcha

90% complete
Construction management CMGC
Contractor

NRE Tanana Crossing Status

- Design 90% complete, CM/GC contractor on board
- Estimated Cost: +/- $185 million
  - Costs have escalated for several reasons:
    - Final design greatly increased levee costs
    - Permitting required additional scope, such as side channel bridges, as well as additional engineering
    - River erosion changed the project construction scope
- Current Funding:
  - 2008 DOD/FRA grant $44.2 million, expires 2013
  - 2009 DOD/FRA grant $60.0 million, expires 2014
  - $40 million state funding FY 2011, expires in 2015
  - Total $144.2 million

large impact culvert to actual bridges

185
144
41 M funding gap

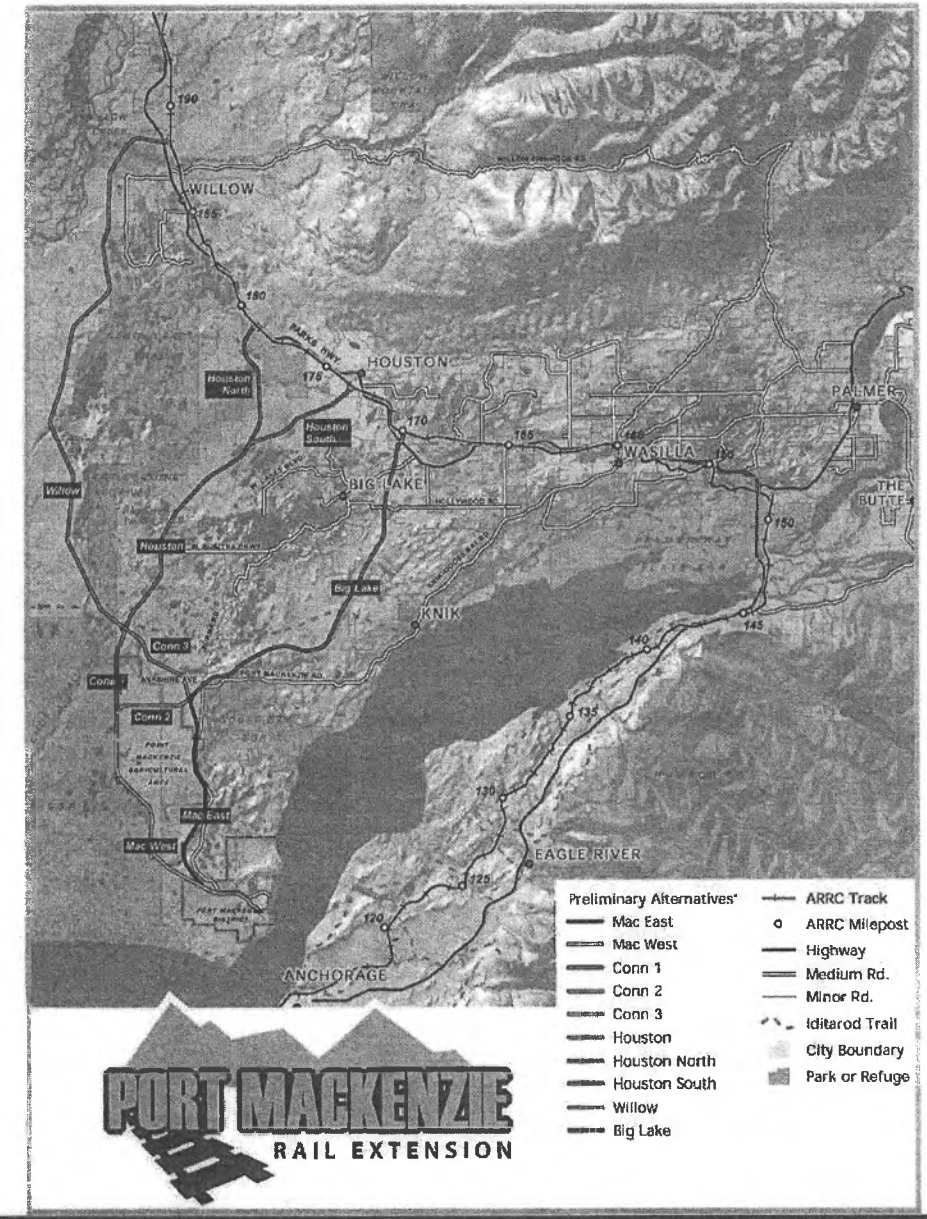
NRE: Getting to Construction

- Find Additional Funding – shortfall estimated at $20 - $60 million depending upon bridge revisions
- Obtain the Permits:
  - Currently a struggle with EPA/USACE?
  - Timely issuance
- Federal Funding Agencies Approval:
  - Military: approve final plans
  - Federal Railroad Administration (FRA):
    - Final project plan as approved by military
    - Project financing plan
- Above steps required before ARRC Board can approve moving to construction

#20-60M underfunded

Tanana Crossing Timing

- Funding is needed by early summer 2011
  - Federal funds are expiring
  - The Tanana River is moving, increasing costs
  - General cost escalation as economy recovers
  - ARRC Board of Directors will need to make a "go/no go" decision at its May meeting



Port MacKenzie Rail Extension

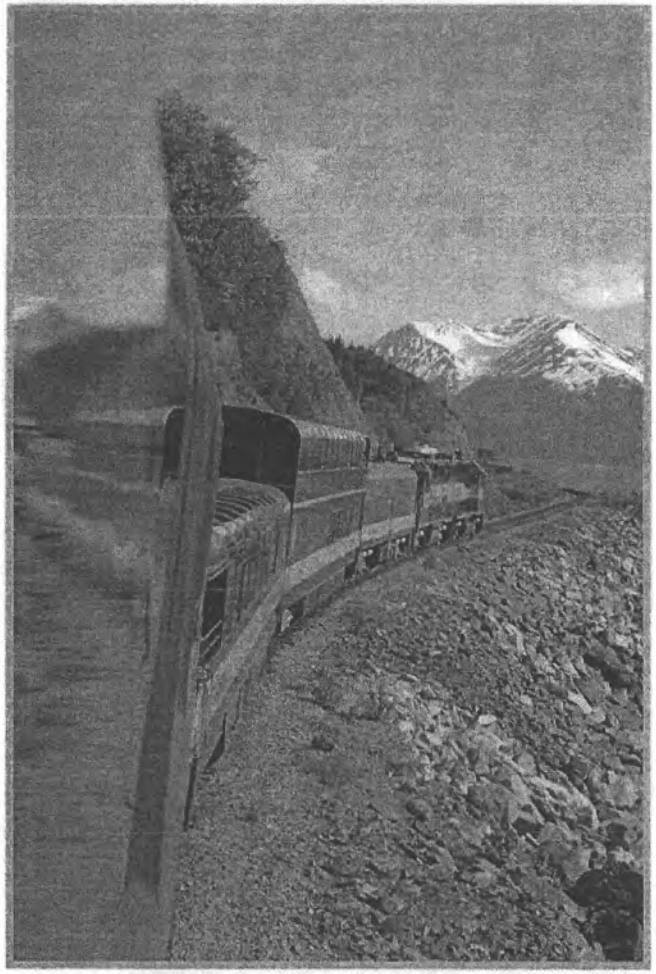
- Construct a 30- to 45-mile rail line to connect the port to the main line
- As port owner, Mat-Su Borough (MSB) is project "sponsor"
- As an operating railroad, ARRC is the project "applicant"
- Surface Transportation Board (STB) is federal agency responsible for U.S. rail extensions

Port MacKenzie Rail Extension

Position: ARRC supports the rail extension to Port MacKenzie in its role as a tool for statewide economic development

- ARRC is a contractor to MSB providing project management and technical advice to the project
- STB is conducting the Environmental Impact Study (EIS)
- Draft EIS released for public review in spring 2010
- Final route selection will be identified in Final EIS, expected by spring 2011
- Project ready to begin ROW acquisition and construction
- State Legislature appropriated $27.5 million (2007/2008) to fund an EIS, and $37 million (2010) to begin design and construction

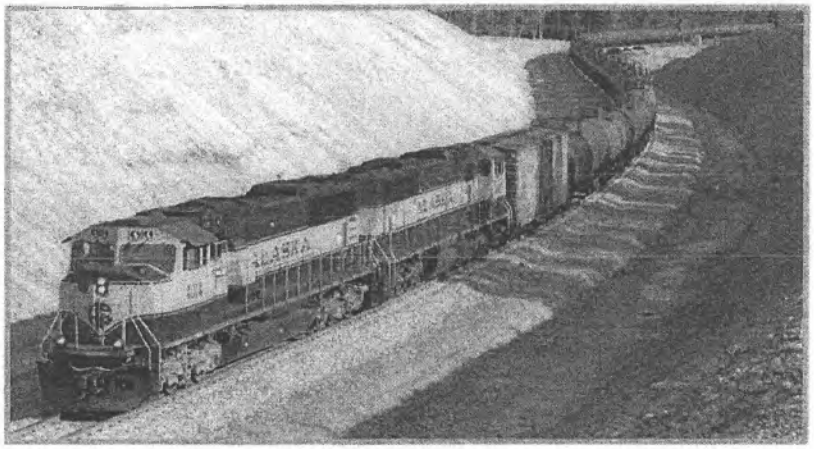
STB picks the route $20M for this year



ARRC Statewide Issues

North Pole Refinery

Position: ARRC believes the continued existence of the North Pole Refinery (NPR) is a critical component to the State's energy picture and is a mainstay of ARRC's revenue stream.



- Flint Hills Resources represents the railroad's single most important customer from a revenue and profitability standpoint
- NPR business model is under serious scrutiny by ownership
- ARRC continues to urge the State to do what it can to support this important aspect of the state's economy
- The viability of the Alaska Railroad and numerous other Alaska stakeholders is tied to the refinery's success or failure

Executive Budget Act

Position: ARRC does not support legislation subjecting ARRC to the requirements of the Executive Budget Act

- ARRC loses flexibility to operate in dynamic, market driven business environment
- ARRC's obligations under current contracts and long-term agreements, including bond covenants, may be compromised
- ARRC operates on a calendar year as do most businesses; state fiscal year splits ARRC's business cycle
- State could assume all liability for ARRC operations as a result of taking over financial and legal obligations of ARRC
- Federal legislation, Alaska Railroad Transfer Act, may be violated as it requires that ARRC retain control of its funds and budget

Sale of ARRC Lands (2010 HB 357)

Status: ARRC's Board of Directors are developing a Board Rule to guide decisions regarding land sales in compliance with HB 357 (passed in 2010). The draft Board Rule is currently available for review and is on the agenda for the Feb. 16, 2011 ARRC Board meeting.

- A significant portion of Railroad lands are right-of-way, terminal areas, port properties, communication sites, material sites and other properties that are essential to current and/or anticipated rail operations and are not available for sale.
- The Railroad owns valuable "non-operating" lands that are available for long term lease to predominantly commercial and industrial tenants.
- Real Estate revenue has historically represented the majority of ARRC's net income, enabling ARRC to operate as self-sustaining entity without state operating subsidies.
- The Railroad owns certain "non-operating" lands that may not be necessary for railroad purposes and which ARRC may consider selling.
- The Legislature retains the right to approve land swaps or sale of land to another party

Seward Coal Loading Facility

Position: ARRC believes the Seward Coal Loading Facility is an important economic facility to the State and will continue to operate and invest in it to achieve economic benefits while complying with applicable environmental standards and meeting community needs

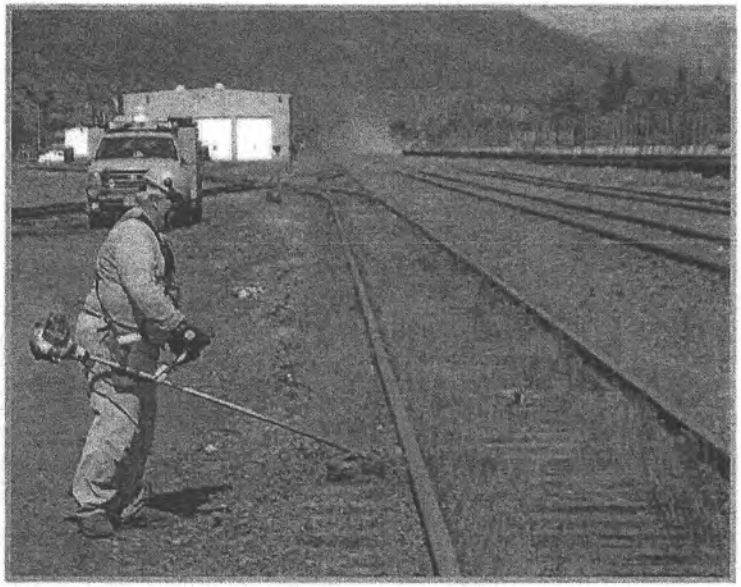
- The facility has been operating since 1984 as a public/private facility
- ARRC purchased the facility with federal funds in 2003
- ARRC has spent $1.34 million on safety, efficiency and environmental improvements since 2003, with additional expenditures planned for 2011
- ARRC continues to work with DEC and the community to mitigate dust by installing additional dust control equipment and instituting operating procedures such as shutting down operations if certain weather conditions are experienced, primarily high winds
- ARRC entered into a mutually-agreed Compliance Order with DEC and recently completed three Supplemental Environmental Projects (SEP's) designed to further reduce dust emissions
- ARRC is vigorously defending a Clear Water Act lawsuit involving the facility brought by environmental groups

Vegetation Management

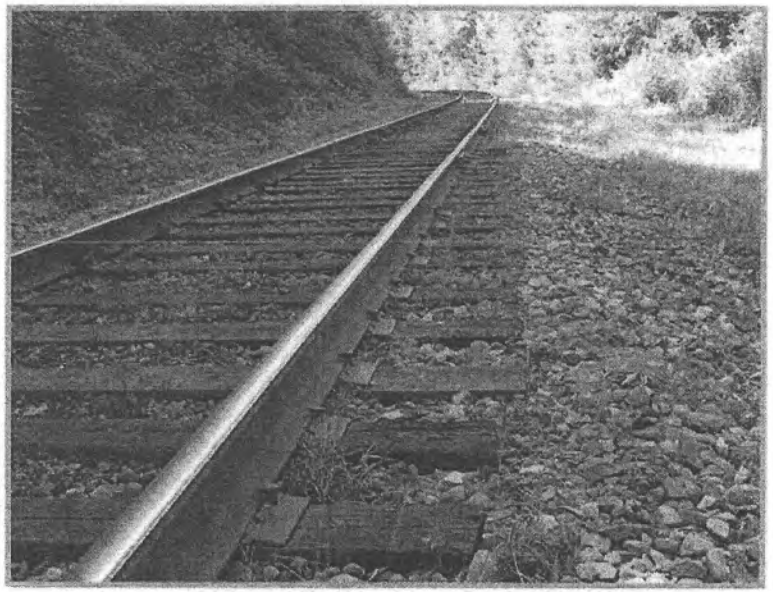
Position: ARRC must have an effective vegetation management and control program — to include the use of herbicides — in order to operate safely

- Railroad industry regulator FRA requires adequate vegetation control
- ARRC is gaining ground, federal safety inspection violations were down in 2010
- Herbicides are a necessary part of the vegetation control program:
  - ADEC approved herbicide permit for Seward-to-Indian in 2010
  - ARRC will apply for ADEC herbicide permits in 2011 to include:
    - Anchorage rail yard
    - Fairbanks and Healy areas
- Non-herbicide methods will continue to be the primary means of control

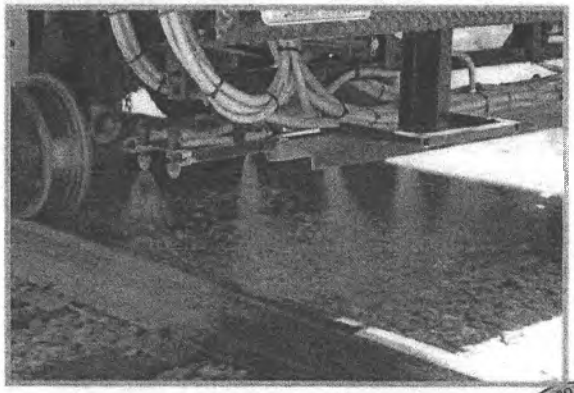
Vegetation Management



Manual vegetation control (weed trimming/mowing) In the Seward Yard is not adequate or lasting.



Controlled spray application (right) of water-approved AquaMaster herbicide provides effective and lasting control along stretch between Seward and Indian in 2010 (above right)



TENANT Ties

Real Estate CUSTOMER RELATIONS

a Special Supplement to *Tenant Ties* for ARRC Real Estate Customers

Customer Relations Focus 1

Starting with Communication Improvements

This special supplement to the *Tenant Ties* newsletter takes a look at Alaska Railroad (ARRC) real estate customer relations, and actions ARRC is taking to improve. These efforts are part of a new cross-departmental focus on customer service that ARRC President/CEO Chris Aadnesen is pursuing in 2011.

The Alaska Railroad began an earnest evaluation of its relations with real estate customers about five years ago. At the time, several railroad lease tenants had established the Alaska Railroad Leaseholders Association (ARRLA) and in early spring 2006, ARRLA presented ARRC with a list of goals that indicated some dissatisfaction with customer relations. Among the goals ARRLA members sought were better two-way communication, cooperation on revising lease policies and processes, and a more formal opportunity to provide input into lease changes. In response, ARRC began with several actions to improve communication:

- **Newsletter:** ARRC established a newsletter for leaseholders and long-term permit holders. The first issue of *Tenant Ties* was published in fall 2006. Six editions have been produced since then. The newsletter offers a heads up on a variety of timely real estate issues, plans and developments.
- **Working Groups and Committees:** Leaseholders are active participants on groups established to address key interest areas. A Lease Policy Working Group was established, which included Real Estate Department staff, real estate experts, and leaseholders from north and south ends of the railroad. The group met and discussed a list of lease-related issues and action items. The Railroad Right-of-Way Committee was established to include ARRC Board members, a community development expert and a railroad leaseholder. The committee has met several times since, focusing on issues impacting residents and businesses that use or border the track ROW.
- **Tenant meetings:** ARRC established annual tenant meetings to provide an in-person forum for real estate customers to voice concerns and suggestions. The first meetings were held in Fairbanks and Anchorage in September 2010.
- **Email Communication:** Real Estate staff collected email addresses for key personnel within leaseholder companies. The group email offers an efficient way to contact customers with time-sensitive information, event notices and other communications. Emailing was first used to notify tenants of the tenant meetings in September. Since then, it has been used to invite participation in customer events and to encourage input on legislative issues.

Like ARRLA, the Alaska Railroad seeks improved customer relations as an ongoing process. We will continue efforts to expand communication and dialogue with our lease customers; to work together on issues of mutual interest; and to perfect our approach and attitude toward customer service. *Please read on!*

Communicating
Do we have your current contact info?

Please keep the Alaska Railroad (ARRC) abreast of any changes in contact information for you, your colleagues and you company. The ARRC Real Estate & Facilities Department strives to keep the real estate customer mailing and emailing lists as accurate as possible, by making changes as needed throughout the year. If your company address has changed, or if key personnel have changed, please let us know and we'll update our records accordingly.

ARRC recently completed a real estate customer emailing list to include the addresses of key personnel for each of our lease-holder business customers. If you would like additional people in your company to receive email notices and correspondence, or if you would like to make a correction to an email address that is in error, please don't hesitate to contact us with your edits.

Our ability to effectively communicate with you is only as good as the information we have to contact you. Please call either Kelly Reinhardt at 265-2670 or Emily DaLuz at 265-2466 with any contact changes. They may also be reached via email, at ReinhardtK@akrr.com or DaluzE@akrr.com, respectively.

Who's Who in Alaska Railroad Real Estate?
Organizational Chart and Phone #'s

Vice President, Real Estate & Facilities
Jim Kubitz • 265-2428

Director, Real Estate
Karen Morrissey • 265-2617

Directer, Facilities Program
Paul Farnsworth • 265-2540

Manager, Dock & Real Estate, Seward
Louis Bencardino • 265-2696

Mgr, Facilities Contracts
Ben Kammer • 265-2216

Seward Dock Ops Manager
Christy Terry • 265-2209

Manager, Leasing
Andrew Donovan • 265-2325

Manager, Dock & Real Estate, Whittier
Lester Lunceford • 265-2661

Leasing Technician
Emily DaLuz • 265-2466

Senior Permit Technician
Michelle Luedke • 265-2465

Environmental Engineer
Russell Grandel • 265-2429

Real Estate Technician
Kelly Reinhardt • 265-2670

Manager, Land Services
Mike Fretwell • 265-2469

Real Estate Technician
Linda Eichelberger • 265-2277

Land Services Specialist
Patrick Kelly • 265-2411

Alaska Railroad Real Estate Department

Mailing Address: P.O. Box 107500 • Anchorage, Alaska 99510-7500

Physical Address: 327 West Ship Creek Avenue • Anchorage, Alaska 99501

(907) 265-2670 • Fax (907) 265-2450 • www.AlaskaRailroad.com

Customer Relations Focus 2

Issues of Mutual Interest: Foster Dialogue and Cooperation

ARRC and ARRLA have identified key issues for cooperative consideration. Many have been — and are — addressed by the Alaska Railroad's Board of Directors Real Estate Committee, which meets regularly to discuss leasing, permitting and other land-related items. Real Estate staff and Board Committee discussion and recommendations have fostered cooperative resolution on several issues:

Issues addressed to date

- **Mitigate tenant capital investment risks** associated with early lease termination and the condition to remove capital improvements at the end of a lease. Wholesale modification to all leases would not encourage capital investment in all cases. The ARRC Board will consider lease modifications on a case-by-case basis. Tenants may submit written proposals that support and encourage investment.
- **Mitigate 5-year appraisal gap/cost** that occur with often substantial jumps in land value over a 5-year period. In May 2010, the ARRC Board approved a modification to benefit tenants. Previously adjusted rents were only subject to a 35% maximum increase, but no allowance for land value decreases. The revision provides for a 35% maximum decrease in land value. In addition, public notice required for new or renewing leases switched to an electronic format, eliminating a $300 fee charged to cover newspaper notice costs.
- **Involve leaseholders in choosing land appraisers.** As a state-owned entity, ARRC must follow state procurement rules, which require three quotes for contracted services under $100,000. Appraisers must also meet professional criteria. ARRC mails a scope of work to a list of qualified appraisers before awarding regional appraisal work. Leaseholders are welcome and encouraged to provide contact information for preferred appraisers. If these appraisers meet minimum qualifications, they will be given the opportunity to bid on railroad appraisal work.

Issues under consideration or in progress

- **Local government taxation.** In 2005, the Municipality of Anchorage (MOA) began taxing land leased from tax-exempt entities. Because this change increased the property tax burden for many railroad leaseholders, ARRC engaged in several discussions with the MOA and State Assessor on behalf of leaseholder interests, yet they would not reverse their decision.
- **Modify / Update lease forms and processes to benefit leaseholders.** The Real Estate Department is currently surveying the ground lease market to determine if ARRC lease forms are commercially unusual or unreasonable. This research is still in the works and will take several months to obtain sufficient information to determine if forms and process amendments are warranted. If so, the Real Estate staff will seek leaseholder and stakeholder input on proposed recommendations before requesting ARRC board consideration and approval.
- **Extend lease terms by requesting legislative approval of a 95-year lease.** Railroad management and several board members have discussed a 95-year lease in select areas, where the commitment of long-term and substantial investment is likely.
- **Modify utility permit requirements to encourage public notice** and involvement for potentially disruptive utility activities. ARRC is considering a request to add language to longer-term permits that would require public notice when infrastructure improvements could disrupt neighboring properties.
- **Consider the sale of leased land.** HB 357 — Railroad Land Sale — was signed into law June 2010, and became effective in mid-September. The new law fine-tunes the process for potential land sales by requiring certain criteria. The sale of land remains subject to approval by the Alaska Railroad Board and the Alaska State Legislature. The Board of Directors recently drafted a policy that clarifies provisions of the law and establishes a process for consideration and criteria for railroad board approval. In December 2010, the draft policy was sent to all leaseholders, lawmakers and other stakeholders for input.

The Board Real Estate Committee and ARRC Real Estate staff will continue to monitor and facilitate progress on these and other issues.

Background
Documents

This status report on real estate customer relations refers to several documents that are available for customer, lawmaker and stakeholder review by contacting the Alaska Railroad Real Estate & Facilities Department at (907) 265-2670. A packet of this detailed background documentation includes:

- History of topics covered at Alaska Railroad Board of Directors Real Estate Committee, February 2005 to present
- Municipality of Anchorage (MOA) Property Assessor letter of response to the Alaska Railroad, dated October 4, 2004
- ARRC correspondence to Anchorage-based leaseholders regarding MOA revised property tax methodology for 2005, dated March 1, 2005
- ARRLA cover letter and ARRLA Goals sent to the Alaska Railroad, dated March 10, 2006
- ARRC correspondence to leaseholders regarding Board-approved amendments to the ARRC long-term lease policy, dated June 10, 2010
- History of *Tenant Ties* newsletter topics. Editions of *Tenant Ties* are available online in PDF format from AlaskaRailroad.com (On the left of the Corporate home page, click on MEDIA. Then on the right side of the Media page, click on Newsletters)
- Minutes of the Inaugural Annual Tenant Meetings, dated September 15, 2010 (Fairbanks meeting) and September 21, 2010 (Anchorage).

Customer Relations Focus 3
Customer Service Improvements

While ARRC has made some progress on improving communication and cooperative work on key issues, we realize that our overall real estate customer service needs some improvement as well. Real estate is very important to fulfilling our mandate to be self-sufficient, operating without state support or subsidy. Real estate leasing revenues provide 15% of customer-generated revenues. This is a steady, reliable source of funds with which to invest in capital projects that don't qualify for federal funding, to fund employee retirement and medical trusts, and to provide a buffer for lean years when train operations revenue does not cover expense. We value our lease and permit customers for their business, and we want to provide a high level of service that demonstrates our appreciation. This attitude underscores ARRC President/CEO Chris Aadnesen's pursuit of improved customer service among all railroad departments in the year ahead.

Recent Customer Service improvements

1. **Lease processing.** A leasing technician position was reinstated (cost-cutting measures had eliminated this and 100+ other positions in October 2009) and a new technician was hired in August 2010. The addition is improving lease processing timeliness.
2. **Lease tracking.** Complex leases often require input from several more railroad departments, including legal, accounting, environmental and engineering. In January, 2011, Real Estate staff enhanced the system for coordinating and tracking the progress of leases through the organization. This will minimize errors and improve efficiency.

Customer Service Improvement Plan

In January 2011, the Real Estate Department completed a formal plan for improving customer service. Key components include:

1. **Staff Job Performance:** Modify Real Estate Department staff annual performance appraisals to focus more on customer service. This includes reviewing employee performance with regard to customer service , time management and record-keeping factors. *(Implemented January 2011)*
2. **Staff Training:** Key Real Estate Department staff are required to complete advanced customer service training that develops skills to enhance relations with leaseholders and internal departments that provide lease services (real estate, accounts receivable, marketing, environmental, legal, capital projects and facilities). Training will incorporate a means for measuring customer service performance. *(To be completed by April 2011)*
3. **Customer Complaints:** Real Estate is developing a Customer Complaint Program that responds to complaints with an initial investigation, fosters mutually-acceptable resolution, and prevents reoccurrence of situations contributing to a complaint. *(To be developed by February 2011)*
4. **Staff Meetings:** Real Estate staff will meet every other week to improve intra-department communication and monitor customer service progress. Regular meetings will review department tasks, complaints received, complaint resolution, status of leases in progress, and customer service issues. Significant customer service opportunities and issues will be regularly reported to the President/CEO. *(Implemented January 2011)*
5. **Tenant Wise:** Use the recognized newsletter forum to inform customers of progress and plans to improve customer relations and service. *(Implemented January 2011)*

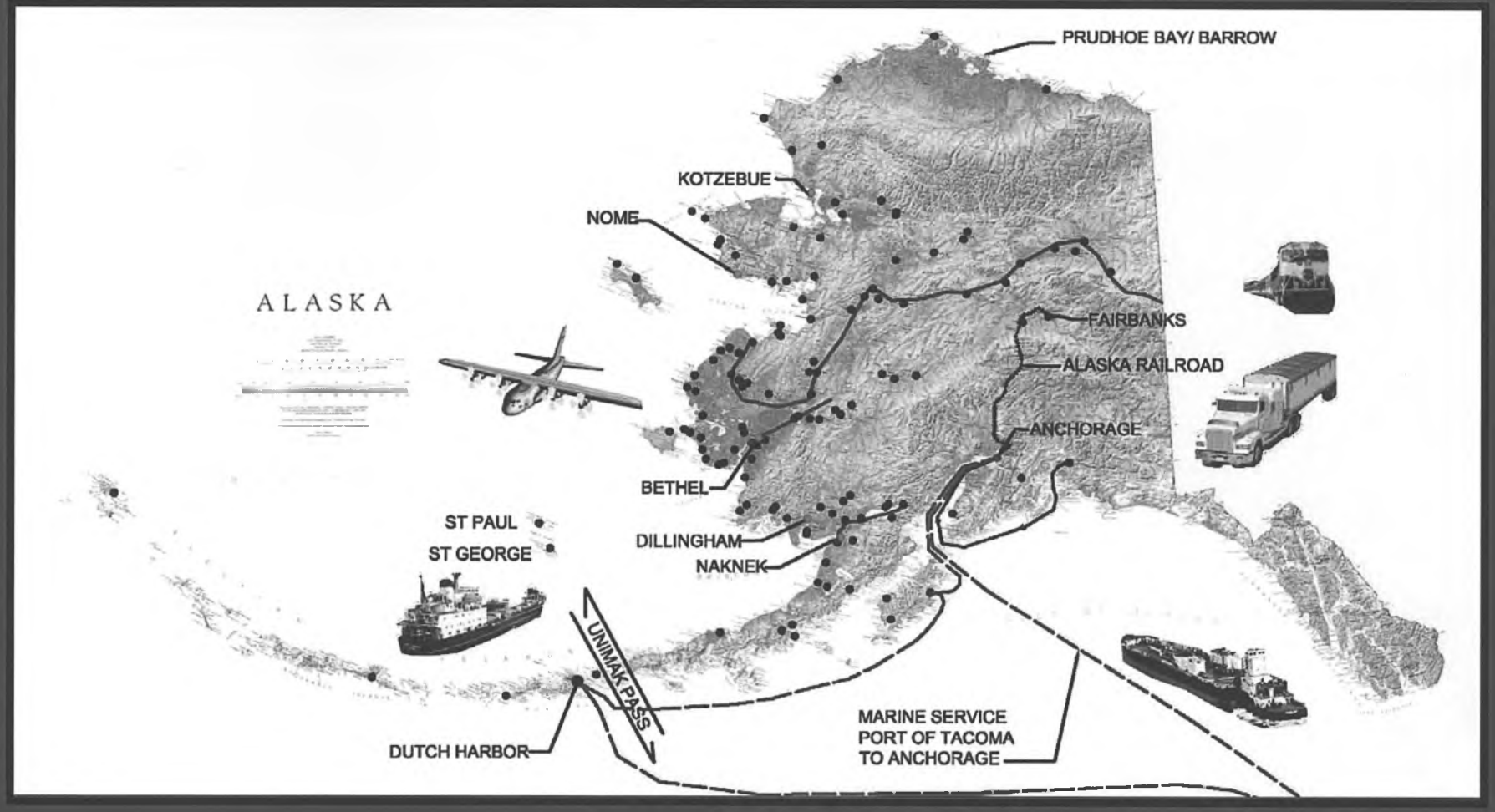
1/27/11 PRESENTA-TION: PORT OF ANCHORAGE

<TARGET><BILL></BILL><SUBJECT>1-27-11 PRESENTATION PORT OF ANCHORAGE</SUBJECT><COMM>HTRA27</COMM></TARGET>

PORT OF ANCHORAGE

Alaska's Port. Alaska's Future.

Cargo Distribution in Alaska



PORT OF ANCHORAGE

If you eat it, wear it or drive it, it probably came through here…..

➢ 120,000 containers annually

- 90% of merchandise goods for the Railbelt and interior Alaska
- 100 million pounds of by pass mail items
- Serving over 140 villages in rural Alaska
- 90% of new automobiles
- 85% of the cement for concrete along road system

PORT OF ANCHORAGE

If you eat it, wear it or drive it, it probably came through here…..

- **11 million barrels of fuel annually**
  - 80% of the jet fuel for Ted Stevens Anchorage International Airport
  - 100% of the jet fuel for Elmendorf Air Force Base
  - 90% of fuel used by vehicles, water craft and general aviation in the Railbelt
  - 2/3rd of all fuel used by the military in Alaska
  - 100% of the Aviation Gasoline used in Alaska (including Southeast!)

- **1.7 million barrels of fuel are shipped from POA to rural Alaska.**

PORT OF ANCHORAGE

Military Support

- Designated by the **Department of Defense** as a **National Strategic Seaport**. Only 19 ports in the United States have this designation.

- Supported over 20 deployments since 2005 including Stryker Brigade deployments to Iraq and Afghanistan.

- The POA provides essential fuel supplies, vehicles and almost all of the goods used on a daily basis from the commissary to office supplies.

PORT OF ANCHORAGE

2010 in Review

- The port received over 500 ship calls in 2010, a 30% increase from 2009.
- Welcomed the first major cruise ship to make regular port calls in Anchorage.
- Created 500 jobs related to the expansion project
- Port stakeholders and the expansion project spent $70 million on annual payroll

We expect an even busier 2011, especially at our petroleum berths which provide critical gasoline, heating oil, and jet fuel to communities throughout Alaska.

PORT OF ANCHORAGE

Intermodal Expansion Project

PORT OF ANCHORAGE

Phasing Plan

Port Expansion Team

Federal Lead Agency

MARAD

US DOT Maritime Administration

•Responsibilities include contracting authority, oversight and quality assurance and managing funding.

Project Owner

Port of Anchorage

Municipality of Anchorage

•Responsibilities include securing funding and coordinating the construction phasing to fit the port's needs.

Project Manager

ICRC

Integrated Concepts & Research Corps.

•Responsibilities include development, project management, design, construction and permitting.

Design & Construction Subcontractors

PORT OF ANCHORAGE

The Expansion Project is moving forward with clear changes in place.

- The Port is requiring a major review of the contract between MARAD and ICRC. The new contract structure must provide clear accountability and absolute protection from faulty construction and oversight.

- The Port is requiring additional financial protection to assure the work is completed on time with outstanding workmanship.

- The Port is developing an oversight committee consisting of the Port, MARAD, ICRC, and appointees from the city, US Army Corps of Engineers and others. This will allow us to react quickly and appropriately to issues as the project moves forward.

PORT OF ANCHORAGE

Thank You

For more information visit www.muni.org/departments/port

PORT OF ANCHORAGE

Funding

The expansion project is funded through a combination of port revenues, state and federal funds.

-$279 million received to date:

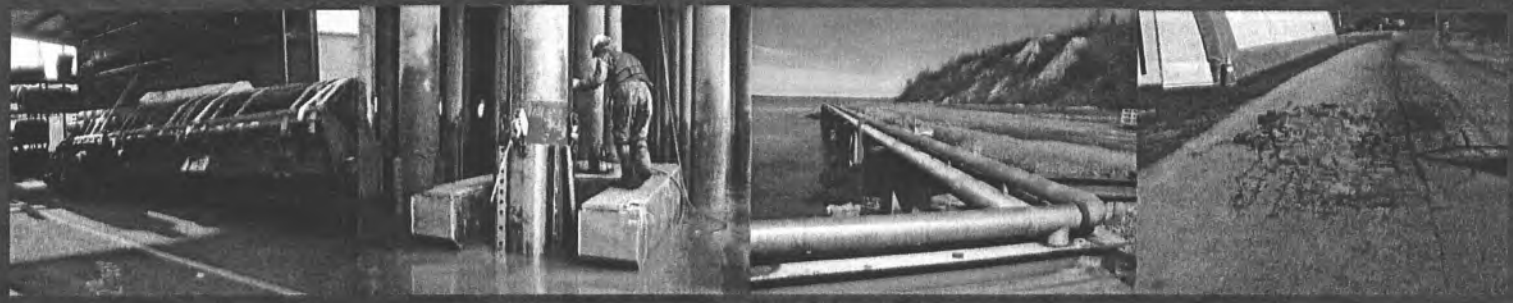
Federal Funds	$138,676,634
State Funds	$ 91,290,164
Port of Anchorage Funds	$ 49,109,836

- The Port of Anchorage covers all of its own operational costs and puts all of the additional revenue, $4 - $5 million annually, towards the expansion project.
- The Port also qualifies for a $75 million line of credit.

PORT OF ANCHORAGE

In 2002 the Port began a long and expensive permitting process. Since that time the following projects have been successfully completed:

- Filled 70 acres of new land
- Constructed 5 mile long road from the POA to Elmendorf to transport gravel. This road is alread used for military deployments relieving congestion on public roadways.
- Performed road and drainage replacements
- Extending the rail line
- Installing new fuel pipeline
- Built a floating dock used by the Coast Guard for Emergency Response
- Burying and extending power lines
- Mitigated an environmental runoff problem for Elmendorf



PORT OF ANCHORAGE

The current project cost is $1 billion. This is much higher than the initial estimate, however there have also been many changes to the original design. The largest contributing factors are listed below:

- Design Changes –

  The initial design underwent a rigorous permitting and review process that resulted in recommendations to the existing design. These changes cost money.

  -Increasing tail wall length

  -Addition of two essential facilities that will remain operational following a maximum contingency earthquake or other catastrophic event.

  -Increased linear dock space in the North End to accommodate customer needs

- Galvanized Steel –

  Using Galvanized (or coated) steel rather than the regular steel calculated in the initial estimate increased the cost of steel by about 30%. This is expensive, but it significantly prolongs the project life and is ultimately a good investment in an area that has some of the highest corrosion rates in the world.

- Increased Overhead
- Increased labor, fuel & materials cost
  - 2008 Steel Prices soared 60%
- Increased Dredging Costs
- Beluga Whale & Marine Mammal Mitigation

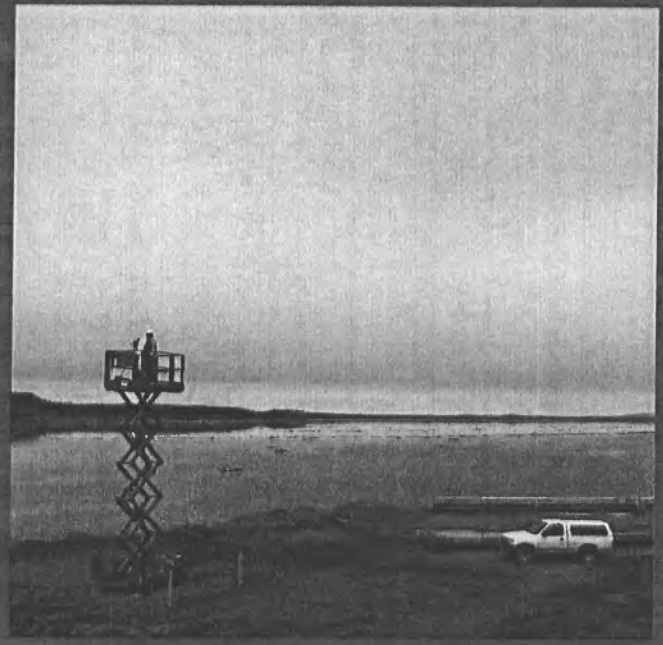
PORT OF ANCHORAGE

Beluga Whales

The Marine Mammal Mitigation aspects of our construction permit are onerous and expensive. We estimate that direct costs are $5 million annually with substantially more indirect costs.

Mitigation measures include:

- Shutting down for two hours on either end of low tide.
- Shutting down if a whale enters our "zone"
- Shutting down if the monitors cannot observe the water (fog or sun glare)
- Restrictions on the use of vibratory hammers and impact hammers
- Until the 2010 construction season we were required to shut down for two one-week periods during the summer for fish smolt.



There are five observers stationed on rented scissor lifts every second we are under construction and there is an additional look-out on Elmendorf manned by Alaska Pacific University students. The marine mammal observes and costs associated with these activities are around $100,000 a year.

PORT OF ANCHORAGE

ALASKA
Journal of Commerce

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What's Inside

Session starts

Lawmakers are back to work, and oil taxes top the agenda.

Page 8

Golf gizmos

Cool gadgets to help improve your golf game.

Page 11

Ice road truckers build path for test well

By Polly Crawford
For the Journal

As driver Connie Green pulled up to the chute, Salamatof Seafoods' plant manager George Jackson pulled the lever, and let the ice pour into the dump truck.

Every so often, a huge rake inside the building's ice storage area could be heard, stirring the ice to make sure it stayed dry. That makes it easier to load, but makes it a little too dry for hauling: it tends to blow out the back unless they water it down.

Green is among dozens of workers tasked with building an ice road three miles across the wetlands in the Kenai National Wildlife Refuge, to provide access for an exploratory drilling rig to be operated by Inlet Drilling.

While ice roads are fairly common on the North Slope, it's a rare sight on the Kenai Peninsula.

Peak Construction is overseeing the road construction. Independent oil and gas exploration company Nordaq Energy, overseeing the entire project, hopes to find natural gas.

The project has involved several subcontractors, including Salamatof, Ocean Beauty and Snug Harbor Seafoods to make ice, as well as CIC Inc., Alaska Roadrunners and South Central Paving to haul it. Peak also has leased several snowmaking machines from Alyeska Resort.

Photo/M. Scott Moon/For the Journal

Work crews build an ice road to a site where an independent company plans to drill a test well in the Kenai National Wildlife Refuge. The road is a temporary route made with water, ice and manufactured snow, and should be about a mile and a half long when completed. ***See more photos on Page 12.***

Legislative session opens with oil tax talks

Oil flows again

Crews restart the oil pipeline after temporary repairs are made.

Page 10

$1.00

6 51472 12501 4

machines from Alyeska Resort.

"This is the busiest we've been in a long time," said Tom Pellegrom, Peak area manager. He added that Peak is also working ... chor Point. He estimated that the ice road has probably resulted in the employment of about 150 people. "It's spread a lot of wealth around the peninsula."

After the ... weather earlier in the month, crews began working around-the-clock in an effort to finish the road. The drill rig will then be brought in, an exploratory well drilled, and the rig removed by mid-March.

Peak has built ice roads along Prudhoe

See Truckers, Page 12

By Tim Bradner
Alaska Journal of Commerce

The state Legislature opened its 2011 session in Juneau Jan. 18 and state legislators got right down to business in briefings by state agencies and the budget.

Gov. Sean Parnell outlined an ambitious agenda to stimulate the state's economy and secure new energy supplies in his State of the State address the following day, Jan. 19.

Parnell, a Republican, outlined key themes of his proposals including a major change in state oil and gas production taxes intended to spur more industry investment. House leaders, including Speaker Mike Chenault, R-Nikiski, and Rep. Mike Hawker, R-Anchorage, are making similar proposals.

The idea drew immediate criticism from Democrats in the Legislature.

Critics said the price tag – about $5 billion in revenues given up over the next few years – is too high, and there is no real guarantee from the industry that if taxes are lowered, new investment and jobs will follow.

The governor also talked about his initiative to build a major hydroelectric project on the Susitna River between Anchorage and Fairbanks, which would bring new supplies of electricity into the power grid serving the state's largest communities.

Parnell also spoke of getting funds for his university tuition-assistance program, a key initiative of his in the 2010 session. Lawmakers approved the structure of the program but provided no funding. The governor

See Session, Page 8

Sheffield admits problems at port, but solutions at hand

By Tim Bradner
Alaska Journal of Commerce

Anchorage Port Director Bill Sheffield acknowledges difficulties facing the ambitious $1 billion expansion now under way at the port, but says construction managers are getting a handle on the problems.

Growth in shipping traffic to Anchorage will justify the project over the long term, he said. More than 500 vessels called at Anchorage's port in 2010, up from 300 in 2009, and the forecast is for the trend to continue in 2011, Sheffield told the Alaska Industry Support Alliance Jan. 13.

If a major construction project happens over the next few years, such as a gas pipeline or a large hydro project on the Susitna River, improvements at Anchorage's port will be needed to handle the flow of materials in an efficient manner.

Docks at the port are 50 years old and badly in need of replacement and expansion, Sheffield said. The cathodic protection for the steel pilings has been long gone, so the old pilings are subject to corrosion.

However, the replacement project has been plagued with challenges, he said.

"The year 2009 was not a good one for us," Sheffield said.

Defects in the installation of the new piling done that year were discovered in 2010. Contractors have moved to correct the problem, he said.

"The problem is not the design, but the way the way the pilings were put in. The work in 2010 included re-installing some of this," Sheffield said. Things are fine where the reconstruction was done, he said.

Port spokeswoman Emily Cotter said that construction managers got a clear picture of defects on the outer, water side of the piling, and much of that was repaired in 2010, but surveys of the "tail wall," or the sections built farther in, are still being done.

"We're still not quite sure how this happened. The port and the Maritime Administration (which is managing overall construction) will be bringing in an independent investigator to review the problem," she said.

Sheffield, a former governor, said port managers became aware of the problem in late 2009, but it was not until 2010 that the full extent of the problem became known.

"We are blaming lack of oversight and

See Port, Page 2

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Port: *Continued from Page 1*

some shabby work," Sheffield said in an interview.

A key problem has been the management structure for the project, in which port managers have only a small role.

"We need more of a role in management and we need some protection, such as some kind of performance bond for contractors," Sheffield said.

The Maritime Administration, a division of the U.S. Department of Transportation, is in overall charge of the project management and needs a person on the ground in Alaska to ensure that quality work is being done, he said.

Meetings are planned to make changes in the management structure.

"We'll be able to get all the horses moving in the right direction," Sheffield said.

Meanwhile, federal regulation changes have brought added costs to the project. Restrictions on construction activity imposed by the listing of Cook Inlet beluga whales as endangered required workers to shut down twice daily during periods of low tides. The inefficiencies of the stop-and-start schedule have added an estimated $200 million to the project costs, Sheffield told the Alliance.

The port has a good working relationship with the National Marine Fisheries Service on the whales, but the extent of long-term dealings with the agency won't be known until mid-spring, when NMFS is expected to finalize criti-

File Photo/Andrew Jensen/AJOC

A barge pulls up to the Port of Anchorage. Port Director Bill Sheffield says there are fixes in the works to overcome the challenges the port construction has faced in the past.

In 2012, the port hopes to begin construction of the south end, which will accommodate petroleum tankers and bulk cargo ships. That phase is expected to cost about $300 million and Sheffield is still working on raising funds for the south end work.

In the meantime, a gravel haul road built down a hill behind the port to carry gravel mined at sites on Elmendorf Air Force Base, adjacent to the port on the north, has been a big benefit to the

$20 million in his proposed capital budget for the port, which is now likely to be in the final capital budget to be approved by legislators later this spring. In addition, the port will receive an allocation of federal funds through the annual federal appropriation of surface transportation funds to the state.

Knowing these funds are coming will help keep the project on track. Sheffield said he also is working with legislators on a special financing plan

Sheffield told the Alliance.

Similarly, the method of working through the U.S. Maritime Administration at lead agency in managing construction has been unusual although it was also seen as a way of expediting the project. However the arrangement also gave the Port of Anchorage itself a limited role in construction management, Sheffield said.

Port managers hope to change that, and be more involved in con-

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NMFS is expected to finalize critical habitat designation.

"We hope we're not in a critical habitat but it probably doesn't make a lot of difference to us one way or the other. If we're in critical habitat there will be more regulations we will follow, but we have to deal with the issue either way," Sheffield said.

The project is being phased with the construction of two barge docks at the north end of the port expected to be finished and fitting with utilities by 2013. The Totem Ocean Trailer Express and Horizon Line ships will move to new dock locations in 2014, 2015 and 2016.

the north, has been a big benefit to the military, Sheffield said.

It allows military equipment to be moved directly to the port through the military bases when deployments are done, rather than having all of the equipment moved through city streets, creating traffic problems, he said. Removal of gravel from sites on Elmendorf has also had a benefit of making more space available on the base for aircraft support facilities.

The central part of the dock will be done last, Sheffield said. All will be finally complete in 2021, at the current pace of funding.

Gov. Sean Parnell has included legislators on a special financing plan to raise $300 million for the south port work scheduled for 2012. This would speed the completion of that part of the project. This could expedite the construction of the southern sections, he said.

The funding method for the project has an unusual one, Sheffield acknowledged. It has been a combination of federal earmark appropriations combined with other federal funds and state capital appropriations. Earmarks and state funds have greatly speeded the project compared to the alternative path of securing federal funding, which would have taken 20 years or more.

that, and be more involved in construction decisions, as part of a new management structure, he said.

When finished the port expansion will add 135 acres to the facility, approximately doubling the size of the port. The port will be able to accommodate seven vessels as well as barges.

Currently the port has five berths, but they can really only accommodate four vessels at a time, and the port cannot now accommodate barges, Sheffield said.

"It's a good project, but it is taking longer than expected. There will be new customers to serve, however," he said.

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Presentation to the Alaska Legislature
Joint Transportation Committee Meeting

February 1, 2011

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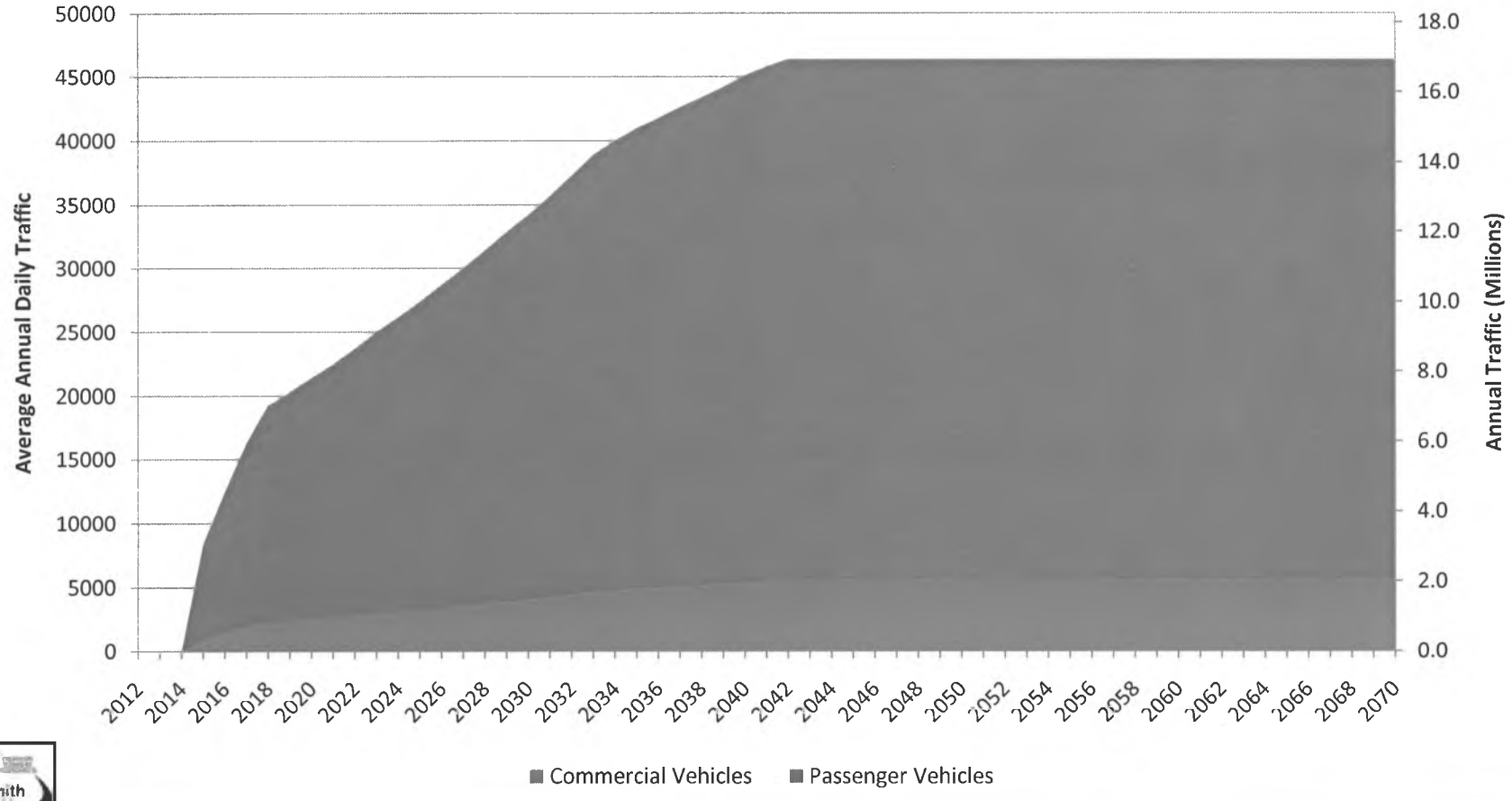
- Provides Jobs and Supports Economic Growth
- Alternative Corridor for Safety
- Helps Fund Future Transportation Statewide

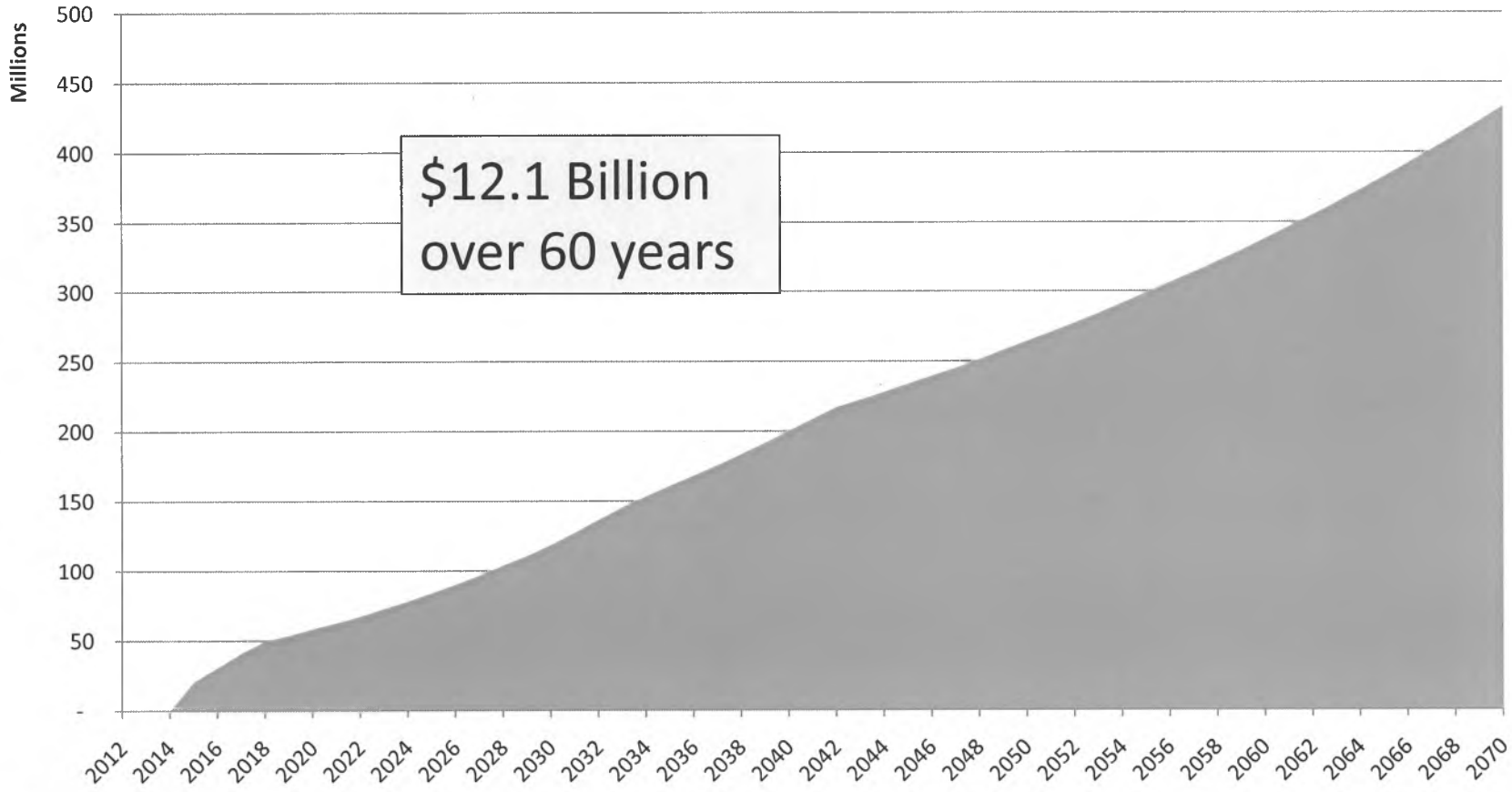
Immediate Benefits

- Immediate Economic Stimulus
  - $700 million of infrastructure and 5,000 construction-related jobs
- Public Benefits First 10 Years:
  - $326 million lower cost of freight to Interior
  - $303 million savings to commuters
  - 1,900,000 fewer metric tons of carbon emissions
  - $30 million savings associated with Goose Creek Correctional Center
- Alternative to Glenn Highway for Safety
- Connects Port of Anchorage and Port MacKenzie to Better Serve the State
- Ties Together State's Transportation Network

Base Case Traffic Forecast Assuming 2015 Opening



Projected Toll Revenue

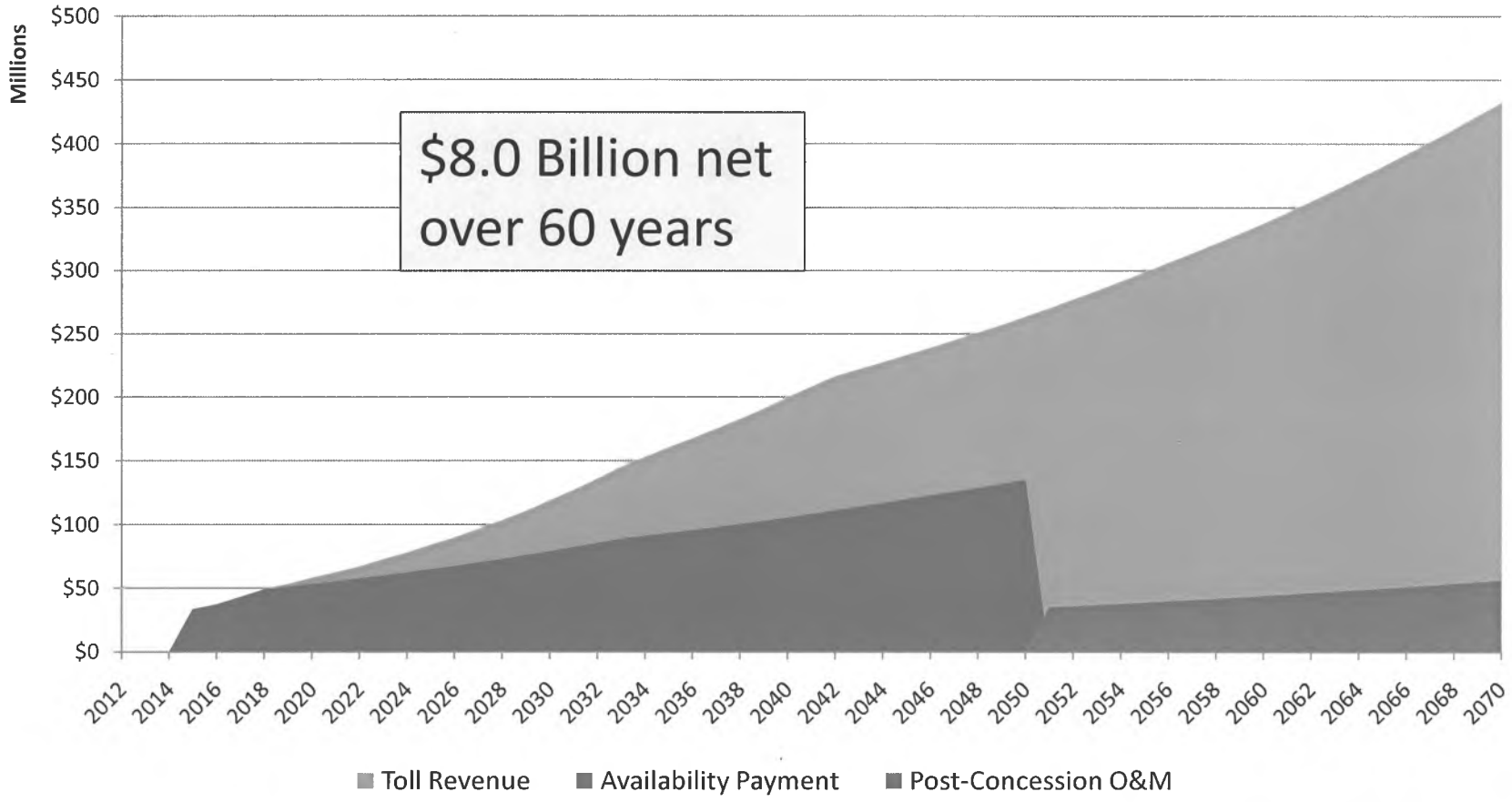


Toll Facility Revenue
"Waterfall" Flow of Funds

Toll Revenue

Graphic concept courtesy FHWA TIFIA program.

Projected Net Revenue After Availability Payment / O&M



Availability payment includes KABATA operating costs during the concession term.

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Bathymetry and Tides

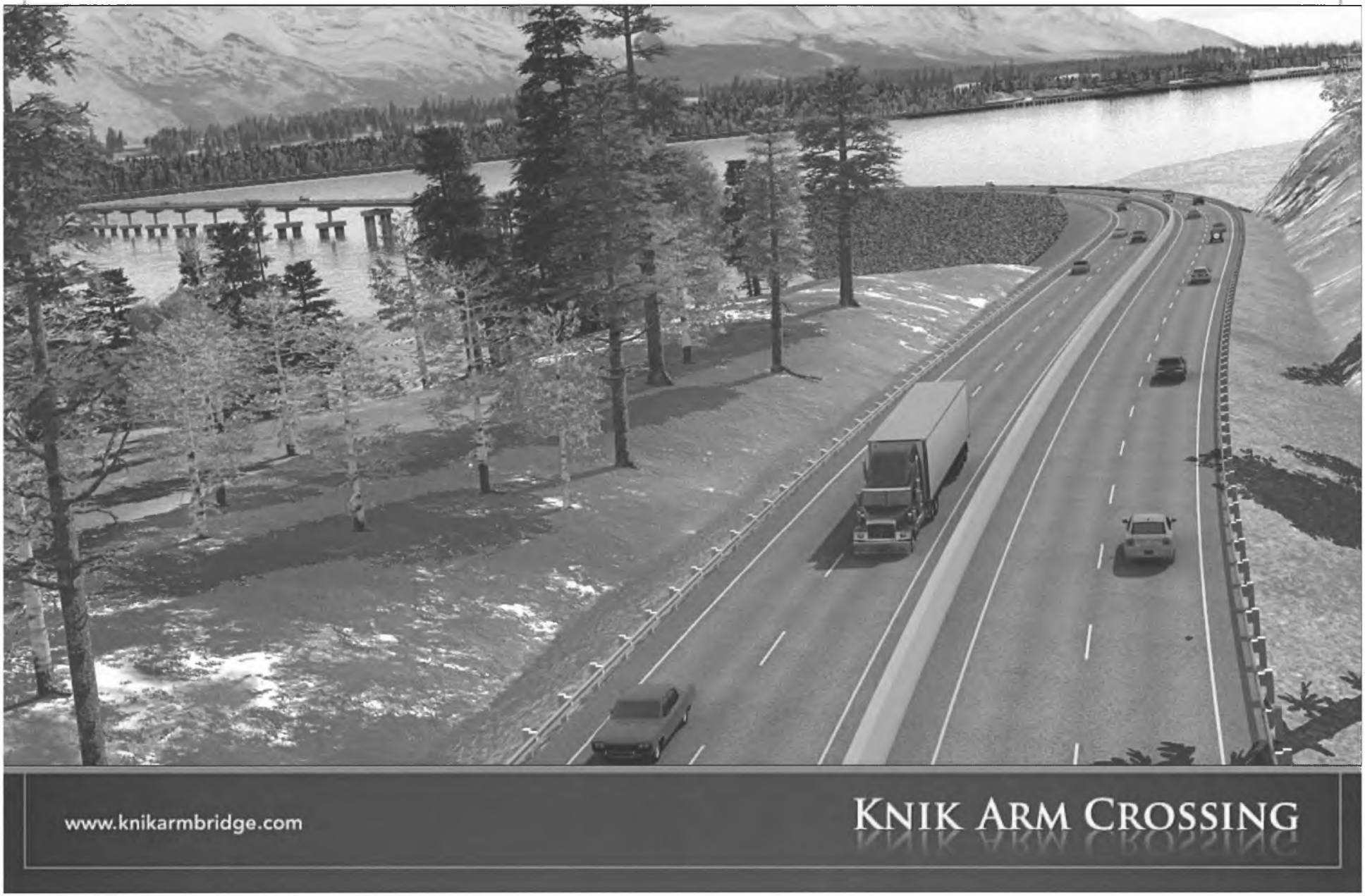
Late Season 1

Oscillated Drilled Shaft Operation

Closing the Gap - Late Season 2

Foundation Wrap Up - Season 2

The Future

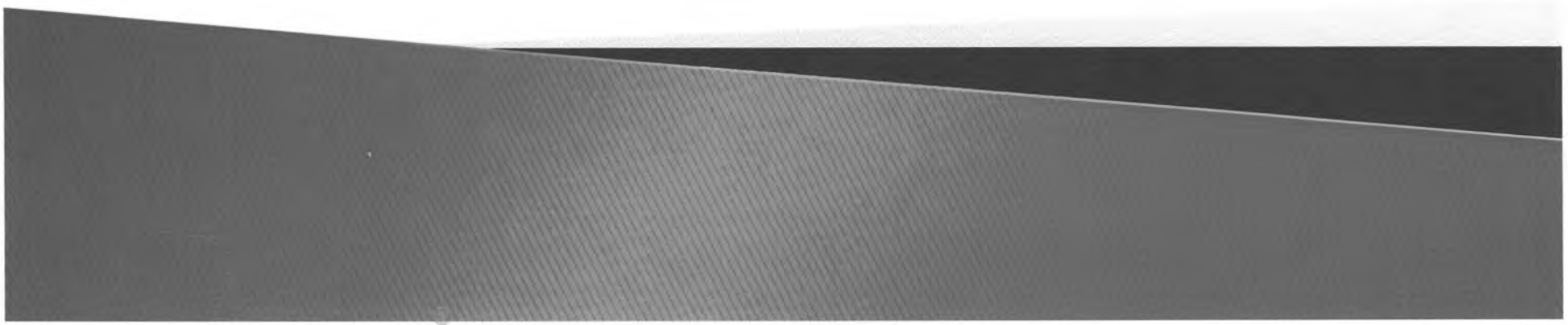


Concept Rendering

AMC Presentation to the Alaska Senate and House Transportation Committee

February 1, 2011

Juneau, AK



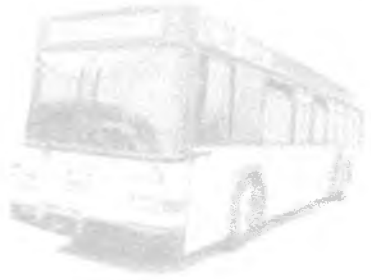
Alaska State House and Senate Transportation Committee Presentation

Discussion Topics

- What is AMC?
- The Going is Good Public Awareness Campaign
- Legislative Priorities

ALASKA MOBILITY COALITION
Mission Statement

2002



Alaska
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Achieving mobility through community appropriate transportation services.

http://www.alaskamobility.org/

Alaska State House and Senate Transportation Committee Presentation/What is AMC?

- Weekly updates
- Monthly newsletter

http://archive.constantcontact.com/fs096/1102230218437/archive/1104096707578.html

Annual report

http://www.alaskamobility.org/index.php?option=com_content&view=article&id=9&Itemid=32

- AMC Website

http://www.alaskamobility.org/index.php?option=com_content&view=article&id=3&Itemid=66

- AMC Facebook Page

http://www.facebook.com/pages/Alaska-Mobility-Coalition/71663593409

AMC Member Organizations for 2010/2011

- AARP
- Access Alaska
- Alaska Center for the Environment
- Alaska Community Services
- Alaska Department of Transportation
- Alaska Direct Bus Line
- Alaska Mental Health Trust
- Alaska Railroad
- Alaska State Independent Living Council
- Alaska Trucking Association
- Bethel Transit
- Bristol Bay Native Association
- Brooks and Associates
- Capital Transit - Juneau
- CARTS - Kenai
- Center for Community
- Connecting Ties
- Copper River Native Association
- Dimond Center Mall
- Disability Law Center
- Ecology and Environment
- EK Coaches
- Fairbanks Resource Agency
- Glacier Valley Transit
- Governor's Council on Disability and Special Education
- HDR Alaska
- Independent Living Center, Inc
- InterIsland Ferry Authority
- ITS Alaska
- Juneau Economic Development Council
- Ketchikan Gateway Borough
- LSC Consultants
- MAC Transit - Fairbanks
- Manley Village Council
- MASCOT - Wasila
- Mat-Su Borough
- Mat-Su Services for Children and Adults

AMC Member Organizations for 2010/2011

- Mobilitat
- Montana Western Transit Institute
- Municipality of Anchorage/People Mover
- MV Transit
- Organized Village of Kasaan
- REACH - Juneau
- RLS and Associates
- Routematch
- Schetky NW Sales
- Senior Citizens of Kodiak
- Sitka Tribe of Alaska
- Southeast Alaska Independent Living
- Southeast Senior Services
- State of Alaska/ADA program
- Tanana Chiefs Conference
- Trailercraft
- Trapeze Software
- UAA School of Engineering
- USKH
- Valley Movers
- Van Tran
- VPSI

Alaska State House and Senate Transportation Committee Presentation- Good Going Alaska

http://www.alaskamobility.org/material/apt/apt_ongo.pdf

7M rides a yr

APT Prints Ads 13.qxd:ads 1/22/10 12:38 PM Page 5

Public Transportation ~ More than Catching a Ride

Sandy Hansen, People Mover Trainer and Andrea Widmer, Anchorage Bus Rider

Sandy Hansen helps people with disabilities learn the ins and outs of the People Mover system so they can go where they need to go on their own.

"My main goal as a travel trainer is to help individuals become more independent."

For Sandy, there's more to it than teaching people how to use the bus. As a travel trainer, she explains, she has seen her students achieve more independence than they or their families believed possible.

"The joy on their face, that they can accomplish something like this, is wonderful!"

With Sandy's help, riders like Andrea Widmer learn how to get around Anchorage on their own.

"Sandy showed me how to ride the bus around. She's a special person."

With public transportation available for everyone, the going is good in Alaska!

the going is good

Public transportation ~ good for individuals, businesses and communities. Good for Alaska.

ALASKA PUBLIC TRANSPORTATION

www.goodgoingalaska.com

Sponsored by the Alaska Mobility Coalition, a private, non-profit membership organization that represents public, private and community transit providers in Alaska and provides technical assistance to new and emerging transit providers in the state.

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Public Transportation ~ Keeping Alaskans Independent

Margie Dambkowski, Kodiak

"If there wasn't a senior van in Barrow, how would the elders get around? They would be walkin' when it's real cold – 40 below or more."
– Lucy Aiken, van driver, Barrow

Across Alaska, senior residents depend on safe, reliable public transportation to shop, run errands, go to medical appointments, visit the library and lead full lives without having to ask friends or family to take them where they need to go.

Clifford Bolton, Ketchikan

"I know I can rely on the bus when my own vehicle is unavailable."
– Margie Dambkowski, Kodiak

"Transit gives me a sense of independence."
– Clifford Bolton, Ketchikan

Mary Casey
Kasilof/Kenai Peninsula

"My husband can't drive when it gets dark. I depend on the bus for my independence."
– Mary Casey, Kasilof/Kenai Peninsula

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Public Transportation ~ Keeping Alaskans Independent

Cindy Dehart
Nikiski/Kenai Peninsula Bus Rider

Cindy Dehart enjoys talking with the CARTS drivers as she rides to and from work as a courtesy clerk at Safeway. Helpful and courteous, the drivers are her friends.

But the best thing about riding the bus is the sense of independence it gives her. Cindy has a developmental disability and has been riding the bus for the past five years, paying for the service with money that she earns.

Not only is the bus service important for her, but those who care for her find it comforting to know that she is happy and safe.

"It's the best thing!"

With public transportation available for everyone, the going is good in Alaska!

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Public transportation ~ good for individuals, businesses and communities. Good for Alaska.

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Alaska State House and Senate Transportation Committee/Bus Ads

http://www.alaskamobility.org/index.php?option=com_content&view=article&id=24&Itemid=63

Alaska State House and Senate Transportation Committee–
Good Going Alaska radio ads

http://www.alaskanc.ak.[illegible]

Alaska Public Transportation Generic Radio 60.mp3

Alaska State House and Senate Transportation Committee/Legislative priorities

- State Partnership in Public Transportation in Alaska (Sponsor – Senator Johnny Ellis) SB-

Want Operating $ 2 r State

Alaska State House and Senate Transportation Committee/Legislative Priorities

- Alaska Community and Public Transportation Advisory Board (Sponsor – Representative Cathy Munoz)

HB-131 R

QUESTIONS???

Bill Herman, Senior Program Officer
Mental Health Trust Authority
william.herman@alaska.gov (907) 269-7962 (w)

My role: Trust designee on Governor's Coordinated Transportation Task Force
What I'd like Committee members to know and support:

- Coordinated Transportation is using existing vans and community systems via collaboration and dispatching to provide expanded transportation services
  - 94% of Alaskans support coordinated transportation (Dittman survey 2009)
  - Coordination has potential for saving the State money thru more efficient transportation
- Coordinated Transportation and Bus Transit are critical for quality of life of an important sector of Alaskans:
  - Beneficiaries are 5-8% of Alaskans
  - Trust beneficiaries frequently use this transportation
    - To access work sites to meaningfully contribute to society
    - For health care needs
    - For quality of life and hope
  - A conservative estimate: 42% of ridership are Trust beneficiaries
  - Vast majority of us will become elderly & disabled at some point in our life
- The Trust has been supporting coordinated transportation since 1996
  - Trustees recognize the importance of transportation to beneficiaries
  - Trust funding of $250,000 to $500,000 per year with varying matches from general fund/mental health (capital)
  - 700 to 800 Trust beneficiaries yearly directly impacted
  - Matches estimated $1-2 million of Federal Transit dollars (capital & operating) that would otherwise be lost to the State
  - 42% of est. 7 million rides = 2.9 million rides by Trust beneficiaries
- A state operating subsidy is critical
  - Coordinated transportation systems struggle for operating support
  - Alaska is one of the few states that doesn't provide an operating subsidy
  - 2010 Trust Advocacy Summit: strong support for $3 million State contribution

Opposition and Support for a State operating subsidy

- Opposition: all the competing interests regarding the State operating budget
- Support:
  - Alaska Mobility Coalition representing riders, advocates and providers
  - All those involved in the Trust's Advocacy Summit:
    - Alaska Mental Health Trust Authority
    - Governor's Council on Disabilities and Special Education
    - Alaska Commission on Aging
    - Alaska Mental Health Board
    - Governor's Advisory Board on Alcoholism and Drug Abuse
    - Alaska Brain Injury Network
    - Provider & peer organizations related to all Trust beneficiary groups:
      - Senior service providers
      - Developmental disabilities service providers
      - Behavioral health provider groups (mental illness & substance abuse)
      - Brain injury service providers
      - Consumer consortium

5-8% Mental Health

+6%

3.2M rides

$5M

2010 Poll →

Governor's Coordinated Transportation Task Force
2010-2012
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Rebecca Rooney

From: jamiek@alaska.com
Sent: Wednesday, February 02, 2011 2:36 PM
To: Rep. Peggy Wilson
Cc: Rebecca Rooney; Pamalyn Duvall; Sheila Finkenbinder; Kyle Whisenhant
Subject: KABATA Information from Yesterday's Hearing
Attachments: KABATA White Paper Final.pdf

As discussed below, at the joint Transportation Committee hearing yesterday members heard fanciful traffic and revenue estimates provided by the Knik Arm Bridge and Toll Authority (KABATA).

- WRONG TRAFFIC COUNT

If you look closely at the projected traffic counts in the handout given the committee, it shows that almost 20,000 vehicles or Annual Average Daily Traffic (AADT) will cross the proposed Knik Arm Bridge in 2018, three years after the Bridge opens. In 2009, only 26,220 vehicles
(AADT) pass the Old Glenn Road overpass on the Glenn near Eklutna (28 miles from Anchorage) see p. 120 (labeled III-74)
http://www.dot.alaska.gov/stwdplng/transdata/traffic/cen_reports/07_08_09ATVR_Final_9_2_2010.pdf.

Since the Glenn Highway will continue to be the shorter route to Anchorage for residents of Palmer and Wasilla and it will be free, it is implausible that the Knik Arm Bridge will carry 76% of the current Glenn traffic in 2018.

- POPULATION/TRIP ESTIMATES AT LEAST 50% TOO HIGH

All traffic and revenue data given the committee yesterday by KABATA assume that the Mat-Su will grow from 89,000 today to 250,700 by 2030 or approximately 50% more than UAA's ISER current estimate of 169,000 for the Mat-Su in 2030. The ISER number is being used to examine the Highway to Highway project.

KABATA's population estimate assumes that the Mat Su will add the 8K population of Palmer, the Borough's second largest city, to the Borough every year for the next 20 years. After public complaints and questions raised at the AMATS technical committee, KABATA has now contracted again with Wilbur Smith Associates to redo its traffic and revenue projections based on more realistic population growth. It is not expected that the new numbers will include, as they should, a sensitivity analysis (i.e., showing the variability in projections if key assumptions change) or the fact that someone in Big Lake or 8 miles out Knik Goose Bay Road may choose to drive one or two miles farther on the Glenn to avoid paying a $10 dollar (or more) round-trip toll.

- STATE SIGNING BLANK CHECK

Finally, the $150 million reserve fund that Chairman Foster says KABATA will ask the legislature this year to cover the deficits of the first three years of Bridge operations admits that the Bridge deficits the
first three years of operations will average $50 million a year. If
that fund is "replenished" as KABATA CFO Hemenway suggests, this is a potential blank check for the state to continue to fund the toll shortfall. The private investors may "put up the capital" in Chairman Foster's words but the private sector will only be taking at most a

construction cost risk and with the state guaranteeing the funds to pay off the bonds, the state will have the full unlimited downside of the project.

THE ATTACHED WHITE PAPER SUGGESTS WHY FULL HEARINGS ARE NECESSARY THIS SESSION ON BOTH THE KNIK BRIDGE PROJECT AND THE KABATA OPERATING BUDGET.

Thanks for any attention you can give this.

Jamie Kenworthy
907 360-5661

2/01/11 PRESENTA-TION: PORT MACKENZIE RAIL EXTENTION

<TARGET><BILL></BILL><SUBJECT>2-01-11 PRESENTATION PORT MACKENZIE RAIL EXTENTION</SUBJECT><COMM>HTRA27</COMM></TARGET>

Rail Extension Project

Economic Benefits to the Alaska Economy

What the Rail Extension means to Alaska's economy

- **Opens up the Interior to resource development**
- **Creates a development corridor along the Railbelt for exploration and extraction of strategic minerals (lead, zinc, copper, molybdenum and silver)**
- **Facilitates the development of a world class limestone deposit between Livengood and Fairbanks**

- Facilitates the development of a cement production facility in or near Fairbanks
- Dramatically improves the world competitiveness of Alaska coal
- Significantly reduces transportation and staging cost for the Alaska Gas Pipeline construction
- Increases employment in the Mat-Su Borough, the Denali Borough, the Fairbanks North Star Borough and Anchorage

Port MacKenzie and the Rail Extension working together

- Port MacKenzie is a bulk commodities port for the export of minerals, cement and coal
- Provides for the import, storage and staging of bulk fuel and pipe
- Is not a consumer goods or container port like the Port of Anchorage

3

Port MacKenzie

a port with 14 square miles of industrial land

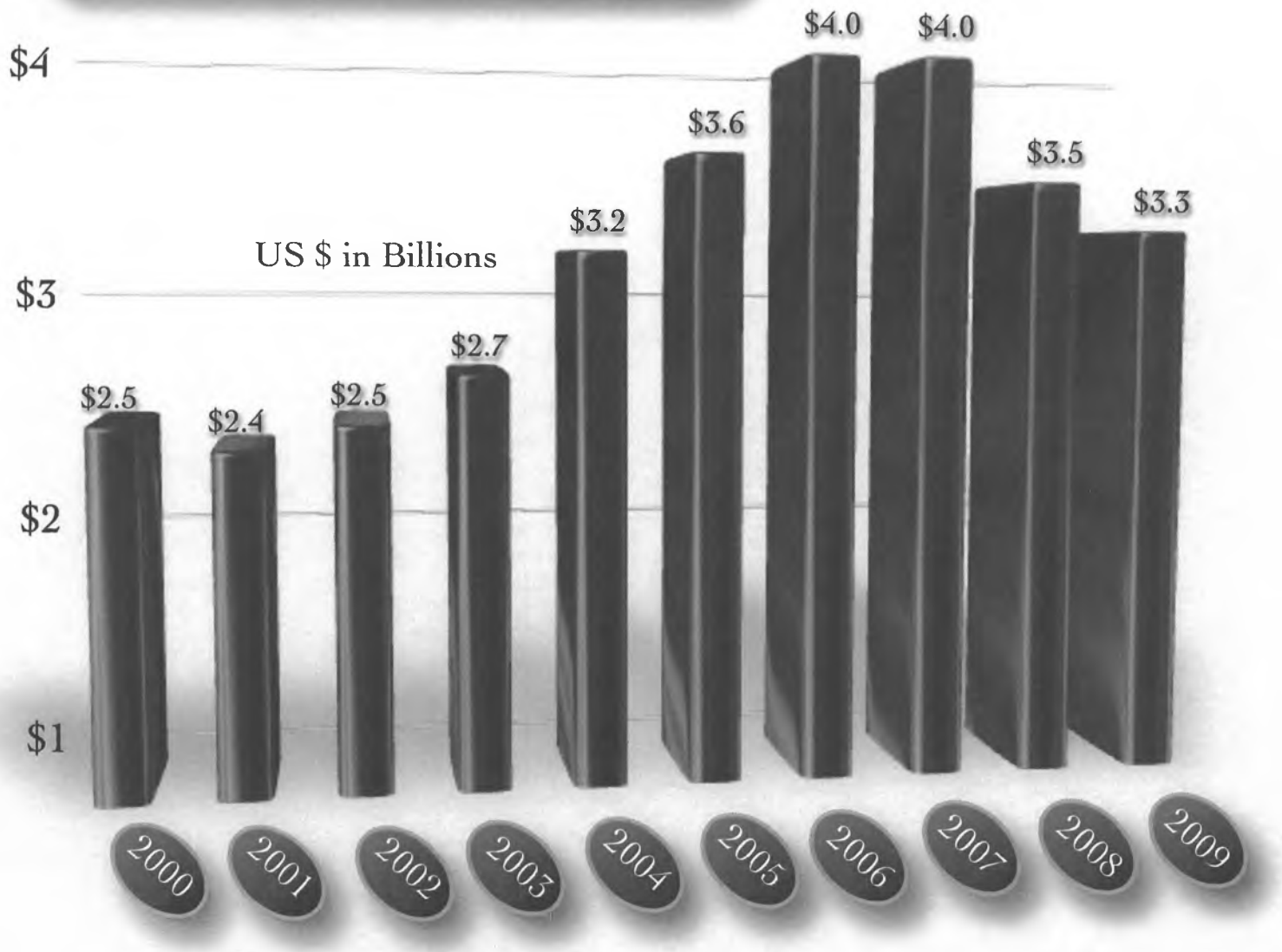
Advantages of Rail to Port Mac

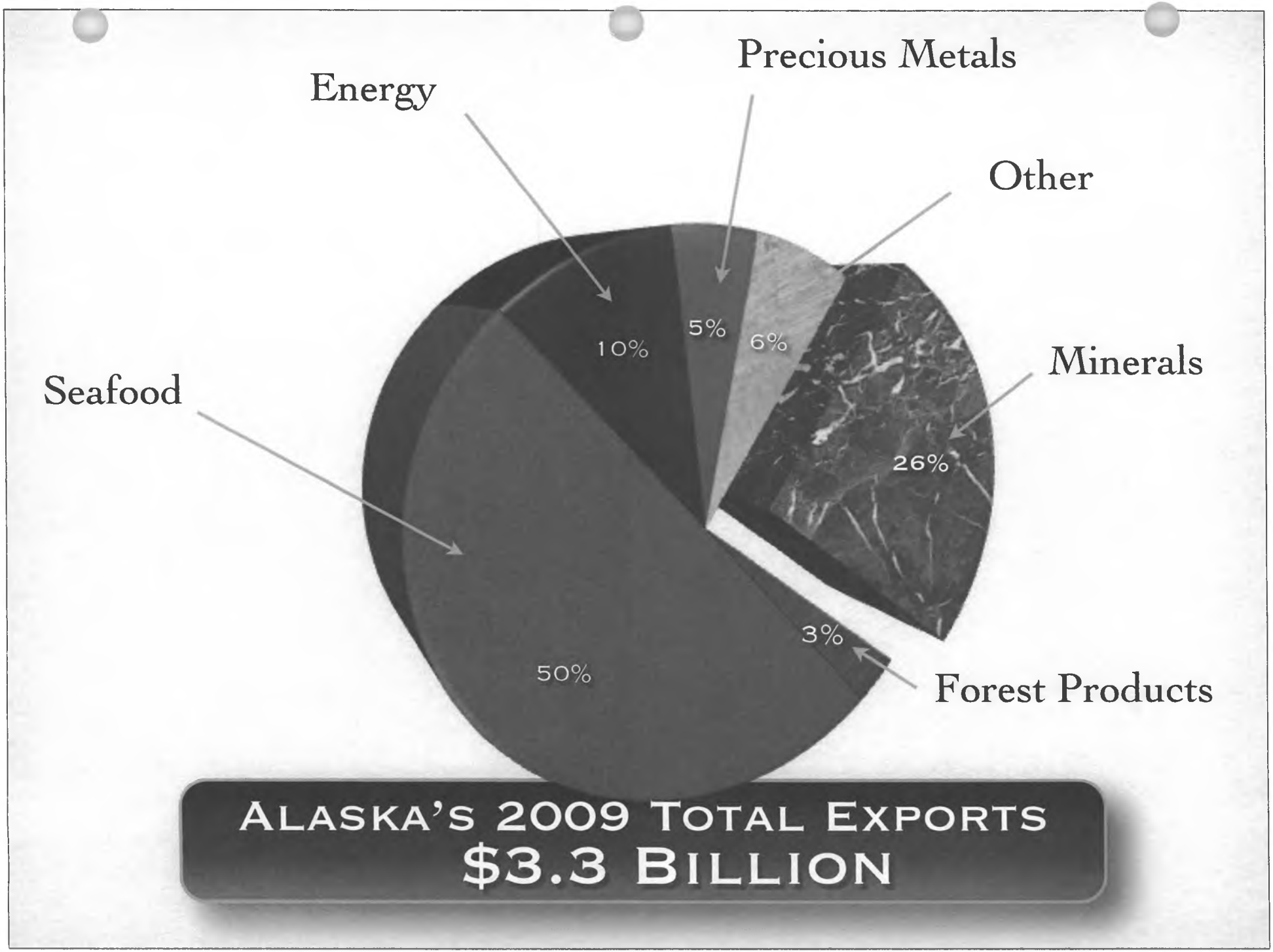
- Shorter rail distance to tidewater for mineral exports
- Only Alaska port with 100 rail car loop
- Efficient product transfer from train to ship
- Avoids the most congested portion of Alaska RR mainline
- Deep draft port that operates year-round

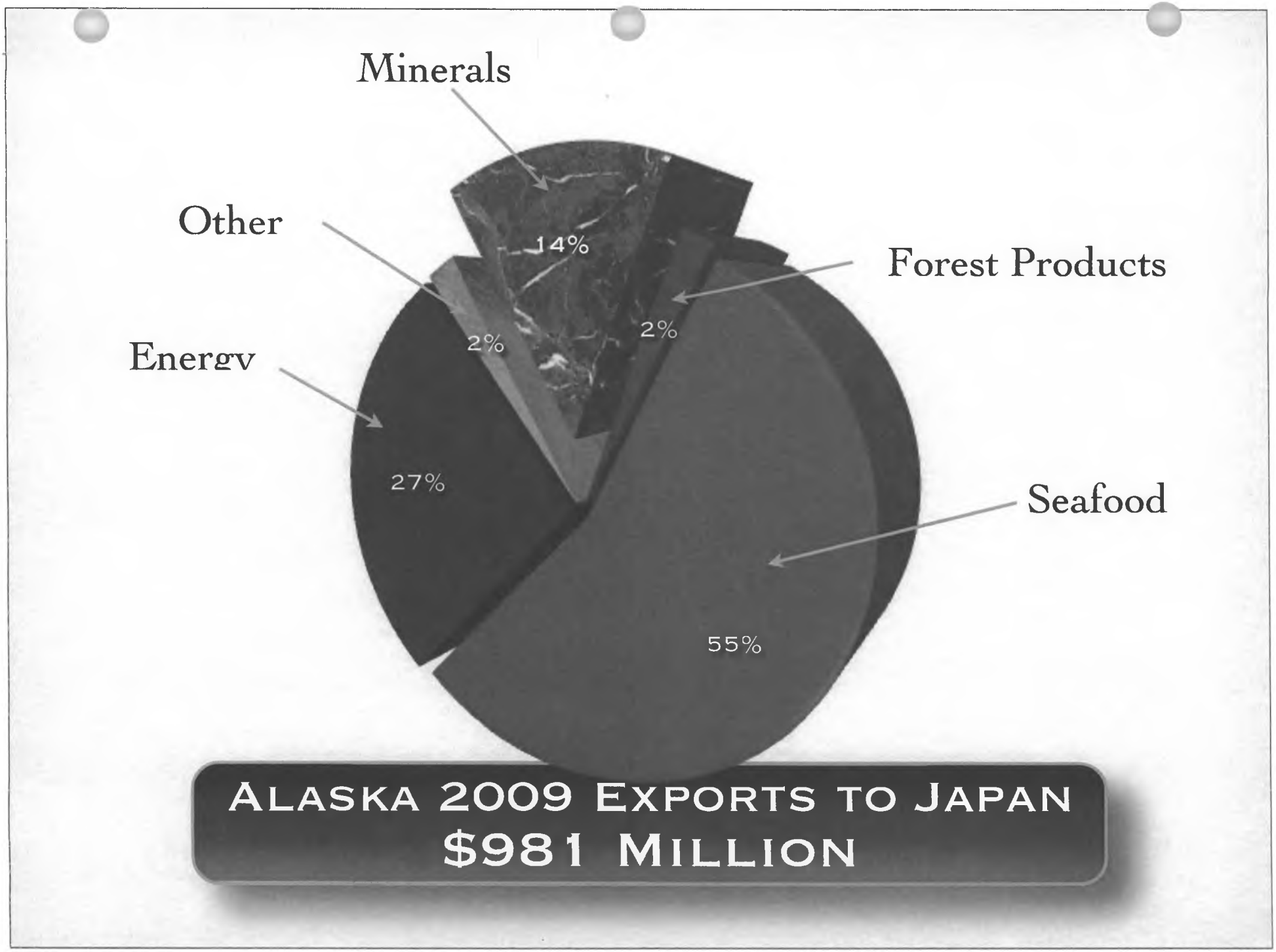
5

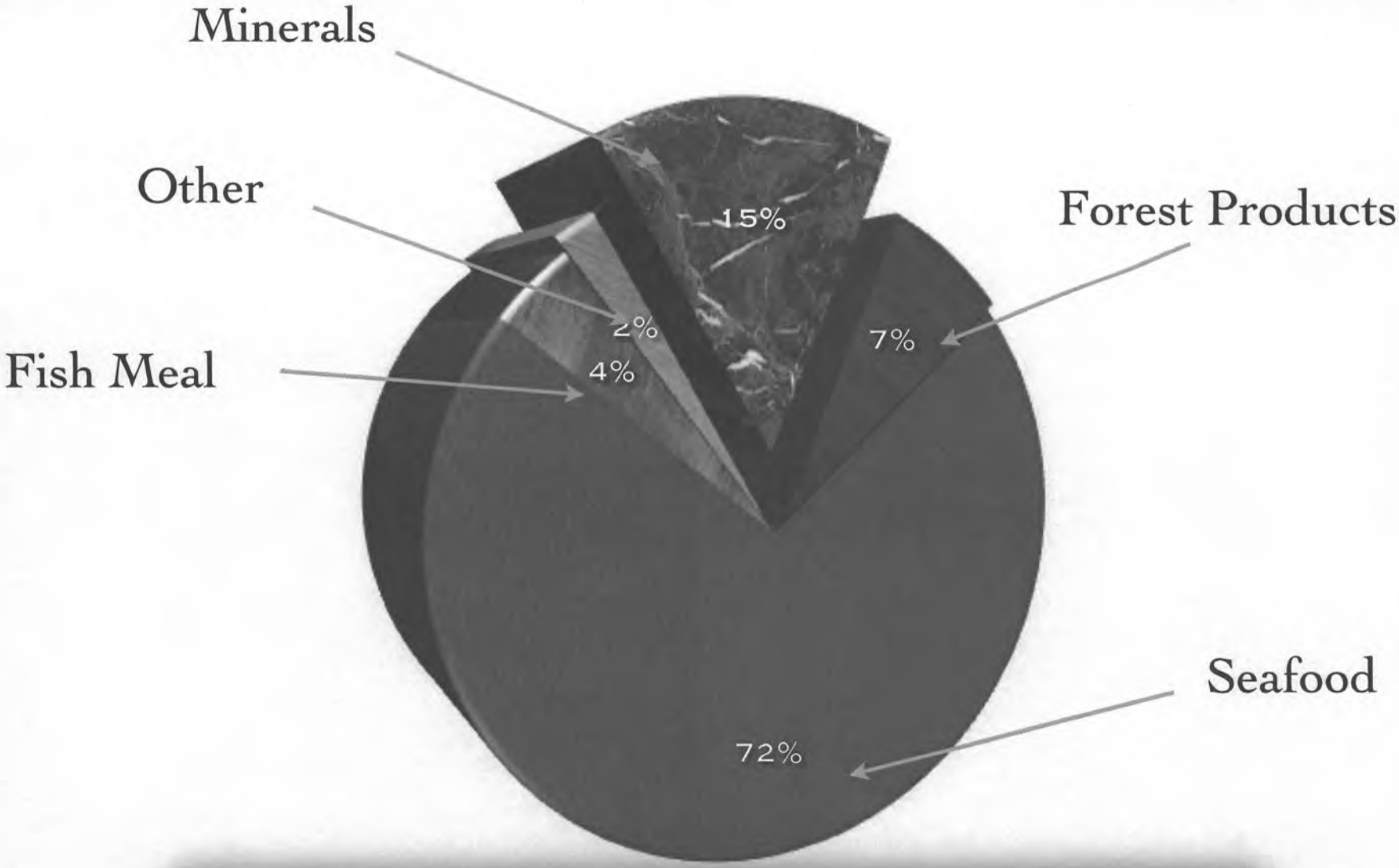
- 14 square miles of industrial area
- Will make **Alaska's minerals more competitive** on the world market (molybdenum, copper, lead, zinc, coal)
- Port MacKenzie Rail Extension is a **great opportunity to grow our export economy**

Alaska's Total Exports

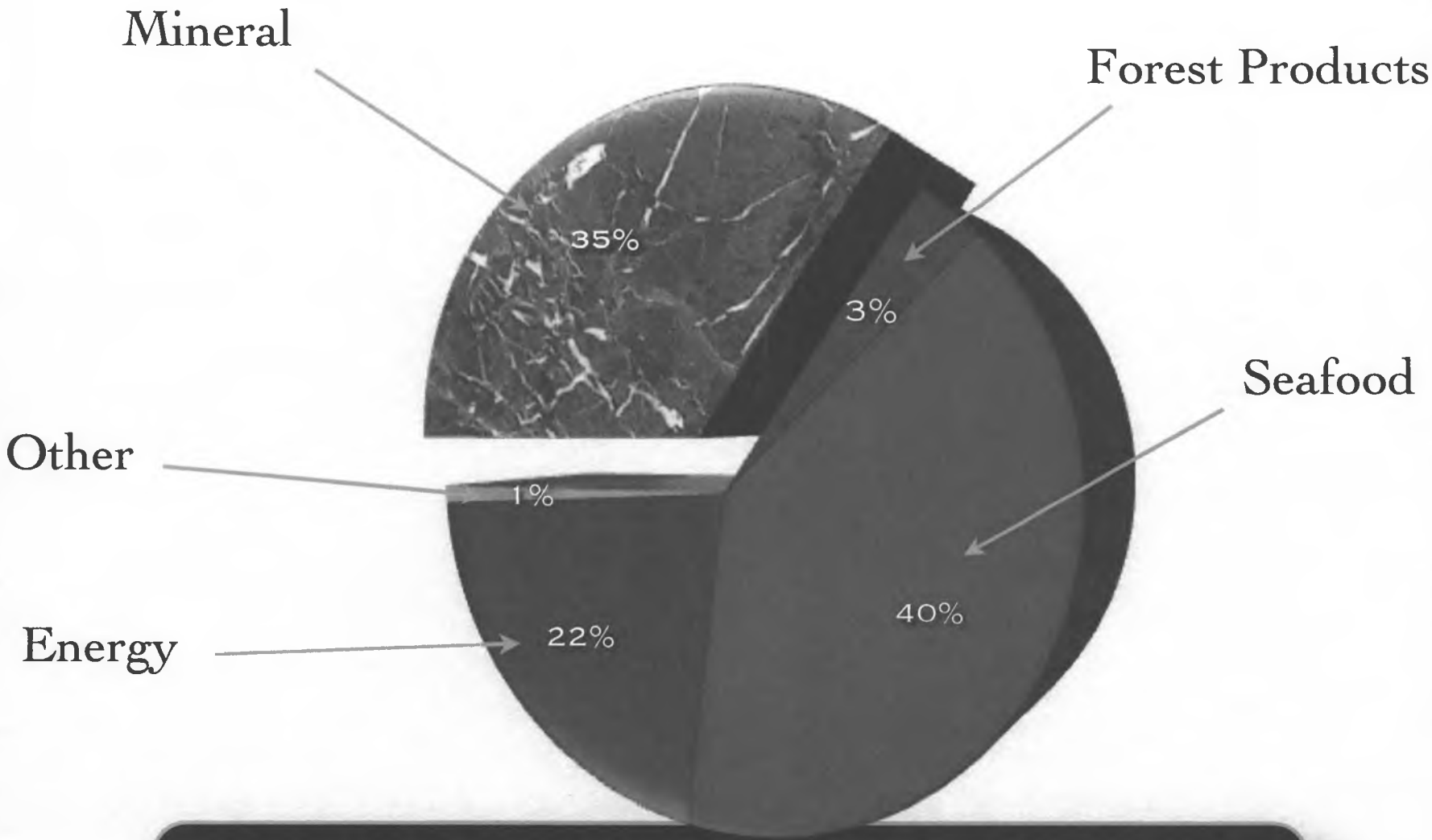



Precious Metals
Energy
Other
Minerals
Seafood
Forest Products
10%
5%
6%
26%
50%
3%
ALASKA'S 2009 TOTAL EXPORTS
$3.3 BILLION


Minerals
Other
Energy
Forest Products
Seafood
14%
2%
2%
27%
55%
Alaska 2009 Exports to Japan
$981 Million



Alaska 2009 Exports to China
$586 Million



Alaska 2009 Exports to Korea
$458 Million

JOBS CREATED

by Rail Extension and Port MacKenzie Expansion*

direct, indirect and induced jobs from construction

3000

*Estimates by HDR and ISER

JOBS CREATED

private development

mining development along rail line

4000

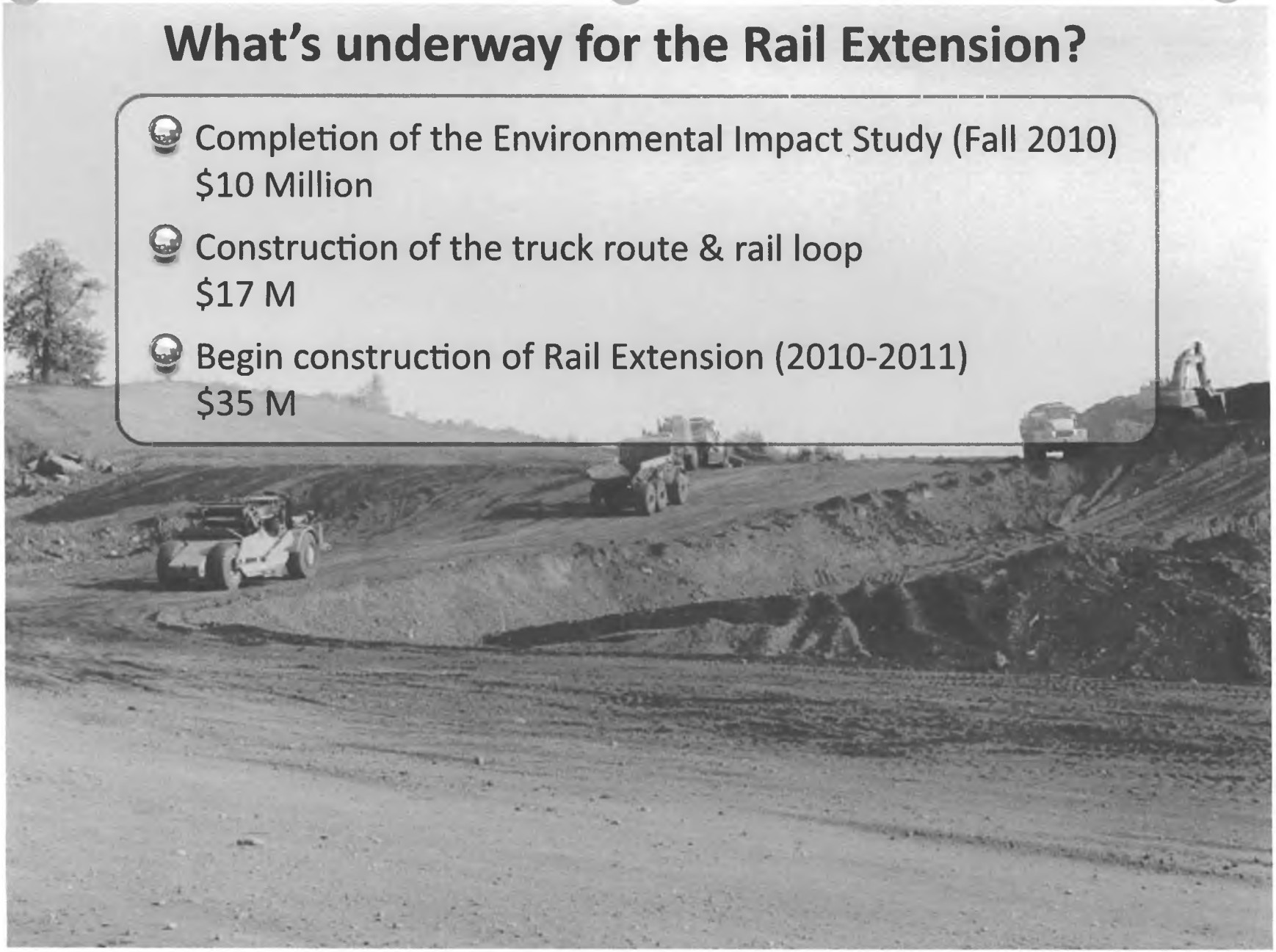
industrial development of Port MacKenzie

3500

*Estimates by HDR and ISER

What's underway for the Rail Extension?

- Completion of the Environmental Impact Study (Fall 2010)
  $10 Million
- Construction of the truck route & rail loop
  $17 M
- Begin construction of Rail Extension (2010-2011)
  $35 M



What's Next?

- Continued construction of Rail Extension (fall 2011) $55M
- Complete railbed to Alaska main line (2013) $60 M
- Lay rail and complete Rail Extension (2014) $41 M

Port MacKenzie Rail Extension

Ken Graham

Symbols show mineral deposits

A rail link from the Alaska Railroad mainline to the deep draft dock at Port MacKenzie will significantly boost the export of Alaska's strategic minerals, coal, cement, and other natural resources, helping diversify the Alaska economy.

Patty Sullivan/MSB

Photos: the ship, the deepest draft vessel ever in Upper Cook Inlet at Port MacKenzie; Above: 2010 haul road and rail loop construction at Port Mac moved 1.9 million cubic yards of dirt.

ON SCHEDULE
UNDER BUDGET

Funding Plan:

Already funded-$62 million

2011 Governor's budget-$20 million
2011 Requested appropriation-$55 million, pays for half of rail embankment
2012 Appropriation request-$63.5 million, build rest of embankment
2013 Appropriation request-$43 million, placement of rails, completes project
2014 Ribbon cutting

Port MacKenzie is an exporting port for bulk natural resources. Port MacKenzie complements the Port of Anchorage, where consumer goods are imported.

Description & Justification: $55 million

The Port MacKenzie Rail extension will bring tremendous economic benefit to Alaska through economic diversification, state revenues, and new jobs. The production of bulk resources is heavily dependent on low transportation costs. This new rail link will shorten the distance to tidewater and lower transport costs to such an extent that minerals now idle will be profitable to mine and export. The value of mineral production is projected to be nearly $1 billion a year over 100 years, according to ISER, Institute of Social & Economic Research. Three mining companies say the Asian market is poised now for Alaska minerals such as molybdenum, lead, zinc, and copper. Also, a 1.5 billion ton limestone deposit near Livengood could be mined to produce a new export: Portland cement. A world-class cement manufacturing plant would be built in the Interior. Alaska would supply up to 15 percent of our nation's demand for cement. With the rail link, Alaska coal becomes more competitive on the world market. Usibelli Coal Mine estimates it will likely export up to 4 million tons of coal a year through Port MacKenzie. State revenues are estimated to reach $300 million annually in taxes, royalties, and fees. Some 3,000 construction related jobs and 4,000 mining jobs will be created. The Alaska Pipeline project will gain $100 million in transport savings by shipping heavy pipe north through Port MacKenzie.

Elizabeth.Gray@matsugov.us

CONTENTS

NO. 1 Port MacKenzie:
A major bulk materials terminal
for Alaska

NO. 2 Funding:
On schedule and under budget

NO. 3 Rick Mystrom's Compass
Legislators Got It Right:
Infrastructure Investment
ADN April 2009

NO. 4 Resolutions of Support

NO. 5 Alaska State Chamber of Commerce
Newsletter – Port MacKenzie Rail is
a Top Infrastructure Project

NO. 6 Economic Studies

NO. 7

NO. 8

IFS0588

AVERY® EXECUTIVE READY INDEX® DIVIDERS

Port MacKenzie Rail Extension
Funding it now makes sense

- In light of the national recession, the faster the rail is completed, the faster we are able to add up to 4,000 permanent mining and logistics jobs to the Alaska economy.
- Additionally, construction will provide up to 3,000 jobs, beginning December 2011.
- Due to the economic downturn, bids for railbed construction work have been coming in significantly below engineering estimates. By avoiding a construction delay, we can take advantage of this window, building more rail miles for less money.
- With Alaska's rapidly declining oil production, the need to diversify our economy is urgent. The rail extension will provide less expensive transport for bulk materials and minerals from Interior Alaska to tidewater. This transportation link will lower the transport costs to such an extent that new mineral areas will become economic to mine.
- The construction of the Susitna Dam could utilize the rail extension for most of its construction materials.
- Leading Alaska mining companies indicate that Pacific Rim markets exist now for increased Alaska exports, and the prices are right. The sooner the rail line is completed, the sooner Alaska exports can increase to new record levels. This will also be beneficial for the national debt payments and increasing American exports.
- The Alaska coal industry indicates that the markets are ripe for coal exports. As soon as the rail line is completed, the coal industry can quadruple Alaska coal exports from one million tons to four million tons per year. Any funding lag, delays these benefits and puts at risk new markets that seek dependable suppliers.
- Timely funding will enable the rail extension to be completed and operational for 2014. This is the earliest possible start date for construction of a gas line from the North Slope, and the rail line will enable the construction effort to save more than $100 million.
- Any funding delay will mean the loss of a summer construction season and a year-long delay in completing the rail extension.

No. 1

Port Mackenzie: A major bulk materials terminal for Alaska

In June, a vessel, too large to fit through the Panama Canal, tied up easily at Port MacKenzie and loaded 1,250 tons of coal as a test-run. The test went smoothly and was a harbinger of bigger things to come. Up to 4 million tons of coal annually could be exported through Port MacKenzie, once a rail link is in. And this is just one of the projected exports. Aggregate minerals, limestone, cement, and timber all show promise. These developments emphasize how important Port MacKenzie will be in providing income, commerce, and jobs to the Matanuska-Susitna Borough.

With a coming rail link, an existing deep draft dock, and even a coming ferry connection, Port MacKenzie will become the major bulk materials export and import terminal for Alaska. It will also evolve into the largest industrial development grounds in the state.

Its natural amenities, large land resource, deep draft dock, and expanding infrastructure make it ideal. Nowhere else in the state is there a 100-rail car loop for the efficient offloading of bulk materials from rail to ship. Construction got underway on this loop last summer. The rail line will shorten the distance to tidewater making idle minerals profitable to mine and export. The value of mineral production is estimated to be nearly $1 billion a year over 100 years, according to ISER, Institute of Social and Economic Research. A 1.6 billion ton limestone deposit in the Interior will introduce a new industry to Alaska, the production of Portland cement. [illegible] to 15 percent of our nation's cement could go through Port MacKenzie in the future. Such development [illegible]ll bring tremendous revenues to the Borough.

The nearly 9,000 acres of public lands in the Port District provide abundant land for stockpiling commodities, manufacturing products and processing petro chemicals. The port's deep water dock, a large expanded barge dock, terminal building, paved road access, and natural resources conveyor system from the uplands to the port, all contribute to the port's value and potential.

The development of the Port MacKenzie will also result in a large number of high paying, temporary and permanent jobs for Borough residents. It is estimated that more than 3,500 direct jobs will be created over the next 10 – 20 years

Natural scouring occurs in front of the deep draft dock so costly dredging is never needed.

As the planned terminus for the Knik Arm Bridge from Anchorage, Port MacKenzie will become a main transportation hub for the region.

Port MacKenzie is an exporting port for bulk natural resources. It complements the Port of Anchorage, where consumer goods are imported.

No. 2

Port MacKenzie Rail Extension
Funding: On schedule and under budget

Funds appropriated to date:

- $10 million – to complete Environmental Impact Statement (EIS)
- $17.5 million – to complete bi-modal rail/road loop
- $35 million – build first 5 – 6 miles of rail line embankment, design rail route selected by EIS, and buy right-of-way *(Project completion at 28%)*

Total funds appropriated to date: **$62.5 million**

Estimated Funds Required to Complete Rail Extension

- $55 million (first year) – complete next 10 – 11 miles of rail route embankment, and buy remainder of right-of-way [$20 million currently in Governor's Budget – additional $35 million needed] *(Project completion at 53%)*

- $60 million (second year) – to complete construction of remaining rail embankment to the Alaska Railroad mainline. *(Project completion at 81%)*

- $41 million (third year) – to purchase and lay rail, and complete rail extension construction *(Project completion 100%, Fall 2014 ribbon cutting)*

Total estimated additional funds needed: **$156 million**

Total estimated cost of rail extension cost: $218.5 million

No. 3

COMPASS: *Other points of view*

Big capital budget can boost quality of life

By RICK MYSTROM

Is the capital budget proposed by the Legislature too high? Will it overheat the economy? Was it a "spending spree"? Or ... will it stimulate a slowing economy? Will it stop the job losses predicted by the state's economists? Will it improve the quality of life for Alaskans?

Every state government in America would like the opportunity to stimulate its economy. Only Alaska has that ability.

ALASKA'S CAPITAL BUDGET IS DIFFERENT

In every other state in the U.S., a large capital budget means that you take money out of the private sector to pay for the projects. Usually it's through state income tax increases, property tax increases or, in some cases, sales tax or fee increases.

Alaska is different. We've already taken the money out of the private sector. With billions and billions of dollars of surplus, the question for Alaska is do we want to use the taxes we've already collected to pay for the capital projects or are we better off leaving the money in one of the state's surplus accounts?

THE LEGISLATURE GOT IT RIGHT

Put me on the side of those who think the Legislature got it right. Probably not perfect, but generally right. At this time in Alaska's economic history we should have a large capital budget as long as those projects can either grow the economy or improve Alaskans' quality of life or both. Here's why I think this capital budget is good for Alaska's economy:

• **This is a very uncertain time for Alaska's economy.** Many unknowns are out there concerning future oil exploration, the future of a gas line or lines, the future of Alaska Native contracting legislation at the federal level, the high cost of energy, etc.

• **Economists are predicting a loss of about 1,000 jobs over this next year.** In effect, the economy is frozen. The private sector, with the exception of health care, is shrinking. This is exactly the time that the state should be investing in capital projects. While I don't presume to know the specifics of all of the capital budget projects, I do believe that the amount is very appropriate for this time in Alaska's history.

• **A capital budget of $3 billion will not overheat the economy.** It will keep the economy from shrinking and allow healthy growth. Every state government in America would like the opportunity to stimulate its economy. Only Alaska has that ability. Any conclusion that this amount would overheat the Alaska economy is not correct and not substantiated historically. Two other times in the past 30 years our economy was in danger of decline as it is today. Once the decline was avoided by capital projects. Once it was not.

• **In 1979-80 the construction of the trans-Alaska pipeline was completed and workers were moving out.** Gov. Jay Hammond realized the importance of creating jobs through the capital budget. With the support of the Legislature, he implemented a plan that gave every community in Alaska $1,000 per person to develop capital projects. That meant about $650 million a year for three years in 1980 dollars. This was in addition to the state's direct capital budget for roads, schools, public buildings, etc. Hammond's action was correct. It saved the Alaska economy from a post-pipeline decline.

• **In 1986 the economy dropped again.** This was caused by a 75 percent plunge in oil prices following five years of loose real-estate lending practices. It was also exacerbated by the tax reform act of 1986, which devalued real estate. None of those issues is in play today. While capital spending could not have stopped that major decline in the economy, it could have mitigated it somewhat. Gov. Steve Cowper chose to hold back money for capital spending and save the money for the tough times. The rest is history.

The measure of a state's economic health is not the amount of money in a state's savings accounts. It's the growth of the economy, the prosperity and quality of life of its citizens and the opportunities for its young people. If projects in the capital budget meet these criteria, they should not be vetoed.

Rick Mystrom served as mayor of Anchorage from 1994 to 2000 and is currently an economic development adviser to the Mat-Su Borough.

No. 4

Resolutions of Support

Denali Borough

Alaska Railroad Corporation

Alaska Miners Association, Inc

Greater Fairbanks Chamber of Commerce

Matanuska-Susitna Borough

Greater Wasilla Chamber of Commerce

City of Palmer

Alaska State Chamber of Commerce
Top infrastructure priority

DENALI BOROUGH, ALASKA
RESOLUTION NO. 10-01

A RESOLUTION SUPPORTING THE PORT MACKENZIE RAIL EXTENSION

WHEREAS, natural resource development is vital to the economy of the entire State of Alaska; and

WHEREAS, Port MacKenzie, with a vast amount of industrial development land and a deep draft dock, is capable of processing and handling bulk resource commodities; and

WHEREAS, Port MacKenzie is strategically located and has available land and space to stage bulk resources for export; and

WHEREAS, Port MacKenzie can accommodate Panamax and Cape-size vessels and does not require annual dredging; and

WHEREAS, the distance to tidewater at Port MacKenzie from the Interior Alaska offers lower transportation costs and the Port MacKenzie Rail Extension will stimulate the use and export of coal and other minerals from the Interior; and

WHEREAS, the rail extension will eliminate congestion from shipping high-volume export materials on the southern rail end from Wasilla to Anchorage, and will eliminate the need for more costly upgrades to the rail system south of Big Lake; and

WHEREAS, off-loading, staging, and rail transportation of north bound materials for construction of a gas pipeline and other large projects from Port MacKenzie would be less costly than rail shipment from Anchorage or Seward; and

WHEREAS, the first two phases of rail extension development, the Environmental Impact Statement and the construction of a bi-modal road/rail loop at the port, are due to be completed during the next six to nine months.

NOW THEREFORE BE IT RESOLVED: the Denali Borough Assembly supports the Matanuska-Susitna Borough in their efforts to extend the Alaska Railroad to Port MacKenzie.

BE IT FURTHER RESOLVED: that the Denali Borough Assembly requests the Governor and the Alaska State Legislature support all phases of construction and rail extension development;

BE IT FURTHER RESOLVED: that the Denali Borough Assembly supports state funding of $57 million for phase III of the project so construction can begin on the first 11 miles of rail line, and design and engineering can be completed on the connection route selected by the Environmental Impact Study.

AND BE IT FURTHER RESOLVED, that this resolution be distributed to:

Governor Sean Parnell
Commissioner Annette Kreitzer, Administration
Commissioner Emil Notti, DCCED
Commissioner Larry Hartig, ADEC
Commissioner Denby Lloyd, ADF&G
Commissioner Click Bishop, ADOL
Commissioner Tom Irwin, ADNR
Commissioner Patrick S. Galvin, ADOR
Commissioner Leo Von Scheben, ADOT
Director Karen Rehfeld, OMB
Sen. Gary Stevens, Senate President
Rep. Mike Chenault, House Speaker
Sen. Albert Kookesh, Senate Transportation Chair
Sen. Linda Menard, Senate Transportation Vice-chair
Rep. Peggy Wilson, House Transportation Chair
Rep. Craig Johnson, House Resources Chair and Transportation Vice-chair
Rep. Mark Neuman, House Resources Co-chair
Sen. Lesil McGuire, Senate Resources Co-chair
Sen. Bill Wielechowski, Senate Resources Co-chair
Sen. Bert Stedman, Senate Finance Co-chair
Sen. Lyman Hoffman, Senate Finance Co-chair
Rep. Mike Hawker, House Finance Co-chair
Rep. Bill Stoltze, House Finance Co-chair
Interior Delegation
Talis Colberg, Matanuska-Susitna Borough Mayor
Luke Hopkins, Fairbanks North Star Borough Mayor

PASSED AND APPROVED by the Denali Borough Assembly on this 13TH day of January, 2010.

David M. Talerico, Borough Mayor

ATTEST _____
Gail Pieknik, Borough Clerk

PASSED UNANIMOUSLY

Adopted: October 12, 2010

Resolution No. 2010-34

Relating to Supporting Funding of
the Port MacKenzie Rail Extension

WHEREAS, The Alaska Railroad is a powerful economic engine and backbone for Alaska's transportation infrastructure, hauling millions of tons of freight per year and providing critical support for resource industries such as coal, petroleum, and gravel; and

WHEREAS, the State of Alaska needs to diversify and strengthen its economy and an effective transportation system facilitates such diversification; and

WHEREAS, the Matanuska-Susitna Borough is building a rail extension from Port MacKenzie to the Alaska Railroad mainline and the Alaska Railroad is assisting in this effort by serving as a contractor and applicant to the Surface Transportation Board for the project; and

WHEREAS, the new rail line will shorten the distance for transporting minerals and freight from the interior to tidewater and the Alaska Railroad expects the rail extension will lead to additional bulk resource rail transport opportunities in the future; and

WHEREAS, the Alaska Railroad serves ports in Seward, Whittier and Anchorage and the connection to Port MacKenzie, with it 9,000 acres of industrial zoned land and deep-draft dock, is a logical next step in enhancing the State's transportation capacity for bulk natural resources; and

WHEREAS, the rail extension also provides an additional rail route to tidewater that can serve both our military logistics and national security needs; and

WHEREAS, this project is expected to create thousands of new jobs for Alaskans and is a project of statewide benefit and significance.

NOW THEREFORE BE IT RESOLVED that the Alaska Railroad Board of Directors supports the inclusion of $55 million in the Governor's Fiscal Year 2012 Capital Project Budget to complete Phase Four construction of the rail extension between Port MacKenzie and the Alaska Railroad mainline.

This is to certify that I am the Secretary of the Board of Directors of the Alaska Railroad Corporation, and the above Resolution No. 2010-34 is a true and correct copy of the resolution adopted by the Alaska Railroad Corporation's Board of Directors at its regular meeting on October 12, 2010.

Date 10-13-2010 Wendy Lindskoog

Wendy G. Lindskoog
Board Secretary

Corporate Seal

327 W. Ship Creek Avenue
Anchorage, Alaska 99501

MAILING ADDRESS
P.O. Box 107500 Anchorage, Alaska, 99510-7500

TEL 907.265.2300 FAX 907.265.2416
AlaskaRailroad.com

ALASKA MINERS ASSOCIATION, INC.

3305 Arctic Blvd., #105, Anchorage, Alaska 99503 • 907) 563-9229 • FAX: (907) 563-9225 • www.alaskaminers.org

November 15, 2010

Honorable Sean Parnell
Governor
State of Alaska
Capitol Building
Juneau, Alaska 99811

Re: Railroad Extension from Port MacKenzie to the Alaska Railroad Main Line

Dear Governor Parnell,

We are writing to urge continued funding for the extension of the railroad from the port at Point MacKenzie to the Alaska Railroad main line north of Wasilla.

The completion of this rail connection is needed for the export shipment of bulk commodities from existing and future mines in Southcentral and Interior Alaska. This project will provide important diversification and new opportunities for the state and will help stimulate new mineral development projects.

Mines producing coal, base metal (copper, zinc, lead, iron) concentrates, and many industrial minerals depend on reasonable transportation costs and this project has the opportunity to do just that. This extension, when combined with the results from the current western Alaska transportation study, will provide the best opportunity for concentrates from Interior Alaska to reach a deep water port.

Furthermore, this extension would allow current sand and gravel producers that are on the Alaska Railroad to export a portion of their production. In some cases, sand and gravel from these mines will provide the most economical sources for construction projects around the coast of Alaska.

We appreciate your consideration of this funding.

Sincerely,

Steven C. Borell, P.E.
Executive Director

GREATER FAIRBANKS CHAMBER OF COMMERCE

Interior Alaska – The "Place" To Do Business

Introduced By:	Transportation Committee
Date Introduced:	September 27, 2010
Date Passed:	September 27, 2010
Date Transmitted:	September 27, 2010

RESOLUTION 10-0927

A RESOLUTION BY THE GREATER FAIRBANKS CHAMBER OF COMMERCE SUPPORTING PORT MACKENZIE RAIL EXTENSION PROJECT

WHEREAS, the State of Alaska needs to diversify its statewide and regional economies and develop an efficient and effective transportation system to support such diversification; and

WHEREAS, the rail extension being built from Port MacKenzie to the Alaska Railroad mainline will greatly stimulate such economic diversification by reducing the cost of transportation from Southcentral and Interior Alaska for bulk natural resources to tidewater; and

WHEREAS, the Greater Fairbanks Chamber of Commerce supports the need for economic diversification on both a statewide and regional basis as well as the need for significant transportation infrastructure improvements; and

NOW THEREFORE BE IT RESOLVED that the Greater Fairbanks Chamber of Commerce supports the inclusion of funding to continue construction of the rail extension between Port MacKenzie and the Alaska Railroad Mainline in the Governor's Capital Project Budget.

BE IT FURTHER RESOLVED that this resolution be distributed to:

Members of the Alaska Legislature Transportation and Finance Committees
Interior Delegation
Governor's office
Mat Su Borough Mayor
Mat Su Borough Assembly
Alaska State Chamber of Commerce

GREATER FAIRBANKS CHAMBER OF COMMERCE

Dan Britton
Board of Directors, Chairman

Karl Gohlke
Transportation Committee, Chairman

INVESTORS

DIAMOND
BP Exploration
ConocoPhillips
ExxonMobil
Fairbanks Daily News-Miner
FMH & Denali Center
Flint Hills Resources Alaska

PLATINUM
Alyeska Pipeline Service Co.
Carlson Center
Doyon, Limited
Fred Meyer Stores
Golden Heart Utilities
Mt. McKinley Bank
Wells Fargo Bank Alaska

GOLD
Alaska USA FCU
Birchwood Homes
Denali State Bank
Design Alaska
Doyon Utilities LLC
First National Bank Alaska
GCI
Kinross-Fort Knox Mine
MAC Federal Credit Union
Pogo Gold Mine
The Boeing Co.
Usibelli Coal Mine

SILVER
ACS
Alaska Airlines
Alaska Railroad
AT&T
Denali – The Alaska Gas Pipeline
Everts Air Cargo, Everts Air AK
Exclusive Paving/Univ. Redi-Mix
Fairbanks Natural Gas
Flowline Alaska
Fountainhead Development
General Teamsters Local 959
GVEA
Hale & Associates, Inc.
JL Properties, Inc.
Key Bank
Northrim Bank
Personnel Plus
Spirit of Alaska FCU
Tanana Valley Clinic
TDL Professional Staffing
TOTE
WAL-MART Stores, Inc.
Yukon Title Company

Adopted: 02/02/10

MATANUSKA-SUSITNA BOROUGH
RESOLUTION SERIAL NO. 10-009

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY SUPPORTING THE PORT MACKENZIE RAIL EXTENSION AS A STATEWIDE, ECONOMIC DIVERSITY, STIMULUS PROJECT.

WHEREAS, the Port Mackenzie Rail Extension project connecting the Alaska Rail Road mainline will greatly reduce the distance for transporting bulk materials to and from Southcentral and Interior Alaska to tidewater; and

WHEREAS, reduced transport distance translates to reduced transportation costs which leads to an increase in volume of freight and the stimulation of resource development projects near the rail corridor; and

WHEREAS, the State currently relies on the petroleum industry for 85 percent of its revenue; and

WHEREAS, by stimulating resource development, the project would diversify and stabilize the State and local economies; and

WHEREAS, the construction and operation of the rail extension and the increased development it would stimulate along the rail corridor will provide thousands of jobs for Alaskans.

NOW, THEREFORE, BE IT RESOLVED, that the Matanuska-Susitna Borough Assembly supports the Port Mackenzie Rail Extension as a project which will provide Statewide benefits, economic diversity, and jobs for Alaskans.

ADOPTED by the Matanuska-Susitna Borough Assembly this 2 day of February, 2010.

TALIS J. COLBERG, Borough Mayor

ATTEST:

LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

PASSED UNANIMOUSLY: Woods, Houston, Arvin, Ewing, Bettine, Colver and Halter.

GREATER WASILLA CHAMBER OF COMMERCE RESOLUTION No. xx

A RESOLUTION OF THE GREATER WASILLA CHAMBER OF COMMERCE SUPPORTING EXTENSION OF THE ALASKA RAILROAD FROM THE RAILROAD MAIN LINE TO PORT MACKENZIE.

WHEREAS, bulk natural resource development and export is important to the economy of the Matanuska-Susitna Borough, the Denali Borough, the Fairbanks North Star Borough, and the State of Alaska; and

WHEREAS, the ability of the Alaska Railroad to continue to provide economical transportation of bulk commodities is vital to the economic health of Alaska; and

WHEREAS, Port MacKenzie, with its 8,940 acres of industrial development land and deep draft dock, is a developing port with capability for bulk natural resource transport; and

WHEREAS, Port MacKenzie is capable of handling panamax and cape-size vessels (the largest ships in the world); and

WHEREAS, Port MacKenzie is closer to tidewater than the existing ports of Southcentral Alaska; and

WHEREAS, a shorter distance to tidewater will make resource development in South Central and Interior Alaska more economical by lowering transportation costs; and

WHEREAS, the shorter rail distance to tidewater will further stimulate the use and export of coal from the Usibelli mine and other extracted material developments in the Denali Borough, Matanuska-Susitna Borough and Interior Alaska; and

WHEREAS, the rail extension will make development of natural resources (coal, limestone, sand and gravel, timber and metallic minerals, etc.) located in the rail belt and Interior more economically feasible; and

WHEREAS, the rail spur to Port MacKenzie will create more usage of the Alaska Railroad and increase the economic viability of the railroad; and

WHEREAS, the increase in economic activity will significantly contribute to the State's economic well being, increase employment of Alaskans, and contribute to the continued economic stability of one of the fastest growing regions in the nation.

NOW THEREFORE, be it resolved that the Greater Wasilla Chamber of Commerce strongly supports construction of the Alaska Rail line Extension from the Alaska Railroad mainline to Port MacKenzie.

ADOPTED by the Greater Wasilla Chamber of Commerce this ___ ___day of December,2009.

David Johnston
President

Lyn Carden
Executive Director

CITY OF PALMER INFORMATION MEMORANDUM No. 10-011

SUBJECT: Resolution No. 10-009: Supporting the Extension of the Alaska Railroad from the Railroad Mainline to Port MacKenzie

AGENDA OF: January 12, 2010

Council action:

Adopted

Approved for presentation by B.B. Allen, City Manager B B Allen

Route To:	Department/Individual:	Initials/Date:	Remarks:
x	Originator – City Manager	12/21/09	
x	City Clerk	12/31/09	
x	City Attorney	12/31/09	
	Director of Administration		
	Director of Community Development		
	Director of Community Services		
	Director of Public Safety		
	Director of Public Works		

Attachments: Resolution No. 10-009

Certification of Funds:

X	No fiscal impact.	
	Funds are budgeted from this account number:	
	Funds are not budgeted. Budget modification is required. Affected account number:	

Director of Administration Signature: _____

Summary statement: The Matanuska Susitna Borough seeks Palmer City Council support for the extension of the Alaska Railroad main mine into Port MacKenzie.

Administration recommendation: Approve resolution no. 10-009.

Introduced by: City Manager Allen
Date: January 12, 2010
Action: Adopted
Vote: Unanimous

Yes:	No:
Chmielewski	
Erbey	
Vanover	
Best	
Hanson	
Brown	

CITY OF PALMER, ALASKA

RESOLUTION NO. 10-009

A RESOLUTION OF THE CITY OF PALMER COUNCIL SUPPORTING EXTENSION OF THE ALASKA RAILROAD FROM THE RAILROAD MAIN LINE TO PORT MACKENZIE

WHEREAS, bulk natural resource development and export is important to the economy of the Denali Borough, Matanuska-Susitna Borough and its cities, the Fairbanks North Star Borough, and the State of Alaska; and

WHEREAS, the Usibelli Coal Mine is the main developed source of coal in Alaska; and

WHEREAS, Usibelli Coal Mine has offices and employees residing in Palmer; and

WHEREAS, Port MacKenzie with its 8,940 acres of industrial development lands and deep draft dock, is a developing port with potential for bulk natural resource transport; and

WHEREAS, Port MacKenzie is capable of handling panamax and cape size vessels (the largest ships in the world); and

WHEREAS, Port MacKenzie is closer to tide water than the existing ports of Southcentral Alaska; and

WHEREAS, a shorter distance to tide water will make resource development in Interior and Southcentral Alaska more economical, by lowering transport costs; and

WHEREAS, the shorter rail distance to tide water will further stimulate the use and export of coal from the Usibelli mine and other mineral developments in the Denali Borough, Matanuska-Susitna Borough, and Interior Alaska; and

WHEREAS, the rail extension will make development of various natural resources (coal, limestone, sand and gravel, timber and metallic minerals, etc.) located in the rail belt and Interior more feasible; and

WHEREAS, the economic activity will contribute to the Matanuska-Susitna Borough economy, tax base, and employment.

NOW THEREFORE, be it resolved that the City of Palmer strongly supports construction of the Alaska Rail line Extension from the Alaska Railroad mainline to Port MacKenzie.

Passed and approved by the City Council of the City of Palmer, Alaska this twelfth day of January 2010.

Kevin W. Brown II, Mayor Pro-Tempore

Janette M. Bower, MMC, City Clerk

No. 5

ALASKA STATE CHAMBER OF COMMERCE

Business to Business

December 2010

Lawmakers discuss Alaska's economic future

By Jedediah R. Smith

On the cusp of an election, and with $12 billion in budget reserve accounts, five of Alaska's 60 legislators participated in a panel discussion before the State Chamber of Commerce, not to campaign, but to share their experiences and thoughts on strategies for filling the Trans-Alaska Pipeline, the state's regulatory regime, public employee retirement systems and ways the Legislature can create a more friendly investment climate.

At times, politics crept into the discussion. But the panel generally focused on the issues at hand. Chamber executive board chair Kip Knudson moderated the discussion and first asked lawmakers whether and how the state should spend the $12 billion available in reserve accounts.

Responses were varied, from Sen. Kevin Meyer's belief that the money shouldn't be touched until the economy improves, to Rep. Anna Fairclough's reminder that the state has a $12 billion liability to PERS/TRS retirement accounts.

"We made a promise to those that came before us," Fairclough (R-Eagle River) said.

"I think we have to be very careful," said Rep. Bill Stoltz (R-Chugiak), who noted the state has invested money in important infrastructure projects in Southcentral Alaska, such as the Port McKenzie rail spur. Prioritizing infrastructure projects is critical in choosing the best projects that will prove a return on investment for the state. But once open, that valve can be difficult to control with 60 legislators all vying for a piece of the action, Stoltz said.

The response highlighted the subtle differences on the political landscape among the business-friendly legislators, whose dis-

See Panel, Page 2

Chair's message: How to Create Jobs

By Kip Knudson

Knudson

In last quarter's newsletter I expressed dismay with candidates who claim they will create jobs.

Most of our elected officials have lost track of the fact that the private sector creates two-thirds of Alaska's jobs, and pays the taxes that fund the remaining third. If they haven't forgotten this fact, then they are afraid to talk about it in public forums.

During the State Chamber's priority-setting Tie-In, we heard from Scott Cohn about how Alaska finished dead-last in the CNBC's 2010 Business Ranking. He told us about our bottom-of-the-pack rankings on things like road quality (not quantity), litigiousness, high taxes (our world-beating oil and gas taxes weren't even factored in) and low-outcome, high-cost education system.

My dismay at politicians talk about "creating jobs," and Mr. Cohn telling us everything-we-know-but-wish-we-didn't spurred a fantastic conversation among the State Chamber's Board of Directors on a central question: How can the State Chamber convince our elected officials to focus on policies and programs that encourage the private sector to create more jobs?

The first step is to sharpen our strategic plan, and below is a proposal that I intend to forward to the State Chamber Board.

Tag Line:
The Voice of Alaska Business

Vision (What does the future look like?): A top ranking in "Best Places to Do Business" lists.

Mission (Why do we exist?): Advocate for public policies that encourage private sector investment and job growth.

Values (How do we operate?): Results-driven. We will focus on measurable improvement of the Alaska business climate. Be a statewide, all-business-sector advocate. "The Voice of Alaska Business" grows stronger when all businesses are represented.

Strategy (What will we do?): The State Chamber will achieve progress through three initiatives aimed at creating a robust business climate – and thus job growth - in Alaska. These initiatives provide focus both to members and to government officials. Success on these initiatives can be measured and will result in private sector growth.

Perhaps most important to note is that the discreet action items within each initiative are generated by our membership. The more your business participates in State Chamber priority setting, the more likely the entire business community will benefit from collective ideas to grow our economy.

The State Chamber's strategy will:

Reduce Government Burden

Our state government can either help or hinder business growth and

See Chair, Page 2

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Welcome New Members

ACE Air Cargo: ACE to the rescue! From Dutch Harbor to Ketchikan and 20 locations in between — ACE Air Cargo delivers more destinations, more often. ACE offers scheduled cargo flights, passenger and cargo charters, small package service and logistics across Alaska with connecting service to the Lower 48.

Based at Ted Stevens International Airport, the company flies a fleet of Beech 1900C and can accommodate virtually any freight that fits through a 52-inch-square door. ACE provides consistent flight schedules, online package tracking, competitive rates and superior customer service.

Flights include Anchorage to Aniak, Bethel, Chen- St. Paul, Tatitlek, Wrangell and Yakutat.

Contact Person: Greg Hawthorne
Email: greg@aceaircargo.com
Physical Address: 5901 Lockheed Ave., Anchorage, AK 99502
Phone: (888) 722-0232
Web: www.aceaircargo.com

Sumitomo Metal Mining Pogo LLC (SMM Pogo) has been working on operation of the Pogo Mine, which is located about 90 miles southeast of Fairbanks. The Pogo Mine began its production in February 2006 and

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anti-development, on budget issues and Alaska's dependence on resource development for operating revenue.

"Students were saying 'Anna, we need to give the university tens of millions of more dollars,' and I would say, 'I'd love to do that, can you tell me what we should cut?"

"We need to engage Alaskans in understanding where the economy is coming from and where it is going," Fairclough said.

In the short-term, the members of the panel, which also included Sen. Charlie Huggins (R-Wasilla) and Sen. Kevin Meyer (R-Anchorage) said they didn't think changes in the state's retirement system, from a defined benefit to a defined contribution (Tier 3 to Tier 4) had a significant impact on recruiting well qualified workers.

Public employee unions have continued to confound legislators who have attempted to solve the state's entitlement obligations though.

"You can't say you want to go back to a system of defined benefits that will bankrupt our state and also want to enshrine the dividend," Stoltz said. "Every year there is a bill and a lot of pressure to radically reverse the system. This is one of the most political issues. Some of us stuck our finger in the electric pencil sharpener that is that union. I still have a little bit of a nub left. I'm willing to do it again."

Attracting highly qualified state employees to run the permitting system continues to be a concern among resource development industries, said Jason Brune, executive director of the Resource Development Council. The current litigious climate makes hiring good state employees all the more important for industry, as regulators are charged with writing permits that will ultimately hold up in a court of law. Brune challenged the panel to find alternatives to avoid the "lawsuit first" strategy pursued by many environmental groups opposing resource development projects.

Johnson said he'd tried a number of different things during the last session, notably introducing a bill to freeze the timeline of a permit once a lawsuit is filed.

"If you can stretch it out in court so that a permit expires, you just wasted a bunch of time and expense," Johnson said. Even if the developer prevails, the project may have to reapply for another permit or even go through the costly Environmental Impact Statement process again. His legislation would allow the clock on the permit to resume only after the lawsuit was settled.

"I'm not confident we're going to get away from the public litigant way of doing business for awhile," said Johnson, who hopes to introduce the legislation again this year. "It isn't a big fix, but might be something on the table to help."

Other steps the legislature must take, according to Johnson, are to leverage existing funds to attract money for large scale hydroelectric projects like the Susitna Dam or Chackachamna, not necessarily by building them, but perhaps by providing loan guarantees. He said the state missed the opportunity 20 years ago to build a project like Susitna, and that, "We need to vision," Johnson said. "I dread 15 years from now, having people say, 'why didn't you do something?"

S Continued from Page 2

on private and public sector transport-
tion programs and projects throughout
Alaska, including major road and port
naissance engineering for oil/gas
mining developments.

Contact: Mike Gordon McKinnon, Owner/Manager

Email: mgmckinnon@gci.net

Address: Office: 319 Seward St., Suite 3, Juneau, Alaska

Phone: (907) 523-9877

New members in September:

American Seafoods Group
Great Northwest Inc.

New members in October:

Faulkner Walsh Constructors
Health Care Cost Mgmt. Corp. of A
Hotel Seward
Kenai Physical Therapy Inc.
Northern Gas Pipeline
U.S. Dept. of Labor, VETS
MacCheyne's Carpets Plus Inc.

New members in November:

Alaska Addiction Professionals Association
River's Edge Resort

Chair Continued from Page 2

job creation. Therefore, the State Chamber will lobby to:

- Reform oil and gas tax;
- Continue the existing coast zone program;
- Continue effective administration of the state's strong mining regulations;
- Review RCA regulations;
- Adopt tax incentives for new economic sectors;
- Lower workers compensation costs
- Privatize public services that compete with the private sector;
- Reduce litigation costs and delays;
- Reform state procurement code;
- Create, and then follow, a strategic plan for economic development; and
- Reduce state GF spending to FY10 levels.

Improve and Expand Infrastructure

- Create an infrastructure endowment to reliably fund renewal and expansion;
- Renew the Port of Anchorage;
- Construct a rail spur to Pt. McKenzie; and,
- Advocate for a long-range energy plan and then identify all barriers to that long-range plan

Communicate and Educate

Advocacy on the above two initiatives can be leveraged through a solid communication and education program, including:

- In cooperation with all the trade associations in Alaska, create a scorecard to clearly communicate our expectations to lawmakers;
- Support the Board of Trustees Alaska Business Political Action Committee in their efforts to support candidates who commit to grow the private sector;
- Immerse high school students in entrepreneurship and leadership through the Alaska Business Week summer program;
- Empower our partners in local chambers to affect statewide change, in addition to supporting local chambers focus on growing their community and regional economies;
- Provide timely updates to membership on progress on the initiatives through print and electronic media;
- Educate member companies on how to engage employees to participate in the government's progress on these initiatives; and,
- Connect members with their legislators to drive home the in-district impact of adopting the initiatives
- Consistent, valuable communication both internal and external to the State Chamber

I welcome your feedback on this strategic plan at kip.c.knudson@tsocorp.com.

Make a plan and work the plan.

No. 6

PORT MACKENZIE
RAIL EXTENSION

FIND ALL THE STUDIES ONLINE

The entire studies can be found at the Matanuska-Susitna Borough website. The link to the website is below:

http://ww1.matsugov.us/index.php?option=com_docman&task=cat_view&gid=125&Itemid=238

Benefit-Cost Assessment of the Port MacKenzie Rail Extension

Final Report

prepared for
Matanuska-Susitna Borough

prepared by
Steve Colt
Nick Szymoniak

Institute of Social and Economic Research
University of Alaska Anchorage

20 June 2008

Contact:
Steve Colt
907-786-1753
steve.colt@uaa.alaska.edu

or:
Nick Szymoniak
907-786-5452
nick.szymoniak@uaa.alaska.edu

Executive Summary

Costs

We assume that the Port MacKenzie rail extension would cost $275 million to construct.[1] This is a conservative estimate based on a range of between $200 million and $300 million for different route options. The time horizon runs 50 years from 2012 to 2061. O&M costs are assumed to be $1.5 million per year, with a net present value of $26.1 million. The net present value of all costs using a 5% real discount rate[2] and a base year of 2010 is $301.1 million.

Benefits

The rail extension would provide two distinct types of benefits: 1) It reduces the cost of rail transportation; and 2) It is likely to stimulate significant new mines and other major development. These benefits come from a diverse mix of potential projects – thus a strength of the rail extension is that its economic viability does not depend on any one project.

Reduced transportation costs

Relative to Seward, using the extension would save 140.7 miles per one-way trip.[3] Assuming an average cost savings of 6 cents per ton-mile and a 5.0% real discount rate, we estimate that using the extension would save $572 million in avoided rail costs, avoided port costs, and avoided railroad and road upgrades. These savings are shown in the table and figure on the following page.

In addition to the above, we estimate that about 22,000 train crossings of Pittman Road and other roads would be avoided by the extension, saving motorists up to 64,000 vehicle-hours of travel time delay between now and 2061.

---

[1] AK Railroad submission to Federal Surface Transportation Board requesting license to build rail extension. January 2008.

[2] "real discount rate" means adjusted for inflation. This rate is based on the real rate of return from the Alaska Permanent Fund.

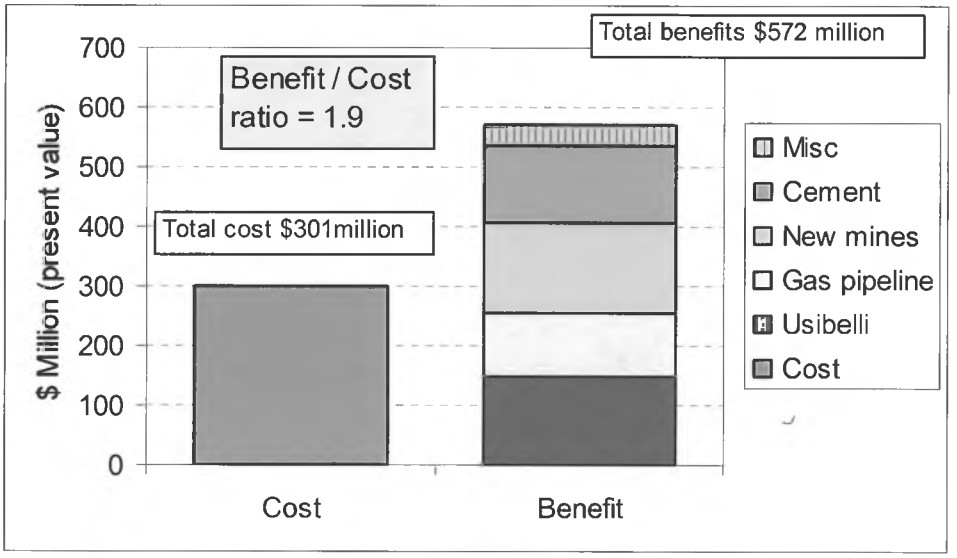
[3] Paul Metz, Economic Analysis of Rail Link Port MacKenzie to Willow, Alaska. February 2007

Benefits of Port MacKenzie rail extension from reduced transportation costs

(Present value in year 2010 @ 5.0%; does not include motorist time savings)

	Tons per year	Years of operation		Benefits from reduced rail and port cost NPV at 5%	Notes
Usibelli Coal	1,000,000	2012 - 2061	$	148,711,175	
Gas pipeline materials	N/A	2013 - 2015	$	105,838,887	1
Ore from new mines	1,879,750	2017 - 2056	$	151,038,111	2
Cement plant	1,095,000	2020 - 2061	$	130,031,810	3
Misc commodities	250,000	2012 - 2061	$	36,694,410	4
Total benefits			**$**	**572,314,393**	
Construction cost			$	275,000,000	
O&M cost (NPV of $1.5 million/yr)			$	26,079,894	
Total cost			**$**	**301,079,894**	
Benefit / Cost ratio from transportation savings				**1.9**	

Notes: 1. Gas pipeline savings includes $82 million NPV of avoided rail and road upgrade costs
2. Mines would commence operation in various years; the tonnage number in this table is peak production reached after 2037. The analysis of benefits is based on the actual time profile of tonnage produced.
3. Assumes 3,000 tons per day output shipped to tidewater for export.
4. Assumes a combination of gravel, wood chips, additional fuel imports to meet growing demand, and other miscellaneous bulk commodities.



Direct fiscal return to State of Alaska

Because much of the savings from reduced rail transportation costs would flow through to increased taxable income, we estimate that direct annual fiscal returns to the State of Alaska

would have a present value of between $107 million (tied to rail cost savings) and $4.4 billion (including all mineral revenues from new mines). These break down as follows:

- Between $1 million and $3 million per year in additional corporate income taxes, with a present value of $32.7 million
- About $7 million per year in additional oil and gas revenue due to lower pipeline construction cost reflected in lower pipeline tariffs, with a present value of $33 million.
- A direct saving to the state of $41.2 million from avoided railroad and road upgrades[4]
- Assuming new mineral development and attributing it to the rail extension, $42 million per year increasing to $602 million per year from mining license taxes, royalties, and corporate income taxes. The present value of all these mineral revenues is $4.3 billion.

Economic development from new mineral activity

According to a detailed analysis by Paul Metz (Metz, 2007a), the rail extension would provide a significant stimulus to new mineral developments within a 120-mile wide corridor surrounding the existing railroad. Metz projects likely minerals development with a cumulative gross metal value of $173 billion. This value would generate taxes and royalties to the State of Alaska starting at $42 million per year (in 2017) and increasing to $543 million per year in 2027 and to $602 million per year beginning in 2037. In addition these developments could generate up to $3 billion per year in additional economic activity in Railbelt communities.

Conclusion

This project provides a benefit/cost ratio ranging from 1.9 (based only on transportation cost savings) up to about 40 (assuming that additional mineral activity is attributable to the rail extension). In addition, there will be community benefits -- jobs and income -- that we have not explicitly considered here. These are extraordinarily good returns on an infrastructure investment in Alaska.[5]

[4] We have assumed that the state would pay half of these upgrades and pipeline builders would pay half.
[5] By comparison, the Bradley Lake hydroelectric project now appears to have a B/C ratio of less than 1.5, even when based on high and rising natural gas prices. Most public projects in Alaska have not been subjected to formal cost-benefit analysis.

Benefits of the Southcentral Rail Extension to the Municipality of Anchorage

prepared for:

Matanuska – Susitna Borough
Economic Development Department

prepared by:

Steve Colt and Nick Szymoniak
Institute of Social and Economic Research (ISER)
University of Alaska Anchorage

January 21, 2010

contact:
steve.colt@uaa.alaska.edu
907-786-1753

Benefits of the Southcentral Rail Extension to the Municipality of Anchorage

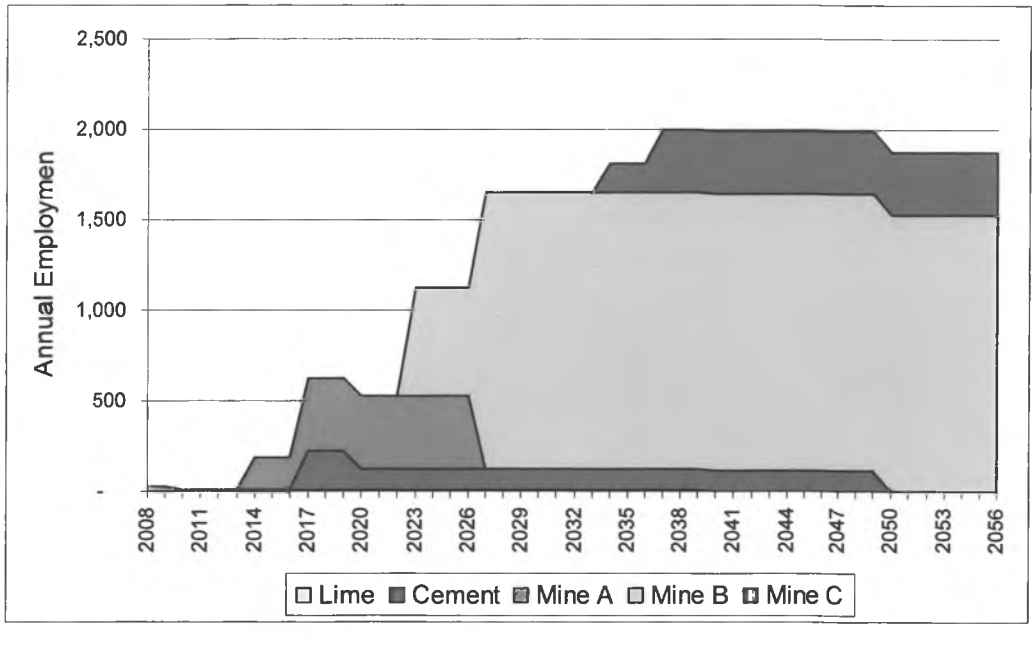
Summary of Findings

The proposed Southcentral rail extension to Port MacKenzie is likely to generate significant economic benefits for the residents of Anchorage. These benefits are due to a combination of reduced transport costs, the ability to ship bulk commodities over shorter distances, and economical access to industrial land. We considered and analyzed these benefits under a set of assumptions about job creation, transportation costs, land use considerations and future mineral development. Our major findings include the following:

Jobs

- **Port MacKenzie.** The rail extension will generate new jobs for Anchorage workers by stimulating industrial development and jobs at Port MacKenzie. Under a base case scenario with a rail extension and ferry service, Anchorage residents would gain 730 average annual jobs and $50 million of annual income during the period of 2013 -2017 from industrial development at Port MacKenzie. Hundreds more jobs would be gained after 2017. The rail extension will play an important role in this process. For example, it will allow coal exports through the port as early as 2013, generating more than 100 jobs.
- **New Mines.** Major new mines shipping concentrate via the rail extension would generate thousands of new jobs, and a significant fraction of these jobs would be held by Anchorage residents. Our detailed analysis of the potential employment from five specific mining projects indicates that more than 2,000 average annual jobs would be created in Anchorage or held by Anchorage residents once the mines are fully developed. Most of these jobs would be in mining and in professional sectors that pay good wages. Also, during initial mine development, many of the jobs would be in construction and fabrication.

Projected average annual employment of Anchorage residents due to new mining activity and multiplier effects, by mining project



- **Rail Construction.** The construction of the rail extension would generate up to 3,000 total jobs, and ongoing operations would generate up to 150 total jobs. It is likely that many of these jobs would be held by Anchorage residents.
- **State Revenues.** State mining taxes generated from new mines will boost the Anchorage economy. Estimated tax revenues and royalties would grow steadily, reaching $267 million per year by 2040. A large share of these potential tax revenues, roughly proportional to Anchorage's share of state population, would likely flow into the Anchorage economy, sustaining hundreds of direct jobs and reducing property tax burdens that would otherwise stifle private sector job creation.

Regional Competitiveness

- **New Economic Opportunities.** Port MacKenzie and the rail extension, operating together, are a significant new strategic asset for the entire regional economy. This infrastructure will create expanded opportunities for mineral, timber, and energy resource development, and the export of bulk commodities by rail through Port MacKenzie constitutes a new economic sector for the Southcentral regional economy. As the region's commercial and financial hub, Anchorage will gain jobs and income from all of this activity.
- **More Efficient Land Use.** The rail extension allows for higher-valued use of land in Anchorage. The rail extension will allow for railroad-dependent industrial development to take place at Port MacKenzie. This development would allow limited existing industrial-zoned land throughout Anchorage to be used for other, higher-value uses such as commercial development, while still meeting the regional economy's need for industrial land.

Fiscal Benefits

- **New State Revenues.** As noted above, revenues to the State of Alaska from new resource development would grow steadily, reaching $267 million per year by 2040. These revenues will reduce the need for other taxes, stimulating capital formation and job creation by the private sector.
- **Higher Local Tax Base.** Local governments will also see higher tax revenues from a higher-valued property tax base. The stimulated new development will increase the tax base and reduce the need to raise taxes on homeowners or existing businesses.

Other Benefits

- **Port of Anchorage.** The industrial and mineral development stimulated by the rail extension to Port MacKenzie will likely increase both the volume and the value of cargo going through the Port of Anchorage. For example, if large mines are developed, the goods and equipment used by the mines for development and operations will flow through Anchorage.
- **Rail Shipping Costs.** The unit cost of shipping on the Alaska Railroad is likely to fall as fixed costs of roadbed maintenance and administration are spread over a higher volume of shipments.

Final Report

Economic Analysis of Rail Link

Port MacKenzie to Willow, Alaska

By

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Submitted to:

Matanuska-Susitna Borough

February 2007

Executive Summary

A railroad link of 43 miles from Willow to Port MacKenzie will result in rail freight savings for bulk commodities and heavy freight transported to and from the Rail Belt area of interior Alaska. Tidewater access at Port MacKenzie from interior Alaska is 26.4, 89.1, and 140.7 miles shorter than the Ports of Anchorage, Whittier, and Seward respectively. Bulk freight from metallic and industrial mineral development, coal and petrochemical production, and forest products are estimated. These bulk freight quantities are then multiplied times a per mile cost for the number of miles saved by using Port MacKenzie versus other ports. This results in an annual monetary savings. The net present value of these savings is calculated at a public tax-free bond interest rate of 4.5%, for payback periods of 25 and 30 years.

Metallic mineral and other natural resource freight loads are estimated from a probabilistic analysis of the known mineral and resource occurrences within a 120-mile wide transportation corridor in three separate segments. The primary economic analysis is on the existing Alaska Railroad from Port MacKenzie to the northeastern end of the Alaska Railroad at Eielson AFB. A secondary analysis is conducted on a planned railroad extension from Eielson AFB to Delta Junction and tertiary analysis is conducted on a potential railroad extension from Delta Junction to the Canadian Border.

The primary analysis indicates that the net present value of rail freight savings from the proposed rail link relative to the Ports of Whittier and Seward greatly exceeds the capital cost of the proposed project. The net present value of the rail freight savings for Port MacKenzie relative to the Port of Anchorage over a 30 year period equals 92% of the capital cost of the project.

The economic benefits to the State of Alaska from the development of the metallic mineral occurrences in the rail corridor from Port MacKenzie to Eielson, AFB, assisted by the line extension, greatly exceed the capital cost of the project. These benefits are estimated to range between $61 and $773 million per year for a 100 year time period. Industrial minerals, coal, petrochemicals, and forest products will add significantly to the economic benefits of metallic mineral production.

The citizenry of the state will be the prime beneficiaries of the proposed rail extension addition to the infrastructure of the state that will reduce bulk transportation costs, increase economic development, decrease transportation congestion in the Anchorage area, and decrease the adverse impact of natural disasters on the surface transportation systems in central and south-central Alaska.

Final Report

Economic Analysis of Rail Link

Port MacKenzie to Willow, Alaska

Phase II - Possible Rail Extension Users Analysis

By

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Executive Summary

This economic analysis examines possible business activities that will be induced or enhanced in Southcentral and Interior Alaska by the rail extension from Port MacKenzie to the Alaska Railroad mainline. The possible business activities include: coal exports, mineral aggregate (sand and gravel) exports, lime and portland cement exports, forest product exports, refined petroleum product exports and imports, the Alaska Natural Gas Pipeline logistics and metallic mineral development. This is also a preliminary investigation of the economic benefits provided by these uses and whether these benefits justify the capital investment needed to build the rail extension. The analysis does not include the coal tonnage that would likely be transported on the rail extension, if the Agrium Coal Gasification Project moves forward.

Background: Metallic and non-metallic mineral and solid fuel (coal) resource development is a major source of freight for most railroads worldwide. These bulk commodities must be transported to worldwide markets by the most economical method available. Thus, railroads either transport the materials from mines and quarries directly to manufacturing and population centers or to ocean vessels via the nearest port facilities. Alaska is no exception.

Alaska has abundant mineral and energy resources that can supply both North American and worldwide markets. In the absence of a railroad connection to the contiguous states and major manufacturing in Alaska, these resources must be exported through deepwater port facilities. Connecting the mines to the ports via railroads greatly reduces transportation costs. This increases the competitive advantage of Alaskan resources, and results in maximum returns to the State in the form of jobs, corporate income taxes, and mineral rents and royalties. Estimating the mineral and energy resource potential of Alaska is a necessary step in the planning, design, financing, and construction of infrastructure.

Part I: Part I examines possible exports and imports of products, other than metallic minerals, over the rail extension during the first ten years of rail extension operation. The analysis provides information on expected rail extension use during the first five years (2012-2017) and the second five years (2017-2022) of operation. During the first five years, 1.4 million tons of freight is expected to be annually transported over the rail extension. For the second five year period, 2.4 to 3.4 million tons are expected to be annually transported. *The five year and ten year freight tonnage projections in this investigation* ***may be very conservative.*** *These expected annual tonnages are over and above the 3.3 million tons of coal annually required for the Agrium Coal Gasification Project at Nikiski.*

Part II: Part II focuses on new metallic mineral developments that will be enabled by the proposed 25-40 mile rail extension. The Part II analysis examines the feasibility of developing one small, one large, and one medium metallic mineral deposit inland from the port over the first, second, and third decades of rail extension operation. In addition, the analysis includes a forecast of the tonnage of rail freight for each mine over the initial

mine life; the mining license taxes, royalties, and corporate income taxes expected to accrue to the State of Alaska; and the expected economic benefits that will accrue to the communities along the rail belt from the mine developments.

Metallic mineral deposits and coal in the railbelt corridor have the greatest potential for generating additional rail freight revenues and additional revenues to the State of Alaska as well as additional economic benefits to the railbelt communities. Other potential sources of rail freight loads are relatively small or short term. During the first thirty years of rail extension operation, it is expected that the annual metallic mineral development tonnages transported will be at least 365,000 tonnes in the first decade, 1.7 million tonnes in the second decade and 1.9 million tonnes during the third decade.

The expected annual rail freight revenues from metallic mineral production for the first, second, and third decades of the rail extension operation are expected to increase by $7.8, $33, and $45.1 million respectively The expected revenue streams to the State of Alaska over a sixty year period in the form of corporate income taxes, mining license taxes, and mining royalties from metallic minerals alone are estimated at $18.1 billion or $300 million per year. The economic benefits that will accrue to the railbelt communities from metallic mining over the same period are estimated at $185 billion or $3 billion per year. These amounts far exceed the estimated $225 - $330 million capital cost of providing the rail connection between Port MacKenzie and the rest of the Alaska Railroad system.

Conclusion: The combined Part I and Part II results of estimated metallic and non-metallic annual freight tonnages over the first thirty years of rail extension operation are conservatively expected to range up to 3.7 million tonnes in the first decade, 4.1 million tonnes in the second decade and 4.3 million tonnes in the third decade. Most of the origin or destination of the freight would be the interior of Alaska thus the average haul distances are expected to be approximately 350 miles. At an average freight rate of $0.06 per ton mile, four million tonnes of freight per year along this route would generate annual gross revenues of $84 million.

Cost Savings Related to Use of the Port MacKenzie Rail Extension to Support Alaska Gas Pipeline Construction

Prepared for the

Matanuska-Susitna Borough

March 2008

Prepared by

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Revised Executive Summary Including Additional Scenarios from Appendices

This report was commissioned by the Matanuska-Susitna Borough (MSB) in January 2008. The report's purpose is to examine the transportation savings and other economic advantages of using Port MacKenzie and a proposed rail extension to provide logistical support for construction of a natural gas pipeline connecting Alaska North Slope (ANS) gas reserves to markets in Canada and the Lower 48, as well as a natural gas spur line that will serve Southcentral Alaska markets. This revised executive summary includes a discussion of scenarios included in the appendices showing estimated transportation costs from Anchorage and Whittier.

Transporting gas pipeline construction materials by rail from Port MacKenzie appears to generate significant savings when compared to the costs and foregone savings associated with the transportation of the same materials by rail from Seward, Whittier or Anchorage, or by truck from Valdez. This report estimates that $122 million in cost savings and foregone spending (compared to the use of Port of Seward) could be realized with the full development and use of Port MacKenzie and a rail extension linking the port with the ARRC mainline. Savings are significantly higher—$165 to 176 million—when compared to using the Port of Valdez and using trucks as the primary mode of land transportation. Savings are lower—$107 to $111 million—when compared to using the Port of Anchorage with rail or the Port of Whittier with rail.

Table ES–1 provides a summary of the transportation costs associated with moving pipe, supplies, equipment and other materials for the construction of the ANS main gas pipeline and a gas spur line from Fairbanks to Wasilla. The results are shown for various scenarios developed in this report and in the appendices.[1]

Land Transportation Costs

The summary table shows estimated transportation costs using rail from Seward, using rail from Port MacKenzie, using trucks from Valdez, and using rail from Anchorage and Whittier. The estimated costs of moving material by rail from Port MacKenzie are $23 to $30 million less than the costs of moving the material from the Port in Seward. Moreover, the estimated costs of moving the material by truck from Valdez are significantly higher than any of the rail-based scenarios. The Port MacKenzie transportation costs are up to $58 million less than the Valdez truck option. The rail-based costs from Port MacKenzie are from $5 to $11 million less than estimated rail-based costs from Anchorage and $14 to $20 million less than estimated rail-based costs from Whittier.

Marine Transportation Costs

The summary table also provides comparisons of marine transportation costs to each of the ports including the port fees. In general, the differences in marine transportation costs among ports (up to $5 million), are small relative to the differences in land-based transportation costs. Due to its higher tariff cost, it is estimated that marine costs to Anchorage are highest ($19 million) among the ports considered, while marine costs to Whittier are lowest ($14 million). Marine costs to both Seward and Port MacKenzie are both estimated at $16 million, while marine costs to Valdez are estimated at $15 million.

[1] Land transportation estimates in the main body of the report focus on costs from Port MacKenzie, Seward and Valdez. Appendix B provides additional detail of land-based transportation costs and includes estimates of moving material by rail from Anchorage and from Whittier.

Infrastructure Improvement Costs

The summary table also addresses infrastructure improvement costs related to pipe and pipeline material transport including road and bridge improvements, at-grade rail crossings, and module transport-related road improvements.

Assuming that the pipe and other gas pipeline materials will be transported by truck from Valdez, the road and bridge improvements needed to support gas pipeline construction-related transportation from Delta to Valdez will be no less than $90 million. If the pipe preparation plant is in Valdez, the Glennallen to Tok Highway segment could be used in addition to the Delta to Valdez highway segment. In that case, the road and bridge improvements needed to support gas pipeline construction will be no less than $100 million. The road improvements considered include bridges, passing lanes, turning lanes, safety pull-outs, weigh station upgrades, and other highway improvements. This would be considered a minimum level of investment with no significant pre-construction pavement and sub-base rehabilitation.

Under a second scenario, where you presume that the substandard road segments, with less than ideal geometric standards (lane width, shoulders, curvature and grade) as well as substandard pavement condition need to be brought up to a high standard, the pre-construction investment would rise significantly to the $225 million range with an additional $50 million needed for the Tok Highway section. These improvements do not include pipeline construction related "road wear and tear" repairs (Ottesen, 2008). These road improvement costs are assumed for the Valdez truck transportation options.

It is estimated that the cost of improvements to at-grade rail crossings in and around Wasilla is approximately $73 million (Brooks, 2008). This analysis assumes that this expense would be foregone given the construction of the rail extension to Port MacKenzie since pipeline materials would not go through Wasilla and a significant portion of future freight traffic would use the rail extension. To capture these foregone expenditures if the rail line to Port MacKenzie is built, the analysis shows the $73 million as a cost that would need to be incurred if any of the other ports are used for transporting pipeline materials.

Furthermore, Flour (2003) estimated that $20 million in highway improvements would be required to move modules by road from Kenai. If Port MacKenzie is used to construct some of the large modules and support structures that might otherwise be constructed on the Kenai Peninsula or in Anchorage, and assuming that these modules and structures can be transported by rail, then the need to spend $20 million on improvements to the Glenn and Parks Highway could be eliminated. The $20 million in costs are assumed to occur if Port MacKenzie is not used.

Table ES-1. Summary of Costs Related to the Transport of Pipeline Materials under Different Scenarios

Description	Scenario 1: Seward by Rail	Scenario 2: Port Mackenzie by Rail	Scenario 3: Valdez by Truck	Scenario 4: Valdez by Truck with Coating Plant	Scenario 5: Anchorage by Rail	Scenario 6: Whittier by Rail
Total Tons of Materials to Transport for ANS Gas Mainline (tons)	1,275,383	1,275,383	1,275,383	1,275,383	1,275,383	1,275,383
Total Tons of Materials to Transport for Fairbanks to Wasilla Spur Line (tons)	235,096	235,096	235,096	235,096	235,096	235,096
Total Tons of Materials to Transport for Main Line and Spur Line (tons)	**1,510,479**	**1,510,479**	**1,510,479**	**1,510,479**	**1,510,479**	**1,510,479**
Estimated Land Transport Costs						
Land Transport Costs for ANS Gas Mainline (S)	181,000,000	161,000,000	204,000,000	206,000,000	166,000,000	173,000,000
Land Transport Costs For Spur Line ($)	20,000,000	16,000,000	24,000,000	24,000,000	17,000,000	19,000,000
Land Transport of All Materials for Both Main Line and Spur Line ($)	**201,000,000**	**178,000,000**	**228,000,000**	**229,000,000**	**183,000,000**	**192,000,000**
Differential From Unadjusted Port Mackenzie Costs ($)	23,000,000	-	50,000,000	52,000,000	5,000,000	14,000,000
Land Transport of All Materials (With Adjustment—See Note #4)	**201,000,000**	**172,000,000**	**228,000,000**	**229,000,000**	**183,000,000**	**192,000,000**
Differential From Adjusted Port Mackenzie Costs ($)	30,000,000	-	57,000,000	58,000,000	11,000,000	20,000,000
Estimated Marine Transport Costs						
Marine Transport Costs for ANS Gas Mainline (S)	13,000,000	13,000,000	12,000,000	12,000,000	16,000,000	12,000,000
Marine Transport Costs For Spur Line ($)	3,000,000	3,000,000	2,000,000	2,000,000	3,000,000	2,000,000
Marine Transport of All Materials for Both Main Line and Spur Line ($)	**16,000,000**	**16,000,000**	**15,000,000**	**15,000,000**	**19,000,000**	**14,000,000**
Differntial from Port Mackenzie Costs ($)	less than -500,000	-	-2,000,000	-2,000,000	3,000,000	-2,000,000
Other Costs and Avoided Costs Related to the Transport of Pipeline Materials						
Costs to Repair At-grade Knik Goose Bay Rail Crossings	73,000,000	-	-	-	73,000,000	73,000,000
Costs tp Improve Glen and Parks Highways for Pipeline Module Transport ($)	20,000,000	-	20,000,000	20,000,000	20,000,000	20,000,000
Costs to Improve Richardson Highway between Valdez and Delta Junction ($)	-	-	90,000,000	90,000,000	-	-
Costs to Improve Tok Cut-off between Glenallen and Tok ($)	-	-	-	10,000,000	-	-
Total Costs and Avoided Costs ($)	**93,000,000**	**-**	**110,000,000**	**120,000,000**	**93,000,000**	**93,000,000**
All Marine and Land Costs Related to the Transport of Pipeline Materials						
All Marine and Land Costs and Avoided Costs ($)	**310,000,000**	**188,000,000**	**353,000,000**	**364,000,000**	**295,000,000**	**299,000,000**
Differential from Adjusted Port Mackenzie Costs ($)	122,000,000	-	165,000,000	176,000,000	107,000,000	111,000,000

Source: Estimates were generated by Northern Economics.

Notes:

1. Details regarding these estimates can be found in Appendix B.
2. Costs are rounded to the nearest million—rounding errors account for apparent inconsistencies.
3. All estimates for land transport include rail or trucking costs to staging areas.
4. This adjusts Port MacKenzie rail costs by including $6 million in "difficult to quantify" savings due to congestion costs and higher per mile maintenance costs on the existing ARRC track between Houston and Seward. More details on these adjustments are found in the main report.
5. Otteson (2008) indicates that $90 million in road improvements would be required on the Richardson Highway between Valdez to Delta Junction, with an additional $10 million required if 80-ft double joint sections of pipe will be moved from Valdez.
6. Brooks (2008) estimates the costs to upgrade crossings at $73 million. This report assumes the crossing upgrades would not be required if the rail extension to Port MacKenzie is constructed.
7. Flour (2003) estimates that the $20 million in improvements would be required to move modules from Kenai. These costs could be foregone with a rail extension to Port MacKenzie.

Economic Effects of the Southcentral Rail Extension

Prepared for the

Matanuska-Susitna Borough

March 2007

Prepared by

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Executive Summary

The proposed plan to expand the transportation infrastructure in the Point MacKenzie area by creating a rail link between Port MacKenzie and the Alaska Railroad Corporation's (ARRC) mainline is expected to generate significant economic benefits to the region and the state. This study evaluates the potential economic effects of the construction and operations of the proposed Southcentral rail extension project and some of the anticipated development that may occur as a result of the rail extension. In particular, this study evaluates the direct, indirect, and induced economic effects of the following project components and associated development:

- Construction and operations of the rail extension
- Construction and operations of a new dock at Port MacKenzie
- Construction and operations of loading and unloading facilities from the rail terminal to the dock
- Expansion of coal production at the Usibelli Coal Mine

The economic benefits of the project were measured according to the direct, indirect, and induced jobs and industry output or sales that would be generated by the local spending for construction and operations of various facilities associated with the project. The direct effects estimates of local spending (or in-state spending) were generated using preliminary cost estimates of construction and operating costs for the various facilities. The indirect and induced economic effects (or the multiplier effects) within the state were estimated using an input-output model of the Alaska economy.

Table ES-1 and Table ES-2 summarize the direct and the multiplier effects of the proposed project and associated development.

Table ES-1. Estimated Direct, Indirect, and Induced Industry Output/Sales Associated with the Proposed Southcentral Rail Extension and Associated Development (in million $)

Facility	Direct Local Spending	Additional Business Sales	Total
Rail Extension			
Construction	$193	$164	$357
Operations (annual)	$1.5 - $2	$1.25 - $1.67	$2.75 - $3.67
Uplands Development			
Construction	$8	$6	$14
Operations (annual)	$12	$9.80	$21.80
Port MacKenzie Dock			
Construction	$23 - $26	$19.5 - $22	$42.5 - $48
Operations (annual)	$0.99	$0.80	$1.00
Usibelli Coal Mine (expansion)			
Operations	$15 -$20	$11	$26 - $31
Total Construction			**$413.50 - $419.00**
Total Operations			**$51.55 - $57.47**

If the construction of the rail extension takes two years to complete, then the number of jobs in any year would depend on the expenditures made in each year. If the expenditures in both years of

construction were equal, then the number of total construction-related jobs would be about 1,600 to 1,700 full-time and part-time jobs.

Table ES-2. Estimated Direct, Indirect, and induced Jobs Associated with the Proposed Southcentral Rail Extension and Associated Development

Facility	Direct	Indirect + Induced	Total
Rail Extension			
Construction	1,700 to 1,900	1,500	3, 200 to 3,400
Operations (annual)	10 to 20	10 to 15	20 to 35
Uplands Development			
Construction	80	45	125
Operations (annual)	25 to 35	80	105 to 115
Port MacKenzie Dock			
Construction	230 to 260	145 to 165	375 to 425
Operations (annual)	10	<10	< 20
Usibelli Coal Mine (expansion)			
Operations	60 to 70	115	175 to 185
Total Construction			**3,600 to 3,950**
Total Operations			**320 to 355**

2/08/11 PRESENTATIONS: MARINE TRANSPORTATION ADVISORY BOARD AND ALASKA MARINE HIGHWAY

<TARGET><BILL></BILL><SUBJECT>2-08-11 PRESENTATIONS MARINE TRANSPORTATION ADVISORY BOARD AND ALASKA MARINE HIGHWAY</SUBJECT><COMM>HTRA27</COMM></TARGET>

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(for public distribution)

October 2010

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Thank you Mr. Chairman/Madam Chair and members of the committees.

I appreciate the opportunity to stand before you today and talk about the priorities of the Marine Transportation Advisory Board and the future of the Alaska Marine Highway System. I am Mike Korsmo, MTAB Chair and a professional mariner. There are several MTAB Board members here today who represent the different regions within the Alaska Marine Highway System. If you look at the roster of MTAB Board members that I have provided, you will see that we are a very diverse group of Alaskans who take their responsibility to advise the ADOT&PF and the Governor on improvements to our marine transportation system very seriously.

MTAB was established in 2003 by Administrative Order and put into Alaska State Statute in 2008 under AS 19.65.110. We work closely with AMHS staff on short- and long-term planning as well as scheduling. We serve as a conduit from the public to the Administration. By statute the board may issue reports and recommendations in consultation with DOT&PF and submit to the department and the Governor a strategic plan which includes the mission, core values, objectives, initiatives, and performance goals of the Alaska Marine Highway System.

One year ago, we stood before you and talked about our recommendations for this past year. As I briefly review these three short-term goals please keep in mind that the Marine Highway staff can provide more specific details on how these goals were implemented and their successes.

1. **Operating the Kennicott on a full schedule May through September.** This has been an ongoing priority for MTAB and the 7 Aleutian Island communities served by the AMHS. Operating the Kennicott cross-gulf all summer, instead of tying her up for weeks at a time, allowed for twice a month service to those communities, and is vital to their economic, social and educational well being. This funding goal was accomplished last summer by AMHS with help from the Administration, and is now formally part of the next 3-year scheduling cycle. Because of this long-requested service change, there have been some changes to how the Kennicott will operate in the next three years, and I would like to let the AMHS Staff address that in detail. On behalf of the communities and traveling public, MTAB thanks you all for your support in achieving this goal.

2. **Operating the fast vehicle ferry (FVF) Fairweather on a full schedule in the spring (May/June).** This has been a very important service to Sitka and the Northern Panhandle as the busy summer seasons get cranked up. Once again the AMHS staff and Administration found a way to make this work; however ongoing operational issues with these vessels (FVF Fairweather and Chenega) are not allowing for long-range implementation of this goal. Once again, I will defer to AMHS Staff and Capt. Falvey to explain the status of the fast vehicle ferries and significant continuing mechanical issues. They have been working extremely hard to keep these

vessels operating and this has been greatly appreciated by the public they serve. The MTAB understands how integral these vessels are to the success of the overall system, and has continually stressed that they need to be there for the long term. Last year we requested that money be set aside for replacement engines. There is currently some forward progress being made regarding the mechanical challenges to the FVF engines that Capt. Falvey can address. There are also ongoing legal discussions as to who is responsible for the changes that need to be made to insure these vessels can keep operating. Later on I will talk about how important these vessels have become to Prince William Sound. This is a current priority that we respectfully request your support for.

3. **The 3rd short term goal was that additional money be put into the Vessel Replacement Fund to insure that we keep moving forward with the "Alaska Class Ferry Project".** Thanks to your efforts there is currently between $50-60M in the fund, yet an additional $60M is still needed to build the first vessel. The Administration requested the additional $60M this past year in federal funding, but as you know, the project has been de-federalized and that federal money may no longer be available for this project due to possible procurement changes in support of building the Alaska Class vessel in-state. Constructing this vessel in-state will have significant economic benefits for the State. This leads me into the MTAB's work this past year.

One of MTAB's most important goals is to keep the State of Alaska moving forward to build desperately needed new, fuel- and operationally-efficient vessels. The AMHS fleet, with the exception of the Kennicott, Lituya, Fairweather and Chenega, are getting to the age where it is critical that we start replacing them. Every year it costs more and more money to maintain the older vessels and keep them up-to-date with current state, federal and contract requirements. Fortunately, a significant portion of these maintenance costs are paid for through federal programs, but we cannot rely on this source of funding into the future and the public can't rely on vessels that are regularly showing their age with schedule changing breakdowns. It is our desire that we secure the necessary funding to build the first Alaska Class Ferry (approximately $60M) and annually put money into the Vessel Replacement Fund in order for the State of Alaska to continue replacing its aging fleet. We understand that this is a significant financial commitment, but it is essential that we maintain and improve the unique marine transportation system which is vital to the well being of the entire State of Alaska, not just its coastal communities.

We had hoped that the next new AMHS vessel would be under construction at this time; however, the pause in the project may have some benefits to the state. In December the board had a meeting in Ketchikan and also visited the Ketchikan shipyard (Alaska Ship and Drydock). ASD recently completed the MV Susitna, a ferry destined to be operated between the Municipality of Anchorage and the Mat-Su Borough. This project and the state's investment into Alaskan shipyard infrastructure has prompted a hard look at building a new AMHS vessel in-state. With the current ferry project being de-federalized we believe this gives the State an opportunity to look at building vessels in-state as well as out-of-state, depending on cost and timing.

At the Ketchikan meeting the board had discussions with AMHS staff and ASD shipyard management about methods of designing and building new ferries. This resulted in a MTAB

resolution recommending the State of Alaska pursue the Construction Management/General Contractor procurement method modified to suit the activity of shipbuilding, maximize the Alaska bidder preference, and continue work toward building the Alaska Class vessel as soon as is prudently possible. A copy of the resolution is in your packet. The benefits of building a vessel in-state are numerous and positive. By building the infrastructure and training the labor force to take on such a project, the state would put itself in a position to develop a much needed manufacturing base. This would only enhance our coastal economies and keep much of the marine build and repair business in state. It also will give us a leg up on such activities as we start looking more closely at Arctic Development and Shipment.

The bottom line is that MTAB strongly believes that we need to move forward with the Alaska Class Ferry project this year. AMHS staff needs to continue the process of design which we believe should incorporate the GM/GC procurement method. The State Legislature and the Administration is strongly urged to finish financing this project and to continue annual appropriations for further vessel replacement. If we don't act soon, make no mistake, we will be dealing with our marine transportation system in a crisis mode. This has happened in Washington State in recent years, and they are building new vessels to replace those that were forced out of their system due to age and deficiencies at a much higher cost because of the critical need for the service.

The MTAB also continues to work on long-term goals for the AMHS System.
1)We have worked with staff in developing the next 3-year scheduling cycle for continued consistency and public trust. This change alone has paid off very well for users of the system from Ketchikan to Kodiak and we have seen an increase in ridership as a result.

2) We have had several discussions with marketing staff and feel confident that their approach using the limited funds available is the right one. It has been proven that an increase in marketing funding has a direct impact on ridership and revenues, and we have discussed blending local marketing efforts with system wide marketing to maximize the exposure to the traveling public.

3) We continue to look for efficiencies in maintenance, labor, and operational costs as they continue to increase system wide.

4) We also have been looking at connecting transportation systems throughout the state and how they can be improved to insure the public can take advantage what the state has to offer. An example is a meeting we had in Cordova in September. The board was able to fly into Anchorage, take the Alaska Railroad to Whittier by lunchtime and ultimately end up by fast ferry (Chenega) in Cordova by early evening (4:30 pm). We then had a meeting the next day and flew out that evening to Anchorage and Juneau.

5) Another long-term goal is looking at the impacts of the system on our coastal communities and their connection to urban distribution hubs (cities). Because of the twice monthly Aleutian Island service in the proposed three-year schedule, seven communities can take advantage of Alaskan

businesses in Anchorage, Homer and Kodiak instead of barging from Seattle. Because of the impact of regular ferry service and especially fast ferry service in Cordova, residents there are able to do most of their purchasing in Anchorage instead of having to rely on expensive barge service out of Washington State. This service has also had a huge economic impact on lodges and recreational activities in the Prince William Sound area. There is probably not a better example of what improved AMHS service means to a region then in Prince William Sound. This was accomplished by Communities, AMHS staff, and MTAB all working together. Of course it could never happen without your support and it is an achievement to be proud of.

6) MTAB working with the AMHS staff continues to work on its ways to make sure the public can have input outside of the normal meeting schedules. We have launched a website that we will be updating meetings and provide the public with the newest information regarding scheduling, MTAB meetings and service changes. It will also provide contact information for the MTAB members. The web address is http://www.dot.stste.ak.us.

7) The board still has challenges with our ability to provide input on long range planning efforts with DOT/PF in a timely manner. While we have an excellent working relationship with AMHS staff the current long-range transportation planning is implemented through DOT&PF regions, several of which have marine highway components. Currently the Southeast Alaska Transportation Plan is being finalized and there seems to be a misunderstanding at ADOT&PF of what MTAB's role is in the process. It is our belief that when MTAB was formed in statute it was your intention that we have a major role in advising the marine components of the plan. While we have had discussions with planners at DOT&PF it was on an equal basis of any other organization that provided input to them through the public process and was occurring after the draft plan had been presented to the public. There has been one major improvement to the system this past year, and that is that AMHS has been allowed to bring in their own planner which will give them a dedicated person to work strictly on AMHS issues. We believe this is a big step forward in getting AMHS projects done in a timely manner.

8) Last but not least MTAB is currently working with the new DOT&PF Commissioner Marc Luiken in an advisory role to help select a new deputy commissioner. This is also a statutory obligation and we are taking it very seriously. Tomorrow morning we are having an MTAB meeting, and we will be discussing with the Commissioner what we believe are attributes essential to the deputy commissioner position. We will then be having an executive session to go over potential candidates and hopefully come out of that with a recommendation.

As a follow-up to that, we just want to acknowledge how much the MTAB board appreciated working with Deputy Commissioner Jim Beedle. I have heard him referred to as the poster boy for the Alaska Marine Highway and there are certainly few people who could better reflect what an ideal AMHS employee is. After 30 years as an employee Jim brought a wealth of knowledge and understanding to the position. He worked very closely with us and with his and Capt. Falvey's guidance the system has stabilized and improved. I hope you all got a chance to speak with Jim and if you did you have a much better idea of the complexities of operating a ferry

system over vast distances, with an aging fleet, and with comparatively small population base.

The Marine Transportation Advisory Board thanks you for your support of this complex system. Like many transportation modes in Alaska, it is a huge challenge to provide safe and reliable marine transportation for our coastal communities. Economic growth and stability for the State of Alaska is one of the State's core missions and also that of AMHS. AMHS has an impressive track record for safely delivering goods and people. Not only that but personally, as a mariner, AMHS is often the first responder at many of our maritime incidents. I would hope that there could be some recognition of this by the legislature and administration. Last year we provide you with a list of recent rescues and responses performed by AMHS crews. We do believe a special commendation is merited for their efforts.

Thanks again for your continued support for the AMHS, MTAB and the opportunity to share this update with you today. This concludes my remarks and I would be happy to answer any questions you may have.

On behalf of the Marine Transportation Advisory Board,

Mike Korsmo

Mike Korsmo, MTAB Chair

Marine Transportation Advisory Board resolution supporting an expedited procurement process for the Alaska Class Ferry System, including consideration of the Construction Management/General Contractors (CM/GC) procurement process as the method for securing function detail design and construction of the Alaska Class Ferry

Whereas, the Marine Transportation Advisory Board is tasked by Alaska Statute to make recommendations to the Governor, Legislature and Alaska Department of Transportation and Public Facilities regarding the planning, mission, values and performance goals of the Alaska Marine Highway System, and;

Whereas, the Marine Transportation Advisory Board has recommended the immediate construction of new vessels for the Alaska Marine Highway System and support for building the Alaska Class vessel, and;

Whereas, the State of Alaska is ready and desires to procure marine vessel design and construction services to build the Alaska Class vessel in the best interest of the State, and;

Whereas, other procurement methods, where price is the sole or primary factor for determination of award, introduce risk to the State and the Contractor, and/or cause significant delay for development of bid documents, create an opportunity for artificially low bid documents, create an opportunity for artificially low bids, and potentially creates an adversarial relationship between the State and the Contractor, and;

Whereas, discussions have indicated that the ship building industry and the bonding industry prefer the risk mitigation features of this process and may not be interested in competing on a price base award process, and;

Whereas, Construction Management/General Contractor mitigates risk for both the Owner and the Contractor and has a track record of bringing in large, complex projects close to projected budgets and schedules, and;

Whereas, Construction Management/General Contractor includes a competitive bid process and provides the State opportunity to reject the Guaranteed Maximum Price and take the project out to bid, and;

Whereas, constructing the Alaska Class vessel in a shipyard located in the State would create significant economic benefit to the State for the first and subsequent marine vessels procured by the state, and;

Therefore, be it resolved that the Marine Transportation Advisory Board recommends the State of Alaska pursue the Construction Management/General Contractor procurement method modified to suit the activity of shipbuilding, maximize the Alaska bidder's preference and continue work toward building the Alaska Class vessel as soon as is prudently possible.

Mike Korsmo

Mike Korsmo, Chair

DEPARTMENT OF TRANSPORTATION

Office of the Secretary

49 CFR Part 39

[Docket OST–2007–26829]

RIN 2105–AB87

Transportation for Individuals With Disabilities: Passenger Vessels

AGENCY: Office of the Secretary, Department of Transportation.

ACTION: Final rule; request for comments.

SUMMARY: The Department is issuing a new Americans with Disabilities Act (ADA) rule to ensure nondiscrimination on the basis of disability by passenger vessel operators (PVOs). This rulemaking concerns service and policy issues. Issues concerning physical accessibility standards will be addressed at a later time, in conjunction with proposed passenger vessel accessibility guidelines drafted by the United States Access Board. The Department is also seeking further comment on three issues, concerning emotional support animals, mobility aids, and the relationship of DOT and DOJ rules.

DATES: This rule is effective November 3, 2010. Comments should be received by October 4, 2010.

ADDRESSES: You may submit comments (identified by the agency name and DOT Docket ID Number OST–2007–26829) by any of the following methods:

- *Federal eRulemaking Portal:* Go to *http://www.regulations.gov* and follow the online instructions for submitting comments.
- *Mail:* Docket Management Facility: U.S. Department of Transportation, 1200 New Jersey Avenue, SE., West Building Ground Floor, Room W12–140, Washington, DC 20590–0001.
- *Hand Delivery or Courier:* West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue, SE., between 9 a.m. and 5 p.m. ET, Monday through Friday, except Federal holidays.
- *Fax:* 202–493–2251.

Instructions: You must include the agency name (Office of the Secretary, DOT) and Docket number (OST–2009–) for this notice at the beginning of your comments. You should submit two copies of your comments if you submit them by mail or courier. Note that all comments received will be posted without change to *http://www.regulations.gov* including any personal information provided and will be available to Internet users. You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (65 FR 19477) or you may visit *http://DocketsInfo.dot.gov.*

Docket: For Internet access to the docket to read background documents and comments received, go to *http://www.regulations.gov.* Background documents and comments received may also be viewed at the U.S. Department of Transportation, 1200 New Jersey Ave., SE., Docket Operations, M–30, West Building Ground Floor, Room W12–140, Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Robert C. Ashby, Deputy Assistant General Counsel for Regulation and Enforcement, Department of Transportation, 1200 New Jersey Avenue, SE., Room W94–302, Washington, DC 20590. (202) 366–9310 (voice); (202) 366–7687 (TDD); *bob.ashby@dot.gov* (e-mail).

SUPPLEMENTARY INFORMATION: The Department of Transportation has issued rules concerning nondiscrimination on the basis of disability for almost every mode of passenger transportation, including public transportation (bus, subway, commuter rail), over-the-road buses, intercity rail, and air transportation. The only mode for which the Department has yet to issue rules is transportation by passenger vessels. With this final rule, the Department can begin to close this gap in coverage of transportation for individuals with disabilities.

Background

When the Department issued its first Americans with Disabilities Act (ADA) rules in 1991, we discussed the coverage of passenger vessels. The Department reserved action on passenger vessels in the regulatory text in the final rule, and made the following statements on the subject in the preamble (56 FR 45599–45560; September 6, 1991):

> Ferries and passenger vessels operated by public entities are covered by the ADA, and subject at this time to DOJ Title II requirements as well as § 37.5 of this Part. * * * We anticipate further rulemaking to create appropriate requirements for passenger vessels * * *. The reason for this action is that, at the present time, the Department lacks sufficient information to determine what are reasonable accessibility requirements for various kinds of passenger vessels. * * * The Department of Transportation anticipates working with the Access Board and DOJ on further rulemaking to define requirements for passenger vessels. * * * The Department does want to make clear its view that the ADA does cover passenger vessels, including ferries, excursion vessels, sightseeing vessels, floating restaurants, cruise ships, and others. Cruise ships are a particularly interesting example of vessels subject to ADA coverage.
>
> Cruise ships are a unique mode of transportation. Cruise ships are self-contained floating communities. In addition to transporting passengers, cruise ships house, feed, and entertain passengers and thus take on aspects of public accommodations. Therefore cruise ships appear to be a hybrid of a transportation service and a public accommodation * * *
>
> In addition to being public accommodations, cruise ships clearly are within the scope of a "specified public transportation service." The ADA prohibits discrimination in the full and equal enjoyment of specified public transportation services provided by a private entity that is primarily engaged in the business of transporting people and whose operations affect commerce (§ 304(a)). "Specified public transportation" is defined by § 301(10) as "transportation by bus, rail, or any other conveyance (other than by aircraft) that provides the general public with general or special service (including charter service) on a regular and continuing basis."
>
> Cruise ships easily meet the definition of "specified public transportation." Cruise ships are used almost exclusively for transporting passengers and no one doubts that their operations affect commerce. Cruise ships operate according to set schedules or for charter and their services are offered to the general public. Finally, despite some seasonal variations, their services are offered on a regular and continuing basis.
>
> Virtually all cruise ships serving U.S. ports are foreign-flag vessels. International law clearly allows the U.S. to exercise jurisdiction over foreign-flag vessels while they are in U.S. ports, subject to treaty obligations. A State has complete sovereignty over its internal waters, including ports. Therefore, once a commercial ship voluntarily enters a port, it becomes subject to the jurisdiction of the coastal State. In addition, a State may condition the entry of a foreign ship into its internal waters or ports on compliance with its laws and regulations. The United States thus appears to have jurisdiction to apply ADA requirements to foreign-flag cruise ships that call in U.S. ports.

The U.S. Supreme Court affirmed the Department's long-held view that the ADA covers passenger vessels, specifically including foreign-flag cruise ships. In *Spector et al.* v. *Norwegian Cruise Lines,* 545 U.S. 119 (2005), the Court held that cruise ships are "public accommodations" that provide "specified public transportation" within the meaning of the ADA. The Court said that, while there may be some limitations on the coverage of the ADA to matters purely concerning the internal affairs of a foreign-flag vessel, matters concerning the ship operators' policies and conditions relating to transportation of passengers with disabilities (*e.g.,* higher fares or surcharges for disabled passengers,

waivers of medical liability, requirements for attendants) had nothing to do with a ship's internal affairs. Such matters, then, are clearly subject to ADA jurisdiction. It is issues of this kind that are the focus of this final rule.

The Access Board has been working for some time on drafting accessibility guidelines for passenger vessels. On November 26, 2004, the Access Board published for comment a notice of availability of draft guidelines for larger passenger vessels with a capacity of over 150 passengers or overnight accommodations for over 49 passengers. Since that time, the Access Board has been reviewing comments received and planning work on a Regulatory Assessment for vessel guidelines. On July 7, 2006, the Access Board issued a second notice of availability asking for comments on a revised draft of vessel guidelines. Following the review of comments on that notice, the Access Board, in cooperation with the Department of Transportation, would issue an NPRM and Regulatory Assessment concerning physical accessibility requirements for larger passenger vessels. As envisioned, the final rule resulting from such a future NPRM would ultimately be joined with a final rule resulting from this final rule in a single, comprehensive passenger vessel ADA rule.

On November 29, 2004, the Department published an advance notice of proposed rulemaking (ANPRM) asking questions about the shape of future ADA requirements for passenger vessels (69 FR 69247). The Department received 43 comments to the ANPRM. Most of these comments concerned the Access Board's draft guidelines and physical accessibility issues relating to existing and new vessels, and some of them concerned physical accessibility issues specific to very small vessels. The Department is retaining these comments and will consider them in context of the continuing work on the Access Board's draft vessel guidelines and the future NPRM that would propose to incorporate those guidelines in DOT rules.

The only comment on the ANPRM that concerned issues included in this NPRM was from the International Council of Cruise Lines (ICCL), a trade association for entities in the cruise industry. ICCL recommended that the rules exempt transfers of persons from larger vessels to tenders; recognize the flexibility of cabin configurations; exclude from coverage shore excursions provided by third-party-vendors, particularly in foreign countries; have eligibility criteria and direct threat provisions that allow operators to establish policies that will avoid safety risks; permit requirements for personal attendants; and permit limitations on the transportation of service animals. The Department addressed these comments in context of the individual sections of the proposed rule.

The notice of proposed rulemaking (NPRM) for this rule was issued on January 23, 2007 (72 FR 2833). In response to the NPRM, hundreds of comments were received from disability advocacy groups, the regulated industry, other governmental agencies, and the general public. At the request of industry, the Department held a public meeting on April 8–9, 2008, where members of these groups attended to inform the Department of their views on the practical effect of the NPRM's provisions. This final rule addresses the comments received in the docket and at the public meeting.

Section-by-Section Analysis

Section 39.1 What is the purpose of this Part?

This section briefly states the nondiscrimination-related purposes of the rule and specifies that nondiscrimination requirements apply to operators of foreign-flag as well as U.S. vessels.

Section 39.3 What do the terms in this rule mean?

This section defines the terms used in this rule. Many of the definitions are based on parallel definitions in other disability nondiscrimination regulations, adapted to the passenger vessel context. This preamble discussion focuses on terms that are specific to the passenger vessel context. Other terms have the same meanings as they do in other DOT disability rules.

Because this rule does not propose physical accessibility requirements for vessels, the definition of "accessible" will be fleshed out with proposed standards based on Access Board guidelines in a future rulemaking. The definitions of "auxiliary aids and services" and "direct threat" are drawn from Department of Justice regulations. "Direct threat" concerns only threats to the health and safety *of others*. Something that may threaten only the health or safety of a passenger with a disability, himself or herself, by definition cannot be a direct threat. The definition of "direct threat" is consistent with the understanding of that term in DOT and DOJ regulations. In the preamble to its over-the-road bus ADA rulemaking, the Department provided a thorough discussion of this concept (63 FR 51671–51674), which remains a good guide to the Department's thinking on this issue.

The definition of "disability" is taken from the existing ADA rule, 49 CFR Part 37. The Department is well aware that the ADA Amendments Act of 2008 altered the definition of disability. However, in its pending ADA Title II and Title III regulations, DOJ has not modified its existing definitions of this term, though it expects to do so In the future. The Department believes that it would be best to work on the regulatory expression of the amended definition in concert with DOJ, resulting in a single government-wide regulatory definition. Typically, in DOT transportation nondiscrimination practice (in contrast, for example, to employment nondiscrimination matters), the definition of "disability" has not been a major issue. In implementing this rule, the Department will be informed by the 2008 legislation if any issues arise in which the changed language of the statute are relevant to the obligations of PVOs.

The term "disability" means, with respect to an individual, a physical or mental impairment that substantially limits one or more of the major life activities of such individual; a record of such an impairment; or being regarded as having such an impairment. A commenter expressed concern that passengers may have many different kinds of disabilities and said that the proposed rule does not clearly define "disability." Another commenter stated that the definition of "disability" is unnecessarily confusing since it allows people who are "misclassified as disabled" to be considered disabled for the purposes of this rule.

The definition of the term "disability" in this rulemaking is based on the ADA statutory definition of "disability," and longstanding DOT and DOJ regulatory definitions. People who are "regarded as" having a disability, even if in fact they don't, have always been a protected class under the ADA. It is certainly true that there are many kinds of disabilities, and the definition, as fitting in a civil rights mandate, is intentionally broad.

The definition of "facilities" is also consistent with the definition of this term in other DOJ and DOT rules. Examples of facilities in the passenger vessel context include such things landside facilities and floating docks that a vessel operator owns, leases, or controls in the U.S. (including its territories, possessions, and commonwealths). Comments received in relation to the definition of facilities and terminals from the cruise line

industry objected to applying this rulemaking to facilities outside the U.S. due to possible conflict with the laws of the host nation. As in the case of the Air Carrier Access Act, where the Department does not assert jurisdiction over airports in foreign countries, the Department does not in this rule attempt to cover port facilities abroad. A passenger vessel operator (PVO) would be viewed as controlling a facility, even if it did not own or lease it, if the facility owner, through a contract or other arrangement, delegated authority over use of the facility to the passenger vessel operator during those times in which the vessel was at the facility.

The Department realizes that entities other than PVOs, such as municipalities or other private businesses, may own, lease, or control U.S. landside facilities that passenger vessels use. The obligations of these entities would be controlled by Titles II and III of the ADA and, in some cases, by section 504 of the Rehabilitation Act of 1973. The relationship envisioned between the facility owner/controller and the PVO is analogous to other situations in which entities subject to different disability access rules share responsibility (*e.g.*, public entity landlord subject to Title II leases property to a private entity subject to Title III).

The definition of "historic vessel" is also one that is likely to become more significant when future rulemakings include physical accessibility standards to Part 39. "New," "existing," and "used" passenger vessel are also terms that will be of greater importance once physical accessibility standards are in place. Because they are not necessary in this regulation, the Department has deleted these definitions. We anticipate proposing definitions of these and other terms relevant to the application of physical accessibility standards in a subsequent rulemaking related to Access Board proposals for passenger vessel guidelines.

"Operates" means the provision of transportation by any public or private entity on a passenger vessel. Moreover, the definition also includes the provision of transportation by another party having a contractual or other arrangement or relationship with the PVO involved. As in other parts of the Department's accessibility rules, a party can contract out its functions, but cannot contract away its responsibilities.

"Passenger vessel" is meant to be a broadly encompassing term for any boat, ship, or other craft that is hired by members of the public or for other activities conducted as a part of the vessel operator's normal operations (which could include promotional activities such as the use of a vessel by members of the public for which a fare is not charged or free ferry service). Boats or other craft that are rented or leased to consumers to be operated by the consumer (versus by the passenger vessel operator and its personnel) are not covered.

One commenter recommended excluding vessels that support offshore oil and gas activities from this definition. Such vessels are chartered by a customer principally for transport of cargo. Other commenters recommended excluding from the rulemaking supply vessels, crew boats, all vessels below a certain size (*e.g.*, 100 gross tons, space for 150 or 6 passengers) school training or sailing vessels, party fishing vessels, and research vessels carrying students if the "mission" of the vessel would be compromised.

It appears that many of these comments were based on the premise that this rule will require significant physical changes to existing vessels. It will not. This rule addresses policies and practices of PVOs, not the design or construction of their vessels. With respect to PVO policies that would, for example, exclude an individual because he is blind, or charge extra fees because a passenger uses a wheelchair or other assistive device, the nondiscrimination principles of the ADA do not apply any differently because of the size or function of a vessel. As it develops its vessel accessibility guidelines, the Access Board is taking vessel size matters into account, and in future rulemaking the Department anticipates harmonizing its standards with the Access Board guidelines, including size limitations the Access Board rule may adopt.

The Passenger Vessel Association commented that, where a vessel owner or operator is not paid for carrying the passengers, there should be no additional requirements placed on the owner by the rule. The Department disagrees. The rights of individuals with disabilities are protected under the ADA whether or not the individual is a paying customer. There is no basis under the statute for treating individuals differently based on their status as paying or non-paying passengers.

"Passenger vessel operator" is a term that includes both owners and operators of a passenger vessel. A PVO may be either a public or a private entity. Sometimes, ownership of vessels can be complex, with two or more parties involved, with yet another party responsible for the day-to-day operation of the vessel. In such situations, all the parties involved would be jointly and severally responsible for compliance with these rules.

In a change from the NPRM, the term PVO includes only private entities primarily engaged in the business of transporting people. The Department of Justice (DOJ) has authority over public accommodations that operate vessels and are not primarily engaged in the business of transporting people. DOJ's regulations applicable to public accommodations apply to ensure nondiscrimination by such vessel operators. Persons with complaints or concerns about discrimination on the basis of disability by vessel operators who are private entities not primarily engaged in the business of transporting people, or questions about how DOJ's regulations apply to such operators and vessels, should contact DOJ. For these reasons, it has been determined that it is not necessary to include provisions in this final rule concerning vessels operated by private entities not primarily engaged in the business of transporting people.

The basic distinction is that a vessel operator whose vessel takes passengers from Point A to Point B (*e.g.*, a cruise ship that sails from Miami to one or more Caribbean islands, a private ferry boat between two points on either side of a river, a water taxi between two points in an urban area) is most likely a private entity primarily in the business of transporting people. A vessel operator who departs from Point A, takes passengers on a recreational trip, and returns passengers to Point A without ever providing for disembarkation at a Point B (*e.g.*, a dinner or harbor cruise, a fishing charter) is most likely a private entity not primarily engaged in the business of transporting people. In cases where it is not clear whether a vessel operator is or is not primarily engaged in the business of transporting people, the Department of Transportation, in consultation with DOJ, will determine into which category the operator falls. There may be certain situations in which a passenger vessel's operations can simultaneously be subject to both DOT and DOJ rules.

The terms, "individual with a disability" and "qualified individual with a disability," have similar meanings for purposes of the rule. There could be situations in which a qualified individual with a disability may not actually be a passenger, such as in the case of an individual choosing to assist a person with a disability in ways that do not involve actually accompanying the person on a voyage (*e.g.*, assistance with buying tickets, assistance in moving through a terminal, advocating

for the person with the PVO concerning policies affecting the person's travel).

"Specified public transportation" should not be read under this Part to include promotional rides on vessels for the purpose of informing a vessel purchase. Nor does it include operations of vessels by private entities not primarily engaged in the business of transporting people.

"Terminal" refers to property or facilities adjacent to the means of boarding a vessel that passengers use to get to the vessel. A terminal, in this sense, can be a large complex, a building, or a very simple facility. Importantly, terminals are covered under Part 39 only to the extent that the PVO owns or leases the terminal or exercises control over its selection, design, construction, or alteration (*e.g.*, PVO selects site for construction of new facility; PVO has choice of docking at existing accessible or inaccessible facility).

The definition of "wheelchair" is taken from the Department's ADA rule for surface transportation modes, 49 CFR part 37. The only difference is that the part 39 definition does not include a sentence referring to the "common wheelchair" term. This term was taken from Access Board guidelines relating to the design and construction of surface transportation vehicles, and it is not clear that the term has a relevant application in the passenger vessel context. Moreover, the inclusion of the term in part 37 has been problematic, in that it has led to unanticipated operational applications of what was intended to be a design standard.

Section 39.5 To whom do the provisions of this Part apply?

The Department is applying the provisions of this Part to all passenger vessels, regardless of size. There are three major exceptions to this general coverage. First, while all U.S.-flagged vessels would be covered, coverage of foreign-flag vessels would be limited to those that pick up or discharge passengers in the U.S. For example, suppose a foreign-flag cruise PVO operates two ships. One of them sails only among ports in Europe. Another picks up passengers in Miami and cruises to several Caribbean ports. The latter would be covered and the former would not. Several commenters recommended for the rule to apply to all domestic and foreign cruise ships, including river cruise ships, regardless of whether the ships picks up passengers in the U.S. The Cruise Lines International Association, Inc. disagreed, and commented that the rules should not cover foreign flag cruise ships that do not embark, disembark, or stop at any U.S. ports because Congress has not made a "clear statement" of intent that the ADA apply extraterritorially. This rule covers only those vessels that pick up or discharge passengers in the U.S.

The second exception will address vessel accessibility standards. To this end, this rule reserves paragraph (c) to state the scope of the applicability of these standards in the future. As noted above, some comments urged exempting small vessels from the rules due to the difficulty in making physical modifications to such vessels. The Department notes that draft Access Board vessel guidelines would limit their application to vessels permitted to carry over 150 passengers or over 49 overnight passenger capacity categories, as well as tenders with a capacity of 60 or more and all ferries. The Department would follow the Access Board's final guidelines, when they are issued, with respect to coverage.

While exemptions or scoping provisions based on vessel size might be appropriate for accessibility standards, the Department believes that there is no basis by which to justify an exemption from the nondiscrimination provisions not related to such standards. The provisions of this rule are do not require physical changes to a vessel, but rather concern an operator's policies to ensure treatment for disabled passengers that is consistent with the intent of the ADA.

The third exception, as noted above, is that the rule will apply only to private entities primarily engaged in the business of transporting people, and not to private entities not primarily engaged in the business of transporting people. This change eliminates from coverage the vast majority of small private entities to which the NPRM would have applied.

Section 39.7 What other authorities concerning nondiscrimination on the basis of disability apply to owners and operators of passenger vessels?

This section simply points out that recipients of Federal financial assistance (*e.g.*, some public ferry operators) are, in addition to part 39, subject to section 504 of the Rehabilitation Act and DOT implementing rules. Department of Justice (DOJ) ADA regulations, as applicable, also cover PVOs.

Section 39.9 What may a PVO of a foreign-flag vessel do if it believes that a provision of a foreign nation's law prohibits compliance with a provision of this Part?

Section 39.9, which parallels language in the Department's Air Carrier Access Act (ACAA) rules for foreign carriers, provides a waiver mechanism for situations in which a PVO for a foreign-flag vessel believes that a binding legal requirement of a foreign nation (or of an international agreement) precludes compliance with a requirement of Part 39. This provision concerns binding legal requirements, not guidance or codes of suggested practices. It concerns situations in which such a binding legal requirement actually precludes compliance with a Part 39 provision (*e.g.*, Part 39 says "You must do X," while a binding foreign legal requirement says "You must not do X"), as opposed to a situation where foreign law authorizes a practice that differs from a Part 39 requirement (*e.g.*, Part 39 says "You must do Y," while a foreign law says "You may do Z"). In a situation where the Department grants a waiver, the Department would look to the PVO for a reasonable alternative means of achieving the purpose of the waived provision.

To avoid placing PVOs in a situation in which they potentially would be required to comply with contradictory legal requirements, this rule provides PVOs 90 days from the publication of the final rule to file a waiver request. If the PVO files a waiver request meeting the requirements of this section within that period, it could continue to implement policies that it believes are consistent with the foreign law in question pending the Department's decision on the waiver request.

A commenter suggested that an international governing body could be set up to mediate issues of conflict between foreign law and U.S. law. The same commenter recommended that such a governing body could also evaluate a PVO's alternative means of compliance under the standard of "best interest of the person with a disability." At this time, the Department does not believe that the establishment of procedures other than those proposed in the NPRM is appropriate or necessary. These decisions are properly made by the Department as part of its ADA responsibilities. The parallel provisions under the Air Carrier Access Act have worked well with respect to international air carriers.

Proposed section 39.11, concerning equivalent facilitation, has been reserved since it relates mainly to future standards based on the Access Board's vessel design and construction guidelines, which have not yet been formally proposed or adopted by the Access Board. The Department anticipates proposing such a provision in a subsequent NPRM to adopt Access Board guidelines.

Section 39.13 When must PVOs comply with the provisions of this Part?

As a general matter, PVOs would have to begin to comply with the provisions of this rule as soon as the rule becomes effective. There is no evident reason why PVOs should need a lengthy phase-in period to comply with requirements pertaining to denials of transportation on the basis of disability, extra or special charges, attendants, advance notice, waivers of liability, *etc.* Indeed, a significant number of PVO commenters said that their practices and policies are already consistent with the requirements the Department is making part of this rule.

Comments were received urging a range of options from requiring immediate compliance with the rule to delaying the rule until it can be issued with the Access Board's final standards and so that training can be conducted for implementing the rule. As the final rule does not include training requirements and no vessel modifications are required as a result of this rule, the Department believes that simply defining nondiscrimination policies under the ADA does not require any lead time for implementation.

Section 39.21 What is the general nondiscrimination requirement of this Part?

The provisions of this section are parallel to the general nondiscrimination requirements in the Department's other disability-related rules. We call attention particularly to paragraph (b), which would require reasonable modification of PVOs' otherwise acceptable general policies where doing so is necessary to accommodate the needs of a particular individual or category of individuals with a disability. Such modification is required unless it would require a fundamental alteration in the nature of the PVO's services, facilities, *etc.* The final rule modifies the NPRM's language to reflect distinctions between the reasonable modification obligations of public and private entities, consistent with DOJ rules on the subject.

A few commenters stated that the language relating to "reasonable modifications" was not congruent with other Departmental ADA rulemakings and that the requirement to make reasonable modifications exceeds the Department's authority under the ADA. "Reasonable modifications" is a central idea of disability law, occurring in many applications of section 504 of the Rehabilitation Act. A similar provision was adopted in a rulemaking concerning the Air Carrier Access Act, and it has caused no problems of which we are aware. Department of Justice (DOJ) ADA rules have long included the concept. While the Department's surface transportation ADA rule (49 CFR part 37) does not presently include this language, the Department, in a pending rulemaking concerning part 37, has proposed to add it. The Department believes it is appropriate for a PVO to modify policies so that accessible service is actually made available to passengers, absent a alteration. Commenters were unable to provide any examples of how doing so would be inimical to passenger vessel operations or safety.

Section 39.23 What are the requirements concerning contractors to owners and operators of passenger vessels?

As noted above, contractors and other persons whom the PVO uses to provide services to passengers "stand in the shoes" of the PVO with respect to the requirements of this rule. The PVO must ensure, through provisions in the contracts or other agreements with such third parties, that the third parties comply with applicable requirements.

Commenters were concerned with the speed at which contracts must be updated to reflect contractors' duties on behalf of a PVO with respect to the ADA. All contracts must be updated within one year from the effective date of this rule or the contract anniversary date, whichever one comes sooner. The Department believes this amount of time is sufficient for compliance.

Another commenter suggested excluding contractors outside of the U.S. from the requirements of the rule. This final rule does not apply to contractors who work with PVOs outside of the U.S. However, PVOs are encouraged to voluntarily contract for compliance with the ADA to the maximum degree that foreign/international laws will allow.

In reference to paragraph (b), the same commenter suggested that the requirement to include "assurance of compliance" language in contracts should not be applied to contracts between cruise lines and their U.S.-based contractors. The commenter expressed that modifying contracts to add this required language would cause an "undue burden" on cruise lines and would be unnecessary due to existing ADA requirements applicable to U.S.-based contractors. There is no showing in any of the comments that the task of making such a modification to the contract would be a significant barrier at all, let alone an "undue burden." If, as the commenter suggests, the contractors are already in compliance with ADA obligations, the burden on them would be negligible.

Another commenter questioned whether paragraph (b) implicitly requires the creation of a written contract where the PVO and contractor have been operating without such a contract. There is no mandate for a written contract, though good business practices often involve written contracts. However, the absence of a written contract does not excuse noncompliance by a PVO resulting from the action of a third party acting on its behalf. The Department does not need to receive copies of written agreements between a PVO and a contractor.

Section 39.25 May PVOs refuse to provide transportation or use of a passenger vessel on the basis of disability?

The Department views any policy or action prohibiting a person with a disability from being transported on or otherwise using a passenger vessel as discriminatory on its face. If a PVO says to a person, literally or in effect, "you are a person with a disability, therefore stay off my vessel," the PVO would violate this rule.

The Department recognizes that some disabilities may make other passengers uncomfortable. That is not a justifiable reason to deny access to the vessel to persons with these disabilities (*see* paragraph (b)). Only if there is a genuine safety issue, meeting the stringent criteria outlined in section 39.27, would the PVO be justified in excluding a person because the person has a disability. Even in that case, the PVO would have to provide a written or e-mail explanation to the person within 10 days of the denial (paragraph (c)).

Two commenters indicated that historic vessels may not be able to meet the requirements of this section. Another commenter inquired as to whether the section allows the PVO to deny a "wheelchair-bound" passenger access to a second deck where the deck is only accessible by stairs, or from going to a first deck dining space when there is no remaining accessible space in the dining room. The Department recognizes that, particularly for vessels built before the adoption of physical accessibility standards, some vessels will not enable some persons with certain disabilities to travel on or to obtain some services aboard the vessels. For example, an older vessel might not have any overnight cabins of a size that could accommodate a person using a power wheelchair, or might have a dining area that is on a deck that can be accessed only by using steps. The

Department would not, in such a situation, regard a PVO's statement to a passenger about existing physical barriers as equivalent to a policy denying transportation on or use of the vessel on the basis of disability.

Another commenter suggested using a "strict scrutiny" standard for determining whether a vessel's explanation for denying access is reasonable. The "strict scrutiny" legal standard is used for assessing constitutional law issues, and it is not suitable for this situation.

Many of the comments regarding this section ultimately addressed vessel construction and the difficulty involved in handling numerous passengers with mobility aids. This rulemaking imposes no duty on PVOs to make alterations to their vessels to accommodate disabled passengers, beyond existing ADA requirements for Title II (program accessibility) or Title III (readily achievable barrier removal) entities.

As was pointed out by commenters in the public meeting, passenger vessels operate a customer service oriented business that necessitates accommodating passenger requests whenever possible. However, this rule does not call on PVOs to do the physically impossible. For instance, suppose a vessel has entries/corridors that are 30 inches wide and a passenger uses a mobility aid that is 36 inches wide. The passenger is not able to be physically accommodated through those corridors using this device and the PVO would not be in violation of this rule. (Of course, if the passenger chose to use an alternative mobility device that could fit the space, the passenger would have to be provided access using the alternative device.)

Section 39.27 Can a PVO take action to deny transportation or restrict services to a passenger with a disability based on safety concerns?

This section states that a PVO can deny transportation or restrict services to a person with a disability when necessitated by legitimate safety requirements. Legitimate safety requirements cannot be based on mere speculation, stereotypes, or generalizations about individuals with disabilities. They can be based only on actual, demonstrable safety risks. The rule would also permit a PVO to deny or restrict transportation of a passenger with a disability in the event that the passenger posed a direct threat to others. While there is no recordkeeping requirement in the rule, a PVO that claims legitimate safety requirements as the basis for any restriction on a passenger with a disability should be prepared to justify the actual safety basis for its restriction. This would be an important issue in the review of a complaint by the cognizant Federal agency.

Section 39.29 May PVOs limit the numbers of passengers with a disability on a passenger vessel?

The Department views any policy limiting the number of passengers with a disability on a vessel as discriminatory on its face. However, the cruise industry and several PVOs commented that limiting the number of passengers with mobility aids might be necessary based on what a vessel can accommodate either physically or with current staff levels. The Department understands these comments but believes it is necessary to differentiate between disabled individuals with mobility impairments as opposed to persons with other disabilities such as hearing or vision impairments. PVOs do not have any need to limit the number of disabled individuals without a mobility impairment.

However, the Department does recognize that vessel weight and stability requirements may necessarily limit the number of disabled passengers requiring wheelchairs or other powered mobility devices that can safely be physically accommodated on board at any one time. For example, if there are already two individuals on board the vessel using power wheel chairs, and accommodating a third such individual would create weight or stability issues that would threaten the safety of the vessel and persons aboard it, the Captain could deny transportation to the third individual on the basis of a legitimate safety requirement. The Department anticipates that this issue would arise only on relatively small vessels (*e.g.*, a small water taxi), not on larger vessels (*e.g.*, a cruise ship, the Staten Island ferry).

The Department also recognizes that, on some smaller vessels, the physical limitations of the vessel may impose limits on the number of wheelchairs or other mobility devices that can physically fit. This provision is not intended to require, for example, that 10 wheelchairs must be accommodated on a vessel where there is physical space for only four.

Section 39.31 May PVOs limit access to transportation on or use of a vessel on the basis that a passenger has a communicable disease?

Section 39.33 May PVOs require a passenger with a disability to provide a medical certificate?

These related provisions are intended to limit PVOs' discretion to impose requirements or restrictions on passengers on medical grounds. Most disabilities are not medical conditions: A person is not ill because he or she cannot see, hear, or walk, and applying a medical model to many disabilities is inappropriate. On the other hand, people with some communicable diseases may have a disability as the result of their disease and can pose health threats to others on board the vessel.

With respect to communicable diseases, the PVO cannot deny or restrict transportation on or use of a passenger vessel on the basis that the passenger has a communicable disease, unless the PVO acts (1) on the basis of a determination by a public health authority or (2) the PVO is able to make a two-pronged determination. One prong is the severity of the health consequences of a disease; the other is whether the disease can readily be communicated by casual contact. Only if a disease has both severe consequences to the health of other persons *and* is readily communicable by casual contact could a PVO legitimately deny or restrict transportation.

For example, HIV/AIDS has severe health consequences, but is not readily communicable by casual contact. The common cold is readily communicable by casual contact but does not have severe health consequences. Consequently, having a cold or AIDS would not be a basis on which a PVO could limit a person's transportation on or use of a vessel. Probably the best recent example of a disease that meets both criteria is Severe Acute Respiratory Syndrome (SARS), and a readily human-to-human transmissible flu pandemic with severe effects on persons contracting the disease or an outbreak of norovirus would also qualify.

It should be noted that there could be some circumstances in which the two criteria mentioned in this section could interact. For example, a public health authority could issue an alert or recommendation concerning the travel by people with a particular disease, but not make a determination that such persons could not travel at all. In these circumstances, a PVO could still restrict travel by persons with the disease if it met both the casual contact

transmission and severe health consequences prongs of the regulatory test in this section.

It is important that, in addressing communicable disease issues, PVOs act in a nondiscriminatory way. Policies for excluding passengers on the basis of communicable disease or illness must not be exercised to exclude disabled passengers disproportionately. For example, if only deaf individuals with norovirus are denied boarding, while hearing passengers with the same condition are allowed to board, there would be a violation of this rule.

In any case in which a medical certificate may be required or a limitation on a passenger's travel be imposed because of a communicable disease, the limitation would have to be the minimum needed to deal with the medical issue involved. For example, the PVO would not be authorized to deny transportation to an individual if a less drastic alternative, such as the passenger's use of medical measures that would reduce the likelihood of the transmission of an illness, is available.

If a PVO refuses transportation to a passenger with a disability on grounds related to a communicable disease or other medical condition, the PVO must permit the passenger to travel or use the vessel (or a comparable vessel for a comparable trip) at a later available date within one year at the same price as the original trip or, at the passenger's discretion, provide a refund. If there is not an available date for the passenger to be rebooked within one year, a refund would have to be provided.

Section 39.31 would prohibit a PVO from requiring a medical certificate in any situation other than the communicable disease situation discussed in section 39.31. This represents a change from the NPRM, in which the Department proposed to permit medical certificates in circumstances such as the use of personal oxygen supplies or a determination by vessel personnel that an individual could not travel successfully without requiring extraordinary medical assistance. The Department believes that, in the passenger vessel context (as distinct from airline service, on which these proposals were modeled), the risks that these proposals were intended to address are much less probable, and that imposing medical certificate requirements on passengers are consequently not justified.

Two commenters objected to allowing the PVO to require medical certification from a disabled individual under any circumstance. Other commenters were in favor of requiring medical documentation under all circumstances. Another commenter suggested allowing PVOs to restrict the number of passengers with disabilities that are at a very high risk of requiring emergency and/or extensive medical care during the course of the voyage. As noted above, the Department believes that provisions of this kind are unnecessary and could lead to unfair exclusions or restrictions for passengers. We therefore did not include such provisions in the final rule.

Section 39.35 May PVOs require a passenger with a disability to provide advance notice that he or she is traveling on or using a passenger vessel when no special services are sought?

Section 39.37 May PVOs require a passenger with a disability to provide advance notice in order to obtain particular auxiliary aids and services or to arrange group travel?

These related sections make clear that it is never appropriate for a PVO to require a person to provide advance notice simply that he or she is planning to travel, just because he or she has a disability. The PVO's nondiscriminatory policies and practices should be in place, regardless. On the other hand, there may be specific circumstances in which provision of advance notice is needed. These include to groups of 10 or more passengers with disabilities traveling together and the provision of a particular auxiliary aid or service (*e.g.*, a sign language interpreter). Numerous comments were received on these provisions. The main thrust of these comments was that PVOs need to know what sort of disabilities their passengers have in order to adequately plan to accommodate them from both a safety perspective and to provide them the best experience possible. The Department is sympathetic to this position and seeks to balance the right of privacy of the passengers with the need of PVOs to plan to accommodate and provide services to passengers. Passengers with a disability are not required to identify themselves as disabled when they are seeking no special privileges or services or auxiliary aids or services. PVOs can legitimately suggest that passengers with disabilities voluntarily self-disclose needs for special privileges or services, and it may be prudent for passengers to do so in order to avoid confusion.

However, with respect to groups of passengers with disabilities traveling together, a passenger may be required to identify that need to the PVO at the time of reservation. Likewise, a passenger seeking a particular auxiliary aid or service may be required to provide advance notice. PVOs' reservation and information systems must ensure that when passengers provide this notice, the information is transmitted clearly and on time to persons who need to provide the services involved. PVOs should consider soliciting information regarding the need for special assistance from all persons making a reservation.

Section 39.39 How do PVOs ensure that passengers with disabilities are able to use accessible cabins?

The Department anticipates that the forthcoming Access Board guidelines will address the scoping and dimensions of accessible cabins on new or altered vessels. While this rule consequently does not require vessels with overnight accommodations to have accessible cabins, we recognize that cabins identified by PVOs as accessible do exist on some vessels. This section concerns how PVOs would make sure that passengers with disabilities actually are able to get those accessible cabins. The Department recognizes that non-disabled passengers, understanding that accessible cabins are somewhat more roomy than other cabins in the same class of service, may sometimes seek to reserve those cabins, making them unavailable to passengers with disabilities.

The NPRM proposed a system in which a passenger requesting an accessible cabin would be required, at the PVO's request, to present documentation of the physical condition that necessitates use of an accessible cabin, at which point their reservations would trump even earlier reservations for an accessible cabin made by non-disabled passengers, though no passengers would ever be "bumped" from the voyage as a result. Some commenters objected to having to provide medical documentation. Others said that passengers with disabilities should be able to book an accessible cabin up to the day of sailing, while other commenters stated that reservations for accessible cabins should be made within a set time frame (*i.e.*, 72 hours) before departure.

In response to comments, the Department is deleting the proposed requirement that passengers provide documentation of their disability and revising the reservation requirements. Instead, the final rule includes what we believe is a simpler system, in which accessible cabins must be withheld from reservation until all cabins in that class of service have been reserved. If a passenger with a disability requests a remaining accessible cabin, then the

passenger with a disability gets that cabin. However, once all the other, non-accessible cabins have been booked, the PVO may, if it chooses, book the cabins for non-disabled passengers.

While the final rule does not require or permit medical documentation for persons reserving accessible cabins because they have a disability, PVOs have to ask persons seeking to reserve such a cabin whether they have a disability that requires use of the accessibility facilities provided in the cabin. In addition, PVOs may require a written attestation from the passenger that her or she needs the accessible features provided in the cabin. These provisions are modeled on an approach that is sometimes used concerning reserving accessible seating sports stadiums. PVOs must also investigate the potential misuse of accessible cabins and can take action against abusers (*e.g.*, a PVO may deny transportation to a non-disabled individual who books an accessible cabin on the basis of a misrepresentation that the individual has a disability).

The Department recognizes that some existing vessels may not have accessible cabins in all classes of service. PVOs, however, cannot properly impose costs on disabled passengers because vessels lack accessible cabins in some classes of service. If a passenger with a disability wants to travel in a less costly class of service, rather than a more expensive class, but the PVO has chosen to make adequate numbers of accessible cabins available only in more other expensive classes of service, the PVO must make accessible cabins available to passengers with disabilities at no more than the cost of the class of service the passenger requests. Under a nondiscrimination rule, disabled passengers, like all other passengers, should be able to purchase accommodations they can use at a price they are willing to pay.

Section 39.41 May a passenger with a disability be required to travel with another person?

The Department regards requiring a passenger with a disability to travel with another person, just because that person has a disability, as discriminatory on its face. Such a requirement is not only an affront to the independence and dignity of the passenger, but may sometimes make travel cost-prohibitive. In the NPRM, the Department proposed allowing PVOs to require a personal or safety assistant in some circumstances. This proposal was based on a parallel section of the ACAA rule. However, in the specific situation of passenger vessel transportation (which differs from air travel in a number of important respects), the Department believes that allowing PVOs to require an assistant could lead to abuse, and is not likely to be necessary in any event. The rule clearly states that crew members are not required to assist passengers with personal functions like eating, dressing, or toileting. Passengers who need assistance with these functions will therefore be aware that they cannot expect crew members to perform these functions and, consequently, will choose to travel with a companion if they need to. Vessel personnel are likewise trained to perform safety functions for all passengers.

One commenter asked if the PVO is allowed to require a personal caretaker for each disabled person where a group of passengers with a disability intend to bring only one caretaker for the group. Given that the rule does not permit requirements to travel with an attendant at all, the PVO could not impose such a requirement. Another commenter stated that this provision of the rule places all responsibility for care on the PVO regardless of the credibility of the passenger's claim of independence. Again, vessel personnel do not have personal care obligations with respect to passengers with disabilities. We do not believe that a passenger with a disability who cannot eat without assistance is likely to embark on a lengthy voyage without someone to help with eating.

Section 39.43 May PVOs impose special charges on passengers with a disability for providing services required by this rule?

Price discrimination is forbidden. PVOs may not charge higher fares to passengers with disabilities than to other passengers. PVOs cannot impose surcharges on passengers with disabilities, or any sort of extra or special charges for facilities, equipment, accommodations, or services that must be provided to passengers because they have a disability. This prohibition would apply not only to formal charges made by the PVO itself, but to informal charges that PVO personnel might seek to impose or pressure passengers with a disability to pay. For example, if a vessel cannot be boarded by a wheelchair user without assistance (*e.g.*, because the boarding ramp slope is too steep), it would not be appropriate for vessel personnel who provide boarding assistance to ask, pressure, or imply that the wheelchair users should provide a tip for the assistance.

One of the important implications of the prohibition on price discrimination concerns situations in which an accommodation for a person with a disability is available only in a more expensive type or class of service than the passenger requests. The most important application of this principle concerns reservations for accessible cabins, which are governed by section 39.39. However, the same principle would apply to other services or accommodations on board some ships as well. The only comment regarding this section stated that passengers requiring an accessible cabin should be provided the same pricing options available to passengers who do not require an accessible cabin. This section as written ensures this to be the case.

Section 39.45 May PVOs impose restrictions on passengers with a disability that they do not impose on other passengers?

Section 39.47 May PVOs require passengers with a disability to sign waivers or releases?

These related sections (*i.e.*, sections 39.45 and 39.47) would forbid restrictions on passengers with a disability that are not imposed on other passengers, including requirements to sign waivers or releases either for themselves or their assistive devices. The kinds of restrictions these sections address are restrictions created by PVO policy. The Department is aware that, particularly pending the adoption of passenger vessel physical accessibility standards, portions of existing vessels may well be inaccessible to some passengers with a disability. Inaccessibility of this kind would not violate these sections, but an administrative rule declaring certain portions of a vessel off limits to a passenger with a disability would, if that rule did not apply equally to all passengers. Likewise, waivers of liability or releases not required of all passengers cannot be required of passengers with a disability (including, but not limited to, waivers or releases concerning mobility devices).

Section 39.51 What is the general requirement for PVOs' provision of auxiliary aids and services to passengers?

This section requires PVOs to effectively communicate with passengers with disabilities, through the use of auxiliary aids or services where needed. This obligation includes effectively conveying information so that both the passenger and the PVO can be understood and understand what is being communicated. The language of the final rule distinguishes between the somewhat different obligations of public and private entities with regard to the

provision of auxiliary aids and services, and states the fundamental alteration and undue burden exception to these requirements. PVOs, not individuals with disabilities, have the responsibility to provide needed auxiliary aids and services.

"Undue burden" is one of the fundamental concepts in disability law, applying in a variety of contexts. The basic definition of what constitutes an undue burden is stated in the Department of Justice Title III rule, 28 CFR 36.104, as being something that involves significant difficulty or expense. In determining whether an action would result in an undue burden, the factors that the DOJ definition lists, adapted to the passenger vessel context, include

(1) The nature and cost of the action needed to comply with Part 39 requirements;

(2) The overall financial resources of the PVO involved, the number of persons employed by the PVO; the effect on expenses and resources; legitimate safety requirements that are necessary for safe operation of the vessel; or the impact otherwise of the action upon the operation of vessel;

(3) The geographic separateness, and the administrative or fiscal relationship of PVO in question to any parent corporation or entity;

(4) If applicable, the overall financial resources of any parent corporation or entity; the overall size of the parent corporation or entity with respect to the number of its employees; the number, type, and location of its facilities; and

(5) If applicable, the type of operation or operations of any parent corporation or entity, including the composition, structure, and functions of the workforce of the parent corporation or entity.

DOJ provides further information about its application of the concept in the preamble to its Title III regulation (discussion of 28 CFR 36.303(f), *see http://www.ada.gov/reg3a.html*).

It must be emphasized that because something creates some degree of cost and difficulty, it is not necessarily an undue burden. There are "due burdens," costs and difficulties that must be borne in order to afford nondiscriminatory service to individuals with disabilities. As the factors in the DOJ definition indicate, what may be an undue burden for a small entity (*e.g.*, because it would "break the bank" for that entity, making profitable operation impossible) may be a "due burden" that would be "small change" to a larger entity. Requiring an extensive and very expensive service to meet a minor, transitory need might be undue because it is disproportionate. "Undue burden" determinations inevitably involve the exercise of informed judgment about the facts of a given situation, but the bar is intended to be high: The concept is not intended to provide a free pass to entities to avoid nondiscrimination obligations. It should be emphasized, in the context of auxiliary aids and services, that even if one particular auxiliary aid or service creates an undue burden, the PVO retains an obligation to provide effective communication through use of another auxiliary aid or service that is not unduly burdensome.

One commenter said that, in order for a PVO to effectively communicate with individuals with hearing and visual impairments, the PVO should install advanced technology for videophones and instant messaging on its vessel. The Department believes it would be premature, as well as outside the scope of the notice for this rulemaking, to require a particular technology or vessel communication system at this time, but this is an issue that could be addressed as part of the future accessibility standard rulemaking.

Section 39.53 What information must PVOs provide to passengers with a disability?

The Department recognizes that some existing vessels may not be able to be made accessible to people with mobility impairments and that some ports (*e.g.*, some foreign ports at which a cruise ship calls) may not be usable by persons with some disabilities. This section requires PVOs to inform people with disabilities, accurately and in detail, about what they can expect.

Such information includes: (1) Any limitations of the usability of the vessel or portions of the vessel by people with mobility impairments; (2) any limitations on the accessibility of boarding and disembarking at ports at which the vessel will call (*e.g.*, because of the use of inaccessible lighters or tenders as the means of coming to or from the vessel); (3) any limitations on the accessibility of services or tours ancillary to the transportation provided by the vessel concerning which the PVO makes arrangements available to passengers; (4) limitations on the ability of passengers to take a service animal off the vessel at a foreign port (*e.g.*, because of quarantine regulations); and (5) the particular auxiliary aids or services available to passengers with hearing or vision impairments for each of the various on-board activities and services that require advance notice in order to be made available. With this information, potential passengers with a disability can make an informed choice about whether seeking transportation on a particular vessel is worth their while.

One commenter suggested that providing information about boarding and disembarking only to those passengers that self-identify as having a disability may cause confusion and bad feelings among those passengers with disabilities that did not self-identify. Moreover, the commenter recommended making such information available in all promotional materials including pre-boarding information, Web site, advertisements, the Daily Program, and in all brochures. The Department believes that there is merit in providing such information generally to all passengers. However, if a PVO provides this information to people who ask for it in order to accommodate a disability, that is sufficient to meet the PVO's obligation under the rule.

Section 39.55 Must information and reservation services of PVOs be accessible to individuals with hearing or vision impairments?

This section applies to information and reservation services made available to consumers in the United States, regardless of the nationality of a PVO or where the personnel or equipment providing the services are themselves based. If a PVO provides telephone reservation or information service to the public, the PVO must make this service available to individuals who are deaf or hard-of-hearing through use of a text telephone (TTY) or a TTY relay service (TRS). In response to comments received on this section, the Department will not require each PVO to have access to a text telephone, so long as they can receive calls through a text telephone relay service.

One commenter stated that this provision should include a Web accessibility requirement following the World Wide Web Consortium standards. The Department is aware that Web accessibility is an important issue for people with disabilities, and we will address this subject further during the next phase of passenger vessel rulemaking.

Another commenter recommended that individuals such as travel agents and boat crew who interact with consumers should receive training on what disability access is available. In reference to travel agents, the Department believes this is outside the scope of this rulemaking. As for employees, comments from PVOs asserted that crews are already trained to accommodate passengers with disabilities. The Department may further consider training requirements for crews during the development of the next phase of the passenger vessel rulemaking.

Section 39.57 Must PVOs make copies of this rule available to passengers?

PVOs must maintain a current copy of the text of this rule on each vessel and in every terminal which they serve. The copy may be a paper copy or a digital copy so long as it can be easily referenced by PVO employees and by passengers upon their request. Commenters supported this section as written. Private sector PVOs who do not receive Federal financial assistance are not required to make a copy of the rule available in languages other than English. However, any PVOs that do receive Federal financial assistance should be aware of their obligations concerning persons with lower English proficiency under Title VI of the Civil Rights Act of 1964, as amended, and applicable Executive Orders and regulations. As part of a PVO's obligation to communicate effectively, a PVO must make copies available in accessible formats on request, subject to the fundamental alteration provisions of section 39.51(c). If provision of the information is not feasible in one accessible format, because it would involve a fundamental alteration, then another accessible format would have to be made available.

Section 39.61 What requirements must PVOs meet concerning the accessibility of terminals and other landside facilities?

This section applies to landside facilities that the PVO owns, leases, or controls in the U.S. It requires compliance with the same ADA obligations as apply to other types of transportation facilities under 49 CFR part 37.

If the PVO does not own, lease, or control a facility, then the requirements of this section do not apply to it (there may well be situations in which a public entity or another private entity would own or control the facility, in which case the other entity would have its own ADA and/or section 504 obligations). In the case of a foreign facility, where ADA or section 504 rules would not apply in their own right, facility accessibility would then become a matter of the law of the country in which the facility is located. Commenters recommended that this section should be applied to facilities both inside and outside of the US. However, as noted in the discussion of the definition of "facility," the Department can apply this regulation only to facilities located in the U.S, since the ADA does not apply to landside facilities in foreign territory.

The rule makes a familiar three-part breakdown of accessibility responsibilities for covered facilities, similar to that found in DOT's existing ADA regulations (*see* 49 CFR part 37, subpart C). New facilities must meet accessibility standards from the beginning. In the case of an alteration, the altered portion of the existing facility has to be brought up to the same accessibility standards applicable to new facilities. For existing facilities not otherwise being altered, the PVO has to ensure that the facility is able to be used by a passenger with a disability to access the PVO's vessel. This could be achieved through a variety of means. As under other applications of the ADA, requirements for public sector entities under Title II and private sector entities under Title III differ somewhat with respect to existing facilities (*i.e.*, program accessibility vs. readily achievable barrier removal). These differences are stated in paragraph (c) of this section.

We note that there may be many situations in which a PVO shares accessibility responsibilities with another party. For example, a PVO may lease a portion of a port facility that is owned by a private or public entity. The PVO has responsibilities under this Part; the other entity may have responsibilities in its own right under Title II or III or the ADA and under section 504. In these cases, it would be up to the parties involved to allocate the responsibilities among themselves, so that they jointly ensure that accessibility requirements are met for the facility. Where the PVO does not own, lease, or control a facility, the PVO has no responsibility for making accessibility changes under this rule.

One commenter recommended that facilities used by small vessels should be exempt from this section. The Department again finds no basis for limiting the applicability of this provision based on vessel size. A landside facility operated by a small vessel PVO has no different status from one operated by a large PVO for ADA or section 504 purposes.

Section 39.63 What modifications and auxiliary aids and services are required at terminals and other landside facilities for individuals with hearing or vision impairments?

This section specifies that effective communication that has to be provided at terminals and other landside facilities to ensure that persons with sensory impairments will be able to request and receive the information otherwise available to the public, concerning such subjects as ticketing, fares, and schedules. A few commenters said that PVOs should not have to make changes to facilities that the PVO does not own or operate. Again, where the PVO does not own, lease, or control a facility, the PVO has no responsibility for making accessibility changes to the facility under this rule. Moreover, effective communication can be achieved through means, like auxiliary aids and services, that would not require modifications to facilities where a PVO is not able to make changes to the facility.

The Department proposed a one-year phase-in for both existing and new facilities in order to allow PVOs to explore and implement the best communications options for their customers and business operations. One commenter expressed that there should not be a phase-in period for this provision and that it should become effective immediately due to current technology and existing ADA requirements. The Department agrees, and in this final rule, makes this provision effective when the rule goes into effect.

Subpart E—Accessibility of Vessels

This subpart is reserved. It is a place-holder for the subsequent inclusion of passenger vessel physical accessibility standards based on future Access Board guidelines. We emphasize that this rule does not create standards for the design and construction of vessels and does not impose requirements to alter existing vessels for the purpose of accessibility. PVOs remain obligated, of course, to meet existing ADA requirements for readily achievable barrier removal (Title III) or program accessibility (Title II).

Section 39.81 What assistance must PVOs provide to passengers with a disability in getting to and from a passenger vessel?

This section does not deal with boarding a vessel, as such. Rather, it deals with how people get to the point of boarding a vessel, in terms of land transfers (*e.g.*, a bus between the airport and the terminal) and in actually moving through the terminal and boarding process up to the point of getting onto the vessel, where the PVO or a contractor to the PVO provides their services. PVOs are responsible for making sure that these services are accessible to people with disabilities. Representatives of the cruise line industry commented that requiring cruise lines to ensure the accessibility of services provided by third-party independent contractors, such as transportation to or from the cruise ship, would be unreasonable and a denial of

due process. This rule does not impose such an obligation if the PVO and the service provider, such as a taxi company, have no contractual relationship. This provision will not have extraterritorial application and will apply only with respect to terminals located in the U.S.

Section 39.83 What are PVOs' obligations for assisting passengers with a disability in getting on and off a passenger vessel?

The optimal solution for boarding a vessel involves a passenger with a disability being able to board independently (*e.g.*, via a level-entry ramp). The Department realizes that there will be many situations where this optimal solution does not exist. In these situations, the PVO is responsible for providing assistance that enables a passenger with a disability to get on or off the vessel. As noted above, this rule does not require vessel personnel to do the physically impossible with respect to providing boarding assistance. One commenter asked how a PVO is to decide between a passenger who is "not able to get on or off a passenger vessel without assistance" and one who can "readily get on or off a passenger vessel without assistance." In such a situation the PVO should ask the passenger whether he/she wants or needs assistance.

We note that a number of comments represented that these services are already being provided in many instances, so we believe it is fair to suggest that this requirement would not create significant added burdens for PVOs. We also note that this provision pertains to normal boarding and disembarkation from a vessel. Obviously, in the case of an "abandon ship" or other emergency situation, crew should use any means necessary to ensure that all passengers can safely evacuate.

The Department appreciates the comments received regarding accessible boarding systems and will use them to inform a future rulemaking in this area when the Access Board has provided appropriate standards on which a regulation can be based.

Section 39.85 What services must PVOs provide to passengers with a disability on board a passenger vessel?

Section 39.87 What services are PVOs not required to provide to passengers with a disability on board a passenger vessel?

These sections concern services that PVOs must provide or, alternatively, do not need to provide to passengers with a disability. The services a PVO must provide include movement about the vessel, but only with respect to portions of the vessel that are not accessible to passengers with a disability acting independently. To the extent that a PVO makes accessibility improvements to a vessel, the PVO can probably reduce its obligation to provide this service. When food is provided to passengers, PVO personnel must help passengers with a disability to a limited degree, including opening packages and identifying food, or explaining choices. Assistance in actual eating or other personal functions (*e.g.*, toileting or provision of medical equipment or supplies or assistive devices, beyond what is provided to all passengers) is not required. Effective communication of all on-board information is required.

Several commenters expressed that PVOs should be required to provide closed captioning on televisions, interpreters aboard the vessel (in theatres or other "public" rooms aboard the vessel), and wheelchairs for use by passengers. In this rulemaking, the Department is not mandating the use of any specific means of communication, though televisions, if provided for passengers, must have closed captioning. Otherwise, PVOs' obligation is to provide effective communication, through the use of auxiliary aids and services as appropriate for Title II or III entities, as the case may be. As for wheelchairs or other assistive devices, the Department believes this is the responsibility of the passenger and not the PVO, except to the extent that the PVO would need a wheeled mobility assistive device to provide boarding assistance to an individual who does not normally use such a device but could not board the vessel without one (*e.g.*, a semi-ambulatory person who can walk on a level surface but would have difficulty with a steep boarding ramp).

One commenter also expressed that sign language interpreters should be provided on vessels traveling inside and outside of the U.S. Use of sign language interpreters is one type of auxiliary aids and services, which may be provided subject to the fundamental alteration provisions of section 39.51(c).

Section 39.89 What requirements apply to on-board safety briefings, information, and drills?

This section specifies that safety-related information must be communicated effectively to passengers with disabilities. This would include the use of auxiliary aids and services, where needed. Safety videos would have to be captioned or have an interpreter inset, in order to make the information available to persons with impaired hearing. Providing safety information in this way is a key component of effective communication of this material to individuals who are deaf or who have hearing impairments. Passengers with disabilities must be enabled to participate in evacuation and other safety drills, and information about evacuation and safety procedures would have to be kept in locations that passengers with disabilities can access and use. Several commenters supported requiring PVOs to utilize flashing lights to warn passengers with hearing disabilities of emergencies. This issue will be addressed by the Access Board.

Section 39.91 Must PVOs permit passengers with a disability to travel with service animals?

Many persons with disabilities rely on service animals to travel and conduct daily functions. This section specifies that PVOs would be required to permit service animals to accompany a passenger with a disability on board a vessel.

Foreign countries may limit entry of service animals. This should not affect the carriage of service animals on the vessel, however, since there is no requirement that the animal leave the ship. Limitations on the ability of such an animal to leave the ship at a foreign port would be included in the information that a cruise ship would provide to potential customers inquiring about an upcoming cruise. Consistent with foreign port requirements, the PVO could insist that the animal not disembark at a port where doing so is not permitted. The user could leave the vessel even if the animal had to remain on board, however. PVOs and owners would have to work together to ensure that the animal was properly cared for in the owner's absence (*e.g.*, in the case of a lengthy excursion away from the vessel).

Several commenters said that PVOs should permit passengers with disabilities to bring their own food and supplies for service animals without any charge and provide refrigerators for proper storage of such food. PVO commenters said that PVOs should not be required to provide food for the animal, stating that there should be no charges for passengers using their own animal food and that most cruise lines currently follow this practice. Under the final rule, PVOs will not be required to provide food for service animals, but passengers may bring a reasonable quantity of their own food aboard the vessel at no additional charge. PVOs must provide refrigeration space for the animal food. This requirement applies

only to cruise ships or other vessels providing overnight accommodations. There is no need for refrigeration on short-voyage ferries or water taxis.

We view a limitation on the number of service animals that can be brought on a given voyage as tantamount to a number limit on passengers with a disability (*i.e.*, as a number limit), which this rule prohibits. It is not evident that having a number of such animals on board a ship at a given time would be disruptive to ship operations, and vague concerns about adverse effects on the quality of the cruise experience for other passengers do not trump the nondiscrimination imperative of the ADA.

While this rule does not require it, the Department believes that it is a good idea to permit not only service animals, *per se*, but also emotional support animals (ESA) to accompany passengers with disabilities who use them. This can be beneficial to individuals who genuinely need the assistance of such an animal to enjoy fully travel and services aboard a vessel. We refer PVOs and passengers with disabilities to applicable provisions of the Department's Air Carrier Access Act regulations and appendices (14 CFR part 382) for suggestions on how and in what circumstances it is appropriate to accommodate people using ESAs.

Commenters raised questions about animal relief areas aboard the vessel. Since this goes the design or construction of physical features of the a vessel, it is better addressed in the next rulemaking phase concerning accessibility standards.

Section 39.93 What wheelchairs and other assistive devices may passengers with a disability bring onto a passenger vessel?

Section 39.95 May PVOs limit their liability for the loss of or damage to wheelchairs and other assistive devices?

These sections say simply that passengers should be permitted to bring and use their own wheelchairs and other assistive devices on board a vessel. The cruise line industry stated that it does not support the use of mobility devices that are two-wheeled and allow an individual to "ride" the device. Another commenter expressed that the references to mobility aids and other assistive devices do not conform to the current standard found in 49 CFR part 37. The Department is currently reviewing and may revise its part 37 treatment of mobility aids.

With respect to mobility aids, the final rule is modeled on an approach supported by the Department of Justice. That is, manual and power wheelchairs and other manual mobility aids must be accommodated in any area open to pedestrian use. This requirement is intended to be implemented consistent with other provisions of the rule (*e.g.*, concerning existing facility accessibility, weight and balance concerns), which may in occasional situations limit the ability especially of larger power wheelchairs to be accommodated.

With respect to other powered mobility devices (*e.g.*, two-wheeled devices, such as Segways, designed or adapted for use by a person with a disability to accommodate that disability), PVOs would be required to make reasonable modifications in policies, practices, or procedures to allow such devices to be used by individuals with mobility disabilities, unless doing so would be inconsistent with legitimate safety requirements. The Department expects that, in most cases, such devices would be permitted to be used.

The Department strongly emphasizes that any such safety requirements cannot be pretextural and must be based on actual, demonstrable, risks and not on not mere speculation, stereotypes, or generalizations either about people with disabilities or their mobility devices. While the rule does not include a recordkeeping requirement concerning such safety requirements, a PVO subject to a complaint about arbitrarily excluding a mobility device would doubtless be asked to document the factual justification for any policy limiting passengers' devices.

These requirements apply to PVOs covered by both Title II and Title III of the ADA. In addition, Title II (*i.e.*, public sector) entities would have to minimize any restrictions placed on use of other powered mobility devices and provide a written explanation to the user, on request, of any exclusion or restriction of his or her device. This latter provision is found in the Title II enforcement provision of this regulation (section 36.109).

Once a device is on board, if the PVO is responsible for its loss or damage, the PVO must compensate the owner, at the level of the original purchase price of the device. One commenter stated that the appropriate cost for the loss of damaged assistive devices should be the current replacement cost for the device rather than the original purchase price. The Department is utilizing the original purchase price. This is the measure of the level of compensation found within the Department's ACAA rule, and we believe it will most appropriately compensate the owner for the loss of or damage to the device.

Section 39.101 What are the requirements for providing Complaints Resolution Officials?

Section 39.103 What actions do CROs take on complaints?

The Complaints Resolution Official (CRO) is the PVO's expert in disability matters, knowledgeable about both the Department's regulations and the PVO's procedures, and is able to assist passengers with disabilities and other PVO personnel in resolving issues. The CRO model should adapt very well to passenger vessels, to solve problems at the PVO level before they become matters for complaints to the DOT or DOJ.

A commenter expressed that it may be impractical and financially burdensome to have a CRO onboard each vessel. The Department does not mandate that CRO duties necessarily be full-time for a given employee, and CRO functions can be performed as collateral duties of existing personnel. PVOs could, for example, use a number of different vessel and landside personnel as CROs, who might perform these functions in addition to their other duties. We expect that PVOs will have varying degrees of formality in their CRO programs; however, no matter whether in a facility or on a vessel, all employees should be able to direct a passenger to the CRO.

PVOs are likely to find it necessary to ensure that not only CROs, but also other personnel who interact with passengers, are sufficiently knowledgeable regarding the requirements of these rules and proficient in performing tasks related to passengers with disabilities. (PVO commenters asserted that their personnel are already trained to deal properly with customers, including passengers with disabilities.) If they are not, it is likely that mistakes will be made that would potentially lead to noncompliance. Some commenters recommended the adoption of training standards or requirements in this rule. However, the Department is not instituting any formal training requirement at this time and will leave it to PVOs to decide how best to prepare their CROs, along with the remainder of their entire staff, to meet the responsibilities that PVOs have under this Part. If, over time, the Department becomes aware of implementation or compliance difficulties that appear to stem from a lack of training, the Department can revisit this issue.

One commenter expressed that certifying the training or drafting a

training curriculum would be difficult and unnecessary. This rule does not institute a certification requirement. Another commenter expressed that information about CROs should be posted on the PVO's Web site so that passengers have access to the information. We agree that sources of various information, including Web sites, should include information on the function of CROs and how to contact them, but we are not requiring this as part of this rule.

Section 39.105 How must PVOs respond to written complaints?

Section 39.107 Where may passengers obtain assistance with matters covered by this regulation?

The required responses to complaints under this section by the PVO may be in either written or e-mail form. At this time, the Department is not instituting a reporting requirement for complaints received by PVOs regarding violations of this rule. Upon analysis of operations under this rule, the Department may propose a reporting requirement at a later date. It should be noted that these sections concern the interaction between PVOs and passengers; these are not procedures for Federal agency responses to complaints made to DOT or DOJ. For example, DOJ does not follow these procedures when it receives a complaint concerning a Title III PVO.

One commenter suggested that deadlines be put into place to ensure that complaints do not languish and that a timely resolution is received. The commenter also suggested that there should be an outside organization for aggrieved passengers to take complaints to if they are not satisfied with the CRO resolution. In so far as deadlines are concerned, these sections, as written, provide deadlines for filing and responding to complaints. In reference to appeals of a PVO's decision, the complainant has the ability to pursue DOT or DOJ enforcement action, for Title II or Title III entities, respectively. The PVO must notify the complainant of this right.

Section 39.109 What enforcement actions may be taken under this Part?

One important difference between the ACAA and the ADA is that, under the former, the Department has its own civil penalty enforcement authority and procedures. The Department does not have its own civil penalty authority under Titles II and III of the ADA, though the Department can conduct investigations and compliance reviews, collect data, find facts, come to conclusions, and refer matters to the Department of Justice for further action under section 504 and Title II. The Departmental Office of Civil Rights (DOCR) will be the central point for receiving such complaints. DOJ has the jurisdiction to conduct investigations and take enforcement action under Title III, which can lead to the imposition of damages and civil penalties.

Some PVOs receive Federal financial assistance, such as ferry operators who receive Federal Transit Administration (FTA) funding. Complaints concerning violations of this Part by FTA-assisted ferry operators could be made to the FTA under the Department's ADA and section 504 rules, and FTA could take enforcement action as provided in those rules. No comments were received on this section and it is adopted as written.

Request for Comments: This rule is a final rule with a request for comments limited to three issues. All provisions will go into effect on November 3, 2010. With respect to the three issues on which the Department is seeking further comment, the Department intends, before the effective date of the rule, to publish either an amended final rule or a notice explaining why no further changes are being made.

The first issue concerns use by passengers with disabilities of emotional support animals. Unlike service animals, emotional support animals are not trained to perform specific physical tasks, but by their presence assist individuals with mental health-related disabilities in coping with the effects of their disabilities. For example, an emotional support animal may assist an individual with a severe anxiety disorder in dealing with the stresses of travel. In the absence of this assistance from the animal, the individual could find travel very difficult or impossible.

As noted in the preamble discussion of section 39.91, this rule does not require PVOs to provide access to emotional support animals. In another disability discrimination context, under the Air Carrier Access Act, the Department requires air carriers to permit emotional support animals to travel with their users. The Department seeks comment on whether PVOs should be required to allow access for individuals with disabilities and their emotional support animals. If PVOs are required to do so, what, if any, safeguards against abuse (*e.g.*, passengers attempting to pass off their pets as emotional support animals) should be included?

The service animal provisions as currently written in this rule are consistent with DOJ's proposed rules amending Title II and Title III. Should DOT rules be identical to DOJ rules in this with respect to emotional support animals (*i.e.*, such that the use of emotional support animals is treated the same way on passenger vessels as it is in other public accommodations covered by DOJ rules, such as parks, restaurants, dorms, lodging, hospitals, *etc.*)? Alternatively, should DOT have discretion to have different provisions specific to vessels?

The second issue concerns the treatment of mobility aids. Section 39.93 divides mobility devices into two categories: Wheelchairs and other power-driven mobility devices. Wheelchairs have a specific definition in section 39.3, including "three or four-wheeled devices, usable indoors, designed for and used by individuals with mobility impairments, whether operated manually or powered." Under section 39.93, PVOs must permit wheelchairs to be used in any area open to pedestrian use, though, as noted in the preamble discussion of section 39.25, there could be circumstances in which a particular wheelchair does not fit a particular space.

PVOs can limit the use of other power-driven mobility aids by applying a series of factors set forth in paragraph 39.93(b). The application of these factors could give PVOs greater discretion to permit or refuse use of devices that did not meet the definition of "wheelchair," (*e.g.*, devices that otherwise look like traditional wheelchairs but have six wheels, two-wheeled devices like Segways) than they have with respect to wheelchairs. The Department seeks comment two sets of questions related to the handling of mobility aids.

First, should a PVO have to demonstrate (*i.e.*, bear a burden of proof) that it has a sound basis for excluding or restricting a passenger's other power-driven mobility aid? Should there be any basis other than safety (*i.e.*, inconsistency with a legitimate safety requirement) for a decision to exclude or limit a device? Should it be made clear that a device, even if not originally designed for use by individuals with disabilities, should be accepted on board a vessel if it is adapted for use by a passenger with a disability, again subject to legitimate safety requirements?

Second, should the entire approach to mobility aids be rethought? For example, it may not be necessary to distinguish between categories of mobility aids at all. One commenter to the NPRM suggested adopting the term "wheeled mobility assistive device" be used in place of other terms. In this concept, if a wheeled mobility assistive

device, however it is designed, can be accommodated on board a vessel, consistent with legitimate safety requirements, it would have to be accepted by the PVO, regardless of whether it was a "wheelchair," *per se*. The Department seeks comment on this approach and on whether, if adopted, it should include any categorical exceptions (*e.g.*, gasoline engine-powered devices). For information, the Department refers interested persons to the Department's September 2005 interpretation of its existing ADA regulation (49 CFR part 37) concerning acceptance of mobility aids [*http://www.fta.dot.gov/civilrights/ada/civil_rights_3893.html*].

Similar to the emotional support animal issue earlier, the mobility aid provisions as currently written in this rule are consistent with DOJ's proposed rules amending Title II and Title III. Should DOT rules be identical to DOJ rules in this with respect to mobility aids (*i.e.*, such that the use of mobility aids is treated the same way on passenger vessels as it is in other public accommodations covered by DOJ rules, like as parks, restaurants, dorms, lodging, hospitals, *etc.*)? Alternatively, should DOT have discretion to have different provisions specific to vessels?

The third issue the Department seeks comment on concerns the overall relationship between DOJ and DOT ADA rules. DOJ currently has draft final rules revising its Title II and Title III DOT rules under review by the Office of Management and Budget (OMB). It is possible that, as part of the interagency review process led by OMB, provisions in the DOJ rules (*e.g.*, concerning the definition of auxiliary aids and services and the application of that definition) might change in a way that create a difference between the language of part 39 and the language of the forthcoming DOJ rules. In such a situation, should DOT amend part 39 to be consistent with the new DOJ language? The purpose of doing so would be to avoid confusion or any burden placed on people with disabilities or PVOs that might arise if different definitions or substantive provisions of different rules applied in the specific context of passenger vessel operations, as distinct from other aspects of public accommodations or public sector facilities and activities covered by, DOJ rules.

Regulatory Analyses and Notices

Executive Order 12866 and DOT Regulatory Policies and Procedures

This is a significant rule under Executive Order 12866 and DOT Regulatory Policies and Procedures purposes. This is because the rule address issues of considerable policy interest and creates requirements for entities that have not previously been subject to regulation. However, the rule does not impose significant costs. The main thrust of the rule is to prohibit PVOs from taking actions—such as requiring attendants, denying transportation, limiting access for service animals, or imposing special charges—that create barriers to travel by persons with disabilities. There is little, if any, cost to a PVO from avoiding taking discriminatory actions. According to comments received at both the ANPRM and NPRM stages, many PVOs already provide boarding assistance and other services to passengers with disabilities, so it is reasonable to assume that the passenger assistance provisions of this rule will not have significant incremental costs. This rule does not impose a training requirement or reporting requirements.

In the section of the preamble responding to the Regulatory Flexibility Act, the Department will discuss the cost impacts, or lack of same, from some specific sections of the rule.

Some commenters did express concern about potential costs of the NPRM. These comments largely were the result of commenters mistakenly believing that the NPRM proposed requiring PVOs to physically alter vessels, especially small vessels. In fact, the NPRM did not propose, and the final rule does not require, alterations to vessels for the purpose of achieving accessibility. The rule takes vessels as they are and focuses on the policies and practices of PVOs with respect to the use of the vessels by passengers with disabilities.

In a future rulemaking, the Department anticipates proposing, in conjunction with the Access Board, design and construction standards for vessels. These standards will affect new vessels and alterations to existing vessels. This future rulemaking is expected to involve a more detailed regulatory evaluation with respect to the costs and benefits of its proposals.

In the passenger vessel context, as in other areas, the purpose of the ADA is to ensure nondiscrimination on the basis of disability and accessibility of travel on vessels for people with disabilities. Consequently, the most important benefits of this rule are the largely non-quantifiable benefits of increased access and mobility for passengers with disabilities. Policies required by this rule will eliminate most practices of PVOs that prevent or inhibit travel by persons with disabilities. The benefits that will accrue from removal of these barriers cannot be quantified, but could well include increased employment, business, recreational, and educational opportunities for travelers with disabilities, and quality of life enhancements associated with travel opportunities both within the U.S. and to foreign points.

Many persons with mobility impairments will be able to use passenger vessel services for the first time, and take advantage of an expanded range of travel opportunities. Even persons with disabilities who do not immediately choose to use a passenger vessel will know that barriers to such travel have been removed, and there is a psychological benefit to knowing one can travel if one wishes (what economists sometimes refer to as the "option value" of a regulatory provision).

Other beneficiaries of this rule include the travel companions, family, and friends of passengers with disabilities, since persons with disabilities would have greater and more varied travel opportunities. In addition, to the extent that changes in PVO practice make use of vessels easier for everyone, there will be indirect benefits for the general traveling public.

Because making passenger vessel transportation and services more readily available to passengers with disabilities and others traveling with them is likely to increase overall usage of vessels to some degree, it is likely that there will be some economic benefits to PVOs from compliance with the rule, though the Department does not have information allowing us to quantify these potential benefits.

Regulatory Flexibility Act

In considering this rule from the point of view of the Regulatory Flexibility Act, we emphasize two main points. First, for the reasons discussed above, we believe strongly that the overall costs of the rule to any entities—large or small—will be very low. The rule will not create significant economic impacts on anyone. In particular, the Department here repeats what it has said throughout the rulemaking: The rule does not impose design and construction standards that will require vessel operators, large or small, to alter their vessels.

Second, compared to the NPRM, the number of small entities subject to the rule is greatly reduced. The final rule covers only private entities primarily engaged in the business of transporting people, eliminating from coverage private entities not primarily engaged in the business of transporting people. The

vast majority of small entities that the NPRM would have covered (*e.g.*, fishing charter boats, sightseeing and dinner cruise boats, dive boats) are not subject to the final rule. Of the private entities primarily engaged in the business of transporting people that the rule does cover, most—such as cruise ships and public ferry systems—are not small entities. Some, such as smaller ferry or water taxi operations, may be small entities. While the number of small entities covered by the final rule is not ascertainable from the record of this rulemaking, the Department believes that it is highly unlikely to be substantial.

The Small Business Administration (SBA) Office of Advocacy commented on the NPRM. One of the primary SBA comments concerned SBA's estimate that a very large number of small businesses would be covered by the rule. Given the change in the final rule to cover only private entities primarily engaged in the business of transporting people, SBA's estimate—based almost entirely on private entities not primarily engaged in the business of transporting people—is no longer applicable. We recognize that there could also be some small public entities that are covered by the rule (*e.g.*, a small municipality that operates a ferry or water taxi service), though the record of the rulemaking does not provide a basis for knowing whether this is the case or estimating how many there may be. Because the costs of the rule to any entities is minimal, there would not be a significant cost to these Title II entities.

SBA also pointed to certain sections of the rule that it thought could involve costs. With respect to section 39.3, SBA asked that the Department should make clear that there is no liability for discrimination based on the accessibility of existing vessels. As stated elsewhere, this rule does not impose any incremental obligation to alter existing vessels for the purpose of accessibility. PVOs, like other entities, remain subject to the existing ADA requirements to provide program accessibility (Title II) or to ensure readily achievable barrier removal (Title III). SBA also suggested making compliance materials available regarding the rule's definitions, particularly if there are conflicting definitions between DOJ rules and the Air Carrier Access Act. Under this or any rule, no one is required to comply with a definition. Compliance is required only with substantive provisions of a rule. The final rule has harmonized DOT passenger vessel rule provisions with DOJ ADA rule provisions.

With respect to section 39.13, SBA said the small business community was confused about the difference between this rule and forthcoming Access Board guidelines, and that the effective date of the rule should be extended six months. The distinction is actually a very clear and simple one: This rule concerns the policies that PVOs apply to passengers with disabilities on their vessels and does not create design or construction standards for new or altered vessels. The forthcoming Access Board guidelines will create design and construction standards for new and altered larger vessels (*e.g.*, those with a passenger capacity of over 150 passengers or over 49 spaces for overnight accommodations), but will not address the kinds of policy issues that the current DOT rule addresses. The Department is making this rule effective 120 days from the date of publication, and we do not believe a longer lead time is needed to assist the relatively few remaining small PVOs covered by the rule in understanding this straightforward point. Through long experience, the Department has found it most helpful to issue guidance (*e.g.*, questions and answers) after a regulation has gone into effect, when both we and the regulated parties have had time to determine what implementation and interpretation questions of general interest are valuable to address.

With respect to sections 39.29 (39.27 in the NPRM) and 39.93, SBA asserted that there was a paperwork burden, a recordkeeping requirement, and a training burden. Section 39.29 of the final rule in fact requires neither paperwork, nor recordkeeping, nor training. It simply directs vessel operators not to impose number limits, except where legitimate safety requirements (*i.e.*, with regard to weight and balance) dictate otherwise. In most instances, given that the final rule focuses on larger vessels, this exception is unlikely to come into play. Section 39.93 has been revised for greater consistency with the Department of Justice's approach to mobility aid issues, and likewise does not include recordkeeping or training requirements. In one category of cases—denial of access to an "other powered mobility device" by a public entity, the entity would have to provide a written explanation on the passenger's request. Given that public entities covered by the rule—mostly large public ferry systems—are not small entities, and that it is likely there would be few instances in which mobility devices would be denied passage, and fewer still in which the passenger asked for a written explanation, the Department believes that the cost and burden of this requirement would be very minor.

With respect to the advance notice provisions of the rule (39.33 and 39.35 in the NPRM, 39.35 and 39.37 of the final rule), SBA requested that the Department respond to the comment that operators of small vessels should be able to require advance notice for fewer than the proposed group of 10 or more disabled passengers traveling together. As noted above, most of the vessels to which this comment pertained are not covered by the final rule. Moreover, comments did not suggest a persuasive reason why, for example, a group of four or six wheelchair users should be burdened with an advance notice requirement simply because the size of the vessel or size of the business operating the vessel is smaller. The Department believes the 10-person group provision is sensible, and it remains in the final rule.

With respect to section 39.83, concerning assistance by vessel personnel in getting persons with disabilities on and off the vessel, SBA asked the Department to provide estimates of the costs of providing such assistance, as a "new requirement." As SBA acknowledged, commenters to the NPRM said that their personnel commonly performed this function already. In analyzing the costs of a rule, the Department focuses on incremental costs, not assuming a baseline in which no one is performing something required by the rule. The information in the record suggests that the incremental costs of this provision of the rule would be low, and the record does not provide information on how many vessel operators (particularly the relatively few small PVOs that the final rule covers) currently decline to provide boarding assistance to passengers with disabilities. While the record therefore does not support a quantified estimate of the incremental costs of this requirement to small entities, the Department is justified, based on the evidence of the record, for estimating that it would be very low.

Concerning service animals, SBA suggested that there should be an exception to the rule that would allow very small vessels to deny passage for safety reasons. As noted above, the number of very small vessels covered by the rule is likely to be very small. Denial of access to a service animal is tantamount to denying transportation to its user. Consequently, the provisions of section 39.27, concerning exclusion of a passenger with disabilities in connection with legitimate safety

requirements, would apply in a case where a PVO believed it should exclude a service animal for safety reasons. SBA also notes that smaller ferries and other small vessels might not have refrigerators on board to store food for service animals. There is no need to refrigerate animal food on the short trips typically run by small ferries or water taxis, so the issue would likely never arise. The need to store and refrigerate animal food would most likely arise on vessels that provide overnight accommodations, which typically are larger vessels.

With respect to complaints resolution officers (CROs; sections 39.101–39.105) SBA requests an estimate of the costs of this requirement. As SBA concedes, there are no training requirements for CROs in the final rule, and many of the same personnel already receive customer relations and safety training. Consequently, the incremental cost of getting small entities' CROs to the point of proficiency is limited to the time to read and understand the rule. The rule is not excessively lengthy, with the regulatory text likely to amount to around 7–8 **Federal Register** pages. It is not necessary for CROs to memorize the rule, only to become familiar enough with it to know what provisions to reference when a question or issue arises. It is fair to assume that this task would take an hour. Suppose there are 500 small PVOs covered by the rule (likely an overgenerous number). Then the total burden would be 500 work hours. To make a cost estimate, one would multiply this number of hours by the average hourly wage of PVO personnel who would read the rule. If this average is $20/hour, then the total cost of the requirement for small PVOs would be $10,000.

To estimate the cost and burden of having CROs working for small entities to provide responses to written complaints, it would be necessary to estimate how many such complaints there will be. The record of the rulemaking provides no basis for making such an estimate. The main purpose of the CRO requirement is to resolve problems before they turn into written complaints. Likewise, the purpose of the entire rule is to set forth explicit expectations for PVO policies, so that PVOs do not conduct themselves in ways that give rise to complaints. Many vessel industry commenters said that they emphasize providing good customer service to passengers with disabilities. If true, this would minimize the occurrence of complaints. For these reasons, the Department believes that the number of written complaints involving small entities would be small. If we assume that the task of gathering information for and writing a letter to a complainant would take four hours, and that 20 percent of the hypothetical 500 PVOs—100 entities—had one complaint filed against them per year, the task would occupy 400 work hours. Again, if we multiply this figure by the average hourly wage of the CRO—assuming, as before, that this is $20/hour—then the annual total is $8,000. It is possible to plug in a variety of assumptions about the number of CROs, the number of complaints, and the wage rates involved, but the bottom line remains a very modest economic impact in any plausible scenario.

Parties aggrieved by PVO misconduct already have the authority to bring litigation under the ADA or to complain to DOJ about disability discrimination. The *Spector* case, cited earlier in this preamble, is the most prominent example of such litigation, having been decided by the Supreme Court.

Because the costs of the rule are minimal to any covered parties, and because the number of small entities affected is likely to be very small, I certify that this rule will not have a significant economic effect on a substantial number of small entities.

Federalism

While there are some State and local entities (*i.e.* operators of State or municipal ferry systems) that would be covered by this rule, most regulated parties are private entities. The rule will not create any significant changes in the Federal/State/local relationship with respect to these entities, and has no pre-emptive effect. Consequently, we have concluded that there are not sufficient Federalism impacts to warrant the preparation of a Federalism assessment.

List of Subjects in 49 CFR Part 39

Individuals with disabilities, Mass transportation, Passenger vessels.

Issued this 16th day of June 2010 at Washington, DC.

Ray LaHood,

Secretary of Transportation.

■ For the reasons set forth in the preamble, the Department of Transportation is amending 49 CFR subtitle A by adding a new 49 CFR part 39, to read as follows:

PART 39—TRANSPORTATION FOR INDIVIDUALS WITH DISABILITIES: PASSENGER VESSELS

Subpart A—General

Sec.

39.1 What is the purpose of this Part?
39.3 What do the terms in this rule mean?
39.5 To whom do the provisions of this Part apply?
39.7 What other authorities concerning nondiscrimination on the basis of disability apply to owners and operators of passenger vessels?
39.9 What may the owner or operator of a foreign-flag vessel do if it believes a provision of a foreign nation's law prohibits compliance with a provision of this Part?
39.11 [Reserved]
39.13 When must PVOs comply with the provisions of this Part?

Subpart B—Nondiscrimination and Access to Services

39.21 What is the general nondiscrimination requirement of this Part?
39.23 What are the requirements concerning contractors to owners and operators of passenger vessels?
39.25 May PVOs refuse to provide transportation or use of a vessel on the basis of disability?
39.27 Can a PVO take action to deny transportation or restrict services to a passenger with a disability based on safety concerns?
39.29 May PVOs limit the number of passengers with a disability on a passenger vessel?
39.31 May PVOs limit access to transportation or use of a vessel on the basis that a passenger has a communicable disease?
39.33 May PVOs require a passenger with a disability to provide a medical certificate?
39.35 May PVOs require a passenger with a disability to provide advance notice that he or she is traveling on or using a passenger vessel when no special services are sought?
39.37 May PVOs require a passenger with a disability to provide advance notice in order to obtain particular auxiliary aids and services or to arrange group travel?
39.39 How do PVOs ensure that passengers with disabilities are able to use accessible cabins?
39.41 May a passenger with a disability be required to travel with another person?
39.43 May PVOs impose special charges on passengers with a disability for providing services required by this rule?
39.45 May PVOs impose other restrictions on passengers with a disability that they do not impose on other passengers?
39.47 May PVOs require passengers with a disability to sign waivers or releases?

Subpart C—Information for Passengers

39.51 What is the general requirement for PVOs' provision of auxiliary aids and services to passengers?
39.53 What information must PVOs provide to passengers with a disability?
39.55 Must information and reservation services of PVOs be accessible to individuals with hearing or vision impairments?
39.57 Must PVOs make copies of this rule available to passengers?

Subpart D—Accessibility of Landside Facilities

39.61 What requirements must PVOs meet concerning the accessibility of terminals and other landside facilities?
39.63 What modifications and auxiliary aids and services are required at terminals and other landside facilities for individuals with hearing or vision impairments?

Subpart E—Accessibility of Vessels [Reserved]

Subpart F—Assistance and Services to Passengers with Disabilities

39.81 What assistance must PVOs provide to passengers with a disability in getting to and from a passenger vessel?
39.83 What are PVOs' obligations for assisting passengers with a disability in getting on and off a passenger vessel?
39.85 What services must PVOs provide to passengers with a disability on board a passenger vessel?
39.87 What services are PVOs not required to provide to passengers with a disability on board a passenger vessel?
39.89 What requirements apply to on-board safety briefings, information, and drills?
39.91 Must PVOs permit passengers with a disability to travel with service animals?
39.93 What wheelchairs and other assistive devices may passengers with a disability bring onto a passenger vessel?
39.95 May PVOs limit their liability for the loss of or damage to wheelchairs and other assistive devices?

Subpart G—Complaints and Enforcement Procedures

39.101 What are the requirements for providing Complaints Resolution Officials?
39.103 What actions do CROs take on complaints?
39.105 How must PVOs respond to written complaints?
39.107 Where may persons obtain assistance with matters covered by this regulation?
39.109 What enforcement actions may be taken under this Part?

Authority: 42 U.S.C. 12101 through 12213; 49 U.S.C. 322; 29 U.S.C. 794.

Subpart A—General

§ 39.1 What is the purpose of this Part?

The purpose of this Part is to carry out the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973 with respect to passenger vessels. This rule prohibits owners and operators of passenger vessels, including U.S. and foreign-flag vessels, from discriminating against passengers on the basis of disability; requires vessels and related facilities to be accessible; and requires owners and operators of vessels to take steps to accommodate passengers with disabilities.

§ 39.3 What do the terms in this rule mean?

In this regulation, the terms listed in this section have the following meanings:

"Accessible" means, with respect to vessels and facilities, complying with the applicable requirements of this Part.

"The Act" or "ADA" means the Americans with Disabilities Act of 1990 (Pub. L. 101–336, 104 Stat. 327, 42 U.S.C. 12101–12213 and 47 U.S.C. 225 and 611), as it may be amended from time to time.

"Assistive device" means any piece of equipment that assists a passenger with a disability to cope with the effects of his or her disability. Such devices are intended to assist a passenger with a disability to hear, see, communicate, maneuver, or perform other functions of daily life, and may include medical devices.

"Auxiliary aids and services" includes:

(1) Qualified interpreters on-site or through video remote interpreting (VRI) services; notetakers; real-time computer-aided transcription services; written materials; exchange of written notes; telephone handset amplifiers; assistive listening devices; assistive listening systems; telephones compatible with hearing aids; closed caption decoders; open and closed captioning, including real-time captioning; voice, text, and video-based telecommunications products and systems, including text telephones (TTYs), videophones, and captioned telephones, or equally effective telecommunications devices; videotext displays; accessible electronic and information technology; or other effective methods of making aurally delivered information available to individuals who are deaf or hard of hearing;

(2) Qualified readers, taped texts, audio recordings, brailed materials and displays, screen reader software, magnification software, optical readers, secondary auditory programs (SAP), large print materials, accessible electronic and information technology, or other effective methods of making visually delivered materials available to individuals who are blind or have low vision;

(3) Acquisition or modification of equipment or devices; or

(4) Other similar services or actions.

"Coast Guard" means the United States Coast Guard, an agency of the Department of Homeland Security.

"Commerce" means travel, trade, transportation, or communication among the several States, between any foreign country or any territory and possession and any State, or between points in the same State but through another State or foreign country.

"Department" or "DOT" means the United States Department of Transportation, including any of its agencies.

"Designated public transportation" means transportation provided by a public entity by passenger vessel that provides the general public with general or special service, including charter service, on a regular and continuing basis.

"Direct threat" means a significant risk to the health or safety of others that cannot be eliminated by a modification of policies, practices, or procedures, or by the provision of auxiliary aids or services.

"Disability" means, with respect to an individual, a physical or mental impairment that substantially limits one or more of the major life activities of such individual; a record of such an impairment; or being regarded as having such an impairment.

(1) The phrase *physical or mental impairment* means—

(i) Any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: Neurological, musculoskeletal, special sense organs, respiratory including speech organs, cardiovascular, reproductive, digestive, genito-urinary, hemic and lymphatic, skin, and endocrine;

(ii) Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities;

(iii) The term physical or mental impairment includes, but is not limited to, such contagious or noncontagious diseases and conditions as orthopedic, visual, speech, and hearing impairments; cerebral palsy, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, specific learning disabilities, HIV disease, tuberculosis, drug addiction and alcoholism;

(iv) The phrase physical or mental impairment does not include homosexuality or bisexuality.

(2) The phrase *major life activities* means functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning, and work.

(3) The phrase *has a record of such an impairment* means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.

(4) The phrase *is regarded as having such an impairment* means—

(i) Has a physical or mental impairment that does not substantially limit major life activities, but which is treated by a public or private entity as constituting such a limitation;

(ii) Has a physical or mental impairment that substantially limits a major life activity only as a result of the attitudes of others toward such an impairment; or

(iii) Has none of the impairments defined in paragraph (1) of this definition but is treated by a public or private entity as having such an impairment.

(5) The term disability does not include—

(i) Transvestism, transsexualism, pedophilia, exhibitionism, voyeurism, gender identity disorders not resulting from physical impairments, or other sexual behavior disorders;

(ii) Compulsive gambling, kleptomania, or pyromania; or

(iii) Psychoactive substance abuse disorders resulting from the current illegal use of drugs.

"Facility" means all or any portion of buildings, structures, sites, complexes, equipment, roads, walks, passageways, parking lots, or other real or personal property, including the site where the building, property, structure, or equipment is located.

"Individual with a disability" means a person who has a disability, but does not include an individual who is currently engaging in the illegal use of drugs, when a public or private entity acts on the basis of such use.

"Operates" includes, with respect to passenger vessel service, the provision of transportation by a public or private entity itself or by a person under a contractual or other arrangement or relationship with the entity.

"Passenger for hire" means a passenger for whom consideration is contributed as a condition of carriage on the vessel, whether directly or indirectly flowing to the owner, charterer, operator, agent, or any other person having an interest in the vessel.

"Passenger vessel" means any ship, boat, or other craft used as a conveyance on water, regardless of its means of propulsion, which accepts passengers, whether or not for hire. The term does not include boats or other craft rented or leased to and operated solely by consumers or fixed floating structures permanently moored or attached to a landside facility.

"Passenger vessel owner or operator (PVO)" means any public or private entity that owns or operates a passenger vessel. When the party that owns a passenger vessel is a different party from the party that operates the vessel, both are responsible for complying with the requirements of this Part. To be a PVO for purposes of this Part, a private entity must be a private entity primarily engaged in the business of transporting people, as determined by the Department of Transportation in consultation with the Department of Justice.

"Private entity" means any entity other than a public entity that is primarily engaged in the business of transporting people.

"Public entity" means:

(1) Any State or local government; or

(2) Any department, agency, special purpose district, or other instrumentality of one or more State or local governments (including an entity established to provide public ferry service).

"Qualified individual with a disability" means an individual with a disability—

(1) Who, as a passenger (referred to as a "passenger with a disability"), with respect to obtaining transportation on or use of a passenger vessel, or other services or accommodations required by this Part,

(i) Buys or otherwise validly obtains, or makes a good faith effort to obtain, a ticket for transportation on a passenger vessel and presents himself or herself at the vessel for the purpose of traveling on the voyage to which the ticket pertains; or

(ii) With respect to use of a passenger vessel for which members of the public are not required to obtain tickets, presents himself or herself at the vessel for the purpose of using the vessel for the purpose for which it is made available to the public; and

(iii) Meets reasonable, nondiscriminatory requirements applicable to all passengers; or

(2) Who, with respect to accompanying or meeting a traveler, using ground transportation, using facilities, or obtaining information about schedules, fares, reservations, or policies, takes those actions necessary to use facilities or services offered by the PVO to the general public, with reasonable modifications, as needed, provided by the PVO.

"Secretary" means the Secretary of Transportation or his/her designee.

"Section 504" means section 504 of the Rehabilitation Act of 1973 (Pub. L. 93–112, 87 Stat. 394, 29 U.S.C. 794), as amended.

"Service animal" means any guide dog, signal dog, or other animal individually trained to work or perform tasks for an individual with a disability, including, but not limited to, guiding individuals with impaired vision, alerting individuals with impaired hearing to intruders or sounds, alerting persons with seizure disorders to the onset of a seizure, providing minimal protection or rescue work, pulling a wheelchair, or fetching dropped items.

"Specified public transportation" means transportation by passenger vessel provided by a private entity to the general public, with general or special service (including charter service) on a regular and continuing basis, where the private entity is primarily engaged in the business of transporting people.

"Terminal" means, with respect to passenger vessel transportation, the portion of a property located adjacent to a dock, entry ramp, or other means of boarding a passenger vessel, including areas through which passengers gain access to land transportation, passenger shelters, designated waiting areas, ticketing areas, and baggage drop-off and retrieval sites, to the extent that the PVO owns or leases the facility or exercises control over the selection, design, construction, or alteration of the property.

"United States" or "U.S." means the United States of America, including its territories, commonwealths, and possessions.

"Wheelchair" means any mobility aid belonging to any class of three or four-wheeled devices, usable indoors, designed for and used by individuals with mobility impairments, whether operated manually or powered.

"You" means the owner or operator of a passenger vessel, unless the context requires a different meaning.

§ 39.5 To whom do the provisions of this Part apply?

(a) Except as provided in paragraph (b) or (c) of this section, this Part applies to you if you are the owner or operator of any passenger vessel, and you are:

(1) A public entity that provides designated public transportation; or

(2) A private entity primarily engaged in the business of transporting people whose operations affect commerce and that provides specified public transportation;

(b) If you are the PVO of a foreign-flag passenger vessel, this Part applies to you only if your vessel picks up passengers at a port in the United States, its territories, possessions, or commonwealths.

§ 39.7 What other authorities concerning nondiscrimination on the basis of disability apply to owners and operators of passenger vessels?

(a) If you receive Federal financial assistance from the Department of Transportation, compliance with applicable requirements of this part is a condition of compliance with section 504 of the Rehabilitation Act of 1973 and of receiving financial assistance.

(b) You are also subject to ADA regulations of the Department of Justice (28 CFR part 35 or 36, as applicable).

§ 39.9 What may the owner or operator of a foreign-flag vessel do if it believes a provision of a foreign nation's law prohibits compliance with a provision of this Part?

(a) If you are the PVO of a foreign-flag vessel, and you believe that a binding legal requirement of a foreign nation precludes you from complying with a provision of this Part, you may request a waiver of the provision of this Part.

(b) You must send such a waiver request to the Department.

(c) Your waiver request must include the following elements:

(1) A copy, in the English language, of the foreign law involved;

(2) A description of how the binding legal requirement of a foreign nation applies and how it precludes compliance with a provision of this Part;

(3) A description of the alternative means you will use, if the waiver is granted, to effectively achieve the objective of the provision of this Part subject to the waiver or, if applicable, a justification of why it would be impossible to achieve this objective in any way.

(d) If you submit such a waiver request before November 3, 2010 you may continue to apply the foreign legal requirement pending the Department's response to your waiver request.

(e) The Department shall grant the waiver request if it determines that the binding legal requirement of a foreign nation applies, that it does preclude compliance with a provision of this Part, and that the PVO has provided an effective alternative means of achieving the objective of the provision of this Part subject to the waiver or clear and convincing evidence that it would be impossible to achieve this objective in any way.

§ 39.11 [Reserved]

§ 39.13 When must PVOs comply with the provisions of this part?

You are required to comply with the requirements of this part beginning November 3, 2010, except as otherwise provided in individual sections of this part.

Subpart B—Nondiscrimination and Access to Services

§ 39.21 What is the general nondiscrimination requirement of this part?

(a) As a PVO, you must not do any of the following things, either directly or through a contractual, licensing, or other arrangement:

(1) You must not discriminate against any qualified individual with a disability, by reason of such disability, with respect to the individual's use of a vessel;

(2) You must not require a qualified individual with a disability to accept special services that the individual does not request;

(3) You must not exclude a qualified individual with a disability from or deny the person the benefit of any vessel transportation or related services that are available to other persons, except when specifically permitted by another section of this Part; and

(4) You must not take any action against an individual (*e.g.*, refusing to provide transportation) because the individual asserts, on his or her own behalf or through or on behalf of others, rights protected by this part or the ADA.

(b)(1) As a PVO that is a private entity, you must make reasonable modifications in policies, practices, or procedures when such modifications are necessary to afford such goods, services, facilities, privileges, advantages, or accommodations to individuals with disabilities, unless you can demonstrate that making such modifications would fundamentally alter the nature of such goods, services, facilities, privileges, advantages, or accommodations.

(2) As a PVO that is a public entity, you must make reasonable modifications in policies, practices, or procedures when necessary to avoid discrimination on the basis of disability, unless you can demonstrate that making the modifications would fundamentally alter the nature of the services, programs, or activities you offer.

§ 39.23 What are the requirements concerning contractors to owners and operators of passenger vessels?

(a) If, as a PVO, you enter into a contractual or other arrangement or relationship with any other party to provide services to or affecting passengers, you must ensure that the other party meets the requirements of this Part that would apply to you if you provided the service yourself.

(b) As a PVO, you must include an assurance of compliance with this Part in your contracts or agreements with any contractors who provide to the public services that are subject to the requirements of this Part. Noncompliance with this assurance is a material breach of the contract on the contractor's part. With respect to contracts or agreements existing on November 3, 2010, you must ensure the inclusion of this assurance by November 3, 2011 or on the next occasion on which the contract or agreement is renewed or amended, whichever comes first.

(1) This assurance must commit the contractor to compliance with all applicable provisions of this Part in activities performed on behalf of the PVO.

(2) The assurance must also commit the contractor to implementing directives issued by your Complaints Resolution Officials (CROs) under § 39.103.

(c) As a PVO, you must also include such an assurance of compliance in your contracts or agreements of appointment with U.S. travel agents. With respect to contracts or agreements with U.S. travel agents existing on November 3, 2010, you must ensure the inclusion of this assurance by November 3, 2011 or on the next occasion on which the contract or agreement is renewed or amended, whichever comes first. You are not required to include such an assurance in contracts with foreign travel agents.

(d) You remain responsible for your contractors' and U.S. travel agents' compliance with this Part and with the assurances in your contracts with them.

(e) It is not a defense to an enforcement action under this Part that your noncompliance resulted from action or inaction by a contractor or U.S. travel agent.

§ 39.25 May PVOs refuse to provide transportation or use of a vessel on the basis of disability?

(a) As a PVO, you must not refuse to provide transportation or use of a vessel to a passenger with a disability on the basis of his or her disability, except as specifically permitted by this Part.

(b) You must not refuse to provide transportation or use of a vessel to a passenger with a disability because the person's disability results in appearance or involuntary behavior that may offend, annoy, or inconvenience crewmembers or other passengers.

(c) If you refuse to provide transportation or use of a vessel to a passenger on a basis relating to the individual's disability, you must provide to the person a written statement of the reason for the refusal. This statement must include the specific basis for your opinion that the refusal meets the standards of § 39.27 or is

otherwise specifically permitted by this part. You must provide this written statement to the person within 10 calendar days of the refusal of transportation or use of the vessel.

§ 39.27 Can a PVO take action to deny transportation or restrict services to a passenger with a disability based on safety concerns?

(a) As a PVO, you may take action to deny transportation or restrict services to a passenger with a disability if necessitated by legitimate safety requirements. Safety requirements must be based on actual risks and not on mere speculation, stereotypes, or generalizations about individuals with disabilities.

Example 1 to paragraph 39.27(a): You may take such action in order to comply with Coast Guard safety regulations.

Example 2 to paragraph 39.27(a): You may take such action if accommodating a large or heavy wheelchair would, together with its occupant, create weight and balance problem that could affect adversely the seaworthiness of the vessel or impede emergency egress from the vessel.

Example 3 to paragraph 39.27(a): You could restrict access to a lifeboat for a mobility device that would limit access to the lifeboat for other passengers.

(b) In taking action pursuant to legitimate safety requirements, you must take the action that imposes the minimum feasible burdens or limitations from the point of view of the passenger. For example, if you can meet legitimate safety requirements by a means short of refusing transportation to a passenger, you must do so.

(c) You may take action to deny transportation or restrict services to a passenger if the passenger poses a direct threat to others. In determining whether an individual poses a direct threat to the health or safety of others, the PVO must make an individualized assessment, based on reasonable judgment that relies on current medical knowledge or on the best available objective evidence, to ascertain: The nature, duration, and severity of the risk; the probability that the potential injury will actually occur; and whether reasonable modifications of policies, practices, or procedures will mitigate the risk.

§ 39.29 May PVOs limit the number of passengers with a disability on a passenger vessel?

As a PVO, you must not limit the number of passengers with a disability other than individuals with a mobility disability on your vessel. However, if in the Captain's judgment, weight or stability issues are presented by the presence of mobility devices and would conflict with legitimate safety requirements pertaining to the vessel and its passengers, then the number of passengers with mobility aids may be limited, but only to the extent reasonable to prevent a avoid such a conflict.

§ 39.31 May PVOs limit access to transportation or use of a vessel on the basis that a passenger has a communicable disease?

(a) You must not take any of the following actions on the basis that a passenger has a communicable disease or infection, unless one of the conditions of paragraph (b) of this section exists:

(1) Refuse to provide transportation or use of a vessel to the passenger;

(2) Delay the passenger's transportation or use of the vessel (*e.g.*, require the passenger to take a later trip);

(3) Impose on the passenger any condition, restriction, or requirement not imposed on other passengers; or

(4) Require the passenger to provide a medical certificate.

(b) You may take actions listed in paragraph (a) of this section only if either or both of the conditions listed in paragraphs (b)(1) and (2) of this section are met. The action you take must be the least restrictive from the point of view of the passenger, consistent with protecting the health of other passengers.

(1) U.S. or international public health authorities (*e.g.*, the Centers for Disease Control, Public Health Service, World Health Organization) have determined that persons with a particular condition should not be permitted to travel or should travel only under conditions specified by the public health authorities;

(2) An individual has a condition that is both readily transmissible by casual contact in the context of traveling on or using a passenger vessel and has serious health consequences.

Example 1 to paragraph 39.31(b)(2). A passenger has a common cold. This condition is readily transmissible by casual contact but does not have serious health consequences. You may not take any of the actions listed in paragraph (a) of this section.

Example 2 to paragraph 39.31(b)(2): A passenger has HIV/AIDS. This condition is not readily transmissible by casual contact but does have serious health consequences. You may not take any of the actions listed in paragraph (a) of this section.

Example 3 to paragraph 39.31(b)(2): A passenger has SARS or a norovirus. These conditions are readily transmissible by casual contact and have serious health consequences. You may take an action listed in paragraph (a) of this section.

Example 4 to paragraph 39.31(b)(2). A passenger has a condition that is not readily transmissible by casual contact to or does not have serious health consequences for the general passenger population. However, it is possible that it could be readily transmitted by casual contact with and have serious health consequences for an individual with a severe allergy or severely compromised immune system. You may not take any of the actions listed in paragraph (a) of this section.

(c) Any action of those listed in paragraph (a) of this section that you take under paragraph (b) of this section must be the least drastic action you can take to protect the health of other passengers. For example, if you can protect the health of other passenger by imposing a condition on the transportation of a passenger with a communicable disease (*e.g.*, limiting the passenger's access to certain facilities on the vessel for a period of time), you cannot totally deny transportation on the vessel.

(d) For purposes of paragraph (a)(4) of this section, a medical certificate is a written statement from the passenger's physician saying that the passenger's disease or infection would not, under the present conditions in the particular passenger's case, be readily communicable to other persons by casual contact during the normal course of the passenger's transportation or use of the vessel. Such a medical certificate must state any conditions or precautions that would have to be observed to prevent the transmission of the disease or infection to other persons in the normal course of the passenger's transportation on or use of the vessel. It must be sufficiently recent to pertain directly to the communicable disease presented by the passenger at the time the passenger seeks to board the vessel.

(e) If your action under this section results in the postponement of a passenger's transportation or use of the vessel, you must permit the passenger to travel or use the vessel at a later available time (up to one year from the date of the postponed trip or use of the vessel) at the cost that would have applied to the passenger's originally scheduled trip or use of the vessel without penalty or, at the passenger's discretion, provide a refund for any unused transportation or use of the vessel. If there is no available reservation within one year, you must provide a refund.

(f) If you take any action under this section that restricts a passenger's transportation or use of the vessel, you must, on the passenger's request, provide a written explanation within 10 days of the request.

§ 39.33 May PVOs require a passenger with a disability to provide a medical certificate?

Except as provided in § 39.31, you must not require a passenger with a disability to have a medical certificate as a condition for being provided transportation on your vessel.

§ 39.35 May PVOs require a passenger with a disability to provide advance notice that he or she is traveling on or using a passenger vessel when no particular services are sought?

As a PVO, you must not require a passenger with a disability to provide advance notice of the fact that he or she is traveling on or using a passenger vessel when the passenger is not seeking particular auxiliary aids or services, or special privileges or services, that in order to be provided need to be arranged before the passenger arrives to board the vessel. The PVO always has an obligation to provide effective communication between the PVO and individuals who are deaf or hard of hearing or blind or visually impaired through the use of appropriate auxiliary aids and services.

§ 39.37 May PVOs require a passenger with a disability to provide advance notice in order to obtain particular auxiliary aids and services or to arrange group travel?

(a) Except as provided in this section, as a PVO you must not require a passenger with a disability to provide advance notice in order to obtain services or privileges required by this Part.

(b) If 10 or more passengers with a disability seek to travel as a group, you may require 72 hours advance notice for the group's travel.

(c) With respect to providing particular auxiliary aids and services, you may request reasonable advance notice to guarantee the availability of those aids or services.

(d) Your reservation and other administrative systems must ensure that when passengers provide the advance notice that you require, consistent with this section, for services and privileges, the notice is communicated, clearly and on time, to the people responsible for providing the requested service or accommodation.

§ 39.39 How do PVOs ensure that passengers with disabilities are able to use accessible cabins?

(a) As a PVO operating a vessel that has accessible cabins, you must follow the requirements of this Part to ensure that passengers with disabilities who need accessible cabins have nondiscriminatory access to them.

(b) You must, with respect to reservations made by any means (*e.g.*, telephone, Internet, in person, or through a third party):

(1) Modify your policies, practices, or procedures to ensure that individuals with disabilities can make reservations for accessible cabins during the same hours and in the same manner as individuals who do not need accessible cabins;

(2) Identify and describe accessible features in the cabins offered through your reservations service in enough detail to permit individuals with disabilities to assess independently whether a given cabin meets his or her accessibility needs.

(3) Ensure that accessible cabins are held for use by individuals with disabilities until all other cabins in that class of service have been rented;

(4) Reserve accessible cabins upon request by a passenger with disabilities and ensure that the specific accessible cabin reserved by that passenger is held for him or her, even you do not normally hold specific cabins for passengers who make reservations.

(c) You may release unsold accessible cabins to persons without disabilities for their own use when all other cabins in the same class of service and price for a voyage have been reserved.

(d) If a passenger with a disability seeks to reserve an accessible cabin in a given class of service, and there is not an available accessible cabin in that class of service, but there is an available accessible cabin in a different class of service, you must allow the passenger to reserve that accessible cabin at the price of the requested class of service of the class of service in which the accessible cabin exists, whichever is lower.

(e) As a PVO, you are never required to deny transportation to any passenger who has already reserved passage in order to accommodate a passenger with a disability in an accessible cabin.

(f) You must not require proof of disability, including, for example, a doctor's note, before reserving an accessible cabin.

(g) To prevent fraud in the assignment of accessible cabins (*e.g.*, attempts by individuals who do not have disabilities to reserve accessible cabins because they have greater space, you—

(1) Must inquire of persons seeking to reserve such cabins whether the individual (or an individual for whom the cabin is being reserved) has a mobility disability or a disability that requires the use of the accessible features that are provided in the cabin.

(2) May require a written attestation from the individual that accessible cabin is for a person who has a mobility disability or a disability that requires the use of the accessible features that are provided in the cabin.

(h) You must investigate the potential misuse of accessible cabins where there is good cause to believe that such cabins have been purchased fraudulently, and you may take appropriate action against someone who has reserved or purchased such a cabin fraudulently. For example, if an individual who does not have a disability reserves an accessible cabin, after having attested that he or she has a mobility disability, you may deny transportation to the individual.

§ 39.41 May a passenger with a disability be required to travel with another person?

(a) You must not require that a passenger with a disability travel with another person as a condition of being provided transportation on or use of a passenger vessel.

(b) Your personnel are not required to perform personal tasks (*e.g.*, assisting with eating, dressing, toileting) for a passenger.

§ 39.43 May PVOs impose special charges on passengers with a disability for providing services required by this rule?

(a) As a PVO, you must not charge higher fares, surcharges, or other fees to passengers with a disability that are not imposed on other passengers for transportation or use of the vessel.

(b) If the accommodations on a vessel that are accessible to passengers with a disability are available only in a type or class of service or part of a vessel that are more expensive than the type or class of service or part of a vessel that the passenger requests, you must provide the accessible accommodation at the price of the type or class of service or facility that the passenger requests.

(c) You must not impose special or extra charges for providing facilities, equipment, or services that this rule requires to be provided to passengers with a disability.

§ 39.45 May PVOs impose other restrictions on passengers with a disability that they do not impose on other passengers?

(a) As a PVO, you must not subject passengers with a disability to restrictions that do not apply to other passengers, except as otherwise explicitly permitted in this Part.

(b) Restrictions you must not impose on passengers with a disability include, but are not limited to, the following:

(1) Restricting passengers' movement within the vessel or a terminal;

(2) Requiring passengers to remain in a holding area or other location in order to receive transportation or services;

(4) Requiring passengers to wear badges or other special identification; or

(5) Requiring ambulatory passengers, including but not limited to blind or visually impaired passengers, to use a wheelchair or other mobility device in order to receive assistance required by this Part or otherwise offered to the passenger.

(c) Special muster stations for disabled individuals are permissible for emergency evacuations in order to centrally locate available resources.

§ 39.47 May PVOs require passengers with a disability to sign waivers or releases?

(a) As a PVO, you must not require passengers with a disability to sign any release or waiver of liability not required of all passengers in order to receive transportation or use of a vessel or to receive services relating to a disability.

(b) You must not require passengers with a disability to sign waivers of liability for damage to or loss of wheelchairs or other mobility or assistive devices.

Subpart C—Information for Passengers

§ 39.51 What is the general requirement for PVOs' provision of auxiliary aids and services to passengers?

(a) If you are a PVO that is a public entity, you must furnish appropriate auxiliary aids and services where necessary to afford an individual with a disability an equal opportunity to participate in, and enjoy the benefits of, a service, program or activity. In determining what type of auxiliary aid or service is necessary, you must give primary consideration to the requests of individuals with disabilities.

(b) If you are a PVO that is a private entity, you must furnish appropriate auxiliary aids or services where necessary to ensure effective communication with individuals with disabilities.

(c) If a provision of a particular auxiliary aid or service would result in a fundamental alteration in the nature of the goods, services, facilities, privileges, advantages, or accommodations being offered or in an undue burden, you shall provide an alternative auxiliary aid or service, if one exists, that would not result in a fundamental alteration or undue burden but would nevertheless ensure that, to the maximum extent possible, individuals with disabilities receive the goods, services, facilities, privileges, advantages, or accommodations you offer.

(d) As a PVO, it is your responsibility, not that of a passenger with a disability, to provide needed auxiliary aids and services.

§ 39.53 What information must PVOs provide to passengers with a disability?

As a PVO, you must provide the following information to individuals who self-identify as having a disability (including those who are deaf or hard of hearing or who are blind or visually impaired) or who request disability-related information, or persons making inquiries on the behalf of such persons. The information you provide must, to the maximum extent feasible, be specific to the vessel a person is seeking to travel on or use.

(a) The availability of accessible facilities on the vessel including, but not limited to, means of boarding the vessel, toilet rooms, staterooms, decks, dining, and recreational facilities.

(b) Any limitations of the usability of the vessel or portions of the vessel by people with mobility impairments;

(c) Any limitations on the accessibility of boarding and disembarking at ports at which the vessel will call (*e.g.*, because of the use of inaccessible lighters or tenders as the means of coming to or from the vessel);

(d) Any limitations on the accessibility of services or tours ancillary to the transportation provided by the vessel concerning which the PVO makes arrangements available to passengers;

(e) Any limitations on the ability of a passenger to take a service animal off the vessel at foreign ports at which the vessel will call (*e.g.*, because of quarantine regulations) and provisions for the care of an animal acceptable to the PVO that the passenger must meet when the passenger disembarks at a port at which the animal must remain aboard the vessel.

(f) The services, including auxiliary aids and services, available to individuals who are deaf or hard of hearing or blind or visually impaired.

(g) Any limitations on the ability of the vessel to accommodate passengers with a disability.

(h) Any limitations on the accessibility of boarding and disembarking at ports at which the vessel will call and services or tours ancillary to the transportation provided by the vessel concerning which the PVO makes arrangements available to passengers.

§ 39.55 Must information and reservation services of PVOs be accessible to individuals with hearing or vision impairments?

This section applies to information and reservation services made available to persons in the United States.

(a) If, as a PVO, you provide telephone reservation or information service to the public, you must make this service available to individuals who are deaf or hard-of-hearing and who use a text telephone (TTY) or a TTY relay service (TRS).

(1) You must make service to TTY/TRS users available during the same hours as telephone service for the general public.

(2) Your response time to TTY/TRS calls must be equivalent to your response time for your telephone service to the general public.

(3) You must meet this requirement by [date one year from the effective date of this Part].

(b) If, as a PVO, you provide written (*i.e.*, hard copy) information to the public, you must ensure that this information is able to be communicated effectively, on request, to persons with vision impairments. You must provide this information in the same language(s) in which you make it available to the general public.

§ 39.57 Must PVOs make copies of this rule available to passengers?

As a PVO, you must keep a current copy of this Part on each vessel and each U.S. port or terminal you serve and make it available to passengers on request. If you are an entity that does not receive Federal financial assistance, you are not required to make this copy available in languages other than English. You must make it available in accessible formats on request, subject to the provisions of § 39.51(c).

Subpart D—Accessibility of Landside Facilities

§ 39.61 What requirements must PVOs meet concerning the accessibility of terminals and other landside facilities?

As a PVO, you must comply with the following requirements with respect to all terminal and other landside facilities you own, lease, or control in the United States (including its territories, possessions, and commonwealths):

(a) With respect to new facilities, you must do the following:

(1) You must ensure that terminal facilities are readily accessible to and usable by individuals with disabilities, including individuals who use wheeled mobility assistive devices. You are deemed to comply with this obligation if the facilities meet the requirements of 49 CFR 37.9, and the standards referenced in that section.

(2) You must ensure that there is an accessible route between the terminal or other passenger waiting area and the boarding ramp or device used for the vessel. An accessible route is one

meeting the requirements of the standards referenced in 49 CFR 37.9.

(b) When a facility is altered, the altered portion must meet the same standards that would apply to a new facility.

(c) With respect to an existing facility, your obligations are the following:

(1) If you are a public entity, you must ensure that your terminals and other landside facilities meet program accessibility requirements, consistent with Department of Justice requirements at 28 CFR 35.150.

(2) If you are a private entity, you are required to remove architectural barriers where doing so is readily achievable, *i.e.*, easily accomplishable and able to be carried out without much difficulty or expense, consistent with Department of Justice requirements at 28 CFR 36.304 or, if not readily achievable, ensure that your goods, services, facilities, privileges, advantages, or accommodations are available through alternative methods if those methods are readily achievable, consistent with Department of Justice regulations at 28 CFR 36.305.

(d) Where you share responsibility for ensuring accessibility of a facility with another entity, you and the other entity are jointly and severally responsible for meeting applicable accessibility requirements.

§ 39.63 What modifications and auxiliary aids and services are required at terminals and other landside facilities for individuals with hearing or vision impairments?

(a) As a PVO, you must ensure that the information you provide to the general public at terminals and other landside facilities is effectively communicated to individuals who are blind or who have impaired vision and deaf or hard-of-hearing individuals, through the use of auxiliary aids and services. To the extent that this information is not available to these individuals through accessible signage and/or verbal public address announcements or other means, your personnel must promptly provide the information to such individuals on their request, in languages (*e.g.*, English, Norwegian, Japanese) in which the information is provided to the general public.

(b) The types of information you must make available include, but are not limited to, information concerning ticketing, fares, schedules and delays, and the checking and claiming of luggage.

Subpart E—Accessibility of Vessels [Reserved]

Subpart F—Assistance and Services to Passengers With Disabilities

§ 39.81 What assistance must PVOs provide to passengers with a disability in getting to and from a passenger vessel?

(a) As a PVO, if you provide, contract for, or otherwise arrange for transportation to and from a passenger vessel in the U.S. (*e.g.*, a bus transfer from an airport to a vessel terminal), you must ensure that the transfer service is accessible to and usable by individuals with disabilities, as required by this Part.

(b) You must also provide assistance requested by or on behalf of a passenger with a disability in moving between the terminal entrance (or a vehicle drop-off point adjacent to the entrance) of a terminal in the U.S. and the place where people get on or off the passenger vessel. This requirement includes assistance in accessing key functional areas of the terminal, such as ticket counters and baggage checking/claim. It also includes a brief stop upon request at an accessible toilet room.

§ 39.83 What are PVOs' obligations for assisting passengers with a disability in getting on and off a passenger vessel?

(a) If a passenger with a disability can readily get on or off a passenger vessel without assistance, you are not required to provide such assistance to the passenger. You must not require such a passenger with a disability to accept assistance from you in getting on or off the vessel unless it is provided to all passengers as a matter of course.

(b) With respect to a passenger with a disability who is not able to get on or off a passenger vessel without assistance, you must promptly provide assistance that ensures that the passenger can get on or off the vessel.

(c) When you have to provide assistance to a passenger with a disability in getting on or off a passenger vessel, you may use any available means to which the passenger consents (*e.g.*, lifts, ramps, boarding chairs, assistance by vessel personnel).

§ 39.85 What services must PVOs provide to passengers with a disability on board a passenger vessel?

As a PVO, you must provide services on board the vessel as requested by or on behalf of passengers with a disability, or when offered by PVO personnel and accepted by passengers with a disability, as follows:

(a) Assistance in moving about the vessel, with respect to any physical barriers rendering an area not readily accessible and usable to the passenger.

(b) If food is provided to passengers on the vessel, assistance in preparation for eating, such as opening packages and identifying food;

(c) Effective communication with passengers who have vision impairments or who are deaf or hard-of-hearing, so that these passengers have timely access to information the PVO provides to other passengers (*e.g.*, weather, on-board services, delays).

§ 39.87 What services are PVOs not required to provide to passengers with a disability on board a passenger vessel?

As a PVO, you are not required to provide extensive special assistance to passengers with a disability. For purposes of this section, extensive special assistance includes the following activities:

(a) Assistance in actual eating;

(b) Assistance within a toilet room or assistance elsewhere on the vessel with elimination functions; and

(c) Provision of medical equipment or services, or personal devices, except to the extent provided to all passengers.

§ 39.89 What requirements apply to on-board safety briefings, information, and drills?

As a PVO, you must comply with the following requirements with respect to safety briefings, information, or drills provided to passengers:

(a) You must provide the briefings or other safety-related information through means that effectively communicate their content to persons with vision or hearing impairments, using auxiliary aids and services where necessary for effective communication. This includes providing written materials in alternative formats that persons with vision impairments can use.

(b) You must not require any passenger with a disability to demonstrate that he or she has listened to, read, or understood the information presented, except to the extent that you impose such a requirement on all passengers. You must not take any action adverse to a qualified individual with a disability on the basis that the person has not "accepted" the briefing.

(c) As a PVO, if you present on-board safety briefings to passengers on video screens, you must ensure that the safety-video presentation is accessible to passengers with impaired hearing (*e.g.*, through use of captioning or placement of a sign language interpreter in the video).

(d) You must provide whatever assistance is necessary to enable passengers with disabilities to

participate fully in safety or emergency evacuation drills provided to all passengers.

(e) You must maintain evacuation programs, information, and equipment in locations that passengers can readily access and use.

§ 39.91 Must PVOs permit passengers with a disability to travel with service animals?

(a) As a PVO, you must permit service animals to accompany passengers with a disability.

(b) You must permit the service animal to accompany the passenger in all locations that passengers can use on a vessel, including in lifeboats.

(c) You must permit the passenger accompanied by the service animal to bring aboard a reasonable quantity of food for the animal aboard the vessel at no additional charge. If your vessel provides overnight accommodations, you must also provide reasonable refrigeration space for the service animal food.

(d) You must accept the following as evidence that an animal is a service animal: Identification cards, other written documentation, presence of harnesses, tags, and/or the credible verbal assurances of a passenger with a disability using the animal.

(e) If the legal requirements of a foreign government (*e.g.*, quarantine regulations) do not permit a service animal to disembark at a foreign port, as a PVO you may require the animal to remain on board while its user leaves the vessel. You must work with the animal's user to ensure that the animal is properly cared for during the user's absence.

§ 39.93 What wheelchairs and other assistive devices may passengers with a disability bring onto a passenger vessel?

(a) As a PVO subject to Title III of the ADA, you must permit individuals with mobility disabilities to use wheelchairs and manually powered mobility aids, such as walkers, crutches, canes, braces, or other similar devices designed for use by individuals with mobility disabilities in any areas open to pedestrian use.

(b)(1) As A PVO subject to Title III of the ADA, you must make reasonable modifications in your policies, practices, or procedures to permit the use of other power-driven mobility devices by individuals with mobility disabilities, unless you can demonstrate that a device cannot be operated on board the vessel consistent with legitimate safety requirements you have established for the vessel.

(2) In determining whether a particular other power-driven mobility device can be allowed on a specific vessel as a reasonable modification under paragraph (b)(1) of this section, the PVO must consider:

(i) The type, size, weight, dimensions, and speed of the device;

(ii) The vessel's volume of pedestrian traffic (which may vary at different times of the day, week, month, or year);

(iii) The vessel's design and operational characteristics (*e.g.*, the size and balance requirements of the vessel, the density and placement of stationary devices, and the availability of storage for the device, if requested by the user);

(iv) Whether legitimate safety requirements can be established to permit the safe operation of a device in the specific vessel; and

(c)(1) As a PVO subject to Title III of the ADA, you must not ask an individual using a wheelchair or other power-driven mobility device questions about the nature and extent of the individual's disability.

(2) You may ask a person using an other power-driven mobility device to provide a credible assurance that the mobility device is required because of the person's disability. In response to this inquiry, you must accept the presentation of a valid, State-issued disability parking placard or card, or State-issued proof of disability as a credible assurance that the use of the other power-driven mobility device is for the individual's mobility disability. In lieu of a valid, State-issued disability parking placard or card, or State-issued proof of disability, a PVO shall accept as a credible assurance a verbal representation not contradicted by observable fact, that the other power-driven mobility device is being used for a mobility disability.

(d) As a PVO subject to Title II of the ADA, you must follow the requirements of paragraphs (a) through (c) of this section. In addition, any restriction you impose on the use of an other powered mobility device on your vessel must be limited to the minimum necessary to meet a legitimate safety requirement. For example, if a device can be accommodated in some spaces of the vessel but not others because of a legitimate safety requirement, you could not completely exclude the device from the vessel.

(e) As a PVO, you are not required to permit passengers with a disability to bring wheelchairs or other powered mobility devices into lifeboats or other survival craft, in the context of an emergency evacuation of the vessel.

§ 39.95 May PVOs limit their liability for loss of or damage to wheelchairs or other assistive devices?

Consistent with any applicable requirements of international law, you must not apply any liability limits with respect to loss of or damage to wheeled mobility assistive devices or other assistive devices. The criterion for calculating the compensation for a lost, damaged, or destroyed wheelchair or other assistive device is the original purchase price of the device.

Subpart G—Complaints and Enforcement Procedures

§ 39.101 What are the requirements for providing Complaints Resolution Officials?

(a) As a PVO, you must designate one or more Complaints Resolution Officials (CROs).

(b) You must make a CRO available for contact on each vessel and at each terminal that you serve. The CRO may be made available in person or via telephone, if at no cost to the passenger. If a telephone link to the CRO is used, TTY or TRS service must be available so that persons with hearing impairments may readily communicate with the CRO. You must make CRO service available in the language(s) in which you make your other services available to the general public.

(c) You must make passengers with a disability aware of the availability of a CRO and how to contact the CRO in the following circumstances:

(1) In any situation in which any person complains or raises a concern with your personnel about discrimination, policies, or services with respect to passengers with a disability, and your personnel do not immediately resolve the issue to the customer's satisfaction or provide a requested accommodation, your personnel must immediately inform the passenger of the right to contact a CRO and the location and/or phone number of the CRO available on the vessel or at the terminal. Your personnel must provide this information to the passenger in a format he or she can use.

(2) Your reservation agents, contractors, and Web sites must provide information equivalent to that required by paragraph (c)(1) of this section to passengers with a disability using those services.

(d) Each CRO must be thoroughly familiar with the requirements of this Part and the PVO's procedures with respect to passengers with a disability. The CRO is intended to be the PVO's "expert" in compliance with the requirements of this Part.

(e) You must ensure that each of your CROs has the authority to make

dispositive resolution of complaints on behalf of the PVO. This means that the CRO must have the power to overrule the decision of any other personnel, except that the CRO may not be given authority to countermand a decision of the master of a vessel with respect to safety matters.

§ 39.103 What actions do CROs take on complaints?

When a complaint is made directly to a CRO (*e.g.*, orally, by phone, TTY) the CRO must promptly take dispositive action as follows:

(a) If the complaint is made to a CRO before the action or proposed action of PVO personnel has resulted in a violation of a provision of this Part, the CRO must take, or direct other PVO personnel to take, whatever action is necessary to ensure compliance with this Part.

(b) If an alleged violation of a provision of this Part has already occurred, and the CRO agrees that a violation has occurred, the CRO must provide to the complainant a written statement setting forth a summary of the facts and what steps, if any, the PVO proposes to take in response to the violation.

(c) If the CRO determines that the PVO's action does not violate a provision of this Part, the CRO must provide to the complainant a written statement including a summary of the facts and the reasons, under this Part, for the determination.

(d) The statements required to be provided under this section must inform the complainant of his or her right to complain to the Department of Transportation and/or Department of Justice. The CRO must provide the statement in person to the complainant in person if possible; otherwise, it must be transmitted to the complainant within 10 calendar days of the complaint.

§ 39.105 How must PVOs respond to written complaints?

(a) As a PVO, you must respond to written complaints received by any means (*e.g.*, letter, fax, e-mail, electronic instant message) concerning matters covered by this Part.

(b) A passenger making a written complaint, must state whether he or she had contacted a CRO in the matter, provide the name of the CRO and the date of the contact, if available, and enclose any written response received from the CRO.

(c) As a PVO, you are not required to respond to a complaint from a passenger postmarked or transmitted more than 45 days after the date of the incident.

(d) As a PVO, you must make a dispositive written response to a written disability complaint within 30 days of its receipt. The response must specifically admit or deny that a violation of this part has occurred. The response must be effectively communicated to the recipient.

(1) If you admit that a violation has occurred, you must provide to the complainant a written statement setting forth a summary of the facts and the steps, if any, you will take in response to the violation.

(2) If you deny that a violation has occurred, your response must include a summary of the facts and your reasons, under this Part, for the determination.

(3) Your response must also inform the complainant of his or her right to pursue DOT or DOJ enforcement action under this part, as applicable. DOT has enforcement authority under Title II of the ADA for public entities and under section 504 of the Rehabilitation Act for entities that receive Federal financial assistance; DOJ has enforcement authority under Title III of the ADA for private entities.

§ 39.107 Where may persons obtain assistance with matters covered by this regulation?

A passenger, PVO, or any other person may obtain information, guidance, or other assistance concerning 49 CFR part 39 from then DOT Departmental Office of Civil Rights and/or DOT Office of General Counsel, 1200 New Jersey Avenue, SE., Washington, DC 20590.

§ 39.109 What enforcement actions may be taken under this Part?

(a) The Department of Transportation investigates complaints and conducts reviews or other inquiries into the compliance with this Part of PVOs that are Title II entities.

(b) As a PVO subject to Title II of the ADA, you must be prepared to provide to the Department of Transportation a written explanation of your action in any situation in which you exclude or restrict an individual with a disability or any mobility or other assistive device used by such an individual with respect to the use of your vessel.

(c) The Department of Transportation investigates complaints conducts compliance reviews or other inquiries into the compliance of this Part of PVOs, whether private or public entities, that receive Federal financial assistance from the Department, under section 504 of the Rehabilitation Act of 1973, as amended.

(d) The Department may refer any matter concerning the compliance of PVOs with this Part to the Department of Justice for enforcement action.

(e) The Department of Justice investigates complaints and conducts reviews or other inquiries into the compliance with this Part of PVOs that are Title III entities.

(f) The Department of Justice may file suit in Federal court against both Title II and Title III PVOs for violations of this part.

[FR Doc. 2010–15101 Filed 7–2–10; 8:45 am]

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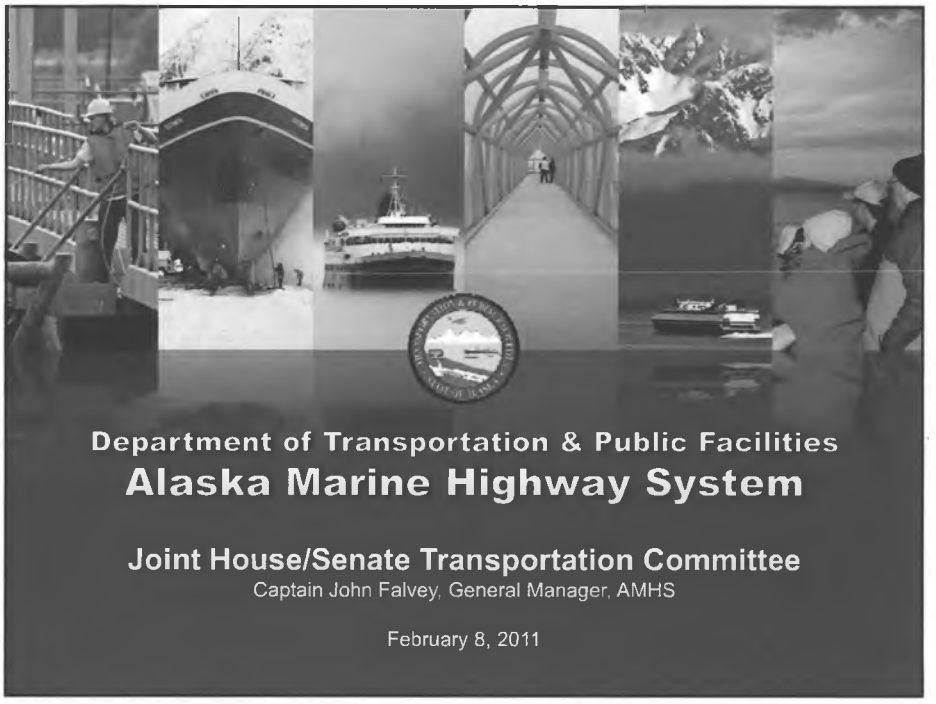


Department of Transportation & Public Facilities

Alaska Marine Highway System

Joint House/Senate Transportation Committee

Captain John Falvey, General Manager, AMHS

February 8, 2011

Our Mission

The mission of the Alaska Marine Highway System is to provide safe, reliable, and efficient transportation of people, goods, and vehicles among Alaska communities, Canada, and the "Lower 48," while providing opportunities to develop and maintain a reasonable standard of living and high quality of life, including social, education, and health needs.

Overview – Fiscal Year 10/11

- Achievements
  - Increased Traffic
  - Managing to the Budget
  - Early Schedule Release / On-time Departures
  - Vessel Satellite Communications
  - Fuel Efficiency Infrastructure
  - OARS Increased Use
  - Marketing Outreach
  - New Service:
    - Bellingham-Whittier Express
    - Gustavus

Overview – Fiscal Year 10/11

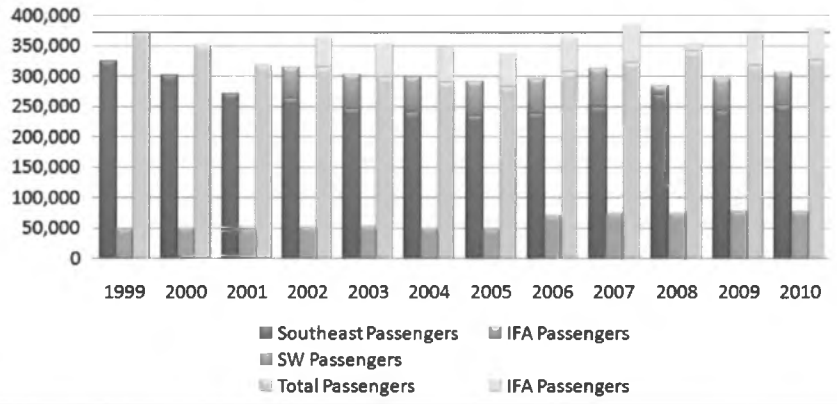
- Challenges
  - Vessel Operations
  - Revenue Enhancement
  - Operating Cost Containment
  - Vessel Retirement
  - Vessel Replacement
  - Mid-life Engine Replacements
  - Reservation System Upgrade
  - Funding Recap

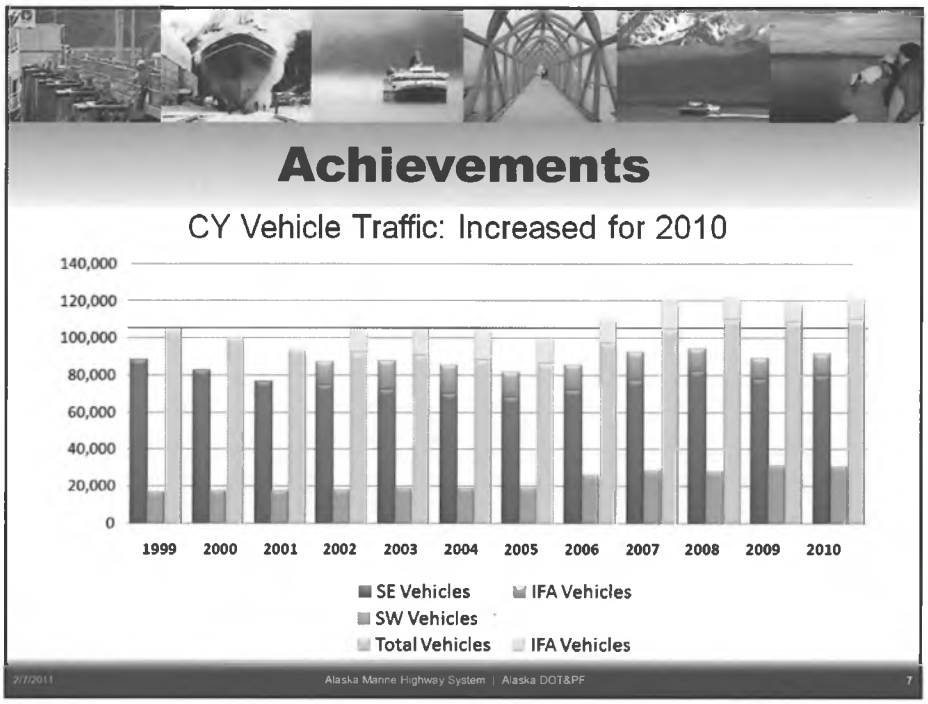
Overview – Fiscal Year 10/11

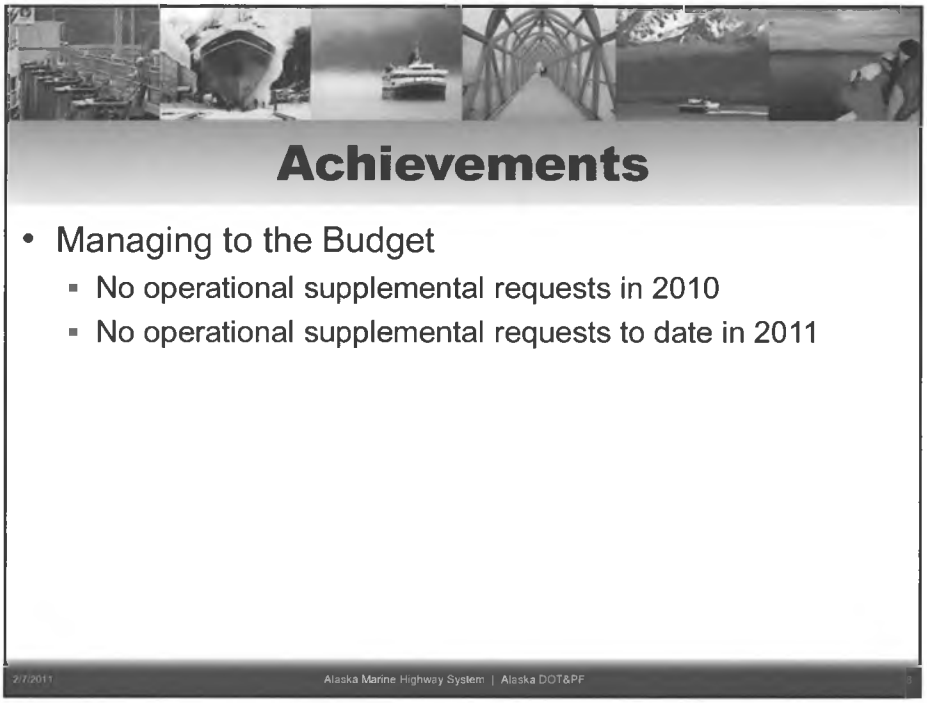
- Alaska Class Ferry
  - Administration Support
  - Status Update
  - Looking Forward

Achievements

CY Passenger Traffic: Increased for 2010




Achievements
CY Vehicle Traffic: Increased for 2010
140,000
120,000
100,000
80,000
60,000
40,000
20,000
0
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
SE Vehicles
IFA Vehicles
SW Vehicles
Total Vehicles
IFA Vehicles
2/7/2011
Alaska Marine Highway System | Alaska DOT&PF
7

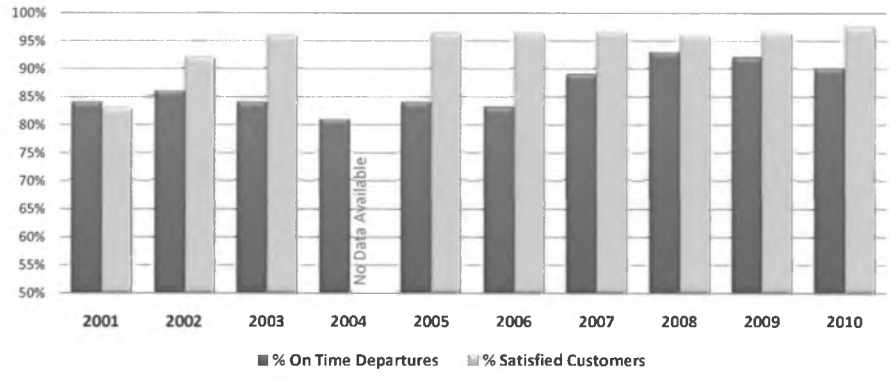

Achievements
• Managing to the Budget
▪ No operational supplemental requests in 2010
▪ No operational supplemental requests to date in 2011
2/7/2011
Alaska Marine Highway System | Alaska DOT&PF

Achievements

- Early Schedule Release / On-time Departures
  - For the past 2 years:
    - Winter schedule (Oct-April)
      - Released in the first week of July of the schedule year
      - Public process begins in May
    - Summer Schedule (May-Sept)
      - Released in the first week of October prior to the schedule year
      - Public Process begins in July
  - The earliest possible schedule releases are of the foremost importance to the traveling public.
  - On-Time Departures / Customer Satisfaction

Achievements

On-time departures / Customer Satisfaction

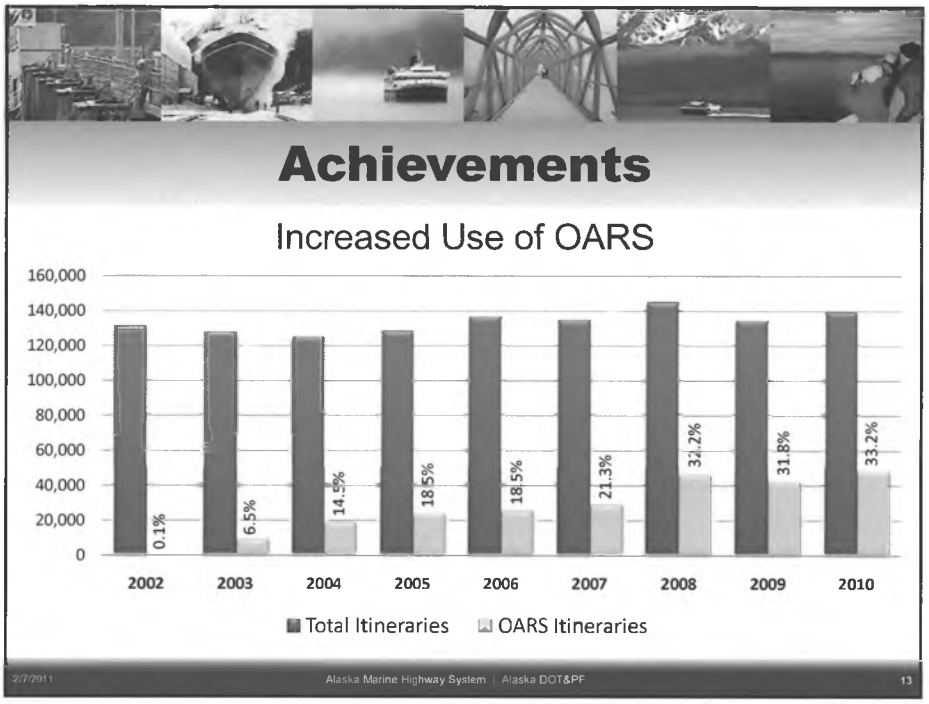


Achievements

- Vessel Satellite Communications
  - Operational Systems:
    - Kennicott
    - Matanuska
    - Aurora
    - Malaspina
    - Tustumena
    - Lituya
    - Columbia
      - The satellite dome is being relocated during the current layup period
  - Pending Systems:
    - LeConte
      - To be installed 03/11
    - Taku
      - To be installed 03/11
  - Vessel Tracking Project in development
    - Individual vessels to be brought online commencing April, 1

Achievements

- Fuel Efficiency Infrastructure
  - Tustumena
    - Installed: 05/09
    - Commissioned: 05/09
  - Aurora
    - Installed: 06/08
    - Commissioned: 06/08
  - Columbia
    - Installed: 06/10
    - Commissioned: 09/10
  - Kennicott
    - Installed: 06/08
    - Commissioned: 06/08
  - Matanuska
    - Installed: 02/10
    - Commissioned: 03/11
      - Pending CCP proofing
  - Current Savings Average 12%


Achievements
Increased Use of OARS
160,000
140,000
120,000
100,000
80,000
60,000
40,000
20,000
0
0.1%
6.5%
14.5%
18.5%
18.5%
21.3%
32.2%
31.8%
33.2%
2002
2003
2004
2005
2006
2007
2008
2009
2010
Total Itineraries
OARS Itineraries
2/7/2011
Alaska Marine Highway System | Alaska DOT&PF
13

Achievements
• Marketing Outreach
▪ Expanded overall outreach in 2010 with the addition of Social Media, continued online advertising and web promotion.
▪ Implemented Visual Standards throughout organization to reinforce and validate the AMHS Brand.
▪ Continue to build cohesive relationships with communities and marketing partnerships
▪ Achieved a 24% increase in website hits over the previous year.
• 68 million hits in 2010
▪ Experienced increased ridership in the shoulder seasons and overall in 2010
▪ Successfully implemented new service offerings for the summer of 2011
• Creating New Business while maintaining service levels to communities
• Bellingham-Whittier Express Route & Gustavus Service
2/7/2011
Alaska Marine Highway System | Alaska DOT&PF
14

Achievements

- Gustavus
  - The new multi-use docking facility was built by SOA DOT&PF. AMHS will be providing maintenance on the ramp and apron, standby generator and electro-hydraulics
    - The facility will also be utilized by barge lines, and private boating/tour companies.
  - Inaugural voyage was on November 23, 2010
  - It is our intent to provide once monthly service to Gustavus throughout the winter months
  - Service to Gustavus will transition to twice weekly service for the majority of the summer months.
  - The community of Gustavus is very excited and supportive of the service as is the visitor industry.

Challenges

- Vessel Operations
  - Continue with the concept of uniform, consistent schedules on a year by year basis while actively working with Alaskan communities to best meet the needs of the State.
  - The uncertainty surrounding the future operation of the fast ferries Chenega and Fairweather
  - Continued improvement in vessel dependability

Challenges

- Revenue Enhancement
  - Goal: Increase passenger and vehicle traffic to all ports
    - Earliest possible schedule release dates
      - Maximize booking potential
    - Travel Agent Relationships
    - Continue to work with SOA on internet tools available for Marketing

Challenges

- Operating Cost Containment
  - Major Cost Elements
    - Payroll: 62% of Cost
      - Costs determined in collective bargaining with the exception of health care and pension unfunded portion
      - Maintain efficient crew size to minimize hold over/early call back OT
    - Fuel: 21% of Cost
      - Continue implementing fuel efficiency technology: expected savings 12-15% of fuel burn
      - Rising Fuel Cost: Average price per gallon
    - Continue to grow online reservation booking
    - Ensure safe operations to maintain low self insurance cost

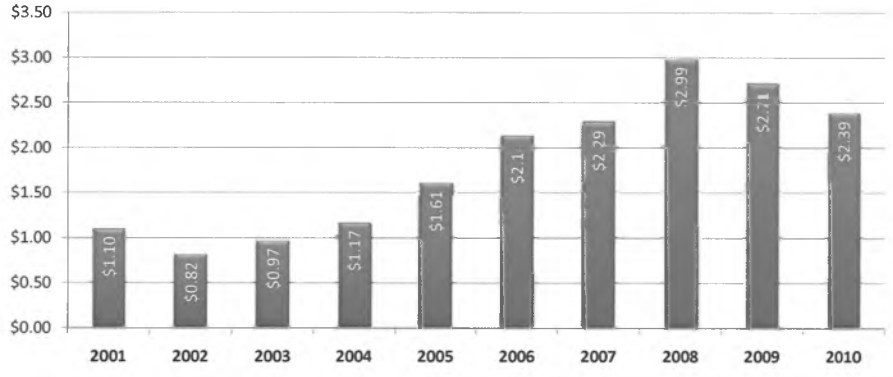
Challenges

- Fuel Efficiency Infrastructure
  - Taku
    - Installed: 04/11
    - Commissioned: 07/11
      - Next CIP Project
  - LeConte
    - Installed: 04/11
    - Commissioned: 07/11
      - Next CIP Project
  - Malaspina
    - Installed: 05/11
    - Commissioned: 08/11
      - Currently In Design

8 ships will be out for the this yr.

Challenges

Rising Fuel Cost: Average Price per Gallon



Jump up $1.90

turn off Juneau/KTN-SEA

Challenges

- Vessel Retirement
  - Four vessels constructed in the early 1960's are nearing the end of their useful lives:
    - Matanuska (1963): SOLAS qualified mainliner, primarily serves SE route; Prince Rupert-Lynn Canal
    - Malaspina (1963): Mainliner operates as a summer day boat in Lynn Canal, Bellingham run in winter
    - Taku (1963): Mainliner provides SE Alaska service from Prince Rupert north
    - Tustumena (1964): Ocean going vessel serving SW Alaska and the Aleutian Chain

Challenges

- Vessel Retirement
  - Matanuska (1963)
    - Passengers: 499
    - Vehicles: 88

Challenges

- Vessel Retirement
  - Malaspina (1963)
    - Passengers: 499
    - Vehicles: 88

Challenges

- Vessel Retirement
  - Taku (1963)
    - Passengers: 370
    - Vehicles: 69

Challenges

- Vessel Retirement
  - Tustumena (1964)
    - Passengers: 174
    - Vehicles: 38

No Backup

Challenges

- Vessel Replacement
  - Construct three Alaska Class Ferries allowing retirement of 2 of the 3 vessels constructed in 1963. Vessels to be retired will depend upon whether SOLAS waivers can be obtained for the Malaspina and/or Columbia required for entry into Canada, currently being pursued, as well as the condition of each vessel.
  - Initiate design process for Tustumena replacement

Challenges

- Mid-life Engine Replacements
  - Mid-life engine replacements for Columbia, Aurora, and potentially Malaspina depending on vessel replacement implementation.

$25M for new engines / 2 engines

Challenges

- Reservation System Upgrade
  - Existing RMSIII software is approaching 15 years old
    - Mainframe application, past it's useful life
  - Looking to develop a system that is more user-friendly, efficient, and complimentary to our marketing efforts
  - Progress to date includes:
    - Business process mapping
    - Rewrite of Customer Policies and Procedures
    - RFP on street for project manager
  - Estimated completion date September 2012

Funding Recap

- Operating Budget: Maintain Current Levels of Service
  - Approximate Required General Fund Appropriation $100 M
- Capital Requirements
  - Federal Funds: Life extending projects for vessels and terminals $22-25 M annually funds tug overhauls
  - State General Funds: For annual vessel COI requirements, deferred maintenance, other $13-15 M annually
  - Vessel mid-life engine repairs $25 M per vessel; currently, 3 vessels nearing end of life on original engines
  - Vessel Replacement Fund: Alaska Class Ferries estimated at $120 M per vessel, Tustumena Replacement- $200 M

Alaska Class Ferry

- Governor supports construction of the Alaska Class Ferry
  - Initial $60M of State funds
  - De-federalization of $60M Federal funds
    - Allows more state flexibility in the procurement process
    - Supports an in-state bidder preference
  - Supported land transfer with AIDEA/DOT at Ketchikan Shipyard (creating added shipyard acreage) allowing more flexibility to construct the Alaska Class Ferry
    - Supported functional replacement Phase I at Ward Cove - $3.4M
      - Office and Warehouse Space for the Alaska Marine Highway System
      - Expansion creates potential for 250 full-time positions at Ketchikan Shipyard
  - The Administration supports a competitive bidding process

Alaska Class Ferry

- Project Status Update
  - Preliminary Design complete
    - Successful Public Process
      - Public Meetings throughout Alaska
      - Transparent process enhanced via up-to-date website for public participation and data access: http://www.dot.state.ak.us/amhs/alaska_class/index.html
    - In-house technical design process
      - Steering Committee including management, vessel employees representing all three maritime unions and outside contractors
  - Functional Design in process
    - Technical details of the ship's systems are being developed into detailed construction drawings
    - Currently at 10% completion

Alaska Class Ferry

- Looking Forward:
  - Identify the procurement process
  - Complete Functional Design
  - Finalize an estimated cost
  - Initiate the construction process

2/22/11 CONFIRMATION OF MARC LUIKEN, COMMISSIONER DOT & PF

<TARGET><BILL></BILL><SUBJECT>2-22-11 CONFIRMATION OF MARC LUIKEN, COMMISSIONER DOT and PF</SUBJECT><COMM>HTRA27</COMM></TARGET>

CONFIRMATION COMMITTEE REPORT

Action date: Feb 22, 2011

The **Transportation Committee** has reviewed the qualifications of the following Governor's appointee and recommends that this name be forwarded to a joint session for consideration:

Commissioner – Department of Transportation and Public Facilities
Marc Luiken
Appointed: 11/18/2010

This does not reflect intent by any of the members to vote for or against this individual during any further sessions for the purposes of confirmation.

Signature:	Printed Last Name
	Johnson
	FEIGE
	Pruitt
	Muñoz
	Peterson
	Gruenberg
Chair:	Wilson

Please return to the Chief Clerk's office.

Alaska State Legislature

House of Representatives

Office of the Chief Clerk

Official Business

Thomas B. Stewart Legislative
Office Building, Room 202
Juneau, AK 99801-1182
Phone: (907) 465-3725
Fax: (907) 465-5334

MEMORANDUM

Date: February 2, 2011

To: Representative Peggy Wilson, Chair
Transportation Committee

From: Suzi Lowell, Chief Clerk

Subject: Governor's Appointment(s)

The Speaker referred the following Governor's appointment(s) to the Transportation Committee:

Commissioner – Department of Transportation and Public Facilities
Marc Luiken
Appointed: 11/18/2010

The Confirmation Committee Report and resume are attached for your use. In addition, the resume is also being sent electronically.

Attachments as noted

Alaska State Legislature

House of Representatives

Office of the Chief Clerk

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Office Building, Room 202
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Marc Luiken
Appointed: 11/18/2010

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Attachments as noted

Luiken, Marc
Commissioner - Department of Transportation and Public Facilities

COLONEL MARC A. LUIKEN, USAF (retired)

Executive Summary

A proven executive director, military commander, and senior state employee who has demonstrated creativity, results-oriented large organization leadership, project management, joint and interagency communications, and multi-agency large scale execution. Unique capabilities to think creatively, communicate a vision, build a coalition of disparate stakeholders, and lead his team to accomplish relevant successes. Thirty years of experience in training units and leaders, identifying new opportunities, and transforming organizations to compete more effectively. Documented success in positions of increasing responsibility, to include fighter support squadron command, deputy operations group command, mission support group command and numbered Air Force and major command senior leadership positions and the public sector.

Professional Background

Deputy Commissioner – Aviation, State of Alaska Department of Transportation and Public Facilities, Anchorage, Alaska.
Jun 10 to present (State of Alaska Employee)

Responsible for overall management of the 255 state-owned and operated airports. Executive Director of the Alaska International Airport System made up of Ted Stevens Anchorage International Airport and Fairbanks International Airport. Oversees Statewide Aviation and Leasing Section preparing policies, procedures, and programs to develop, construct, and operate the rural public airports. Provides oversight in the development of the Capital Improvement Program, property management and leasing policy, and aviation engineering standardization. The State's primary contact with the Federal Aviation Administration.

Vice Commander, 11th Air Force, Elmendorf AFB, Alaska
Oct 08 – May 10 (Active duty Air Force Colonel)

Handpicked by the Commander, Pacific Air Forces to be the principal advisor to the Commander, 11th Air Force. Oversaw mission execution for two primary flying wings and 17 additional sites. Implemented a $118 million dollar Headquarters 11 AF annual budget. Chief executive for the command, implementing commander decisions, plans, and policies. Alaska Civil Military Airspace Committee Chairman; resolved civilian and military airspace and aviation issues across Alaska. Served as an Alaska NORTH AMERICAN AIR DEFENSE COMMAND Region Battle Commander ensuring the sovereignty of North America. Ensured $138 million in Military construction projects were put back on track for on time completion. Current and qualified as a C-12F first pilot. (Beechcraft BA200)

Director of Staff, Headquarters Pacific Air Forces , Hickam AFB, Hawaii
May 07 – Oct 08 (Active duty Air Force Colonel)

Selected by the Commander, Pacific Air Forces to serve as his personal Director of Staff. Coordinated, integrated and directed staff functions within the Headquarters Pacific Air Forces. Coordinated daily with HQ PACAF Directors, Staff, other major Air Force Command staffs and Hawaii state and local leaders as executive agent for the Commander. Advised COMPACAF on daily activities and operations of HQ PACAF Staff and insured policies were implemented. Developed plans, policies, procedures & directives insuring smooth daily ops of HQ Staff and subordinate agencies. Provided staff support to four Numbered Air Force's and nine Air Force wings across the Pacific Ocean from Alaska to Korea.

Commander, 325th Mission Support Group, Tyndall Air Force Base, Florida
July 05 – May 07 (Active duty Air Force Colonel)

Commanded the support group for the U.S. Air Force's only F-22 training wing. A 1,750 person organization consisting of 6 squadrons and one detachment. Responsible for daily security, communication, contracting, civil engineering, logistics and readiness, personnel support and quality of life programs serving a base population of more than 21,000 personnel. Executed an annual budget of $42 million to support a 29,000 acre installation with $4.1billion in assets. Oversaw $51 million in military construction projects throughout the base.

Deputy Commander, 374th Mission Support Group, Yokota Air Base, Japan
July 04 - Jun 05 (Active duty Air Force Colonel)

Provided daily senior leadership to an organization consisting of 6 squadrons with 2,900 military and US/Japanese civilians. Responsible for daily communications, civil engineering, logistics, readiness, resource/force protection and quality of life for a base population of 11,000 and over $2 billion in assets.

Student, Air War College, Maxwell Air Force Base, Alabama
Jun 97 to July 99 (Active duty Air Force Colonel)

Deputy Commander, 47 Operations Group, Laughlin Air Force Base, Texas
Dec 95 to Jun 97 (Active duty Air Force Lt Colonel)

Deputy Commander of a largest Flying Training Operations Group in the Air Force consisting of over 1500 military and civilian personnel assigned to four squadrons. Oversaw the flying operations and maintenance at the busiest airfield in the Air Force. Responsible for daily integrated operations of four different airframes (T-37B, T-6,T-38A, T-1A) flying from three runways averaging approximately 1000 traffic movements per day. Led the introduction of the AF's newest training system, the T-6 Texan into the 47 OG training program. Oversaw the installation and operational test and evaluation of the Air Force's first Digital Approach Surveillance Radar - Standard Terminal Automation Replacement System air traffic system.

Commander, 48 Operations Support Squadron, RAF Lakenheath, United Kingdom
Jan 98 – Mar 01 (Active Duty Air Force Lt Colonel)

Commanded and led the most diverse squadron in 48 Fighter Wing. Responsible for all facets of operations providing daily Wing Weapons, Intelligence, Training, Scheduling, Air Field Management and Air Traffic Control services to the only F-15E and F-15C fighter wing in US Air Forces Europe. Set policies and guidelines while leading over 250 officer and enlisted personnel.

Additional Experience

U.S. Air Force

Distinguished service at squadron, group, and wing level, as operational fighter pilot, instructor pilot and leader. Combat experience in Operation DESERT STORM as ground liaison to US ARMY Seventh Corps Commanding General. Fighter Combat experience in Operations SOUTHERN WATCH and ALLIED FORCE. Additional combat support experience in Operation ENDURING FREEDOM as Air Component Coordination Element to the Commander, Joint Task Force Horn of Africa.

Formal Education

Baccalaureate Degree:	US Air Force Academy, 1981, Bachelor of Science in Human Factors Engineering
Postgraduates Degrees:	Troy State University, 1994, Master of Science, Management Science
	Air University, 2004, Master of Science, National Security and Strategic Studies

Professional Military Education

Squadron Officer School, 1985 (Distinguished Graduate)
Air Command and Staff College, 1994
Armed Forces Staff College, 1996
Air War College, 2004

Affiliations

Air Force Association	Member
USAFA Association of Graduates	Lifetime Member
Rotary International – Anchorage Downtown	Member
Change Point Church of Anchorage	Deacon (Core Leadership Development Team)
Alaska Young Life	Board Member

Awards and Additional Information

Legion of Merit (1 oak leaf cluster)
Defense Meritorious Service Medal (1 oak leaf cluster)
Air Force Meritorious Service Medal (5 oak leaf clusters)
Air Medal (1 oak leaf cluster)
Aerial Achievement Medal (2 oak leaf clusters)
Air Force Commendation Medal
Southwest Asia Service Medal (3 bronze stars)
Kuwait Liberation Medal
Defense of Saudi Arabia Medal

Highly proficient in the use of Microsoft Office software suite to include Microsoft Project

References

Colonel Houstoun Waring	Alaskan Command	Director of Operations, J3
Phone Number:	907-552-2280	
Email Address:	houstoun.waring@elmendorf.af.mil	
Reference Type:	Professional	
Dr. Eric Ash	Wayland University	Dean
Phone Number:	(907) 552-1910	
Email Address:	ash@wbu.edu	
Reference Type:	Personal	
Lt Gen Dana T. Atkins	U.S. Air Force	Commander, Alaskan Command
Phone Number:	(907) 552-3100	
Email Address:	Dana.atkins@elmendorf.af.mil	
Reference Type:	Professional	

COL MARC A. LUIKEN (Retired)
Deputy Commissioner – Aviation
Alaska Department of Transportation and Public Facilities

Marc Luiken currently serves as the Deputy Commissioner – Aviation for the Alaska DOT&PF. He joined the Alaska DOT in June 2010 following retirement from the U.S. Air Force after 29 years of service. In this capacity he is responsible for management and operations of the State's 253 rural airports and also serves as Executive Director of the Alaska International Airport System comprised of Ted Stevens Anchorage International Airport and Fairbanks International Airport.

Mr. Luiken previously served as Vice Commander of 11 Air Force at Elmendorf Air Force Base, Alaska, overseeing the mission execution for two flying wings, 15 long-range radars and two additional facilities. 11 AF is also charged with ensuring North American air sovereignty through coordination with the Alaska North American Air Defense Region.

After graduating from the United States Air Force Academy in 1981, Mr. Luiken was commissioned in the United States Air Force. He has held a variety of command and staff assignments world wide including A-10 Functional Check Pilot and Chief of Quality Assurance, RAF Bentwaters, United Kingdom; F-15E Assistant Director of Operations, Seymour Johnson AFB, N.C.; Composite Air Planner, 4 Air Operations Center, NATO, Messtetten, Germany; 48th Operations Support Squadron Commander, RAF Lakenheath, United Kingdom; Deputy Operations Group Commander, Laughlin AFB, TX; and Deputy Mission Support Group Commander, Yokota AB, Japan, Mission Support Group Commander, Tyndall AFB, FL and Director of Staff for the Commander Pacific Air Forces, Hickam AFB, Hawaii.

During Operation DESERT STORM, Mr. Luiken served as the Director of Operations for the 8th Air Support Operations Center Squadron providing close air support to U.S. VII Corps units. He has also deployed twice to Saudi Arabia flying in support of Operation SOUTHERN WATCH. As Director of Operations for the 48th Operations Support Squadron, he oversaw mission planning and flew combat missions supporting Operation ALLIED FORCE in the Balkans. In 2006 Marc deployed to Djibouti where he led the Air Component Coordination Element, representing the Commander Air Force Central Command to the Commander, Joint Task Force-Horn of Africa providing air employment expertise and tactical airlift to throughout the Horn of Africa. While there he also coordinated airlift for humanitarian relief efforts in both Ethiopia and Kenya, providing needed supplies and support to flood victims.

Mr. Luiken has led several organizations in the Air Force focused on supporting flying operations and base infrastructure. As the 48 Operations Support Squadron Commander, Mr. Luiken led the most diverse organization in his flying wing, which included airfield operations and Air Traffic Control, both tower and RAPCON. He oversaw the installation and operational fielding of the first Digital Air Surveillance Radar – Standard Terminal Automation Replacement System (DASR-STARS) in the Air Force at Laughlin AFB, Texas. As the 325 Mission Support Group Commander, Mr. Luiken was responsible for the 29,000 acre Tyndall Air Force Base near Panama City, FL with over $4.1 billion in assets. He commanded security, fire, construction, facilities, services, contracting, personnel, communications, and logistics organizations. He managed a $42M annual operating budget and a $51million annual construction budget, including a major runway renovation project.

Mr. Luiken earned his bachelor's degree in Human Factor's Engineering from the United States Air Force Academy in Mr.orado Springs, CO. He earned a Master's Degree in Management from Troy State University in Alabama and a second Master's Degree in Strategic Studies from Air University in Alabama. He is a Distinguished Graduate from Squadron Officer's School, a graduate of Air Command and Staff Mr.lege, Armed Forces Staff Mr.lege, and Air War Mr.lege. He is a command pilot with 4000 flying hours; he has experience as an instructor pilot, a fighter pilot, a maintenance test pilot and most recently as a light transport pilot, flying the Beechcraft King Air.

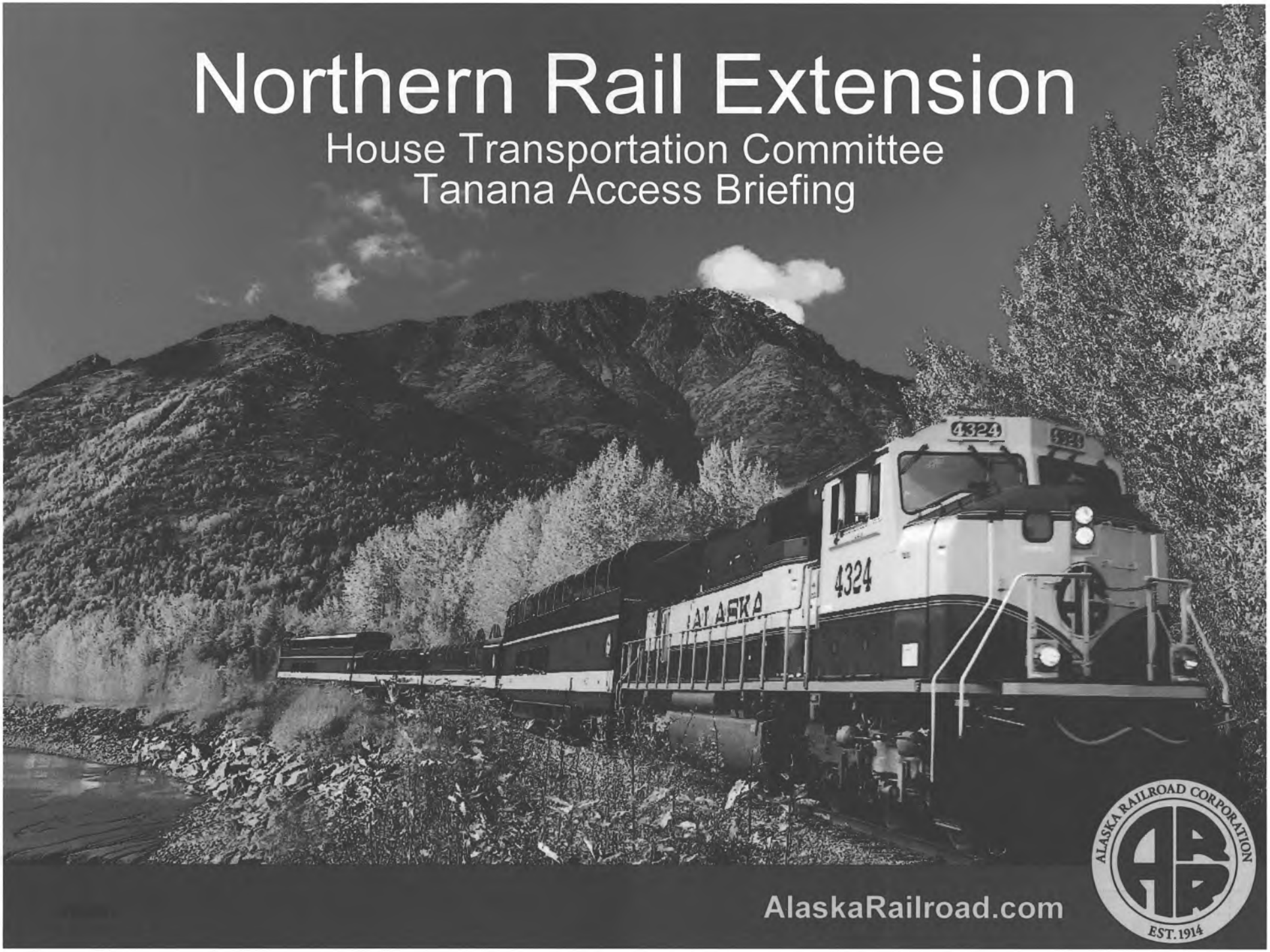
Mr. Luiken's awards and decorations include the Legion of Merit (2), Defense Meritorious Service Medal (2), Meritorious Service Medal (6), Air Medal (2), Air Force Commendation Medal (2), Aerial Achievement Medal (2), Armed Forces Expeditionary Medal, and over 15 campaign and service medals. He is a member of the Air Force Association and Rotary International.

3/17/11 PRESENTATION ALASKA RAILROAD CORPORATION, NORTHERN RAIL EXTENTION

<TARGET><BILL></BILL><SUBJECT>3-17-11 PRESENTATION ALASKA RAILROAD CORPORATION, NORTHERN RAIL EXTENTION</SUBJECT><COMM>HTRA27</COMM></TARGET>

Northern Rail Extension

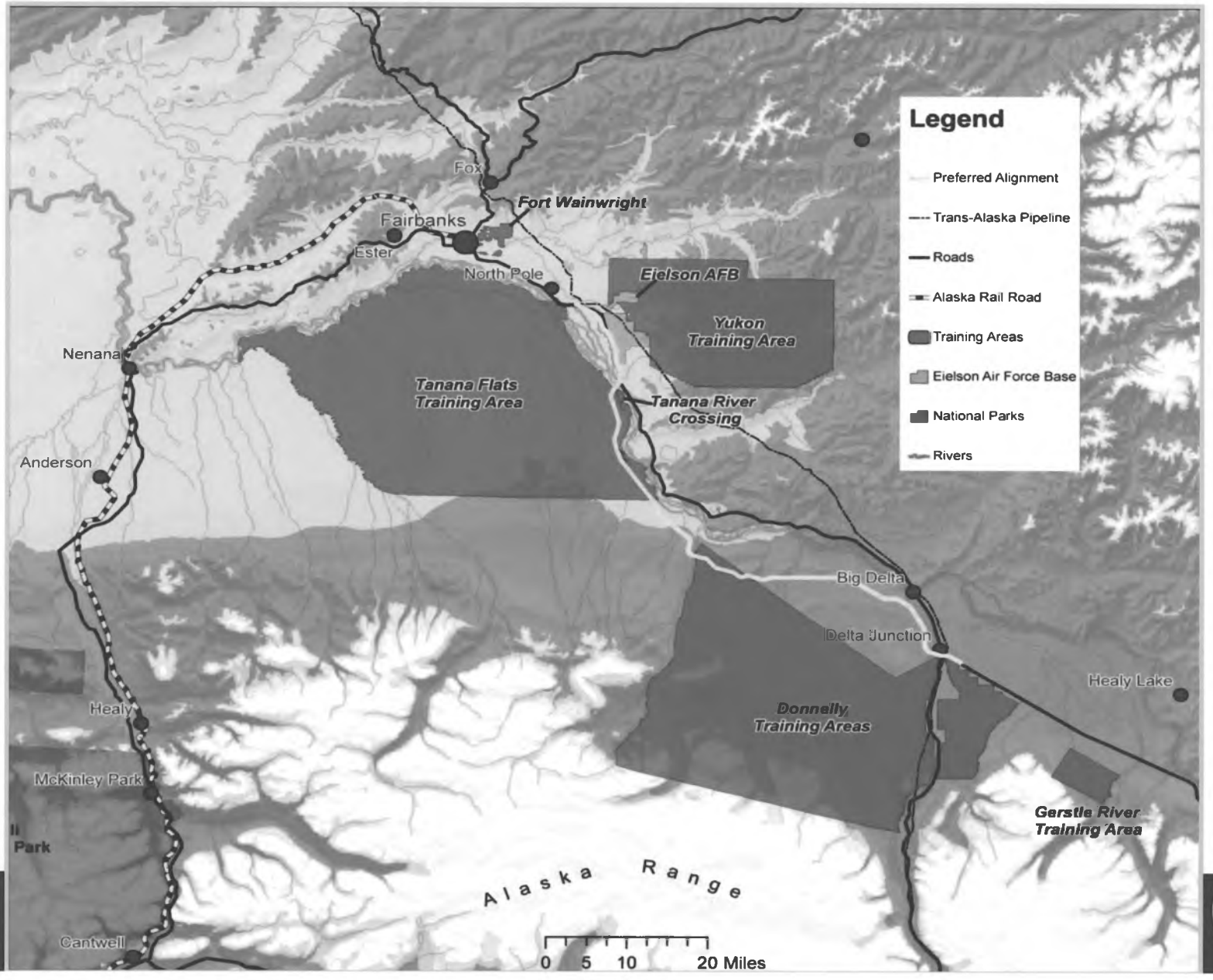
House Transportation Committee
Tanana Access Briefing



AlaskaRailroad.com

ALASKA RAILROAD CORPORATION
EST. 1914

Northern Rail Extension



NRE Purpose

Military: Provides year round surface transportation access to training ranges south of the Tanana River

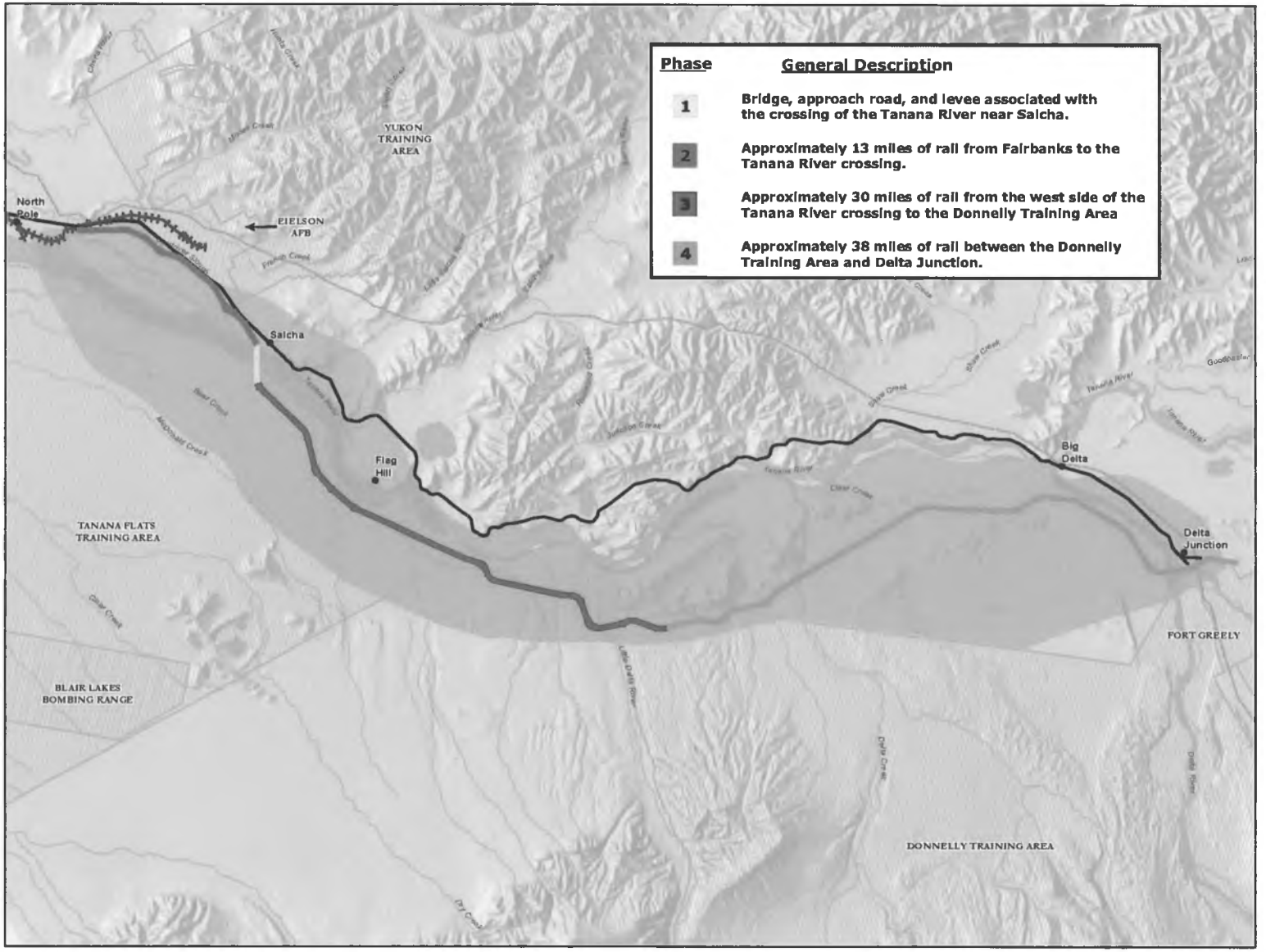
Transportation: Provides a future alternate mode of transportation of freight and eventually passengers between Fairbanks and Delta Junction

Secondary Benefit: Will improve flooding situation and retard erosion in Salcha area

Project Timeline

- Notice of Intent Filed November 2005
- Draft EIS published December 2008
- Public hearings held January 2009
- Final EIS published September 2009
- EIS Approval (ROD) January 2010
- Kiewit selected as CM/GC April 2010
- Construction Permits submitted June 2010

Project Phases



Alaska Railroad Northern Rail Extension Project

ARRC & HDR

Phase 1-4

Figure 2.2.2-2

Legend

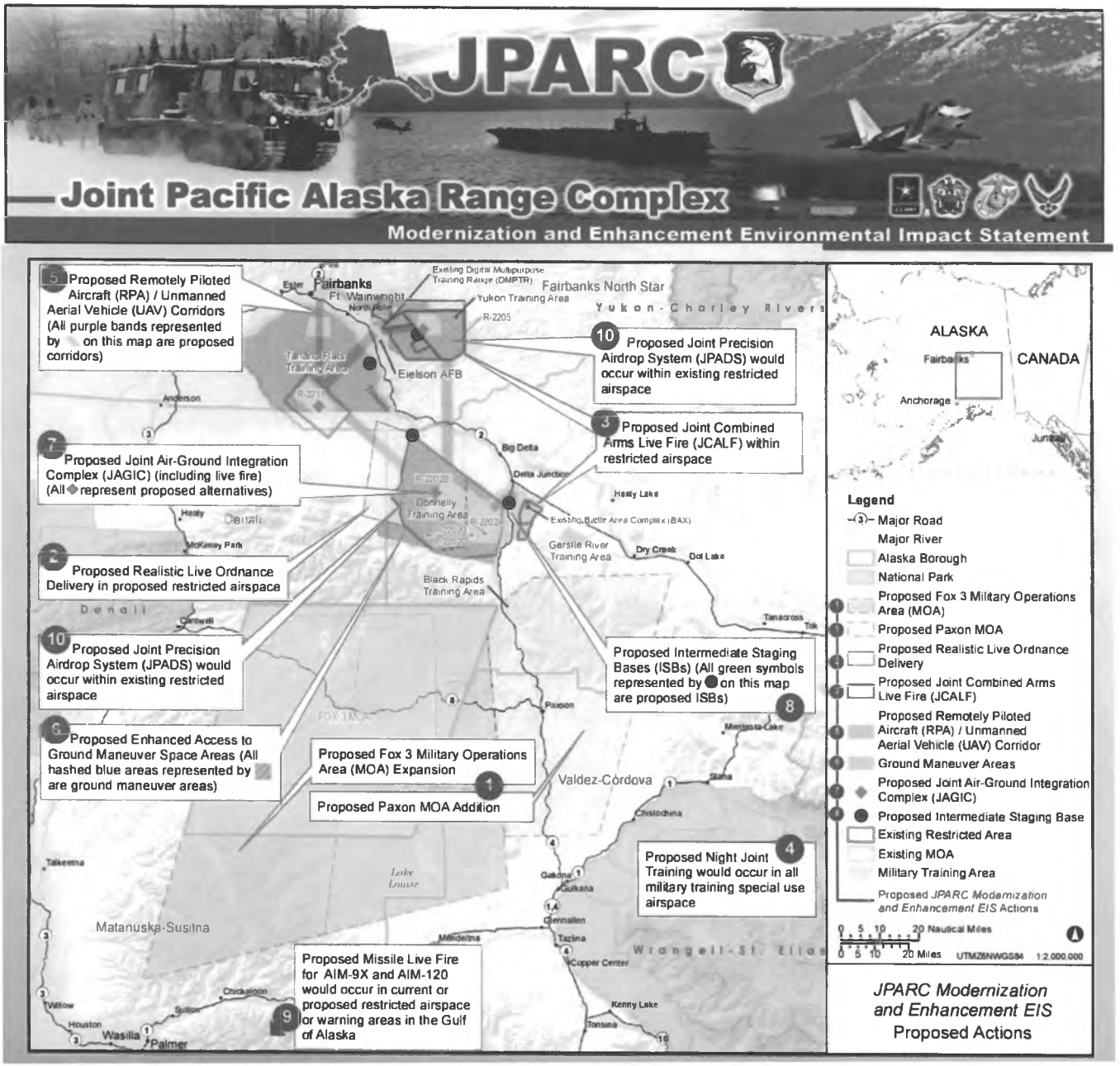
- Corridor Area
- Military Boundary
- Existing Railroad
- Trans-Alaskan Pipeline
- Richardson Highway
- Rivers and Streams

0 5 Miles

The information displayed here is for planning and review purposes only.

Phase 1:

Tanana Crossing at Salcha


JPARC
Joint Pacific Alaska Range Complex
Modernization and Enhancement Environmental Impact Statement
5 Proposed Remotely Piloted Aircraft (RPA) / Unmanned Aerial Vehicle (UAV) Corridors (All purple bands represented by on this map are proposed corridors)
10 Proposed Joint Precision Airdrop System (JPADS) would occur within existing restricted airspace
3 Proposed Joint Combined Arms Live Fire (JCALF) within restricted airspace
7 Proposed Joint Air-Ground Integration Complex (JAGIC) (including live fire) (All represent proposed alternatives)
2 Proposed Realistic Live Ordnance Delivery in proposed restricted airspace
10 Proposed Joint Precision Airdrop System (JPADS) would occur within existing restricted airspace
Proposed Intermediate Staging Bases (ISBs) (All green symbols represented by on this map are proposed ISBs)
8
6 Proposed Enhanced Access to Ground Maneuver Space Areas (All hashed blue areas represented by are ground maneuver areas)
Proposed Fox 3 Military Operations Area (MOA) Expansion
1
Proposed Paxon MOA Addition
4 Proposed Night Joint Training would occur in all military training special use airspace
Proposed Missile Live Fire for AIM-9X and AIM-120 would occur in current or proposed restricted airspace or warning areas in the Gulf of Alaska
9
Fairbanks
Fairbanks North Star
Yukon-Charley Rivers
Eielson AFB
Yukon Training Area
Existing Digital Multipurpose Training Range (DMPTR)
Tanana Flats Training Area
Donnelly Training Area
Gerstle River Training Area
Black Rapids Training Area
Existing Battle Area Complex (BAX)
Big Delta
Delta Junction
Healy
Denali
McKinley Park
Cantwell
Anderson
Tanacross
Tok
Dot Lake
Dry Creek
Healy Lake
Paxson
Valdez-Cordova
Glenallen
Gakona
Gulkana
Copper Center
Tazlina
Chistochina
Slana
Mentasta Lake
Lake Louise
Takeetna
Matanuska-Susitna
Willow
Houston
Wasilla
Palmer
Sutton
Chickaloon
Kenny Lake
Tonsina
Wrangell-St. Elias
ALASKA
CANADA
Fairbanks
Anchorage
Juneau
Legend
Major Road
Major River
Alaska Borough
National Park
Proposed Fox 3 Military Operations Area (MOA)
Proposed Paxon MOA
Proposed Realistic Live Ordnance Delivery
Proposed Joint Combined Arms Live Fire (JCALF)
Proposed Remotely Piloted Aircraft (RPA) / Unmanned Aerial Vehicle (UAV) Corridor
Ground Maneuver Areas
Proposed Joint Air-Ground Integration Complex (JAGIC)
Proposed Intermediate Staging Base
Existing Restricted Area
Existing MOA
Military Training Area
Proposed JPARC Modernization and Enhancement EIS Actions
0 5 10 20 Nautical Miles
0 5 10 20 Miles
UTMZ6NWGS84
1:2,000,000
JPARC Modernization and Enhancement EIS
Proposed Actions

2008 Flood Event

- Largest recorded discharge since 1967 record flood event
- Significant overland flow through Salcha area resulting in disruption of service, loss of property from erosion, and cutting access along the Richardson Highway, the only overland access to Donnelly Training Areas and Ft. Greely military complex

Project Funding

Available Funding:

DOD/FRA	*$ 44.2 Million*	*(expires 2013)*
DOD/FRA	*$ 60.0 Million*	*(expires 2014)*
State of Alaska	*$ 40.0 Million*	*(expires 2015)*
Total	*$144.2 Million*	

In 2010, the project funding anticipated moving a railroad related $12 million earmark on Fort Wainwright to this project. Changes at the Federal level prevented that from happening

2011 Cost Estimate

Construction		$149,630,000
Engineering/Permitting/Right-of-Way		$ 16,500,000
Construction Management		$ 11,222,000
Contingency	8.5%	$ 10,377,000
Total Phase 1A Cost Estimate		**$ 187,729,000**

Cost Escalations

April 2010 Cost Estimate	$158 Million
River Erosion	$3 Million
Military and Permit Requirements	$13 Million
Hydraulic Design Requirements	$15 Million
	$ 188 Million

River Erosion

Tanana Crossing Cost Summary

Re-sequenced Cost Estimate	**$ 188 million**
Funding:	
2008 Military/FRA Grant (exp. 2013)	$ 44 million
2009 Military/FRA Grant (exp. 2014)	$ 60 million
2011 State of Alaska Grant	$ 40 million
Total Available Funding	**$ 144 million**
Budget Gap/Legislative Request	**$ 44 million**

Getting to Construction

- Additional $44.0 million funding secured
- Obtain the Permits:
  - Currently a struggle with EPA/USACE
  - Timely issuance
- Federal Funding Agencies Approval:
  - Military: approve final plans
  - Federal Railroad Administration (FRA):
    - Final project plan as approved by military
    - Project financing plan

Thank You

3/22/11 OVERVIEW: ALASKA MOOSE FEDERATION

<TARGET><BILL></BILL><SUBJECT>3-22-11 OVERVIEW ALASKA MOOSE FEDERATION</SUBJECT><COMM>HTRA27</COMM></TARGET>

Rebecca Rooney

From: Hewitt, Brenda L (DOT) [brenda.hewitt@alaska.gov]
Sent: Tuesday, March 29, 2011 10:05 AM
To: Rebecca Rooney
Subject: brush removal
Attachments: Funding Target - AMF Facilitator Budget - #01 (02.20.10).pdf; Funding Target - New Seward brush removal #01 (02.03.10).pdf; Funding Target - Feeding of Wildlife changes #01 (02.17.10).pdf; Funding Target - Salvage Program justification #02 (04.12.10).pdf

Try these

From: Cashen, Cindy L (DOT)
Sent: Tuesday, March 22, 2011 4:07 PM
To: Thomas, Scott E (DOT)
Cc: Epstein, David B (DOT); Ackiss, Colleen M (DOT); Jeffers, Jefferson C (DOT); Kemp, Pat J (DOT)
Subject: brush removal

Hi Scott,
Today Pat Kemp and I attended a House Transportation hearing at the request of Committee Chair Peggy Wilson to listen to Gary Olson's AK Moose Federation presentation. During a discussion about roadway visibility, Rep. Wilson asked us to provide the DOT&PF regulations, rules and process dealing with brush and any other type of vegetation near highways, roads and roundabouts. Could you please tell me how to find them?

Sen. McGuire and Rep. Hoffman have a bill to place $3-4 million in the capitol budget for moose-related projects(which I have attached). These projects are similar as to the ones Gary had asked for last year and which were not funded. I don't have his latest budget, but Gary must have expanded them or added new ones, since the totals for last year's proposed projects add up to about $1 million.

Basically, what do planners use when designing or revising a road in relationship to brush/vegetation and/or visibility?

Sincerely,
Cindy

Cindy Cashen
Administrator
Alaska Highway Safety Office
P.O. Box 112500
Juneau, Alaska 99811-2500
tel: 907 465-4374
cell: 907 957-2562
fax: 907 465-4030
cindy.cashen@alaska.gov

"I *Choose Respect*"

Rebecca Rooney

From: Hewitt, Brenda L (DOT) [brenda.hewitt@alaska.gov]
Sent: Saturday, March 26, 2011 3:48 PM
To: Rebecca Rooney; Rep. Peggy Wilson
Cc: Thomas, Scott E (DOT); Cashen, Cindy L (DOT); Coffey, Michael J (DOT); Kemp, Pat J (DOT)
Subject: Brush removal
Attachments: cid_image002.png@01CA05ED.DF95B980; ATT3915454.htm

In the Transportation committee meeting presentation on Moose Habitat you asked Cindy Cashen and Pat Kemp to provide you with what DOT does now regarding brush removal. Michael Coffey, our chief of Maintenance and Operations provided the following information:

"The maintenance manual is very general:

MECHANICAL MOWERS

Mechanical mowers, grader mounted cutter, and hydroax are the primary methods employed to remove undesirable trees, brush, and weeds. Mechanical mowers are used to maintain turf and erosion control grasses. It is important for cutting equipment to be suited to the terrain.

Mowing should be used as an integral part of the roadside management program. Repeated mowing of grasses in unfertilized and dry areas will cause thinning and reduce the competitive capabilities of the grasses, thus allowing trees, brush, and weeds to become established. In areas with sufficient moisture, fertilizer will enhance the competitive ability of grasses to crowd out encroachment by weeds, brush, and trees.

Brush control is usually needed to improve sight distance, for aesthetic reasons and to provide an area for snow berms to be winged during the Winter. Saws, axes, and other cutting equipment may be used to selectively remove individual plants or parts of plants. Resprouting of any tree or shrub will be minimized if the cutting takes place in the summer, after the spring growth period is complete. The months of July, August, and September are the most effective periods in which to cut trees, brush, and shrubs. Brush removal in wetland areas may require a permit.

DANGEROUS TREES

Dead or leaning trees within or immediately adjacent to the right-of-way that endanger the traveling public, decrease sight distance, or could be a detriment to the highway should be felled by experienced operators. Always work with a helper and never attempt to remove a tree alone."

Scott Thomas, a planner from Central Region said he is unaware of any statutes regarding brush removal but provided information about what he does from a planning perspective.

"I share the top moose crash areas with M&O and they work at District level to fit work into their normal brushing contracts. They also help when I make individual safety requests. Seasons affect how much they can do, and the willows and brush we have can be very difficult to

just cut and grind up. They also grow back fast. More than cutting would be a larger project. There has been a lot of cutting by M&O in recent years.

In Design, we review the public costs of high crash moose collision areas and the scope of the project for consideration of vegetation changes. We have removed willows on two major corridors and

In Permitting, we restrict vegetation planting through Policy and Procedure 05.05.030.

In Planning, I nominate Highway Safety Projects when cost-effective. HSIP work is not meant to replace routine design and maintenance work. Instead I have nominated fences and experimental Electromats in Research where we can do more than routine work."

I hope you find the information useful

Brenda Hewitt

P.O. Box 231028, Anchorage, Alaska 99523 (907) 33-MOOSE

Legislative Target 2010
AMF Facilitator Role

February 20, 2010

Senator Lesil McGuire

Dear Lesil,

We have been approached with a request from multiple agencies to establish a 'facilitator' role regarding moose mitigation efforts within Alaska. The premise of this request is based on the 'Keeping it Simple, Easy Ways To Help Wildlife Along Roads' from the Federal Highway Administration (http://www.fhwa.dot.gov/environment/wildlifeprotection/index.cfm?fuseaction=home.viewTopic&topicID=1).

Many of the Alaska Moose Federation's (AMF) accomplishments have been realized through common sense approaches without the need for large government expenditures. This is directly in line with this 'Keeping It Simple' motto. For instance; the request for the Alaska Department of Transportation to no longer plant 'Moose Browse' trees in any highway or road right-of-way. Additional roles of these facilitators will be to encourage all agencies to work with each other. Because there are no moose in Juneau, most agency leadership in the past likely did not fully grasp the severity of this problem.

AMF has successfully performed outstanding work in wildlife mitigation with only volunteers. Now agency personnel are requesting a professional AMF staff to continue this process. Additional duties of this staff will be to work with federal agencies, local governments, native corporations, private industry, fellow non-profit organizations, schools and the public as a whole to maintain education, public outreach, project management, project performance and support for the needed wildlife mitigation programs. In addition to the mitigation programs, the AMF has also been a primary component of recent state and federal search and rescue/ recovery efforts utilizing our specialized snow cats and back country experience. This additional activity gives more support to the professional format.

The breakdown for this effort is as follows:

Director	$62,400
Office Manager, Partner Coordinator and Contract/ Grant Administrator	$52,000
Project Coordinator—Statewide Salvage, Habitat, Snow Trails, School, ROW work	$41,600
Operational Manager—Operations, Maintenance and Transport of all equipment statewide	$41,600
Travel—Juneau, wildlife mitigation conferences & project site visits	$14,000
Consulting—Biologist, Forester or other professional trades on as needed basis.	$30,000
Office Expenses (2 garage bay shop with office positions for 4 people) @ $2,500/month	$30,000
Utilities for office/shop ($400/month)	$4,800
Total Annual Facilitating Budget:	$276,400

Thank you for this consideration and, if you have any questions, please give us a call at (907) 317-2300.

Sincerely,

Gary Olson, Chairman
Alaska Moose Federation

P.O. Box 231028, Anchorage, Alaska 99523 (907) 33-MOOSE

Facilitator Role—Detailed Private & Public Participation

This page details the roles which each entity of this private and public partnership play regarding the wildlife mitigation efforts within the State of Alaska. These complex yet necessary relationships are what is required for successful programs needed to reduce vehicle collisions between moose and vehicles. The squares marked in the table specific the agencies (partners) that are active in the specific moose mitigation program listed at the top of the page.

	Critical habitat enhancement.	Right-of-way brush clearing.	Directional fencing & crossings.	Deep snow trail creation.	Roadkill salvage program.	Orphaned moose calves.	Youth education.
Dept. of Fish & Game	XXX		XXX	XXX		XXX	XXX
Dept. of Transportation & Public Facilities		XXX	XXX	XXX	XXX		XXX
Dept. of Natural Resources	XXX			XXX			XXX
Mat-Su Borough & Mat-Su Cities	XXX	XXX	XXX		XXX		
Kenai Borough & Kenai Cities	XXX	XXX	XXX		XXX		
City of Anchorage		XXX	XXX		XXX		
BLM	XXX			XXX			
U.S. Forest Service	XXX			XXX			
Federal Highway Administration (FHWA)		XXX	XXX		XXX		
Native Corporations	XXX			XXX		XXX	
Private Industry	XXX	XXX	XXX			XXX	XXX
Alaska Railroad	XXX	XXX	XXX	XXX	XXX		
School Districts	XXX						XXX
Fellow Non-Profits	XXX				XXX	XXX	XXX
Soil & Water Conservation Districts	XXX			XXX			XXX
Alaska Moose Federation	XXX	XXX	XXX	XXX	XXX	XXX	XXX

P.O. Box 231028, Anchorage, Alaska 99523 (907) 33-MOOSE

Facilitator Role— Examples of Operations

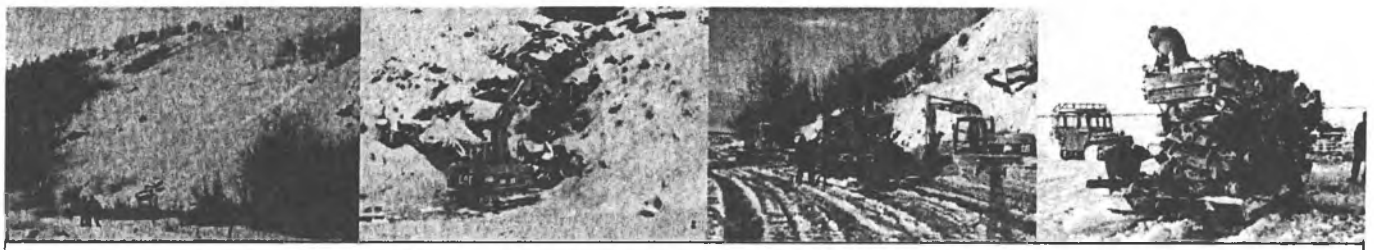
This page will provide examples of programs which help justify the role of the Alaska Moose Federation in its request to receive funding as the facilitator in this multi-agency, private and public partnership.

Anchorage roadkill salvage program: This effort included multi-year meetings with DPS/ State Troopers, DOT, ADF&G and the Anchorage Police Department (APD). Begun 12/09. Picked up over 20 moose so far.

Charities working on the road surface has stopped.

Effort begun by 4 donated trucks to the AMF. A Highway Safety Office grant modified the trucks. We now save APD 2 hours per retrieval and the moose are delivered to the charities.

Anchorage Coastal Wildlife Refuge/ Kincaid Park landfill cleanup: The AMF facilitated this public/ private partnership which removed nearly 100 junked cars from the refuge for ADF&G and the City of Anch.



This project included ADF&G, City of Anchorage, Anchorage Soil & Water Conservation District, NC Machinery, GCI, Beek's Excavating, Granite Construction, Inlet Petroleum, Alaska Metal Recycling and the AMF.

New Seward Brush Removal: The AMF facilitated the initial moose browse removal from the New Seward.

This project included DOT, DPS, City of Anchorage, Alaska Waste, SAGA and the AMF.

Mears Jr. High Wildlife Education: ADF&G and the salvage program educated 400 students at Mears

This project included ADF&G, Anchorage School District, Mears science teachers, Pruhs Corporation and the AMF.

P.O. Box 231028, Anchorage, Alaska 99523 (907) 33-MOOSE

Legislation Request for 2010

Amending 5 AAC 92.230 to allow feeding of moose in the performance of the Alaska Strategic Highway Safety Plan

5 AAC 92.230. Feeding of game

A person may not intentionally feed a moose (except under terms of a permit issued by the department), bear, wolf, coyote, fox, or wolverine, or negligently leave human food, pet food, or garbage in a manner that attracts these animals. However, this prohibition does not apply to use of bait for trapping furbearers or hunting black bears under 5 AAC 84 - 5 AAC 92 ***or in the performance of the Alaska Strategic Highway Safety Plan.***

This would allow for the intentional feeding of moose to encourage them to live away from highway & railroad corridors. The Norway effort of right-of-way clearing and diversionary feeding away from transportation corridors resulted in a 46% decreases in moose collisions over 18 years. ADF&G leadership sees no opposition per this change request. This change will enable this activity to not fall to middle agency management who may or may not be interested in highway moose mitigation.

This mitigation strategy is located within the Strategic Highway Safety Plan under **HM.4 CREATE WINTER CONNECTIVITY SNOW TRAILS AND DIVERSIONARY TREE CUTTING TO ENCOURAGE MOOSE TO STAY AWAY FROM ROAD SURFACES - TIER ONE.**

The website for this study is as follows: http://www.bio.uio.no/cees/img/pictures/Andreassen%20et%20al%202005%20-%20Remedial%20action.pdf.

Abstract: *We analyzed how the application of scent-marking, forest clearing, and supplemental feeding correlated with the number of moose (Alces alces)–train collisions along the most vulnerable railroad stretch in Norway. Data on 1,045 collisions has been compiled for 18 years since 1985, and remedial actions have occurred during various periods since 1990. We used sections of the rail line where remedies had never been applied as control sections to estimate the expected number of collisions per year and per km. In this way, we took into account the yearly variation in the number of accidents by using the difference between the actual number of accidents and the expected number of accidents as our response variable. We compared the difference between periods when remedies were applied to periods without any remedy.* ***We found a general 46% decrease in the number of accidents during years with a remedy compared to what would have been expected the same years without any remedy. Forest clearing and supplemental feeding seem to be reliable ways of reducing the number of collisions.*** *Scent was only applied for short distances in a few years, and the beneficial effects we observed were questionable. We conclude that mitigative effects may substantially reduce accidental mortality in moose populations if applied for long distances. We discuss the economics of game-vehicle collisions by performing a simple calculation to visualize the need for a bioeconomic approach to the problem.*

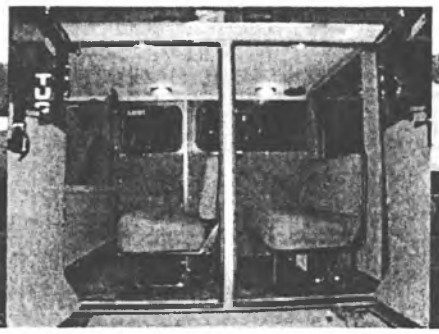
Key contact people for this include: ADF&G Assistant Commissioner Corey Rossi at 355-2473.
Colonel Audie Holloway of the Alaska State Troopers at 269-5641.
DOT Director of Research & Development Clint Adler at 451-5321.
Kenai Peninsula Borough Mayor Dave Carey at 262-4441.
Denali Borough Mayor Dave Talerico at 683-1330.

Legislation Request for 2010
(Funding request back up)

Amending 5 AAC 92.230 to allow feeding of moose in the performance of the Alaska Strategic Highway Safety Plan **$300,000**

Funding Request: The funding request for this effort would enable the AMF to perform the silage work adjacent to known wildlife collision corridors in the Mat-Su, Anchorage and Kenai areas.

The primary component for the operation of this snow cat is the purchase of a specialized unit which is powerful enough to transport the silage off of the road surface as well as the ability for the unit to provide simple living quarters for multiple days of operation. The unit below is a 2007 Tucker 1643 RE snow cat that holds 8 people. The two rear bench seats are removable which provide the ability for multiple day excursions. **The cost of this unit is $115,000.**



An additional benefit to this vehicle will be in the performance of Search And Rescue (SAR) operations with the Alaska State Troopers and other emergency response agencies as performed by the Alaska Moose Federation. Recently, the AMF assisted state and federal emergency agencies in the rescue of an injured snowmachiner that was injured 11 miles up the Snow River out of Seward. Our 1994 Tucker Snow Cat (pictured) recovered 6 state snow machines from the Snow River while building a snow trail to within 1 mile of the injured party before the blizzard cleared enough for a Coast Guard Jayhawk helicopter from Kodiak to rescue the injured party. It snowed 3' during this rescue effort. The rescue sled was secured to the top of the rack of the snow cat. If the blizzard would have kept up, we would have been forced to secure the injured party to the top of the snow cat for transport to the highway. This unit being requested would allow for individuals to be within the protection of the cab.

The remaining portion of this funding request is for a truck and trailer, grass silage, fuel, maintenance and other costs associated with this effort. The process which creates silage, within the plastic wrapped bales, actually kills all seeds so there are no invasive weed issues regarding this work. All silage bales will be purchased in the Mat-Su Borough. We are needing a **Chevy 5500 crewcab 4x4 truck with a gooseneck trailer = $60,000.** Purchase **150 bales of silage @ $400/ bale = $60,000. The fuel is estimated at $25,000. Insurance, maintenance and operating expenses are $40,000.**

This is not a cost to the state but an investment: It is strongly anticipated that this program will be very successful as evidenced in Norway study (detailed on the first page). If the AMF is able to stop 100 moose collisions per year using this strategy, that would be an annual savings to Alaska equaling $3,500,000 in vehicle damage and personal injury savings ($35,000 per collision per DOT data). As cars continue to get smaller while moose remain the same size, it is imperative that the state help invest in increasing safety in known wildlife collision corridors to offset the continual growth of this major hazard on Alaska's highways.

Photo from Tucker Snow Cat Home Page

As evidenced by this particular snow cat in operation in Carbon County in the Rockies, these particular units are routinely used for Search And Rescue purposes in other states. This vehicle, as an operating component of this diversionary feeding program, is a solid investment for safety both on and off of Alaska's highways.

P.O. Box 231028, Anchorage, Alaska 99523 (907) 33-MOOSE

Legislative Target 2010
Salvage Program Expansion

Home Alaska newsreader Obituaries Archives TV Listings Movies Music Restaurants Submit Event

Valley crash closes Parks Highway, injures 3

HIGHWAY CLOSED: Parks blocked at Trunk Road when sedan rear-ends trooper vehicle.

By RINDI WHITE
rwhite@adn.com
Published: February 8th, 2010 11:02 PM
Last Modified: February 8th, 2010 11:38 PM

enlarge
RINDI WHITE / Anchorage Daily News

Backed-up traffic waits while emergency medical responders check for injuries following a four-car accident that shut down a portion of the Parks Highway near the Trunk Road overpass Monday afternoon. An Alaska State Trooper stopped his truck to check whether anyone was inside the silver SUV in the ditch near his truck. After he got back in his vehicle, he was rear-ended by another car.

WASILLA -- A stretch of the Parks Highway near Wasilla was closed temporarily and three people were taken to the hospital for treatment Monday after a car rear-ended an Alaska State Trooper pickup and burst into flames.

Alaska State Trooper spokeswoman Megan Peters said trooper Cody Litster, 32, was stopped on the shoulder after checking on a vehicle in distress when the other car hit his pickup from behind.

Story tools
- Comments (45)
- Recommend (0)
- E-mail a friend
- Print

Mat-Su Features

The Mat-Su View

Home Alaska newsreader Obituaries Archives TV Listings Movies Music Restaurants Submit Event

Motorist with car trouble killed on Glenn

FATALITY: Witness says glare may have contributed as truck hit stalled vehicle.

By JAMES HALPIN
jhalpin@adn.com
Published: January 8th, 2010 08:13 PM
Last Modified: January 8th, 2010 08:13 PM

A driver who stopped along the side of the Glenn Highway, possibly with vehicle trouble, was killed Thursday afternoon when a pickup rear-ended his vehicle, throwing it forward some 50 feet and pinning the man underneath it, according to police.

The driver, Robert Marvin, 76, was trapped with his chest under the front axle of a Volkswagen van after the pickup apparently coming onto the highway from the South Birchwood on-ramp near Chugiak High School struck the van about 3:15 p.m., according to police.

Story tools
- Comments (108)
- Recommend (18)
- E-mail a friend

More Alaska News stories »
- Palin critics question ethics rules proposals
- Houston City Council votes to keep police sergeant in office
- Palin calls global warming studies 'snake oil science'
- Anchorage maintains its high rating on short-term bonds
- Whales suspect in struggles of Prince William Sound herring

Home Alaska newsreader Obituaries Archives TV Listings Movies Music Restaurants Submit Event

Car strikes, kills man walking in darkness on Glenn Highway

SUNDAY: Victim, wearing dark clothing, struck by Ford Taurus.

By KYLE HOPKINS
khopkins@adn.com
Published: October 4th, 2009 04:46 PM
Last Modified: October 5th, 2009 02:33 PM

A pedestrian was hit and killed early Sunday morning on the Glenn Highway, police say.

The collision occurred just after midnight in the inbound lane of the highway, just south of the South Peters Creek exit, said Lt. Dave Parker, a police spokesman. The investigation closed the highway southbound until about 4:50 a.m.

Story tools
- Comments (70)
- Recommend (4)

More Anchorage stories »
- Valley crash closes Parks Highway, injures 3
- Bank robber gets 12 years after using ID in heist
- Anchorage maintains its high rating on short-term bonds
- Fantasy costumes at ski event combat all-too-real abuse
- Bill calls for protecting people over wildlife in Anchorage

Moose Salvage Expansion—$130,000

The current operations of the AMF salvage program cover the Anchorage Bowl from Knik River Bridge to Indian. There are 3 AMF trucks which have been outfitted to pick up moose whole which then deliver the moose to the existing charities. One truck in particular was donated by Alaska Waste which has a Stellar Hooklift unit that enables the AMF to pick up a moose in less than 10 minutes at the road surface with ease!

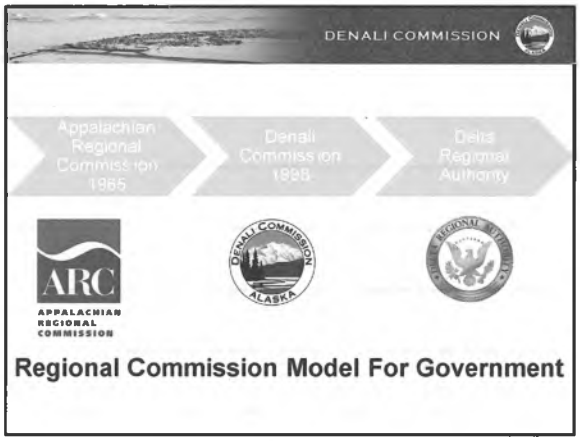
Previous salvage operations (pictured below) routinely saw the charities butcher the moose, typically in poor driving conditions, on the road surface. This new program not only saves the police over 2 hours per retrieval but also vividly points out the current safety liability to the charities in the Mat-Su and Kenai areas where this previous protocol still occurs.

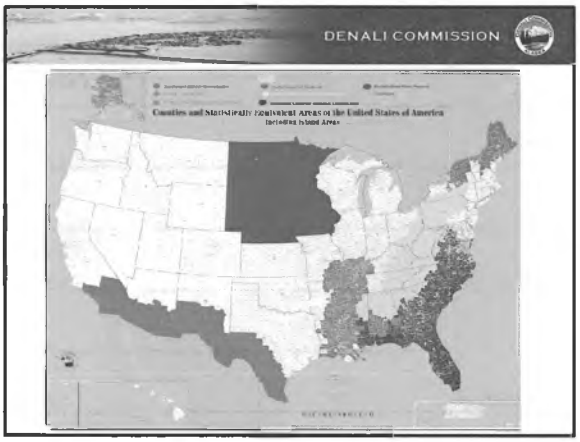
The stories on the left side of the page show 3 recent, vivid examples where prolonged exposure on the road surface is growing extremely hazardous. This appropriation will allow the purchase of **fuel ($35,000) insurance ($25,000), and additional funding to outfit 10 additional donated trucks ($70,000)** which will significantly increase safety in the Mat-Su, Kenai and Anchorage areas.

3/31/11 PRESENTA-TION: DENALI COMMISSION

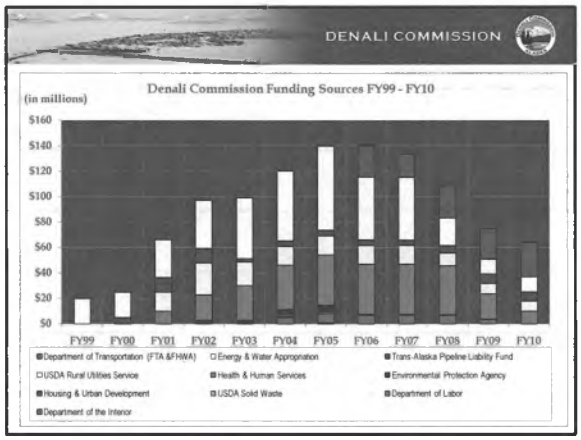
<TARGET><BILL></BILL><SUBJECT>3-31-11 PRESENTATION DENALI COMMISSION</SUBJECT><COMM>HTRA27</COMM></TARGET>

Kongiganak- Barge Landing Facility
Transportation Program Overview
AK State Legislature House Transportation Committee
Representative Peggy Wilson, Chair
March 31, 2011
Chuck Pool, Transportation Advisory Committee Member, and Joel Neimeyer Federal Co-Chair

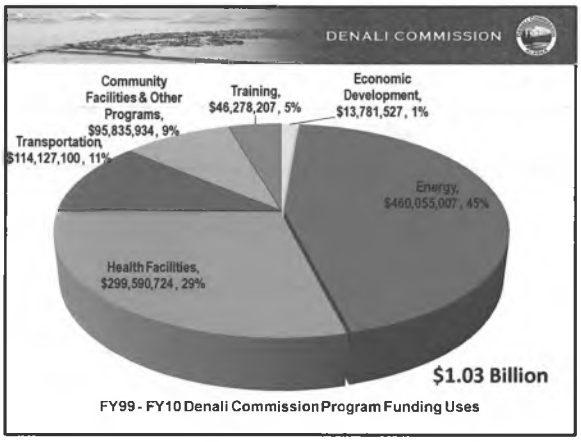

DENALI COMMISSION
Appalachian Regional Commission 1965
Denali Commission 1998
Delta Regional Authority
ARC
APPALACHIAN REGIONAL COMMISSION
Regional Commission Model For Government

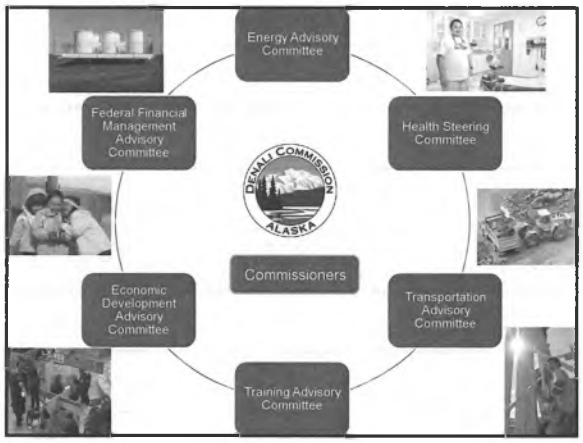

DENALI COMMISSION

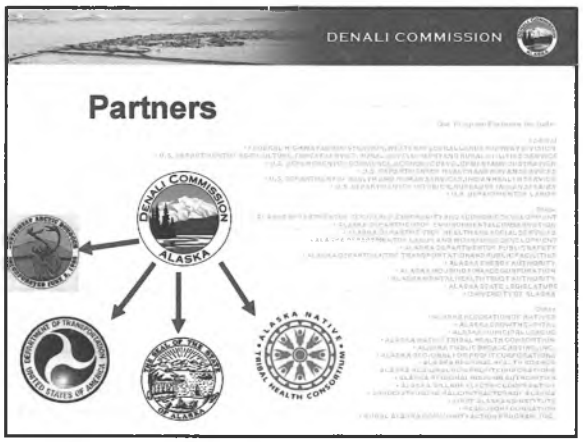
DENALI COMMISSION
Denali Commission – An independent federal agency
Created in 1998 – Denali Commission Act
Governing Principles:
•Small staff
•Limited overhead costs
•Numerous program partners
•Shared resources; common vision
•Transparency
•Decisions made in Alaska


DENALI COMMISSION
Denali Commission Funding Sources FY99 - FY10
(in millions)
$160
$140
$120
$100
$80
$60
$40
$20
$0
FY99 FY00 FY01 FY02 FY03 FY04 FY05 FY06 FY07 FY08 FY09 FY10
Department of Transportation (FTA &FHWA)
Energy & Water Appropriation
Trans-Alaska Pipeline Liability Fund
USDA Rural Utilities Service
Health & Human Services
Environmental Protection Agency
Housing & Urban Development
USDA Solid Waste
Department of Labor
Department of the Interior

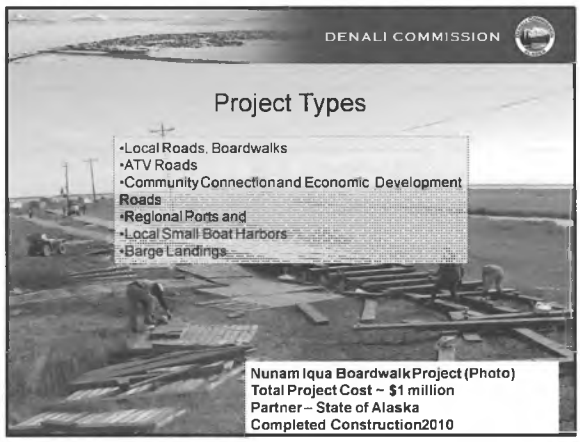
DENALI COMMISSION
Active Programs
• Transportation
– Road
– Waterfront Development
• Energy
– Power Plants, Transmission Lines, Bulk Fuel Storage, Alternative Renewable Energy
• Health Facilities
– Primary Care Clinics, Behavior Health, Primary Care in Hospitals
• Training
• Government Coordination


DENALI COMMISSION
Community Facilities & Other Programs, $95,835,934, 9%
Training, $46,278,207, 5%
Economic Development, $13,781,527, 1%
Transportation, $114,127,100, 11%
Energy, $460,055,007, 45%
Health Facilities, $299,590,724, 29%
$1.03 Billion
FY99 - FY10 Denali Commission Program Funding Uses


Energy Advisory Committee
Health Steering Committee
Transportation Advisory Committee
Training Advisory Committee
Economic Development Advisory Committee
Federal Financial Management Advisory Committee
Commissioners


DENALI COMMISSION
Partners

DENALI COMMISSION
Transportation Program
Funding Overview
•Program Funded in FY2005
•SAFETEA LU – Legislation provided ~ $100 million to Denali Commission FY2005-2009
•Annually Provides ~$25,000,000 to the Commission
•FHWA ~ $15,000,000
•FTA ~ $10,000,000
Sand Point New Harbor Float (Photo)
Total Project Cost ~ $1.8 million
Partner – Aleutians East Borough
Completed Construction February 2011


DENALI COMMISSION
Project Types
•Local Roads, Boardwalks
•ATV Roads
•Community Connection and Economic Development Roads
•Regional Ports and
•Local Small Boat Harbors
•Barge Landings
Nunam Iqua Boardwalk Project (Photo)
Total Project Cost ~ $1 million
Partner – State of Alaska
Completed Construction 2010

DENALI COMMISSION
Transportation Advisory Committee (TAC)

DENALI COMMISSION

DENALI COMMISSION

DENALI COMMISSION
Kwigillingok

DENALI COMMISSION

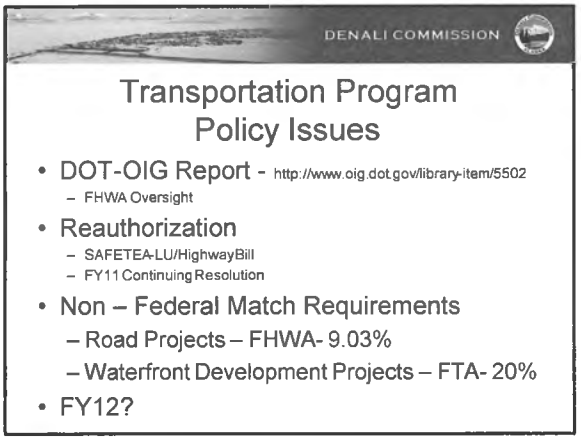
Completed Projects

As of February 2011

- Invested over $100M in basic transportation infrastructure Statewide since FY2005.
- Road Improvement Projects:
  - 33 Road Projects Completed
- Waterfront Projects:
  - 42 Waterfront Development Projects Completed
- Road and Waterfront Projects
  - 82 Road and Waterfront Development Projects in Planning, Design and or Construction Phase Completed
- 150 Active Projects
  - 39 Projects Funded in FY2010

DENALI COMMISSION

DENALI COMMISSION



Transportation Program Policy Issues

- DOT-OIG Report - http://www.oig.dot.gov/library-item/5502
  - FHWA Oversight
- Reauthorization
  - SAFETEA-LU/HighwayBill
  - FY11 Continuing Resolution
- Non – Federal Match Requirements
  - Road Projects – FHWA- 9.03%
  - Waterfront Development Projects – FTA- 20%
- FY12?

Denali Commission
Transportation Program

Road and Waterfront Project Selections
Fiscal Year 2006 - 2011

March 2011 Update

*This document serves as a snap-shot of project details including funding amounts, project recipients and project status. The document does not represent current financial obligations or expenditures, and details in the document may be altered by the Commission over the life of a project.

Partner Agency/Project	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	*Status
Alaska Department of Transportation & Public Facilities							
Akutan Airport Hovercraft Landing Ramps				909,700			Design
Angoon - Ferry Terminal Passenger Facility					68,228		Design
AUTC/DOT&PF Dust Control Research			239,965				Design
Cantwell Roads Rehabilitation	454,850	149,399					Complete
Circle/Circle City Roads Rehabilitation	818,730						Construction
Coffman Cove Roads Paving	3,000		848,280				Construction
Cold Bay Airport Access Road Reconstruction				136,455			Cancelled
Eagle/Eagle Village Roads Rehabilitation	1,182,610						Construction
Elfin Cove Boardwalk Design/Construction/Repairs	136,455		45,485		136,455		Design
Emmonak Roads Reconstruction	1,819,400						Design
Fort Yukon Roads Rehabilitation	1,819,400						Construction
Gambell - Evacuation Road						850,000	Award Documents/Construction
Gustavus Transient Vessel Mooring Facility Replacement	95,200			812,500			Construction
Healy - Community Roads Rehabilitation/Surfacing					500,000		Design
Kake - Ferry Terminal Passenger Facility					136,455		Design
Naukati Small Boat Float Replacement			54,582				Design
Northway - Access Road Rehabilitation/Surfacing					500,000		Design
Pelican Board-Road Reconstruction Phase I-III	272,910	267,547	393,886				Complete
Port Alexander Boardwalk Repairs Phase I-II	181,940				295,653		Design
Port Alexander South Cedar Street Boardwalk Repairs	254,716						Complete
Selawik-Skin Street Barge Landing Road Reconstruction	727,760						Complete
St. Marys & Pitkas Point - Connector Road Dust Control					250,000		Design
Takotna Gold Creek Bridge Replacement				272,910			Design

Partner Agency/Project	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	*Status
Tanacross - Community Roads Rehabilitation/Surfacing					500,000		Design
Selawik - Barge Landing Road and Boardwalk Improvements						116,487	Award Documents
Tanana Roads Rehabilitation	41,883						Complete
Teller - Airport Road Dust Control					75,000		Design
Tenakee Springs - Ferry Dock Improvements					409,365		Construction
Togiak Main Road Rehabilitation	727,760						Cancelled - Transfer to WFLHD
Whale Pass Small Boat Float Replacement			54,582				Cancelled
Wrangell Front Street Redevelopment					1,000,000		Construction
Bureau of Indian Affairs							
Chefornak - Boardwalk Reconstruction						1,000,000	Award Documents/Construction
Hughes - Moose Loop/Blueberry Road						716,000	Award Documents/Construction
Huslia - Boat and Barge Landing Access Road						750,000	Award Documents/Construction
Chignik Lake - Culvert Replacment						175,000	Award Documents/Construction
Western Federal Lands Highway Division							
Akhiok Tsunami Shelter Road Repairs	363,000						Design/Construction
Akiak Roads Rehabilitation				3,500,000			Design
Atka Roads Rehabilitation			1,654,241				Design/Construction
Atmautluak, Nunapitchuk Tevyraq Tramway Railroad Reconstruction				1,810,000			Construction
Birch Creek - Feasability Study						300,000	Award Documents/Study
Buckland - River Bridge Design						75,000	Award Documents/Design
Coffman Cove Dock Reconstruction/Expansion			1,650,000				Construction
Gakona Access Road Rehabilitation				2,400,000			Construction
Galena Dock Improvements			1,409,926	214,136			Cancelled
Hydaburg - Saltry Point Road Construction						991,444	Award Documents/Construction
IRT Chigniks Road Survey				150,000			Complete
Kalskag to Yukon River Road Study			100,000				Reconnaissance
King Cove Roads Reconstruction		1,785,177					Complete
Kivalina Evacuation/Relocation Road Reconnaissance	138,668						Complete
Kobuk Winter Trail Bridge		927,090					Complete
Kwethluk Barge Landing & Jay Hammond Roads Reconstruction/Extension				2,500,000			Design
Kwigillingok Kuicuaq Slough ATV Trail				150,000			Complete
Kwigillingok ATV Trail						125,000	Award Documents/Design/Construction
Manley Hot Springs Streets Rehabilitation				2,150,000			Design
Manokotak Heights Road Reconstruction				3,500,000			Design
McGrath Roads Reconstruction				2,000,000			Design
Metlakatla Walden Point Road Construction		1,050,000					Complete

Partner Agency/Project	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	*Status
Metlakatla Walden Point Road Conector Road						695,093	Award Documents/Construction
Nenana 9th and K Street Reconstruction/Extension		1,427,425					Construction
Noatak - Delong Mountain Terminal Bus Road Access Route					400,000		Planning/Design
Northway Subdivison Access Road						200,000	Award Documents/Design
Shaktoolik Evacuation Road Planning				1,000,000			Cancelled
Stevens Village Access Road Planning		545,150					Complete
Akiok, Chefornak, Hooper Bay, Kwigilling Subsistence ATV Road Planning			32,925				Complete
Tununak ATV Geo-Tech Trail Construction				2,700,000			Design
Tununak - Community Streets Rehabilitation					1,500,000		Design/Construction
Statewide - Technical Services				300,000	150,000		Ongoing
Corps of Engineers							
Aniak Barge Landing Improvements		150,000					Cancelled
Bethel - Small Boat Harbor Dredging					500,000		Design
Eek Barge Landing Improvements				300,000			Planning/Design
Elim Barge Landing Improvements				300,000			Cancelled
McGrath Barge Landing Improvements		24,683					Complete
Chignik Small Boat Harbor Construction			1,000,000				Complete
Chevak Mooring Points Construction		270,000					Complete
Cordova Harbor Storm Breakwater Construction	116,889						Complete
Holy Cross Boat Luanch						150,000	Award Documents/Preliminary Engineering
Hydaburg - Small Boat Harbor						1,000,000	Award Documents/Construction
Kake Boat Launch Replacement						150,000	Award Documents/Design
Kwinhagak/Quinhagak Harbor Entrance Improvements		200,000					Complete
Manley Hot Springs Boat Landing Improvements		50,000					Complete
Nanwalek Safe Harbor Study		140,000					Complete
Nondalton Dock/Launch Ramp Construction		150,000					Design
Perryville Barge Landing Improvements		87,604			1,000,000		Design/Construction
Platinum Dock Location Study				300,000			Study Complete
Port Graham Dock Planning		50,000					Reconnaissance
Port Lions City Dock and Ferry Terminal Repairs		50,000			120,000		Design
Saint Michael - Port Development						150,000	Award Documents/Design
Saint Paul Harbor Improvements		600,000					Closed Out
Seldovia Harbor Improvements	200,000				1,000,000		Design/Construction
Statewide Barge Landing System Mooring Points Planning and Design			1,500,000				Construction
Statewide Barge Landing System Design - Phase I and II			676,105				Complete

Partner Agency/Project	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	*Status
Statewide Barge landing Design and Construction Phase I-IV					1,000,000		Construction
Statewide Mooring Points - Phase IV						3,920,000	Award Documents
Statewide Mooring Points - Phase III						1,680,000	Award Documents
Statewide Barge Landing Site Investigations						250,000	Ongoing
Statewide Construction Inspection Services		75,000					Ongoing
Statewide Technical Services	150,000				198,761		Ongoing
Tenakee Springs Ferry Dock Improvements						200,000	Award Documents/Design
Togiak - Transit Facility Improvments						50,000	Award Documents/Design/Construction
Alaska Native Tribal Health Consortium							
Nunam Iqua Board-Road Improvements/Extension		172,363					Complete
Pitka's Point Sanitation Road Construction		460,000					Complete
Alaska Village Electric Cooperative							
Mekoryuk Harbor Repairs		571,450					Complete
Hooper Bay (AVEC) Wind Turbine Access Road Construction		199,531	215,000				Complete
Aleutians East Borough							
False Pass Boat Harbor Rehabilitation/Expansion		1,020,000				996,461	Construction
Association of Village Council Presidents							
Alakanuk - Community Streets					216,000		Design
Regional Roads Planning			100,000				Ongoing
Atmautluak Dock Replacement				150,000			Construction
Kongiganak Barge Landing Improvements				500,000			Complete
Hooper Bay - Comminuty Streets						134,647	Award Documents/Construction
Nunam Iqua Boardwalk Construction			1,000,000				Complete
Bethel/Oscarville Road Planning			150,000				Reconnaissance
Pilot Station Roads Rehabilitation			2,150,000				Design/Construction
Pitkas Point - Main Street Imrpovments						85,343	Award Documents/Preliminary Desigr
Scammon Bay - Community Streets Rehab					1,689,134		Design/Construction
Tuntatuliak Boardwalk Extension					1,000,000		Complete
Toksook Bay - Communit Roads Constructions						1,000,000	Award Documents/Construction
Bristol Bay Borough							
Port of Bristol Bay Dock Expansion/Repair			1,700,000				Complete
King Salmon & Naknek - School Bus Road Rehabilitation					950,000		Design

Partner Agency/Project	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	*Status
Bristol Bay Native Association							
Clarks Point/Ekuk Road Planning			50,000				Complete
Pilot Point Dago Creek Road Rehabilitation			165,000				Complete
Department of Commerce, Community & Economic Development							
Interior Region Orthographic Mapping				160,000			Final Mapping
Kawerak, Inc.							
Brevig Mission Streets Reconstruction				1,000,000			Complete
Diomede Island Marine Facilities Planning		600,000					Complete
Gambell Streets Reconstruction					1,000,000		Complete
Koyuk Streets Reconstruction		1,000,000					Complete
Shaktoolik Evacuation Road Planning		55,000					Complete
Unalakleet Streets Reconstruction		144,616	1,700,000				Complete
City of Adak							
Small Boat Harbor Dredging					1,600,000		Construction
City of Akutan							
Ferry Dock Improvements	434,000						Design
City Dock Improvments						60,000	Award Documents/Design
City of Bethel							
Boat Harbor Rehabilitation		520,000					Complete
Brown's Slough Bank Stabilization	570,000						Complete
City Dock East Wing Wall						200,000	Design
Chenega IRA Council							
Chenega Roads Rehabilitation/Extension		1,308,360					Complete
City of Cordova							
Boat Haulout Structure Improvements			829,000				Complete
Cordova Roads Rehabilitation	311,000						Complete
Dust Abatement Phase III						137,400	Award Documents/Construction
Eyak -Cordova Whitshed Road Extension					1,000,000		Complete
City of Craig							
Community Streets Paving						1,000,000	Award Documents/Construction
Craig Community Association							
Port Saint Nicholas Road Reconstruction	1,000,000						Complete
Craig Roads Rehabilitation			1,000,000				Construction

Partner Agency/Project	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	*Status
City of Dillingham							
Small Boat Harbor Ramps Improvements		350,000					Complete
Tower Road Reconstruction					925,000		Construction
Gulkana Village Council							
Gulkana Roads Rehabilitation	1,800,000						Construction
City of Haines							
Haines Harbor Reconstruction		800,000					Complete
City of Hoonah							
Marine Industrial Center Improvements			300,000				Complete
Marine Industrial Center Improvements - Phase III						657,000	Award Documents/Construction
City of Homer							
Homer Small Boat Harbor Float						440,000	Award Documents/Design
Igiugig Tradition Council							
Igiugig High Ridge Subdivision Road Construction					81,000		Complete
Igiugig Float Plane Lake Road						917,612	Award Documents/Construction
City and Borough of Juneau							
Construction	1,000,000						Complete
City of Ketchikan							
Moran Transient Harbor Reconstruction		1,600,000					Complete
Knudson Cove Harbor Rehabilitation		413,000					Complete
Knudson Cove Harbor Launch Ramp Replacement					800,000		Construction
Thomas Basin Finger Floats					900,000		Construction
Bar Harobor Drive Down Ramp						100,000	Award Documents/Design
Klawock Cooperative Association							
Community Streets Paving					1,000,000		Complete
City of King Cove							
North Boat Harbor Reconstruction			1,500,000				Construction
City of Kodiak							
Pier 3 Cargo Terminal Repairs	300,000			300,000			Complete

Partner Agency/Project	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	*Status
City of Kotzebue							
Swan Lake Harbor Improvements					270,000		Design
Swan Lake Harbor Improvements						800,000	Award Documents/Construction
Haines Borough							
Haines - Third Avenue Street Construction						900,000	Award Document/Construction
Kodiak Island Borough							
Kodiak Island Transportation Study			125,000				Complete
Anton Larson Dock Imrpovments						80,000	Award Documents/Construction
Lake and Peninsula Borough							
Lake Iliamna Community Barge Landing Improvements Planning			300,000				Complete
Igiugig - Barge Landing Imrpovments						502,044	Award Documents/Design/Construction
Illiamna - Dock Rehabilitation						608,000	Award Documents/Design/Construction
Kokhanok - Barge Landing Improvments						326,384	Award Documents/Design/Construction
Manillaq Association							
Noorvik - Cemetery Road					957,650		Design
City of Nenana							
Nenana Tug and Barge Port Reconstruction		850,000					Design
City of Nome							
Low - Level Dock Float Replacement		1,000,000					Complete
Nome - Port of Nome High Mast Light Foundations and Towers						666,508	Award Documents/Construction
Native Village of Buckland							
Uptown Road Construction						554,000	Award Documents/Construction
North Pacific Rim Housing Authority							
Tatitlek Dock Repairs	367,000						Complete
Chenega Bay Small Boat Harbor Rehabilitation				1,138,813			Complete
North Slope Borough							
Wainwright Lagoon Boat Launch Ramp Improvements		379,212					Complete
Anaktuvuk Pass Bridge Replacement			147,431		1,000,000		Construction

Partner Agency/Project	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	*Status
Point Lay - Subdivison Roads						478,400	Award Documents/Preliminary Design/Construction
Wainwright - Access Road						656,035	Award Documents/Construction
City of Old Harbor							
Small Boat Harbor Reconstruction	1,200,000						Complete
City Dock Reconstruction					1,000,000		Construction
City of Ouzinkie							
Ouzinkie - Dock Replacment Phase II						1,000,000	Award Documents/Construction
Organized Village of Kake							
Multi-Use Dock Replacement			1,000,000				Construction
City of Pelican							
Harbor Tee Floats Replacement		100,000					Complete
City of Petersburg							
Birch Street Construction						375,495	Award Documents/Construction
Sing Lee Alley Reconstruction						63,679	Award Documents/Design
City of Sand Point							
School Loop Road Rehabilitation			1,500,000				Award Documents/ Construction
Harbor Main Float					1,000,000		Complete
Selawik							
Selawik Boardwalk Reconstruction				270,000			Design
City of Seward							
East Harbor Reconstruction			1,000,000				Complete
Boat Harbor Replacement						100,000	Award Documents/Design
City and Borough of Sitka							
Indian River Road Rehabilitation		750,000					Complete
Old Thomsen Harbor Replacement	1,300,000						Complete
City of Skagway							
Boat Harbor Wave Attenuator Construction		500,000					Complete
Stevens Village IRA Council							
Stevens Village Roads Rehabilitation		1,000,000					Construction
City of Thorne Bay							

Partner Agency/Project	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	*Status
Davidson Landing Harbor Repairs	100,000						Complete
Davidson Landing Phase I Mooring Floats					562,761		Construction
City of Unalaska							
Distressed Vessel Moorage						250,000	Award Documents/Design/Construction
City of Whittier							
Small Boat Harbor Phase I					990,000		Construction
City of Wrangell							
Heritage Harbor Transient Floats Replacement			1,000,000				Complete
City Dock Rehabilitation					238,000	762,000	Design/Construction
Wood Street - Design Construction						1,000,000	Award Documents/Construction
Yakutat Borough							
Multi-Purpose Dock Reconstruction			696,000				Complete
FY 06-11 Road and Waterfront Projects Total	**17,887,171**	**21,792,607**	**26,287,408**	**28,924,514**	**23,570,701**	**29,685,032**	
***PROJECT STATUS GLOSSARY**							
Award Documents-Financial Assistance Awards are being prepared at Denali Commission							
Planning-Project to develop a catalog of regional project needs/opportunities							
Reconnaissance-Project investigation to determine if there is a viable project scope-schedule-budget							
Design-Project design including engineering, NEPA approval and Right of Way acquisition							
Construction-Project construction including bid documents and bid advertising/selection							
Close Out in Progress-Project close out due to ineligibility, scope beyond program capability or project inaction							
Complete-Project design and/or construction is complete and project is moving into close out status							

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Denali Commission
Transportation Program
FY11 Road Projects

FY 11 Road Project Selections - House/Senate District/Community/Project	Denali Commission Funding Amount	House Representative	Senator
House District 2, Senate District A			
Petersburg - Birch Street - Construction	$ 375,495	Peggy Wilson	Bert Stedman
Petersburg - Sing Lee Alley Reconstruction - Design	$ 63,679	Peggy Wilson	Bert Stedman
Wrangell - Wood Street - Design/Construction	$ 1,000,000	Peggy Wilson	Bert Stedman
House District 5, Senate District C			
Cordova - Dust Abatement - Phase III	$ 137,400	Bill Thomas	Albert Kookesh
Craig - Community Streets Paving - Construction	$ 1,000,000	Bill Thomas	Albert Kookesh
Haines - Third Avenue Street - Construction	$ 900,000	Bill Thomas	Albert Kookesh
Hydaburg - Saltry Point Road - Construction	$ 991,444	Bill Thomas	Albert Kookesh
Metlakatla - Walden Point Road Connector Road- Construction	$ 695,093	Bill Thomas	Albert Kookesh
House District 6, Senate District C			
Birch Creek Feasibility Study	$ 272,910	Dick Alan	Albert Kookesh
Hughes - Moose Loop/Blueberry Road - Construction	$ 716,000	Dick Alan	Albert Kookesh
Huslia - Road - Construction	$ 750,000	Dick Alan	Albert Kookesh
Northway Housing Road - Design	$ 181,940	Dick Alan	Albert Kookesh
House District 36, Senate District R			
Igiugig - Float Plane Lake Road - Construction	$ 917,612	Alan Austerman	Gary Stevens
House District 37, Senate District S			
Chignik Lake - Culvert Replacement - Construction	$ 175,000	Bryce Edgmon	Lyman Hoffman
House District 38, Senate District S			
Chefornak - Boardwalk Reconstruction	$ 1,000,000	Bob Herron	Lyman Hoffman
Kwigillingok -ATV Trail - Design/Construction	$ 113,712	Bob Herron	Lyman Hoffman
Toksook Bay - Community Roads - Construction	$ 1,000,000	Bob Herron	Lyman Hoffman
House Districts 39, Senate District T			
Gambell - Evacuation Road - Construction	$ 850,000	Neil Foster	Donny Olson
Hooper Bay - Design and Construction	$ 134,647	Neil Foster	Donny Olson
Pitkas Point - Main Street Improvements - Preliminary Design	$ 85,343	Neil Foster	Donny Olson
House Districts 40, Senate District T			
Buckland - River Bridge Design	$ 68,227	Joule Reggie	Donny Olson
Buckland - Uptown Road Construction	$ 554,000	Joule Reggie	Donny Olson
Point Lay - Subdivision Roads - Preliminary Design	$ 478,400	Joule Reggie	Donny Olson
Selawik - Barge Landing Road and Boardwalk Improvements - Design	$ 116,487	Joule Reggie	Donny Olson
Wainwright - Access Road - Construction	$ 656,035	Joule Reggie	Donny Olson
Total FY11 Road Projects	**$ 13,233,424**		

March 31, 2011

Denali Commission
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Denali Commission
Transportation Program
FY11 Waterfront Development Projects

FY 11 Waterfront Development Project Selections - House/Senate District/Community/Project	Denali Commission Funding Amount	House Representative	Senator
House District 1, Senate District A			
Ketchikan - Bar Harbor Drive Down Ramp - New Start	$ 100,000	Kyle Johansen	Bert Stedman
House District 2, Senate District A			
Wrangell - City Dock Rehabilitation - Construction	$ 762,000	Peggy Wilson	Bert Stedman
House District 5, Senate District C			
Kake - Boat Launch Replacement - New Start	$ 120,000	Bill Thomas	Albert Kookesh
Tenakee Springs - Dock Improvements - Design	$ 160,000	Bill Thomas	Albert Kookesh
Hoonah - Upland Construction Work (Boat Haulout) - Construction	$ 657,000	Bill Thomas	Albert Kookesh
Hydaburg - Small Boat Harbor - Construction	$ 1,000,000	Bill Thomas	Albert Kookesh
House District 6, Senate District C			
Holy Cross - Preliminary Engineering	$ 120,000	Dick Alan	Albert Kookesh
House District 35, Senate District R			
Homer - Harbor Improvements - Design/New Start	$ 440,000	Paul Seaton	Gary Stevens
Seward - Boat Harbor - New Start/Design	$ 80,000	Paul Seaton	Gary Stevens
House District 36, Senate District R			
Igiugig - Barge Landing - Final Design/Construction	$ 502,044	Alan Austerman	Gary Stevens
Illiamna - Dock Rehabilitation - Final Design/Construction	$ 608,000	Alan Austerman	Gary Stevens
Kokhanok- Barge Landing - Final Design/Construction	$ 326,384	Alan Austerman	Gary Stevens
Kodiak Island Borough -Anton Larson Dock Improvements - Design	$ 80,000	Alan Austerman	Gary Stevens
Ouzinkie - Dock Replacement - Construction	$ 1,000,000	Alan Austerman	Gary Stevens
House District 37, Senate District S			
Unalaska - Distressed Vessel Moorage - Preliminary Engineering	$ 200,000	Bryce Edgmon	Lyman Hoffman
False Pass - Harbor Utility Project - Construction	$ 996,461	Bryce Edgmon	Lyman Hoffman
Akutan - City Dock Improvements - Design	$ 48,000	Bryce Edgmon	Lyman Hoffman
Togiak - Transit Facility Improvements - Final Design/Construction	$ 40,000	Bryce Edgmon	Lyman Hoffman
House District 38, Senate District S			
Bethel - City Dock East Wing Wall - Design	$ 200,000	Bob Herron	Lyman Hoffman
House Districts 38 & 36, Senate Districts S & C			
Mooring Points -Phase III - Design/Construction	$ 1,680,000	Bob Herron, Alan Austerman	Lyman Hoffman, Albert Kookesh
House Districts 40,6, & 39, Senate Districts T & C			
Mooring Points - Phase IV-Design/Construction	$ 3,920,000	Joule Reggie, Dick Alan, Neil Foster	Donny Olson, Albert Kookesh
Nome - Port and Harbor Improvements - Construction	$ 666,508	Neil Foster	Donny Olson
Saint Michael - Barge Landing/Port - New Start	$ 120,000	Neil Foster	Donny Olson
Kotzebue - Swan Lake Improvements - Construction	$ 800,000	Joule Reggie	Donny Olson
Statewide Barge Landing Site Investigations	$ 200,000	Neil Foster, Bob Herron, Bryce Edgmon	Donny Olson, Lyman Hoffman
Total FY11 Waterfront Development Projects	$ 14,826,397		

March 31, 2011

ANNUAL REPORT 2010

THE JOURNEY CONTINUES : THE NEXT DECADE OF THE DENALI COMMISSION

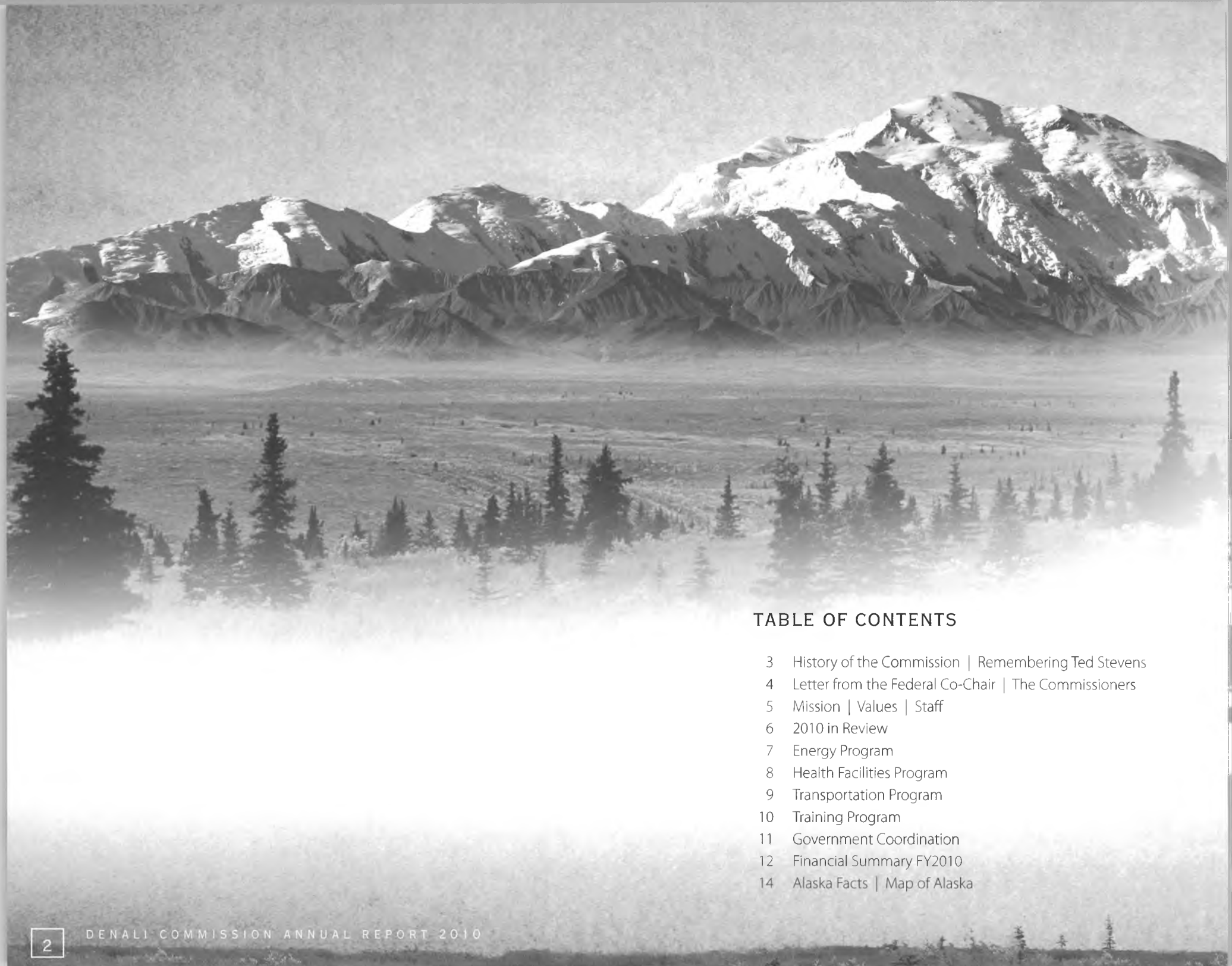


TABLE OF CONTENTS

3 History of the Commission | Remembering Ted Stevens
4 Letter from the Federal Co-Chair | The Commissioners
5 Mission | Values | Staff
6 2010 in Review
7 Energy Program
8 Health Facilities Program
9 Transportation Program
10 Training Program
11 Government Coordination
12 Financial Summary FY2010
14 Alaska Facts | Map of Alaska

HISTORY OF THE COMMISSION

Denali Commission (Commission) is an innovative independent federal-state partnership designed to provide critical utilities, infrastructure and support for economic development in Alaska by delivering federal services in the most cost-effective manner possible.

The Commission was created to find solutions, both immediate and long-term, to the inequities between rural Alaska and the rest of America. Initially, the Commission's primary objective was to provide reliable power and healthcare to every community while securing contamination threats to the environment.

Since inception in 1998, the Commission has been extraordinarily effective at accelerating the delivery of badly needed infrastructure projects. The Commission is widely regarded as efficient and necessary by the people in rural Alaska and by private sector and government partners.

The Commission has a lengthy history that demonstrates the agency's ability to not only respond to critical infrastructure needs, but also provide innovative solutions that work in rural Alaskan environments. Examples include the installation of efficient and reliable generators and switchgear equipment that power schools, homes and healthcare facilities. The Commission has replaced or repaired fuel storage facilities so they have appropriate, code compliant capacity. The Commission's work in the Health Facilities Program has enabled communities to design and construct clinics throughout the entire state and has made an enormous impact in the lives and health of rural Alaskans. The Commission has built roads and provided harbor access for rural communities which serve as the essential lifeblood of a thriving community. To help ensure that these projects are sustainable, the Commission has initiated job training and economic development projects to complement its investment in infrastructure.

We invite you, in the following pages, to see the past work of the Commission and reflect on a government agency that is making dramatic progress in the nation's least developed area. The Denali Commission is a model of effective, innovative government. In these pages, witness our vision for a better Alaska, and a stronger America.

Denali Commission Act - (Title III of Public Law 105-277, 42 USC 3121)

In Memory of
Senator Ted Stevens
1923 – 2010

"My future is in God's hands. The future of Alaska, however, is in your hands."

In 1998 Senator Ted Stevens focused national attention on the immense infrastructure and economic challenges faced by rural Alaskan communities when he authored the Denali Commission Act. The Act became law on October 21, 1998. The Denali Commission, with its unique scope and breadth of services, has helped change the face of rural Alaska.

JOEL NEIMEYER
Federal Co-Chair, Denali Commission

THE JOURNEY CONTINUES: THE NEXT DECADE OF THE DENALI COMMISSION

Change is upon us at the Denali Commission (Commission) as we embark on our second decade of critical infrastructure development in Alaska. For twelve years the Commission has administered over $1 billion dollars in basic infrastructure, training, and economic development projects in Alaska's remote communities. The Commission's funding, along with all the leveraged funding from other program partners, has improved the standard of living across the state and has provided rural residents with access to fundamental facilities and opportunities that many urban residents take for granted. Over these past twelve years, the Commission has:

- Completed 97 code compliant bulk fuel tank farms and 55 rural power system upgrades in rural Alaska communities.
- With numerous partners, including the State of Alaska, we are engaged in the development and construction of alternative and renewable energy projects, including wind turbines, hydro, geothermal and biomass.
- Completed 114 clinics with an additional 11 clinics currently under construction. The Commission has 27 health facility projects that are in the conceptual planning or design phases.
- Completed 33 road projects and 42 waterfront development projects. Eighty-two road and waterfront development projects are currently in the planning, design or construction phase.
- Partnered with numerous agencies, including the State of Alaska, and leveraged millions of dollars. Since 2006, for example, the Commission's $478 million in program dollars were matched by the State of Alaska with $106 million and an additional $460 million from other funding sources.

The Commission is in its next decade and its next phase of growth. While we have accomplished much in our first decade, we recognize there are many rural communities still waiting for code compliant bulk fuel tank farms, roads, small boat harbors, clinics and training opportunities.

Although our funding has decreased in the past four years, the relevance and necessity of the Commission is clear. The need for partnerships, leveraging of dollars and collaboration are all the more apparent in this economy. This is the very foundation the Denali Commission was built upon years ago and it will be the foundation of our future efforts as we adjust in these changing times. This coming year the Commission will look at reauthorization opportunities, review organizational restructuring models and work to continue the necessary project development activities in which we have excelled for over a decade. We are excited about our future prospects and our future course as we work with program partners on rural development issues.

I am proud to share this annual report which showcases the work of the Commission in FY2010. The next decade holds challenges for the agency which will highlight our strengths and adaptability as we continue to serve Alaska.

Joel Neimeyer
Federal Co-Chair

COMMISSIONERS

The Denali Commission Act teams seven leading Alaska policy makers together. Commissioners meet at least twice a year to develop and monitor an annual work plan that guides the Commission's activities. Commissioners draw upon community-based comprehensive plans as well as comments from individuals, organizations, partners and staff to guide funding decisions. This approach helps provide basic services in the most cost-effective manner by moving the problem solving resources closer to the people best able to implement solutions.

JOEL NEIMEYER
Federal Co-Chair
Denali Commission

KAREN REHFELD
State Co-Chair
Director of the Office of Management & Budget, State of Alaska

VINCE BELTRAMI
Executive President, Alaska AFL-CIO

LORETTA BULLARD
Director, Alaska Federation of Natives

PATRICK K. GAMBLE
President, University of Alaska

JOHN MACKINNON
Executive Director
Associated General Contractors of Alaska

KATHIE WASSERMAN
Executive Director, Alaska Municipal League

MISSION

The Denali Commission works with partners to develop basic public infrastructure, opportunity, and quality of life in Alaska communities.

VALUES

CATALYST FOR POSITIVE CHANGE
The Commission will be an organization through which agencies of government, including tribal governments, may collaborate, guided by the people of Alaska, to aggressively do the right things in the right ways.

RESPECT FOR PEOPLE AND CULTURES
The Commission will be guided by the people of Alaska in seeking to preserve the principles of self-determination, respect for diversity, and consideration of the rights of individuals.

INCLUSIVE
The Commission will provide the opportunity for all interested parties to participate in decision making and will carefully reflect their input in the design, selection, and implementation of programs and projects.

SUSTAINABILITY
The Commission will promote programs and projects that meet the current needs of communities and provide for the anticipated needs of future generations.

ACCOUNTABILITY
The Commission will set measurable standards of effectiveness and efficiency for both internal and external activities. Priority will be generally given to projects with substantial cost sharing.

STAFF

MONICA ARMSTRONG
Operations Administrator

KATHY BERZANSKE
Program Manager, Teacher Housing &
Deputy Program Manager, Health Facilities Program

DENALI DANIELS
Senior Program Manager, Energy Program

TESSA DELONG
Director of Programs

CORRINE EILO
Director of Administration

JODI FONDY
Deputy Program Manager, Energy Program

JAMILIA GEORGE
State Co-Chair's Representative

JANET HALL
Program Manager, Community Planning
(Detail from RurAL CAP)

SABRINA HOPPAS
Assistant to the Federal Co-Chair

KAREN JOHNSON
Program Manager, Training Program

LINDSEY JOLLY
Finance Specialist

GENE KANE
Program Manager, Solid Waste Program
(Detail from USDA-Rural Development)

SHARON GUENTHER LIND
Program Manager, Government Coordination
& Public Information Officer

MIKE MARSH
Inspector General

NANCY MERRIMAN
Senior Program Manager, Health Facilities Program

JOEL NEIMEYER
Federal Co-Chair

BOB PAWLOWSKI
Legislative Liaison
(Detail from The Alaska Legislature)

JENNIFER PRICE
Finance Administrator

ADISON SMITH
Program Assistant

PAYTON SNIDER
Information and Technology Administrator

BETTY SORENSEN
Grants Administrator

OVERVIEW OF THE DENALI COMMISSION

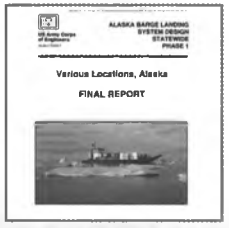
Modeled after the Appalachian Regional Commission, Congress created the Denali Commission twelve years ago with a vision to deliver the services of the federal government in the most cost-effective manner, provide job training and other economic development services in rural Alaska communities and promote rural development by meeting basic infrastructure needs. This small, independent federal agency is charged to move quickly to tackle systemic issues of rural development by listening to rural Alaskan's concerns, and working with the State of Alaska, local communities and tribes to build basic community infrastructure and sustain rural economies.

The Denali Commission's infrastructure projects throughout the state proceed in an efficient, transparent manner with the involvement of the people they serve. Over 2,100 projects have been funded by the Denali Commission in nearly every Alaskan community in numerous program areas.

DENALI COMMISSION ADVISORY COMMITTEES

The Denali Commission has used an Advisory Committee model to review and update policies, guide the Commission, and provide more robust program outcomes. These committees have formed and developed over the years and continue to play a critical role in advising Commissioners, the Federal and State Co-Chairs and program staff.

Health Steering Committee / 1999
Transportation Advisory Committee / 2006
Economic Development Advisory Committee / 2007
Energy Advisory Committee / 2007
Training Advisory Committee / 2007
Federal Financial Management Advisory Committee / 2007



BARGE LANDING STUDY COMPLETED

The Denali Commission completed the 2009 Barge Landing Study (BLS) with the help of the U.S. Army Corps of Engineers. The BLS will provide rural communities, barge operators, and state as well as federal agencies with a catalog of existing barge landing facilities, and an improvement needs list by community. The catalog also provides users with potential design solutions that can address basic infrastructure needs.

Secretary of Commerce Gary Locke (L) with Joel Neimeyer, Federal Co-Chair.

NEW FEDERAL CO-CHAIR IN 2010

Joel Neimeyer became the first Alaska Native Federal Co-Chair at the Denali Commission on January 2010. "I'm excited to be a part of the Commission's next decade. This new decade brings new challenges and I look forward to being a part of this dynamic organization", stated Neimeyer.

RIGHTSIZING CLINICS IN RURAL ALASKA

As energy and construction costs have risen over time, it became apparent that the smallest of the Denali Commission health clinic prototypes was not "right-sized" for communities in Alaska with fewer than 100 residents. The partners of the Health Program are meeting this challenge through the development of new prototype clinic designs that are less than 1,000 square feet in size. The new designs can accommodate energy efficiencies and alternative energy methods as they become proven and cost-effective for rural Alaska. The first pilot of the small clinic design will be deployed in the spring of 2011.

DENALI COMMISSION'S 100TH CLINIC PROJECT

The Dahl Memorial Clinic in Skagway marked the completion of the Denali Commission's 100th clinic project in June 2010. At the close of FY10 the Denali Commission has contributed to the construction of 114 clinics statewide. See more on the Skagway project on the Health Facilities Program page.

FINANCE LINE OF BUSINESS

The Commission has worked diligently to improve and enhance our program delivery internally. On October 1, 2009 the Commission implemented the Financial Line of Business through the Administrative Resource Center, Bureau of Public Debt, U.S. Treasury. This significant change has enhanced controls over financial reporting and provided Federal Managers' Financial Integrity Act compliance. Implementation of these types of important procedures enhances the Commission's program delivery and strengthens Commission grants management practices.

ENERGY PROGRAM

The Denali Commission's Energy Program began in 1999. The primary goals of this program are to address environmental compliance issues while also improving energy efficiency, decreasing diesel consumption, and exploring alternative-renewable options. Projects for bulk fuel tank construction and rural power system upgrades (RPSU) are identified from statewide deficiency lists. The Commission continues to comply with the Administration's initiative to reduce dependence on foreign oil by investigating renewable energy projects across Alaska such as wind, hydro, geothermal and emerging technologies. Specifically, the area of emerging technologies is a priority for the Commission.

TOTAL PROGRAM FUNDING USES FY1999 - 2010

ENERGY

PROJECTS FUNDED

Bulk Fuel Storage
Community Power Generation and Rural Power System Upgrades
Energy Cost Reduction Projects
Renewable, Alternative, and Emerging Energy Technologies
Power Line Interties

PROGRAM STAFF

Denali Daniels *Senior Program Manager*
Jodi Fondy *Deputy Program Manager*

EAGLE HYDROKINETIC TURBINE PROJECT

The Commission provided funding to the Alaska Power and Telephone Company (APT) for a demonstration project in Eagle, Alaska. The hydrokinetic in-river turbine mirrors fish wheels used by villagers to harvest salmon, but instead captures natural energy produced by the majestic Yukon River. The turbines four blunt-edged blades are suspended by an anchored pontoon barge and spins at a rate of just 22 revolutions per minute. Energy is transferred to a power line beneath the river floor onto shore where the electricity is distributed to the power grid for the community.

In the summer of 2010, the turbine produced 15 to 17 kilowatts which could supply about a quarter of Eagle's electricity needs. Efforts are underway to address potential impacts on fish, (which, so far, are thought to be minimal), managing debris during times of heavy rain fall and inoperability during winter months when the river is frozen.

Alternative and renewable energy continues to be a priority for the Commission in addressing the challenges of small remote communities off the electrical grid and road systems.

KWETHLUK RURAL POWER SYSTEM UPGRADE

The Commission, in partnership with the State of Alaska, Alaska Energy Authority (AEA), funded a new power plant in Kwethluk, Alaska. The community of nearly 800 residents lies at the junction of the Kuskokwim and Kwethluk Rivers in western Alaska and is accessible by air year round and by barge or boat during the summer months. The new power plant includes three energy efficient generators, a control panel with automatic load sensing and paralleling capabilities to ensure the most efficient combination of generation is utilized, heat recovery to the high school, and remote monitoring to allow trouble shooting from AEA's office in Anchorage. The new power plant was completed and brought on line in February 2010 and immediately achieved over 12% efficiencies, which equated to a savings of nearly 6,000 gallons of diesel between February and June 2010. In addition, it is estimated that the school district will save 12,000 gallons of diesel through use of the heat recovery system, which will eliminate approximately 134 tons of CO_2 emissions, in 2010.

HEALTH FACILITIES PROGRAM

The Health Facilities Program is a collaborative effort which methodically invests in regional networks of primary care clinics across Alaska. In addition to clinic design and construction, the program has expanded to support infrastructure needs in behavioral health, dental care, domestic violence facilities, elder housing, primary care in hospitals, emergency medical services equipment and hospital designs.

Since the inception of this program, the Denali Commission has made a monumental impact in the lives and health of rural Alaskans by contributing to the conceptual planning, business planning and design and construction of needed health facilities throughout the state.

TOTAL PROGRAM FUNDING USES FY1999 - 2010

HEALTH FACILITIES

PROJECTS FUNDED

Primary Care Facilities
Behavioral Health Facilities
Elder Housing/Assisted Living Facilities
Primary Care in Hospitals

PROGRAM STAFF

Nancy Merriman *Senior Program Manager*
Kathy Berzanske *Deputy Program Manager*

THE NEW AKHIOK CLINIC

Collaboration led by the Kodiak Area Native Association (KANA) brought the Akhiok clinic to completion in September 2009. KANA collaborated with the City of Akhiok, the Akhiok Tribal Council, the Denali Commission, the Alaska Native Tribal Health Consortium and the Indian Health Service to bring this 1,500 square foot clinic to completion in a year's time. The previous clinic was located in a two-bedroom home not adequately equipped for medical care delivery. Rightsizing clinics for smaller communities in rural Alaska is a priority of the Denali Commission Health Facilities Program.

SKAGWAY CLINIC

Many years ago E.A. and Jenny Rasmuson spied a special site in Skagway they knew would be perfect for a future health facility. That vision became a reality in June 2010, when the health center was opened. This striking state-of-the-art health clinic is a 14,531 square foot facility and includes nine exam rooms, three urgent care rooms, space for physical therapy, audiometry, and optometry, lab, x-ray and three dental operatories. Partnerships made this a successful project – with the in-kind and funding support of Rasmuson Foundation, the City of Skagway, the State of Alaska, and the Denali Commission.

TRANSPORTATION PROGRAM

The Denali Commission Transportation Program began in 2005. This program focuses on basic road improvement needs and waterfront development connecting rural Alaskans through roads and critical waterways. The road program targets basic road improvement needs. It also looks at opportunities to connect rural communities to one another and the state highway system, and ways to enhance rural economic development. The waterfront development program addresses port, harbor and other waterfront needs for rural communities. The emerging focus areas are improvements to regional ports, and construction of barge landings and docking facilities.

PROJECTS FUNDED

Local Roads and Boardwalks
ATV Roads
Community Connection and Economic Development Roads
Regional Ports and Local Small Boat Harbors
Barge Landings

PROGRAM STAFF

Tessa DeLong *Senior Program Manager*
Adison Smith *Program Assistant*

TOTAL PROGRAM FUNDING USES FY1999 - 2010

11.1%
TRANSPORTATION

GULKANA COMMUNITY ROADS RECONSTRUCTION

The Gulkana road project is a long awaited project that reconstructs the main road into and through the village of Gulkana. In 2006, the Denali Commission partnered with the Native Village of Gulkana on this early Transportation Program project.

During the design phase of the project, it became clear that water and sewer utilities bedded in the roadway were failing. Rather than proceed with the road construction as scheduled in 2008, the Commission, the Bureau of Indian Affairs and the Native Village of Gulkana agreed to put the road project in abeyance so the community could seek utility reconstruction funds to include in an overall repair project. In 2009, USDA, Rural Utilities approved a water-sewer reconstruction project and provided funding.

This combination of funds and construction phases improves overall costs to both components of work and preempted the possibility of a water-sewer project tearing up a recently reconstructed road.

CHEVAK BARGE LANDING MOORING POINTS

Mooring points provide safe and secure anchorage for boats and barges. The necessity for mooring points in rural Alaska is prevalent and of great concern to the Advisory Committee of the Transportation Program.

In many communities, barges are held against the coast shoreline or river banks by tugs under power while transfers are completed. Transfers under these conditions create near shore environmental impacts and create safety challenges for tug and barge workers and shore-side employees.

The Chevak mooring points project is a prototype installation of a new mooring system for rural Alaska communities that is the result of two years of investigations into barge operation needs throughout western and Arctic Alaska. Safe and efficient transfer of fuel and freight in rural communities is the end goal of this important project.

TRAINING PROGRAM

The Denali Commission has established a high performing workforce in rural Alaska focused on jobs and careers in construction, energy and health care. The Commission's alignment of infrastructure development and workforce development has created hundreds of construction and allied health jobs in communities where unemployment is at critical levels. A State of Alaska Department of Labor Research and Analysis report on the Commission's Training Program shows that training has increased wages of program participants by a staggering 64.4% and shows a 12.1% increase in employment.

As the Commission funds projects for new clinics, roads, and power plants, it also builds sustainability into those projects by providing training for local residents to maintain and operate the new facilities.

PROJECTS FUNDED

Allied Health Professions
Construction Trades
Facility Operations and Maintenance
Administration of Public Infrastructure

PROGRAM STAFF

Karen Johnson *Program Manager*

TOTAL PROGRAM FUNDING USES FY1999 - 2010

4.5%
TRAINING

ALLIED HEALTH PROFESSIONS

Alaska Natives have a much higher risk of suffering from dental problems. This, in part, is due to the lack of dental health services in many rural areas of Alaska. In 2000, the Commission began integrating dental suites into many of its newly constructed health facilities which provided dedicated dental space for the first time ever. Soon after, the Commission joined other funders and regional Native health corporations to support the Alaska Dental Health Aide Therapist program (DHAT). Since 2007, DHAT has had 17 graduates who have become the designated Dental Health Aide Therapists in their home towns, providing much needed dental services including preventative care and education.

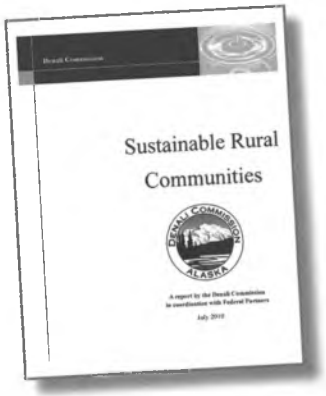
DISTANCE EDUCATION FOR RURAL ALASKANS

A young mother working in the Bethel Hospital enrolled in the University of Alaska's Limited Radiography Program; a program made available through distance learning by a Denali Commission funded initiative. This learning method allowed her to stay home in Bethel, continue working and taking care of her family. It was just a few years ago that students could only develop these skills by gaining admission into a two-year degree program in Anchorage. Now Nina Menegak could participate, even though hundreds of miles separated her from her instructors in Anchorage. Nina completed the four-course Radiology Occupational Endorsement program and the area hospital put her new skills to work. Nina's success in these courses led her to recognize her own capabilities. She gradually tackled other college courses, successfully completing the distance-delivered AAS Radiography Program while remaining in Bethel, one of the University of Alaska Anchorage's clinical sites.

GOVERNMENT COORDINATION

The Denali Commission (Commission) is charged with the special role of increasing government effectiveness. The Commission does so by acting as a catalyst and strategic partner for many federal and state programs in Alaska. The Commission joined others in a Memorandum of Understanding (MOU) that outlines the roles of agencies in coordinating resources and efforts in areas such as community planning, sustainability, data sharing and coordination of pre-construction activities. This MOU served as the basis for creating several multi-agency workgroups and cooperative projects that have increased overall government effectiveness. The MOU was amended in 2003 with increased participation from both state and federal partners and renewed once again in 2008. This renewed effort focuses efforts on improving the channels of communications among the leaders of all federal and state agencies with an emphasis on critical issues that affect the entire state of Alaska: the high cost of energy, outmigration, and coordination of efforts among all government agencies.

SUSTAINABLE RURAL COMMUNITIES PROJECT



The Commission plays a key role in coordinating the myriad of federal, state and tribal programs that affect rural Alaska. Through senior leadership forums, workgroups and advisory committees, we work effectively to leverage dollars, produce meaningful outcomes, and deliver innovative and sustainable projects.

As a convener and coordinator, in 2010 the Commission developed and published the Sustainable Rural Communities report.

Phase I of this project involved gathering the federal partners together to collaborate on the development of the develop the Sustainable Rural Communities report. This document takes a hard look at the barriers to developing and maintaining sustainable rural communities, as defined by the federal partners and, in some cases, offers possible solutions to those barriers.

Phase II of this project involves input and comments from our partners and the public at-large. After comments are compiled, an addendum to the already informative document, is set to be completed by the end of 2010.

Phase III of this project begins the actual implementation of the proposed efforts outlined in the report, efforts like the Regional Forum concept. The goal of this overall effort is collaborative transparency and improved government effectiveness. Watch our website as this project unfolds.

FY2010

FINANCIAL SUMMARY

At any given time Denali Commission staff and partners are engaged with several hundred grants and/or projects in various stages of planning, design and construction. Program partners range from large line agencies to small village-level organizations. The ability to deliver timely, sustainable projects with the right level and type of oversight and guidance, while also being nimble and agile, requires constant attention. Commission leadership emphasizes the paramount importance of public integrity, transparency and accountability. The Commission maintains an aggressive staff training program and uses the latest in grant processing technology through the U.S. Department of Health and Human Services. During 2010 staff received training from the Office of Management & Budget, U.S. Department of Health and Human Services and the Government Accountability Office. To keep staff size at an optimum level, the Commission contracts with other federal "lines of business" at the U.S. Department of the Treasury, Bureau of Public Debt to provide services in the areas of finance, human resources, procurement and travel. In addition, for the advancement of governmental accountability, the Commission relies on a network of federal experts through its Federal Financial Management Advisory Committee, which include members from U.S. Treasury, Office of Management and Budget and the Association of Government Accountants.

FUNDING SOURCES FY2010

Energy & Water Development Bill	$ 11,965,000
Trans-Alaska Pipeline Liability Fund (TAPL)	$ 7,142,869
USDA Rural Utilities Service Funds	$ 8,000,000
U.S. Department of Health & Human Services Funds	$ 10,000,000
Federal Transit Administration	$ 5,000,000
U.S. Department of Transportation (Obligating Authority)	$ 16,337,855
Total	**$ 58,445,724**

FUNDING USES

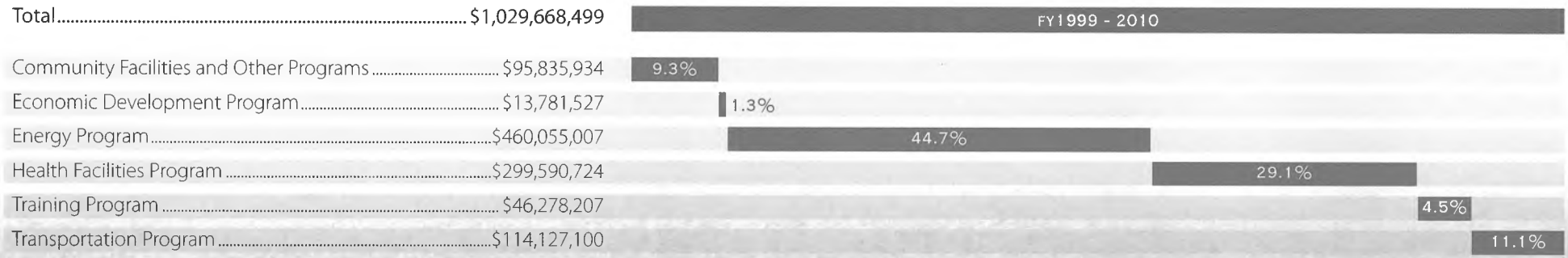
Energy Program	$24,430,725
Health Facilities Program	$9,500,000
Transportation Program	$20,270,962
Training Program	$1,000,000
Total	**$55,201,687**

FY1999 - 2010

FUNDING SOURCES (TOTAL FUNDING IN MILLIONS)

	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10
U.S. Department of Labor						$5.0	$6.9	$6.9	$6.9	$6.8	$3.4	
U.S. Department of the Interior							$1.0					
U.S. Department of Transportation (FTA & FHWA)								$25.0	$18.4	$25.5	$23.5	$21.3
Energy & Water Appropriation	$20.0	$20.0	$30.0	$38.0	$48.0	$55.0	$66.5	$49.5	$49.5	$21.8	$11.8	$12.0
U.S. Environmental Protection Agency				$3.0	$3.0	$3.5	$4.0					
U.S. Department of Health & Human Services			$10.0	$19.9	$27.2	$34.7	$39.5	$39.3	$39.3	$38.6	$19.6	$10.0
U.S. Department of Housing & Urban Development						$2.0	$1.3					
USDA Rural Utilities Service			$15.0	$25.0	$18.5	$15.0	$15.0	$15.0	$15.0	$10.0	$8.5	$8.0
USDA Solid Waste						$1.0	$1.5	$0.7	$0.7	$0.4	$0.4	
Trans-Alaska Pipeline Liability Fund		$5.0	$11.4	$11.4	$2.5	$4.3	$4.4	$4.2	$4.0	$5.8	$7.3	$7.1

FUNDING USES



ALASKA'S UNIQUE CHARACTERISTICS

Alaska supports one of the most productive commercial fishing economies in the world. Forty-two percent of the world's harvest of wild salmon and 80 percent of the production of high value wild salmon species such as sockeye, king and coho salmon are from Alaska.

42% OF THE WORLD'S WILD SALMON COMES FROM ALASKA

ALASKA = 375 MILLION ACRES*

OWNERSHIP OF ALASKA IN MILLIONS OF ACRES

National Parks, Refuges, and Forests	151
State Land	105
Other Federal Land	70
Alaska Native Corporations	44
Individual Private	3
Municipal, University, Mental Health Trust Lands	2

*Excludes tidelands and inland navigable bodies of water.
Source: Institute of Social and Economic Research, University of Alaska.

$4 TO **$1**

ALASKA STATE $2.4 BILLION — DENALI COMMISSION $.6 BILLION

During the time period 2005 - 2010, the State of Alaska appropriated almost $4 dollars for every $1 dollar that the Denali Commission contributed towards Alaska's rural community facilities, economic development, energy, health, training and transportation.

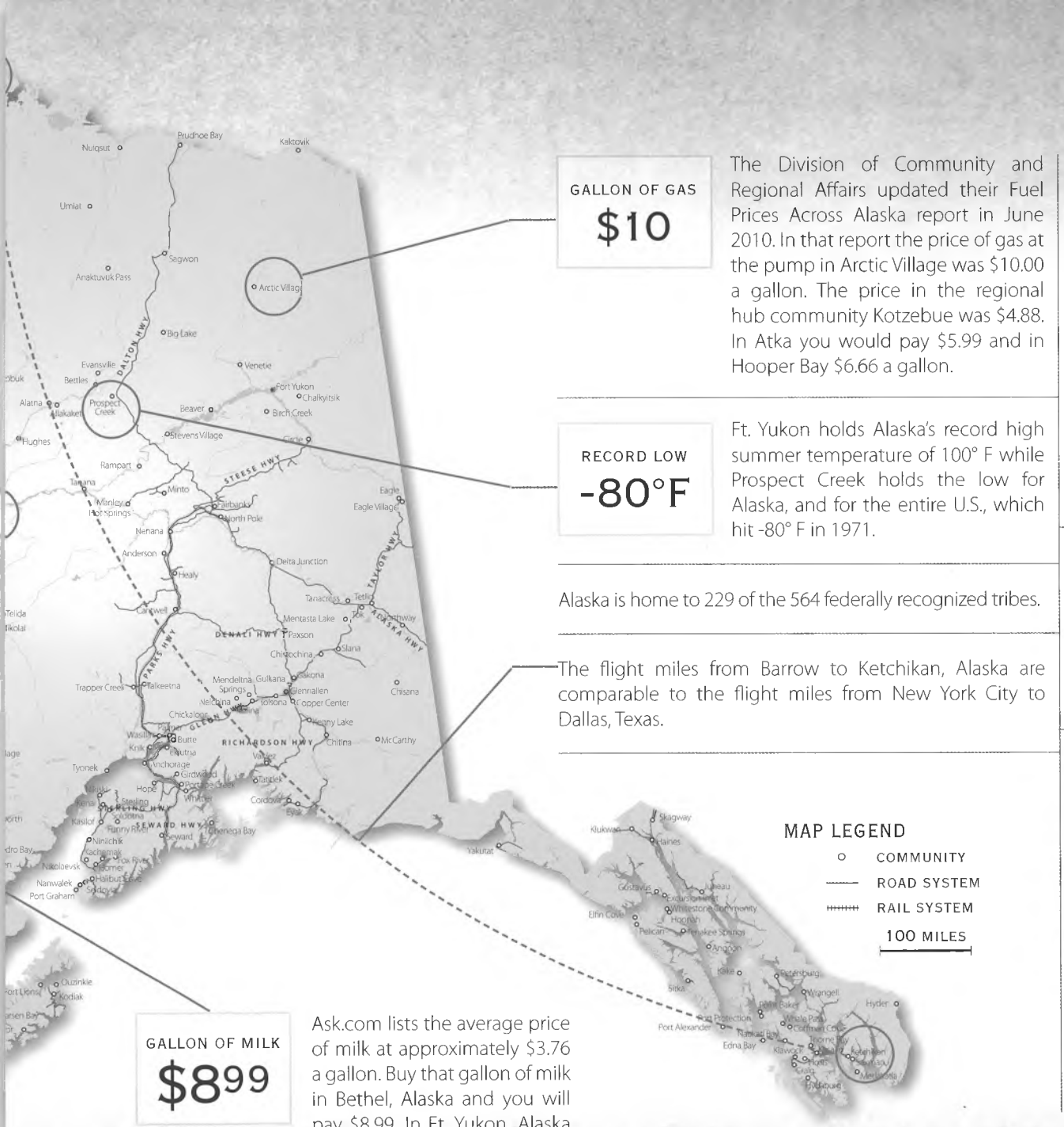
A Commission funded new bulk fuel storage facility was completed in Ruby, Alaska in 2010. This facility has a combined capacity of 247,000 gallons of diesel and gasoline which is used to power diesel fired generators for electricity, heating homes and for vehicles. Fuel is delivered once or twice a year, weather dependent. Environmentally safe, code compliant storage facilities like this one are the lifeblood of the community.

Three Commission funded wind turbines were installed in Kasigluk in 2006. Since then, 134,641 gallons of diesel fuel have been offset, which totals $353,583 in savings. In 2010 alone, 45,966 gallons of diesel were offset totaling $181,564 in savings.

3 WIND TURBINES = **$353,583** IN SAVINGS SINCE 2006

In December, a typical home in Anchorage, Alaska could pay an average of $146/month for electricity. The same home in Seattle, Washington pays $93/month. Napakiak, Alaska residents could pay over $1,100 a month for that same home size at their current rates.

THE ELECTRIC BILL IN DECEMBER **$1,189**



GALLON OF GAS

$10

The Division of Community and Regional Affairs updated their Fuel Prices Across Alaska report in June 2010. In that report the price of gas at the pump in Arctic Village was $10.00 a gallon. The price in the regional hub community Kotzebue was $4.88. In Atka you would pay $5.99 and in Hooper Bay $6.66 a gallon.

RECORD LOW

-80°F

Ft. Yukon holds Alaska's record high summer temperature of 100° F while Prospect Creek holds the low for Alaska, and for the entire U.S., which hit -80° F in 1971.

Alaska is home to 229 of the 564 federally recognized tribes.

The flight miles from Barrow to Ketchikan, Alaska are comparable to the flight miles from New York City to Dallas, Texas.

GALLON OF MILK

$8.99

Ask.com lists the average price of milk at approximately $3.76 a gallon. Buy that gallon of milk in Bethel, Alaska and you will pay $8.99. In Ft. Yukon, Alaska you will have to buy two half gallons and pay $12.58.

ALASKA IS OVER TWICE THE SIZE OF TEXAS

Alaska is 656,425 square miles (2 ½ times the size of Texas), has 3 million lakes over 20 acres in size (compared with Minnesota's 10,000 lakes), has an estimated 10,000 glaciers (covering nearly 5% of the state), holds 80% of all active volcanoes in the U.S. and 39 mountain ranges containing 17 of the 20 highest peaks in the U.S.

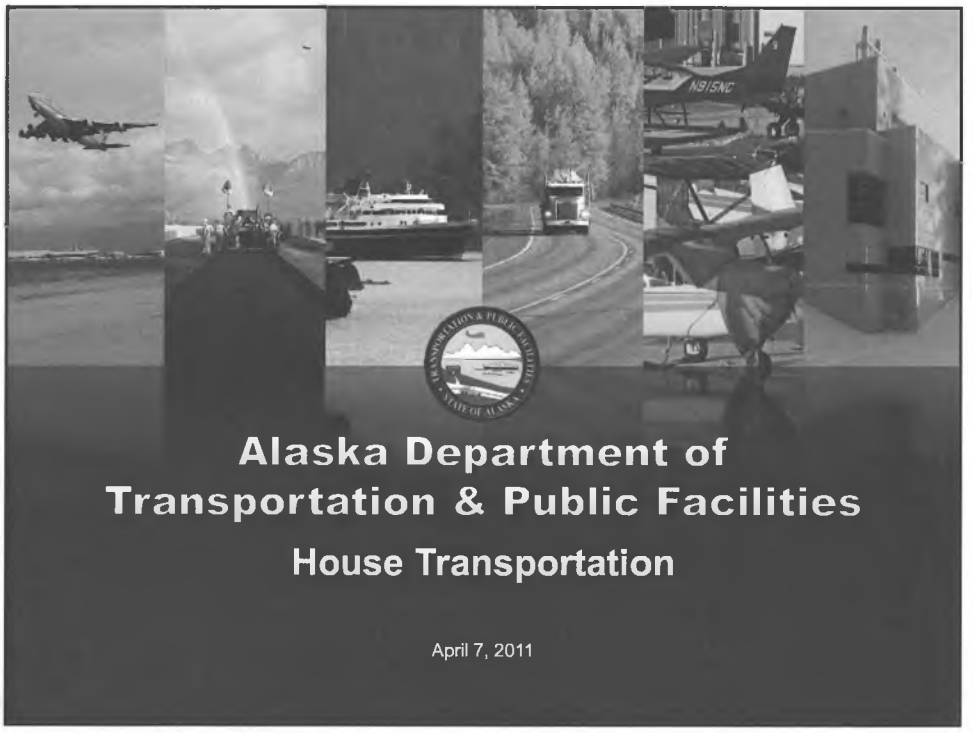
Alaska has the highest number of pilots per capita of any U.S. state. For every 100 people, Alaska has 1.3 pilots, Montana is second highest with .4 pilots per every 100 people. Because of the very limited highway access for rural communities, air travel remains an essential form of transportation in Alaska.

Rural residents rely on ATV's and snowmachines as a primary mode of transportation. All terrain vehicles can be used year round, while snowmachines, or snowmobiles, are used only in the winter months. The lack of improved roads in communities, and between communities, makes these vehicles necessary for basic transportation.

510 L STREET, SUITE 410 ANCHORAGE, ALASKA 99501
T: 888-480-4321 OR 907-271-1414
DENALI.GOV

4/07/11 PRESENTATION: STATE TRANSPORTATION IMPROVEMENT PLAN AND ROADS TO RESOURCES PROGRAM

<TARGET><BILL></BILL><SUBJECT>4-07-11 PRESENTATION STATE TRANSPORTATION IMPROVEMENT PLAN AND ROADS TO RESOURCES PROGRAM</SUBJECT><COMM>HTRA27</COMM></TARGET>



Alaska Department of Transportation & Public Facilities

House Transportation

April 7, 2011

Outline

- Long Range Transportation Plan – 2030 Update
- STIP and 2011 Federal Year Funding Concern

Long Range Plan Update

- 2030 Plan approved in 2008
  - Must be updated by 2013
- Effort beginning to refresh the 2030 plan
  - Data updated
  - Integrate new DOT&PF Strategic Plan with all other plans, and performance measures

Planning Hierarchy

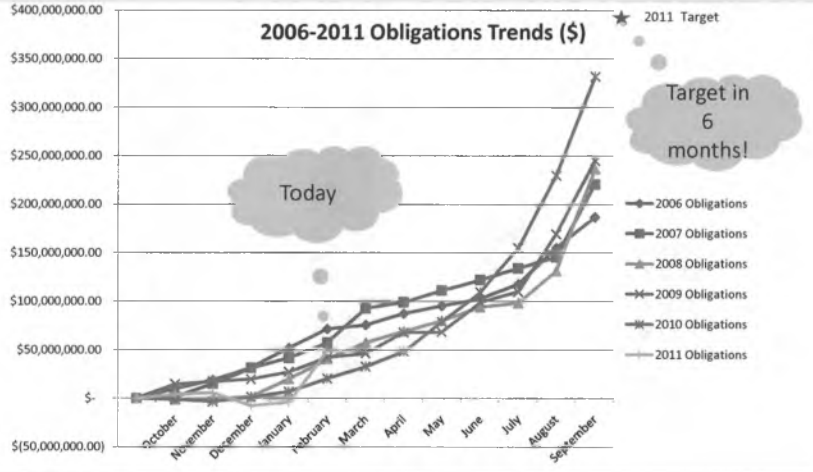
- Strategic Plan
  - Sets vision, broad agenda
- Long Range Transportation Plan (2030)
  - Details polices, fulfills federal law
- Regional, system and corridor plans
  - Determines project priorities and schedule
- Subject plans (safety, bridge seismic, etc.)
  - Detailed specific subject matter planning efforts

Performance Measures:
Identifies progress or delays, informs next planning cycle.

STIP and 2011 Funds

- 2009, 2010 and 2011: very large federal funding years
  - Most back-logged projects now under construction
  - Few remaining unfunded projects
- 2011 Problem
  - More funding than *certain* "shovel-ready" projects to capture all $$ available

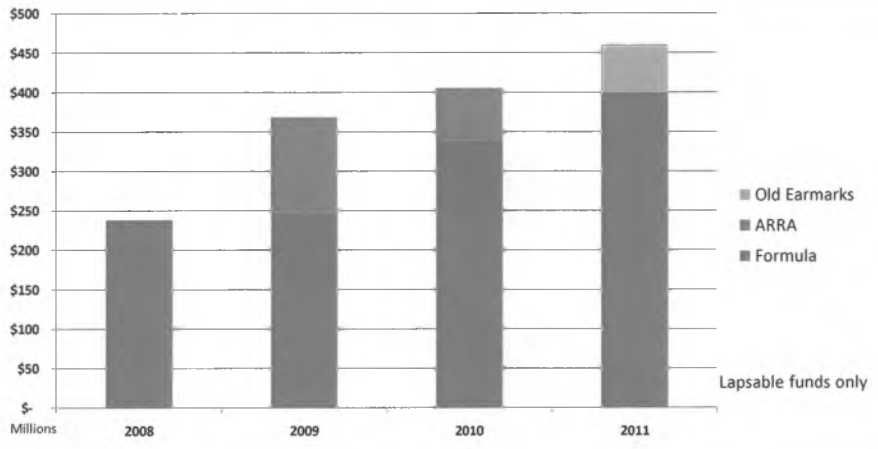
Dimensions of the Problem



What Changed?

- ARRA
  - $175 M of added funding in 2009-2010.
- Returned earmarks
  - 5 years of earmarks restored to lapsable funding after 2009.
- Low bids
  - Favorable bids means 20-30% more projects can be completed with same dollar level.

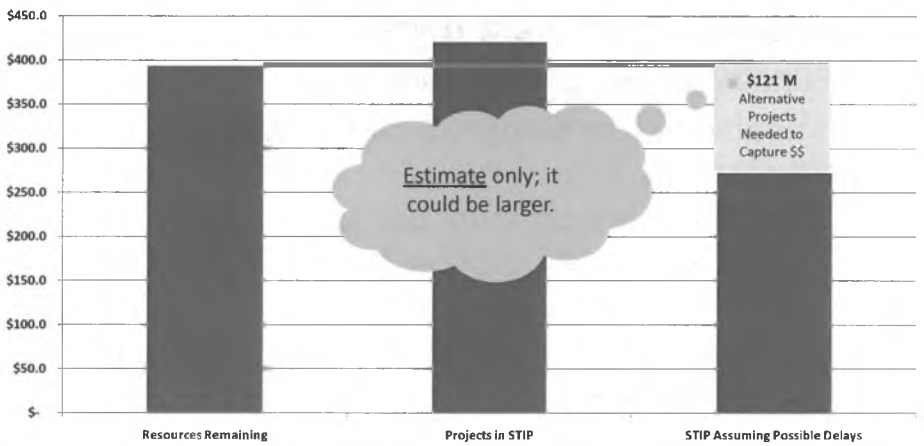
Federal Highway Funding



Depth of the Problem

- Remainder of 2011
  - Must "obligate" $393 Million
  - $259 M "likely" and $160 M "possible" as of now
  - Discount for future delays: ~$272 M
- Means we must find at least $121 M of other eligible, shovel-ready work; more to be safe.

Remainder of 2011



Why are Projects Delayed?

- 4 factors cause most delays:
  - Permit(s) not issued
  - Right-of-way difficulty
  - Utility relocation difficulty
  - Third-party delays
  - ~~Funding shortfalls~~ (true, prior to 2008)
- FHWA expectation:
  - Target performance measure is less than 50% of STIP delayed annually!

Rules We Work Within

- Federal-aid and state rules:
  - Funding is use or lose each year
  - If unable to use funds, $$ taken away and sent to other states
  - Substitute projects must be "shovel ready"
    - Full design, NEPA and permits, right-of-way secured
    - Small projects 1-2 years, typical project 5+ years
  - Projects must be in STIP and have Legislative Budget Authority

Actions Taken to Address

- Identified all <u>feasible</u> alternative projects
- Is additional Budget Authority needed?
  - OMB and Budget Committees are working issue
- Keep list of "shovel-ready" projects
- Tracking progress (semi-weekly)
  - Delayed projects given priority in 2012

Lessons Going Forward

- Must be working a larger universe of projects each year to ensure ready alternates
  - Must have all necessary permissions to make substitutions
- 2012 federal funding very much uncertain; but 3 years of high funding is a trend we should not overlook

Other Observations

- Federal aid program workload has doubled in just 4 years
  - No net increase in design groups staff to date
- Pace and lack of ready alternatives is a concern at this time

Alaska Department of Transportation & Public Facilities

Roads to Resources
House Transportation Presentation

April 7, 2011

Patrick Kemp, P.E.
Deputy Commissioner

Roads to Resources Program

- Road to Resources funds have previously been used on smaller economic development projects
- Focus now on larger projects to fill the pipeline, create jobs, and increase commerce

Roads to Resources Program

Guidelines for funding and design standards:

- Initial permitting accomplished by DOT&PF
- Initial road is "long and skinny" constructed to minimum design standards to support development startup
- Initial road is funded either by DOT&PF or in partnership with the developer
- A long-range public/private partnership agreement would be forged to best fit both partners

Roads to Resources Program

- Road is improved to higher standards as traffic and development dictates
- Funding to improve the road will be borne by the developers
- Roadway will be designated an "Industrial Use Highway" in order to charge tolls to industrial users (AS 44.62)
- Annual M&O costs could be funded with IUH receipts

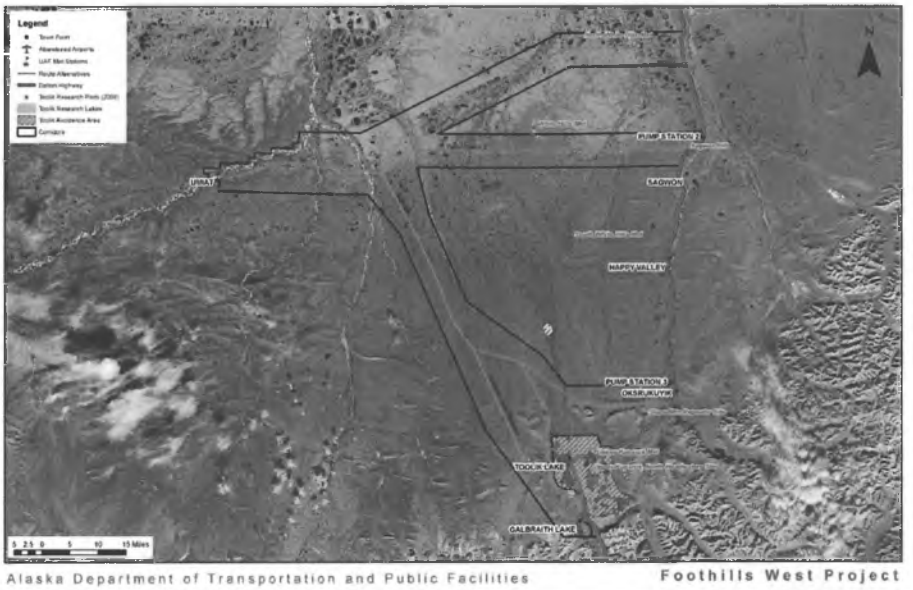
Current Roads to Resources Projects

DOT&PF's roads to resources projects:

- Foothill West Transportation (Umiat Oil & Gas)
- Ambler Mining District
- Western Alaska Access (Road to Nome)

4/7/2011 Alaska DOT&PF

Foothills West Transportation - Road to Umiat

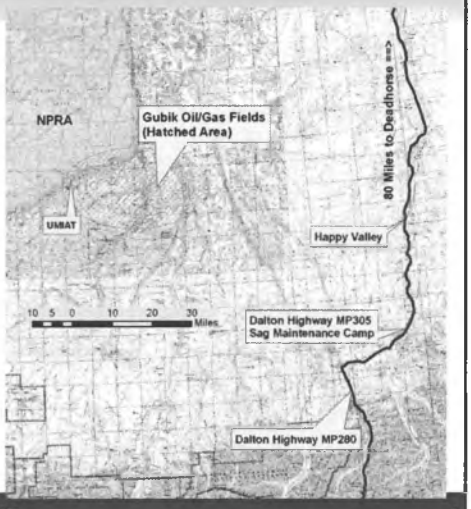


Alaska Department of Transportation and Public Facilities — Foothills West Project

4/7/2011 Alaska DOT&PF 6

Umiat Oil & Gas Fields

- Initially explored by U.S. Navy in the 1940's
- Access corridor extends 90 miles NW of Dalton Hwy, starting at Galbraith Lake
- Provides access to 250mm bbl oil and 7 trillion cubic feet of natural gas
- Road will support oil and gas lines to TAPS
- Opens adjacent lands for cost effective exploration
- COE former defense site cleanup
- Provides access portal into NPRA
- Aggressive timeline for Spring 2013 construction start
- Project EIS and permitting work begins with FY12 funding request ($8 million)



Ambler Mining District

Ambler Mining District

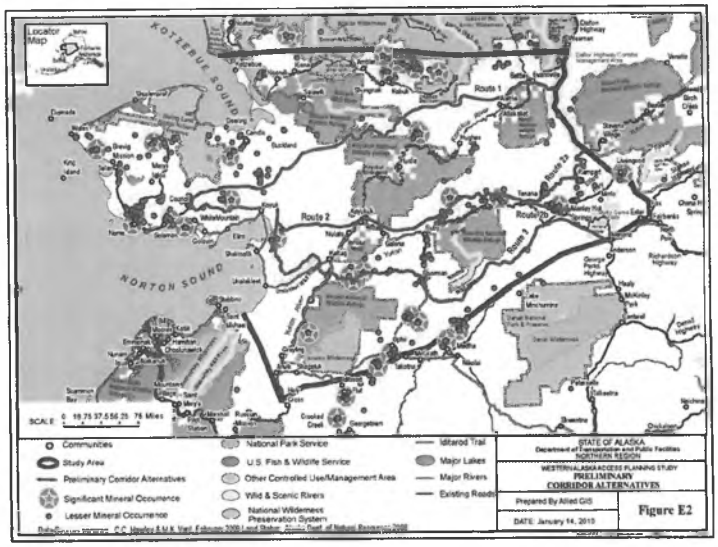
- Contains over 120 million tons: Cu, Zn, Pb, Ag, Au resources yielding:

Published or Announced Mineral Resources
(6 of 106 Mineral occurrences)
September 17, 2010 DNR Report

Copper - 4,360,000 tons
Zinc - 5,629,000 tons
Lead - 900,000 tons
Silver - 240,000,000 ounces
Gold - 1,940,000 ounces

- Development of Arctic deposit would create over 300 direct jobs for Nova Gold proposal
- FY12 Funding request ($1.25 million) will provide detailed subsistence studies and research with communities in region to be used for corridor selection and refinement

Western Alaska Access



Western Alaska Access

- Long term project to access resources and connect communities to Alaska's highway system
- Fund and develop in phases because of independent utility
- Benefits to all of western Alaska
- Connects communities along the way resulting in immediate cost of living benefits
- FY12 Funding request ($1.25 million) will be for survey, mapping and refined cost estimates

Other Potential Projects

- Site access to Niblack Copper and Bokan Mtn. - rare earth element deposits on Prince of Wales Island
- Flat mining district in Upper Kuskokwim
- Nixon Fork Mine
- Pebble – Cu, Au
- Donlin Creek – Au
- Chuitna – Coal
- Deadfall Syncline – Coal
- MAN – Cu, Ni, PGE
- Others

Thank you!

Questions?

2/16/12 PRESENTATION: ALASKA MOBILITY COALITION

<TARGET><BILL></BILL><SUBJECT>2-16-12 PRESENTATION ALASKA MOBILITY COALITION</SUBJECT><COMM>HTRA27</COMM></TARGET>

AMC Presentation to the State House and Senate Transportation Committee

February 7, 2012
1:30pm

Alaska Mobility Coalition (AMC) Presentation

Discussion Topics

- What is AMC?
- AMC priorities for the 27th Alaska Legislature

Alaska Mobility Coalition
Mission Statement

Alaska
MOBILITY COALITION
Achieving mobility through
Community appropriate
Transportation services

AMC Member Organizations for 2011/2012

- AARP
- Access Alaska
- Alaska Center for the Environment
- Alaska Community Services
- Alaska Conservation Alliance
- Alaska Department of Transportation
- Alaska Direct Bus Line
- Alaska Mental Health Trust
- Alaska Railroad
- Alaska State Independent Living Council
- Alaska Trucking Association
- Bethel Transit
- Bristol Bay Native Association
- Brooks and Associates
- Capital Transit – Juneau
- CARTS – Kenai
- Challenge Alaska
- Center for Community
- Connecting Ties
- Copper River Native Association
- Dimond Center Mall
- Disability Law Center
- EK Coaches
- Fairbanks Resource Agency
- Glacier Valley Transit
- Governor's Council on Disability and Special Education
- HDR Alaska
- Hope Community Resources
- Independent Living Center, Inc
- ITS Alaska
- Juneau Economic Development Council
- Ketchikan Gateway Borough
- LSC Consultants
- Logic Tree
- MAC Transit – Fairbanks
- Manley Village Council
- MASCOT – Wasilla
- Mat-Su Borough
- Mat-Su Services for Children and Adults

AMC Member Organizations for 2011/2012

- Mat-Su Health Foundation
- Mobilitat
- Municipality of Anchorage/People Mover
- MV Transit
- Organized Village of Kasaan
- REACH - Juneau
- RLS and Associates
- Routematch
- Schetky NW Sales
- Senior Citizens of Kodiak
- Sitka Tribe of Alaska
- Southeast Alaska Independent Living
- Southeast Senior Services
- Spruce Island Development Corporation
- State of Alaska/ADA program
- Sunshine Transit
- Tanana Chiefs Conference
- Trailercraft
- Trapeze Software
- UAA School of Engineering
- USKH
- Valley Movers
- Van Tran
- VIX Technology
- VPSI

Alaska State House and Senate Transportation Committee/AMC Legislative Priorities

- Alaska Community and Public Transportation Advisory Board (Sponsor – Representative Cathy Munoz)
- http://www.legis.state.ak.us/PDF/27/Bills/HB0131B.PDF

Alaska State House and Senate Transportation Committee/AMC Legislative priorities

- State Partnership in Public Transportation in Alaska (Sponsor – Senate Transportation Committee)
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AMC Presentation/TV Ads

- TV Spot (30 seconds)
- http://vimeo.com/33168548
- This ad is running statewide on television stations across the state in December 2011 and January 2012

- TV Spot (90 seconds)
- http://vimeo.com/33180479
- This ad is running on our website and we are sharing it with our members across the state (via Facebook).

QUESTIONS???

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QUESTIONS???

HB

10

<TARGET><BILL>HB 10</BILL><SUBJECT>HB
10</SUBJECT><COMM>HTRA27</COMM></TARGET>

27-LS0091\B
Luckhaupt
3/14/11

CS FOR HOUSE BILL NO. 10( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES STOLTZE AND KELLER

A BILL

FOR AN ACT ENTITLED

"An Act relating to the registration fee for noncommercial trailers and to the motor vehicle tax for trailers."

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

*** Section 1.** AS 28.10.411(f) is amended to read:

(f) A resident 65 years of age or older on January 1 of the year the vehicle is registered or a resident with a disability that limits or impairs the ability to walk and who provides proof of that disability as provided in 23 C.F.R. 1235.2 is entitled to an exemption from the registration fee required under this section for one vehicle subject to registration under AS 28.10.421(b)(1), (2), **or** (5), or **(j)** [(6)]. An exemption may not be granted except upon written application for the exemption on a form prescribed by the department.

*** Sec. 2.** AS 28.10.421 is amended by adding a new subsection to read:

(j) When a person registers a trailer not used or maintained for the transportation of persons or property for hire or for other commercial use, including a

boat trailer, baggage trailer, box trailer, utility trailer, house trailer, travel trailer, or a trailer rented or offered for rent, a person may choose to pay a biennial registration fee of $30 or a one-time registration fee of $100. If the person chooses to pay the one-time registration fee, no additional registration fees are required if the same person who initially registered the trailer continues to own the trailer. A new owner of a trailer previously registered under this subsection shall register and pay the biennial registration fee or the one-time registration fee as provided in this subsection.

*** Sec. 3.** AS 28.10.431(b) is amended to read:

(b) The biennial tax is levied upon motor vehicles subject to the registration fee under AS 28.10.411 and 28.10.421 and is based upon the age of vehicles as determined by model year in the first year of the biennial period, according to the following schedule:

	Tax According to Age of Vehicle Since Model Year:							
	1st	2nd	3rd	4th	5th	6th	7th	8th or over
Motor Vehicle								
(1) motorcycle	$ 17	$ 15	$ 13	$ 10	$ 7	$ 5	$ 4	$ 4
(2) vehicles specified in AS 28.10.421(b)(1)	21	99	77	55	39	28	19	16
(3) vehicles specified in AS 28.10.421(b)(3)	121	99	77	55	39	28	19	16
(4) vehicles specified in AS 28.10.421(c)(1)-(4)								
5,000 pounds or less	121	99	77	55	39	28	19	16
5,001-12,000 pounds	198	154	121	99	77	55	33	22
12,001-18,000 pounds	447	392	348	304	260	227	205	194
18,001 pounds or over	546	469	403	348	304	260	216	194
(5) vehicles specified in AS 28.10.421(b)(4)	198	154	121	99	77	55	33	22

(6) vehicles specified in **AS 28.10.421(i) and paying a biennial registration fee** [AS 28.10.421(b)(6)]	17	15	13	10	7	5	4	4
(7) vehicles specified in AS 28.10.421(d)(8)	121	99	77	55	39	28	19	16
(8) vehicles specified in AS 28.10.421(b)(2)	121	99	77	55	39	28	19	16
(9) vehicles eligible for dealer plates under AS 28.10.421(d)(9)	88							
(10) vehicles specified in AS 28.10.421(i) and paying a one-time registration fee.	**51**							

* **Sec. 4.** AS 28.10.431(j) is amended to read:

(j) A municipality that imposes a motor vehicle registration tax as described under (a) of this section may also**, by passage of an appropriate ordinance, (1)** increase the scheduled amount of tax described under (b) or (*l*) of this section**, or (2) establish a tax for a trailer that is permanently registered under AS 28.10.421(i)** [BY PASSAGE OF AN APPROPRIATE ORDINANCE]. A municipality that chooses to change the tax imposed under (b) or (*l*) of this section **or establishes a tax for permanently registered trailers** shall file a written notice of the change with the department by January 1 of the year preceding the year in which the change in tax is to take effect. A municipality may not change the amount of the tax imposed under this section more than once every two years. The department may charge a municipality a one-time fee to cover the cost to the department of implementing a change under this subsection.

* **Sec. 5.** AS 28.10.421(b)(6) is repealed.

ALASKA STATE LEGISLATURE

Co-Chair:
House Finance Committee

Chair:
House Finance Subcommittees for;
Department of Public Safety
Department of Law
Alaska Court System

Member:
Legislative Council
Committee on Committees
Legislative Budget & Audit (alt)
House Finance Sub-Committees for:
Governor's Office
Legislature
University of Alaska

BILL STOLTZE
STATE REPRESENTATIVE
Representative_Bill_Stoltze@legis.state.ak.us

Session:
Alaska State Capitol, Rm 515
Juneau, AK 99801-1182
Phone: (907) 465-4958
Fax: (907) 465-4928

District:
600 E. Railroad Ave.
Wasilla, AK 99654
Phone: (907) 376-4958
Fax: (907) 376-4928

Toll Free: 1-866-465-4958

Sponsor Statement for House Bill 10 by Representative Bill Stoltze

The passage of House Bill 10 would establish a new type of registration available through the Division of Motor Vehicles allowing for the permanent registration of trailers for personal, non-commercial use.

The proposed change to state statutes calls for the addition of a one-time $100 fee to register personal-use trailers as long as the registered owner owns the vehicle. It also allows for the continuation of the $30 biennial registration fee, already existing in the statutes.

The change would bring registration of non-commercial trailers in-line with current statutes for commercial trailers, which have had the luxury of permanent registration for years.

The increased charge for permanent registration ($100) will help offset some of the lost revenue within the Division of Motor Vehicles created by the new type of registration.

Permanent registration will also help reduce the workload within the DMV and make the registration process more user-friendly to the people of the State of Alaska.

I appreciate your support in this important legislation.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version HB010M (TRA)
() Publish Date

Identifier (file name) HB010-TRA-DOA-DMV-02-04-11
Title Non-commercial trailer registration fee
Sponsor Rep. STOLTZE, KELLER
Requester H (TRA)

Dept. Affected Administration
Appropriation Motor Vehicles
Allocation Motor Vehicles
OMB Component Number 2348

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services		48.9					
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**48.9**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES		**1,197.0**	**1,197.0**	**(138.0)**	**(138.0)**	**(138.0)**	**(138.0)**

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF		48.9					
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other (please identify)							
TOTAL	**0.0**	**48.9**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version

Prepared by Whitney Brewster
Division Motor Vehicles
Approved by John Cramer
Department of Administration

Phone 907-269-5574
Date/Time 2/4/11 4:00 PM
Date 2/4/2011

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB 10

Analysis

Expenditures

The database for Division of Motor Vehicles (DMV) will need reprogramming to allow for permanent registration on non-commercial trailers.

Estimated hours: 300
Cost per hour: $143
Total programming cost: 300 x $143 = $48,900.

Revenues

Assumptions:

The newer the trailer, the liklier it will be that owners will opt for permanent registration as there is a greater likelihood the trailer will last long enough to recover the extra cost of the permanent registration.

Currently registered non-commercial trailers
15,000 trailers 1-3 years old; registrations on half will expire in 2012 and half in 2013
50% of owners will elect permanent registration on trailers 1-3 years old
96,000 trailers older than 3 years; registrations on half will expire in 2012 and half in 2013
20% of owners will elect permanent registration on trailers older than 3 years

New trailers
5,000 new trailers are registered each year
75% of owners will elect permanent registration

	2012	2013	2014	2015	2016	2017
Current: trailers 1-3 yrs old						
3750 opt perm reg(15000/2x50%=3750)						
Perm Fees (3750 x $100)	375.0	375.0				
Biennial Fees (3750 x $30)	-112.5	-112.5	-112.5	-112.5	-125.5	-112.5
Current: trailers older than 3 yrs						
9600 opt perm reg(96000/2x20%=9600)						
Perm Fees (9600x$100)	960.0	960.0				
Loss of Biennial Fees (9600x$30)	-288.0	-288.0	-288.0	-288.0	-288.0	-288.0
New trailers						
3750 opt perm reg (5,000x75%=3750)						
Perm Fees (3750x$100)	375.0	375.0	375.0	375.0	375.0	375.0
Loss of Biennial Fees (3750x$30)	-112.5	-112.5	-112.5	-112.5	-112.5	-112.5
TOTAL CHANGE IN REVENUES	1,197.0	1,197.0	-138.0	-138.0	-138.0	-138.0

The DMV collects Motor Vehicle Registration Tax (MVRT) for 16 communities: Anchorage, Bethel, Bristol Bay Borough, Cordova, Dillingham, Juneau, Kenai Peninsula Borough, Ketchikan Gateway Borough, Kodiak Island Borough, Matanuska Susitna Borough, Nenana, Nome, Petersburt, Sitka, Unalaska, and Whittier.

Eight percent of the MVRT collected is retained by the state as collection costs. The collection cost revenue will increase by an indeterminate amount in FY12 and FY13, but will decrease by an indeterminate amount in all years after FY2013.

Laws and codes for trailer registration in other states

	Commercial Trailer	Non-Commercial Trailer	Side notes
Alabama	$12 - $15 ***Annual**	$12-$20 ***Annual** $60 for permanent	Doesn't distinguish between commercial and non-commercial
Alaska	$20 ***Permanent**	$30 ***Biennial**	
Arizona	$8 if 10000 lbs. or less ***Does not indicate permanent, annual, or biennial** $245 If over 10000 lbs. ***Permanent (and is the initial)** $145 if over 10000 lbs. and less than 6 years old ***Permanent (and is a renewal or was registered in another state)** $95 if over 10000 lbs. and at least 6 years old ***Permanent (and is a renewal or was registered in another state)**	$20 if 10000 lbs. or less ***Permanent (and is the initial)** $5 if 10000 lbs. or less ***Permanent (and is a renewal)** $245 If over 10000 lbs. ***Permanent (and is the initial)** $145 if over 10000 lbs. and less than 6 years old ***Permanent (and is a renewal or was registered in another state)** $95 if over 10000 lbs. and at least 6 years old ***Permanent (and is a renewal or was registered in another state)**	If over 10000 lbs. and commercially used then a vehicle license tax is applied either annually or biennially In state statutes, it does not distinguish between commercial and non-commercial if over 10000 lbs. so it is assumed they are the same
Arkansas	$20 ***Annual** $65 ***Permanent** If trailers are being pulled by the Arkansas definition of class two through class 8 trucks	$21 ***Triennial** $36 ***Permanent** If trailers are being pulled by the Arkansas definition of a class one truck	Divided by truck classes that pull the trailers which are categorized by weight. (Note on site for Arkansas said that commercial pertains to classes 2-8)
California	$31 + the following fees: $8 - $360 two or fewer axles and up to 10,000 lbs., $43 - $539 three or more axles and up to 10,000 lbs., $332 - $1028 10,001 lbs. to 45,000 lbs., $1161 - $2064: 45,001 lbs. to 80,000 lbs.	$31 + the following fees: $8 - $360 two or fewer axles and up to 10,000 lbs., $43 - $539 three or more axles and up to 10,000 lbs.	Does not distinguish a difference between commercial and non-commercial trailers if under 10000 lbs.
Colorado	No information		
Connecticut	$18-$22.50	$18-$22.50	Doesn't distinguish between commercial and non-commercial

	Commercial Trailer	Non-Commercial Trailer	Side notes
Delaware	$15 1,000 lbs. or less $20 1,001 lbs. - 2,000 lbs. $40 2,001 lbs. - 5,000 lbs. $40 + $18 per each additional 1,000 lbs. - over 5,000 lbs	$15 1,000 lbs. or less $20 1,001 lbs. - 2,000 lbs. $40 2,001 lbs. - 5,000 lbs. $40 + $18 per each additional 1,000 lbs. - over 5,000 lbs	Doesn't distinguish between commercial and non-commercial
Florida	No information		
Georgia	$12 ***Annual** $48 ***Permanent**	$12 ***Annual** $48 ***Permanent**	For qualified trailers in accordance to Georgia Code Section 40-2-47
Hawaii	No information		
Idaho	$9	$9	Doesn't distinguish between commercial and non-commercial
Illinois	No information		
Indiana	Based on weight and if trailer, semi-trailer, or tractor pulling a semi-trailer ***Annual, Quinquennial, Permanent** (Quinquennial and permanent only possible if a tractor pulling a semi-trailer)	Based on weight and if trailer, semi-trailer, or tractor pulling a semi-trailer ***Annual, Quinquennial, Permanent** (Quinquennial and permanent only possible if a tractor pulling a semi-trailer)	Doesn't distinguish between commercial and non-commercial
Iowa	$30 if over 2000 lbs. ***Annual** $20 if under 2000 lbs. ***Annual**	$30 if over 2000 lbs. ***Annual** $20 if under 2000 lbs. ***Annual**	Doesn't distinguish between commercial and non-commercial
Kansas	$40 - 12,000 lbs. or less Call county treasurer's office for trucks over 12,000 lbs.		Couldn't confirm costs
Kentucky	$24 - 6,001 lbs. - 10,000 lbs. $30- 10,001 lbs. - 14,000 lbs. $50 - 14,001 lbs. - 18,000 lbs. $132 - 18,001 lbs. - 22,000 lbs. $160 - $1,260 lbs. - 22,001 - 80,000 lbs.		Could not confirm costs
Louisiana	$10 ***Annual** $40 ***Quadrennial** $70 ***Permanent** If light trailer, farm trailer, or farm semi-trailer under 6000 lbs., or boat trailer $3 ***Annual**	$10 ***Annual** $40 ***Quadrennial** $70 ***Permanent** If light trailer, farm trailer, or farm semi-trailer under 6000 lbs., or boat trailer $3 ***Annual**	Doesn't distinguish between commercial and non-commercial
Maine	$10.50/$21 - 2,000 lbs. or less $20 /$40 - more than 2,000 lbs.	$10.50/$21 - 2,000 lbs. or less $20 /$40 - more than 2,000 lbs.	Doesn't distinguish between commercial and non-commercial

	Commercial Trailer	Non-Commercial Trailer	Side notes
Maryland	$51 if under 3000 lbs $102 if 3001 lbs-5000 lbs $160 if 5001 lbs-10000 lbs $248 if 10001 lbs-20000 lbs $76.50 if semi or freight trailer	$51 if under 3000 lbs $102 if 3001 lbs-5000 lbs $160 if 5001 lbs-10000 lbs $248 if 10001 lbs-20000 lbs $76.50 if semi or freight trailer	Doesn't distinguish between commercial and non-commercial
Massachusetts	$20 per 1,000 lbs. $20 minimum, $300 if a semi	$20 per 1,000 lbs. $20 minimum, $300 if a semi	Doesn't distinguish between commercial and non-commercial
Michigan	No information		
Minnesota	No information		
Mississippi	No information		
Missouri	$7.50 ***Annual** $22.50 ***Triennial** $52.50 ***Permanent** (Permanent only available for certain trailers defined in Section 301.067.3)	$7.50 ***Annual** $22.50 ***Triennial** $52.50 ***Permanent** (Permanent only available for certain trailers defined in Section 301.067.3)	Doesn't distinguish between commercial and non-commercial
Montana	$61.25 if 6000 lbs or less $148.25 if over 6000 lbs ***Permanent**	$61.25 if 6000 lbs or less $148.25 if over 6000 lbs ***Permanent**	Doesn't distinguish between commercial and non-commercial
Nebraska	$1 per 1,000 lbs.		Couldn't confirm costs
Nevada	$12 if under 1000 lbs. $24 if over 1000 lbs.	$12 if under 1000 lbs. $24 if over 1000 lbs.	Doesn't distinguish between commercial and non-commercial
New Hampshire	$0.60 per 100 lbs on trailers of more than 8,000 lbs.		Couldn't confirm costs
New Jersey	Couldn't find any commercial fees but there are two different sections for commercial and non-commercial vehicles	$18 if 2000 lbs. or less $23 if over 2000 lbs.	
New Mexico	Varies on weight		Couldn't confirm costs
New York	Couldn't find any commercial fees but there are two different sections for commercial and non-commercial vehicles		
North Carolina	$15/year with additional $5 fee in some counties		Couldn't confirm costs
North Dakota	Annual fees vary, depending on weight of vehicle and first year registered		
Ohio	$39.50 + district taxes	$12 if under 1500 lbs. $13 if 1501-2500 lbs. $14 if 2501-3000 lbs. + district taxes ***Annual**	

	Commercial Trailer	Non-Commercial Trailer	Side notes
Oklahoma	Varies by weight from $95 - $1,078 annually plus flat fee of $40 for first-time registration and $4 flat fee in following years; after five years, fees are halved for vehicles under 15,000 lbs.		Couldn't confirm costs
Oregon	Annual fees range from $169 to $636 depending on weight of vehicle	If loaded weight is under 8000 lbs. $86 ***Biennial** $172 ***Quadrennial**	Couldn't confirm commercial trailer fee
Pennsylvania	No information		
Rhode Island	$1.50 per 1,000 lbs.		Couldn't confirm costs
South Carolina	$30 - less than 4,000 lbs. $40 for 4,001 lbs. -5,000 lbs. $60 for 5,001 lbs. -6,000 lbs. $70 for 6,001 lbs. -7,000 lbs. $80 for 7,001 lbs. -8,000 lbs. $90 for 8,001 lbs. -9,000 lbs. $100 for 9,001 lbs. -10,000 lbs.	$20 if over 2500 lbs.	Couldn't confirm commercial costs
South Dakota	$7 minimum if 5yrs or older $10 minimum if 0-4yrs old (Scaled on weight and age of trailer) ***Annual**	$7 minimum if 5yrs or older $10 minimum if 0-4yrs old (Scaled on weight and age of trailer) ***Annual**	Doesn't distinguish between commercial and non-commercial
Tennessee	Private carriers 9,000 lbs. - 80,000 lbs. $64 - $1,332.50		Couldn't confirm costs but boat trailers do not require registration or title
Texas	$0.44-$0.55 / 100 lbs. - under 6,000 lbs. $0.49-$0.66 / 100 lbs. - 6,001 lbs. to 8,000 lbs. $0.60 -$0.77 / 100 lbs. - 8,001 lbs. to 10,000 lbs.		Couldn't confirm costs
Utah	$28.50 per 750 lbs.	$31 per 750 lbs.	According to Utah code, commercial trailers/semi-trailers can obtain "special registration" for $130. Could be permanent fee but it does not specify.

	Commercial Trailer	Non-Commercial Trailer	Side notes
Vermont	If 1499 lbs. or less $23 ***Annual** $46 ***Biennial** If 1500 lbs. or more $45 ***Annual** $90 ***Biennial**	If 1499 lbs. or less $23 ***Annual** $46 ***Biennial** If 1500 lbs. or more $45 ***Annual** $90 ***Biennial**	Doesn't distinguish between commercial and non-commercial
Virginia	If 0-1500 lbs. $18 ***Annual** $70 ***Permanent** If 1501-4000 lbs. $28.50 ***Annual** $75 ***Permanent** If 4001 lbs. or more $40 ***Annual** $100 ***Permanent** In process of being amended to the following If 0-1500 lbs. **$8 *Annual** $50 ***Permanent** If 1501-4000 lbs. $18.50 ***Annual** $50 ***Permanent** If 4001 lbs. or more $23.50 ***Annual** $50 ***Permanent**	If 0-1500 lbs. $18 ***Annual** $70 ***Permanent** If 1501-4000 lbs. $28.50 ***Annual** $75 ***Permanent** If 4001 lbs. or more $40 ***Annual** $100 ***Permanent** In process of being amended to the following If 0-1500 lbs. **$8 *Annual** $50 ***Permanent** If 1501-4000 lbs. $18.50 ***Annual** $50 ***Permanent** If 4001 lbs. or more $23.50 ***Annual** $50 ***Permanent**	Doesn't distinguish between commercial and non-commercial but a fleet of 50 or more trailers can be put on a five year registration
Washington	Annual fees ranges from $10 to $3,372 depending on weight of vehicle	Boat trailer $21.75 if single axel and 2000 lbs. or less $36.75 if over 2000 lbs. Horse/Utility trailer $18.75 if single axel and 2000 lbs. or less $33.75 if over 2000 lbs.	Couldn't confirm commercial costs

	Commercial Trailer	Non-Commercial Trailer	Side notes
West Virginia	$28 - 8,001 lbs. to 16,000 lbs. *(plus $5 for each 1,000 lbs or fraction thereof that exceeds 8,000)* $78.50 - 16,001 lbs. to 55,000 lbs. *(plus $10 for each 1,000 or fraction thereof that exceeds 16,000 lbs.)* $737.50 - 55,000 lbs. or more *(plus $15.75 for each 1,000 lbs. or fraction thereof that exceeds 55,000 lbs.)*	$9-$13 if under 2000 lbs. ***Triennial** $51 if 2000 lbs. or more (Both include a litter fee)	Couldn't confirm commercial costs
Wisconsin	$50 if a semi trailer ***Permanent** $37.50 if 3000 lbs. or less ***All plates expire in June** If 4500 lbs. or more $3.13-$2560 depending on time of year and weight ***All plates expire in December**	$50 if a semi trailer ***Permanent** $37.50 if 3000 lbs. or less ***All plates expire in June** If 4500 lbs. or more $3.13-$2560 depending on time of year and weight ***All plates expire in December**	Doesn't distinguish between commercial and non-commercial costs but there are special rates for vehicles used for farming
Wyoming	No information		

	Commercial Trailer	Non-Commercial Trailer	Side notes
Arizona	$8 if 10000 lbs. or less ***Does not indicate permanent, annual, or biennial** $245 If over 10000 lbs. ***Permanent (and is the initial)** $145 if over 10000 lbs. and less than 6 years old ***Permanent (and is a renewal or was registered in another state)** $95 if over 10000 lbs. and at least 6 years old ***Permanent (and is a renewal or was registered in another state)**	$20 if 10000 lbs. or less ***Permanent (and is the initial)** $5 if 10000 lbs. or less ***Permanent (and is a renewal)** $245 If over 10000 lbs. ***Permanent (and is the initial)** $145 if over 10000 lbs. and less than 6 years old ***Permanent (and is a renewal or was registered in another state)** $95 if over 10000 lbs. and at least 6 years old ***Permanent (and is a renewal or was registered in another state)**	If over 10000 lbs. and commercially used then a vehicle license tax is applied either annually or biennially In state statutes, it does not distinguish between commercial and non-commercial if over 10000 lbs. so it is assumed they are the same
Arkansas	$20 ***Annual** $65 ***Permanent** If trailers are being pulled by the Arkansas definition of class two through class 8 trucks	$21 ***Triennial** $36 ***Permanent** If trailers are being pulled by the Arkansas definition of a class one truck	Divided by truck classes that pull the trailers which are categorized by weight. (Note on site for Arkansas said that commercial pertains to classes 2-8)
Georgia	$12 ***Annual** $48 ***Permanent**	$12 ***Annual** $48 ***Permanent**	For qualified trailers in accordance to Georgia Code Section 40-2-47
Indiana	Based on weight and if trailer, semi-trailer, or tractor pulling a semi-trailer ***Annual, Quinquennial, Permanent** (Quinquennial and permanent only possible if a tractor pulling a semi-trailer)	Based on weight and if trailer, semi-trailer, or tractor pulling a semi-trailer ***Annual, Quinquennial, Permanent** (Quinquennial and permanent only possible if a tractor pulling a semi-trailer)	Doesn't distinguish between commercial and non-commercial
Louisiana	$10 ***Annual** $40 ***Quadrennial** $70 ***Permanent** If light trailer, farm trailer, or farm semi-trailer under 6000 lbs., or boat trailer $3 ***Annual**	$10 ***Annual** $40 ***Quadrennial** $70 ***Permanent** If light trailer, farm trailer, or farm semi-trailer under 6000 lbs., or boat trailer $3 ***Annual**	Doesn't distinguish between commercial and non-commercial

	Commercial Trailer	Non-Commercial Trailer	Side notes
Missouri	$7.50 ***Annual** $22.50 ***Triennial** $52.50 ***Permanent** (Permanent only available for certain trailers defined in Section 301.067.3)	$7.50 ***Annual** $22.50 ***Triennial** $52.50 ***Permanent** (Permanent only available for certain trailers defined in Section 301.067.3)	Doesn't distinguish between commercial and non-commercial
Virginia	If 0-1500 lbs. $18 ***Annual** $70 ***Permanent** If 1501-4000 lbs. $28.50 ***Annual** $75 ***Permanent** If 4001 lbs. or more $40 ***Annual** $100 ***Permanent** In process of being amended to the following If 0-1500 lbs. $8 ***Annual** $50 ***Permanent** If 1501-4000 lbs. $18.50 ***Annual** $50 ***Permanent** If 4001 lbs. or more $23.50 ***Annual** $50 ***Permanent**	If 0-1500 lbs. $18 ***Annual** $70 ***Permanent** If 1501-4000 lbs. $28.50 ***Annual** $75 ***Permanent** If 4001 lbs. or more $40 ***Annual** $100 ***Permanent** In process of being amended to the following If 0-1500 lbs. $8 ***Annual** $50 ***Permanent** If 1501-4000 lbs. $18.50 ***Annual** $50 ***Permanent** If 4001 lbs. or more $23.50 ***Annual** $50 ***Permanent**	Doesn't distinguish between commercial and non-commercial but a fleet of 50 or more trailers can be put on a five year registration

Trailer Resignation Bill HB10

"An act relating to the registration fee for noncommercial trailers..."

Reason for Bill

Streamlining registration process for trailer owners and DMV.

According to Duane Bannock, former DMV director, the goal of the bill is to speed up the registration process and reduce the amount of work it takes for DMV employees to register a trailer, thus reducing the wait time for other DMV customers.

Bannock said, "The best way would be to unify commercial and non-commercial trailers in all regulations, pricing, and registration renewal frequency. By making all trailer registrations permanent and one price, there would be fewer differences for DMV clerks to be aware of, thus making it easier for employees to register the trailers, which would also reduce the time needed with the person applying for the registration.

Downfall to Bills

- Loss in revenue, since the charge for non-commercial trailers would be changed for twenty dollars every two years to a one time fee. The loss in revenue can be made up for with an increase or higher fee for a permanent registration. Most states with permanent registration charge three to four times the annual or biennial rate for a permanent registration.
- A change in ownership, would leave no record showing the current ownership of a trailer. This would be a concern mainly for travel trailers, fifth wheels, house trailer, or any other trailer that would be used for living quarters. But also has serious implication with regard to litigation. Can be resolved by requiring new owner to register the trailer again.

Other States

There are seven that have permanent registration for both commercial and non-commercial trailers. All have printed out state codes that confirm the following summarizations.

1. Arizona's guidelines are based on the weight of the trailer and if it is already registered. If the trailer is commercially used then a vehicle license tax is applied either annually or biennially.
2. Arkansas classifies trucks in different classes from one through eight based on weight. Any truck that is class two through eight qualifies as a commercial truck which has some higher fees than a class one truck and can be charged annually or just a one time payment.
3. Georgia has codes that specify certain trailers and group non-commercial and commercial trailers together which can pay either annually or a one time payment.
4. Indiana bases theirs on weight and if the trailer is semi-trailer, a tractor pulling a semi-trailer, or if it's a general trailer. The payment options are annually, quinquennially, or permanent but the permanent and quinquennial payment options only apply to a tractor pulling a semi-trailer.
5. Louisiana doesn't distinguish between commercial and non-commercial and charges flat rates either annually, quadrennially, or permanently. If the trailer is a light trailer, farm trailer, or a farm semi-trailer under six thousand pounds, or is a boat trailer then there is a smaller annual payment.
6. Missouri doesn't distinguish between commercial and non-commercial and charges flat rates annually, triennially, or permanently but the permanent plan is only available for certain trailers defined in their state code.
7. Virginia doesn't distinguish between commercial and non-commercial and bases their system on weight and can be charged annually or permanently, but it appears that Virginia is amending their guidelines to make all weights have the same permanent payment.

History of Trailer Registration

- 1998 the 20th Legislature passed HB 404 (Sec. 23) creating a 1-time, permanent, registration for commercial trailers. This was done in conjunction with a large increase in registration fees for heavy commercial vehicles (semis, tractors, and power units). The goal of the increased fee was to offset the loss of annual/biennial registration revenue.
- 2003 the 23rd Legislature passed HB170, which raised most registration fees for all classes of motor vehicles, including commercial and noncommercial trailers.

Other Facts

- In 2009 there were 111,751 noncommercial trailers registered in Alaska. This is a 10 percent increase in quantity from 2003. Works out to $11 million in revenue over next two years if all noncommercial trailers get permanent registration.

Article 5. Fees and Charges.

Section
411. Registration fees levied
421. Registration fee rates
423. Emission control inspection program fees
431. Biennial motor vehicle registration tax
441. Schedule of other fees and charges

Collateral references. — 7A Am. Jur. 2d, Automobiles and Highway Traffic, § 71 et seq.

60 C.J.S., Motor Vehicles, § 245 et seq.

Sec. 28.10.411. Registration fees levied. (a) For every year during any part of which a vehicle is subject to registration under this chapter, a registration fee shall be paid to the department at the time of original registration and at each biennial renewal of registration after that time.

(b) *[Repealed, 1983 Initiative Proposal No. 2, § 6.]*

(c) *[Repealed, § 6 ch 70 SLA 1986.]*

(d) *[Repealed, § 41 ch 37 SLA 1986.]*

(e) *[Repealed, § 3 ch 89 SLA 1987.]*

(f) A resident 65 years of age or older on January 1 of the year the vehicle is registered or a resident with a disability that limits or impairs the ability to walk and who provides proof of that disability as provided in 23 C.F.R. 1235.2 is entitled to an exemption from the registration fee required under this section for one vehicle subject to registration under AS 28.10.421(b)(1), (2), (5), or (6). An exemption may not be granted except upon written application for the exemption on a form prescribed by the department. (§ 7 ch 178 SLA 1978; am 1983 Initiative Proposal No. 2, § 6; am § 85 ch 6 SLA 1984; am § 41 ch 37 SLA 1986; am § 6 ch 60 SLA 1986; am § 6 ch 70 SLA 1986; am § 3 ch 89 SLA 1987; am § 58 ch 63 SLA 1993; am §§ 6, 7 ch 44 SLA 1996; am § 2 ch 128 SLA 1998; am § 4 ch 46 SLA 2007)

Effect of amendments. — The 2007 amendment, effective July 4, 2007, inserted "or a resident with a disability that limits or impairs the ability to walk and who provides proof of that disability as provided in 23 C.F.R. 1235.2" in the first sentence of subsection (f).

Editor's notes. — Section 87, ch. 63, SLA 1993 provides "[i]f any section of this bill is found to violate the single subject rule it is severed from the rest of the bill."

Sec. 28.10.420. Assignment. [Repealed, § 7 ch 178 SLA 1978.]

Sec. 28.10.421. Registration fee rates. (a) Unless otherwise provided by law,

(1) the fees prescribed in this section shall be paid to the department at the times provided under AS 28.10.108 and 28.10.111; and

(2) an additional fee of $10 shall be added to the registration fee set out in this section for registration not conducted by mail or not conducted at an emissions inspection station or contract office offering vehicle registration services; the department may waive this additional fee for a good cause based on criteria established in regulations adopted by the department.

(b) The biennial registration fees under this subsection are imposed within the following classifications for:

(1) a passenger vehicle, low-speed vehicle, or motor home not used or maintained for the transportation of persons or property for hire or for other commercial use $100;

(2) a pick-up truck or a van not exceeding 10,000 pounds unladen weight and not registered in the name of a company or business $100;

(3) a taxicab $160;

(4) a motor bus with a sea
commercial purposes in the
(5) a motorcycle or a mot
(6) a trailer not used or n
hire or for other commercia
trailer, box trailer, utility tra
for rent .....
(c) The biennial registrat
upon the actual unladen wei
or upon the actual weight, w
commissioner or the commis
vehicle and a motor vehicle p
of a company or business, or
for hire, excepting taxicabs a
of property for hire or for c
truck, wrecker, tow car, hea
(1) up to and including 5,(
(2) more than 5,000 poun
(3) more than 12,000 pou
(4) more than 18,000 pou
(d) The special registratio
otherwise specified, for
(1) a historic vehicle regis
(A) AS 28.10.181(b)(1) an
purpose of historical exhibiti
under AS 28.10.181(b) .....
(B) AS 28.10.181(b)(2) ....
plus the fee required for that
is eligible for the fee descri
subparagraph shall be collec
historic plates;
(C) AS 28.10.181(b)(2) ar
purpose of historical exhibiti
under AS 28.10.181(b) .....
(2) special request plates
(A) Alaska National Guar
(B) veterans or retired ve
(C) recipients of the Purp
(D) owners of custom coll
(E) Iditarod race finisher
(F) other special request
plus the fee required for th
paragraph shall be collected
request plates;
(3) a vehicle owned by a p
or by a resident 65 years of
on a form prescribed by the
(4) a vehicle owned by th
(5) a vehicle owned by ar
required for that vehicle un
(6) a vehicle owned by
28.10.181 .....
(7) a snowmobile or off-h

(4) a motor bus with a seating capacity for 20 or more persons and used exclusively for commercial purposes in the transporting of visitors or tourists $300;

(5) a motorcycle or a motor-driven cycle $60;

(6) a trailer not used or maintained for the transportation of persons or property for hire or for other commercial use, including, but not limited to, a boat trailer, baggage trailer, box trailer, utility trailer, house trailer, travel trailer, or a trailer rented or offered for rent ..... $30.

(c) The biennial registration fees under this subsection are imposed and are based upon the actual unladen weight as established by the manufacturer's advertised weight or upon the actual weight, which the owner shall furnish, subject to the approval of the commissioner or the commissioner's representative, for a vehicle, including a low-speed vehicle and a motor vehicle pulling a trailer or semi-trailer, that is registered in the name of a company or business, or is used or maintained for the transportation of passengers for hire, excepting taxicabs and buses under (b) of this section, or for the transportation of property for hire or for other commercial purposes, including a low-speed vehicle, truck, wrecker, tow car, hearse, ambulance, and tractor, as follows:

(1) up to and including 5,000 pounds $180;

(2) more than 5,000 pounds to and including 12,000 pounds $268;

(3) more than 12,000 pounds to and including 18,000 pounds $516;

(4) more than 18,000 pounds ..... $662.

(d) The special registration fees under this subsection are imposed biennially, unless otherwise specified, for

(1) a historic vehicle registered under

(A) AS 28.10.181(b)(1) and that is driven or moved on a highway for the primary purpose of historical exhibition or similar activity, one time only upon initial registration under AS 28.10.181(b) $10;

(B) AS 28.10.181(b)(2) $30

plus the fee required for that vehicle under (b) of this section, unless the historic vehicle is eligible for the fee described under (C) of this paragraph; the fee required by this subparagraph shall be collected only on the first issuance and on the replacement of the historic plates;

(C) AS 28.10.181(b)(2) and that is driven or moved on a highway for the primary purpose of historical exhibition or similar activity, one time only upon initial registration under AS 28.10.181(b) $10;

(2) special request plates for

(A) Alaska National Guard personnel $30;

(B) veterans or retired veterans $30;

(C) recipients of the Purple Heart ..... none;

(D) owners of custom collector vehicles $50;

(E) Iditarod race finishers $50;

(F) other special request plates $30;

plus the fee required for that vehicle under (b) of this section; the fee required by this paragraph shall be collected only on the first issuance and on the replacement of special request plates;

(3) a vehicle owned by a person with a disability and registered under AS 28.10.181(d), or by a resident 65 years of age or older who files a written application for an exemption on a form prescribed by the department ..... none;

(4) a vehicle owned by the state ..... none;

(5) a vehicle owned by an elected state official ..... the fee required for that vehicle under (b), (c), (h), or (i) of this section;

(6) a vehicle owned by a rancher, farmer, or dairyman and registered under AS 28.10.181 ..... $68;

(7) a snowmobile or off-highway vehicle $10;

Article 5. Fees and Charges.

Section
411. Registration fees levied
421. Registration fee rates
423. Emission control inspection program fees

Section
431. Biennial motor vehicle registration tax
441. Schedule of other fees and charges

Collateral references. — 7A Am. Jur. 2d, Automobiles and Highway Traffic, § 71 et seq.

60 C.J.S., Motor Vehicles, § 245 et seq.

Sec. 28.10.411. Registration fees levied. (a) For every year during any part of which a vehicle is subject to registration under this chapter, a registration fee shall be paid to the department at the time of original registration and at each biennial renewal of registration after that time.

(b) *[Repealed, 1983 Initiative Proposal No. 2, § 6.]*

(c) *[Repealed, § 6 ch 70 SLA 1986.]*

(d) *[Repealed, § 41 ch 37 SLA 1986.]*

(e) *[Repealed, § 3 ch 89 SLA 1987.]*

(f) A resident 65 years of age or older on January 1 of the year the vehicle is registered or a resident with a disability that limits or impairs the ability to walk and who provides proof of that disability as provided in 23 C.F.R. 1235.2 is entitled to an exemption from the registration fee required under this section for one vehicle subject to registration under AS 28.10.421(b)(1), (2), (5), or (6). An exemption may not be granted except upon written application for the exemption on a form prescribed by the department. (§ 7 ch 178 SLA 1978; am 1983 Initiative Proposal No. 2, § 6; am § 85 ch 6 SLA 1984; am § 41 ch 37 SLA 1986; am § 6 ch 60 SLA 1986; am § 6 ch 70 SLA 1986; am § 3 ch 89 SLA 1987; am § 58 ch 63 SLA 1993; am §§ 6, 7 ch 44 SLA 1996; am § 2 ch 128 SLA 1998; am § 4 ch 46 SLA 2007)

Effect of amendments. — The 2007 amendment, effective July 4, 2007, inserted "or a resident with a disability that limits or impairs the ability to walk and who provides proof of that disability as provided in 23 C.F.R. 1235.2" in the first sentence of subsection (f).

Editor's notes. — Section 87, ch. 63, SLA 1993 provides "[i]f any section of this bill is found to violate the single subject rule it is severed from the rest of the bill."

Sec. 28.10.420. Assignment. [Repealed, § 7 ch 178 SLA 1978.]

Sec. 28.10.421. Registration fee rates. (a) Unless otherwise provided by law,

(1) the fees prescribed in this section shall be paid to the department at the times provided under AS 28.10.108 and 28.10.111; and

(2) an additional fee of $10 shall be added to the registration fee set out in this section for registration not conducted by mail or not conducted at an emissions inspection station or contract office offering vehicle registration services; the department may waive this additional fee for a good cause based on criteria established in regulations adopted by the department.

(b) The biennial registration fees under this subsection are imposed within the following classifications for:

(1) a passenger vehicle, low-speed vehicle, or motor home not used or maintained for the transportation of persons or property for hire or for other commercial use $100;

(2) a pick-up truck or a van not exceeding 10,000 pounds unladen weight and not registered in the name of a company or business $100;

(3) a taxicab $160;

(4) a motor bus with a seati
commercial purposes in the t
(5) a motorcycle or a moto
(6) a trailer not used or m
hire or for other commercial
trailer, box trailer, utility trai
for rent .....

(c) The biennial registrati
upon the actual unladen weig
or upon the actual weight, w
commissioner or the commis
vehicle and a motor vehicle p
of a company or business, or
for hire, excepting taxicabs a
of property for hire or for o
truck, wrecker, tow car, hear
(1) up to and including 5,(
(2) more than 5,000 pounc
(3) more than 12,000 pour
(4) more than 18,000 pour

(d) The special registratio
otherwise specified, for
(1) a historic vehicle regis
(A) AS 28.10.181(b)(1) an
purpose of historical exhibiti
under AS 28.10.181(b) .....
(B) AS 28.10.181(b)(2) ....
plus the fee required for that
is eligible for the fee descri
subparagraph shall be collec
historic plates;
(C) AS 28.10.181(b)(2) an
purpose of historical exhibiti
under AS 28.10.181(b) .....
(2) special request plates
(A) Alaska National Guar
(B) veterans or retired ve
(C) recipients of the Purp
(D) owners of custom coll
(E) Iditarod race finisher
(F) other special request
plus the fee required for th
paragraph shall be collected
request plates;
(3) a vehicle owned by a p
or by a resident 65 years of
on a form prescribed by the
(4) a vehicle owned by th
(5) a vehicle owned by ar
required for that vehicle un
(6) a vehicle owned by
28.10.181 .....
(7) a snowmobile or off-h

(4) a motor bus with a seating capacity for 20 or more persons and used exclusively for commercial purposes in the transporting of visitors or tourists $300;

(5) a motorcycle or a motor-driven cycle $60;

(6) a trailer not used or maintained for the transportation of persons or property for hire or for other commercial use, including, but not limited to, a boat trailer, baggage trailer, box trailer, utility trailer, house trailer, travel trailer, or a trailer rented or offered for rent ..... $30.

(c) The biennial registration fees under this subsection are imposed and are based upon the actual unladen weight as established by the manufacturer's advertised weight or upon the actual weight, which the owner shall furnish, subject to the approval of the commissioner or the commissioner's representative, for a vehicle, including a low-speed vehicle and a motor vehicle pulling a trailer or semi-trailer, that is registered in the name of a company or business, or is used or maintained for the transportation of passengers for hire, excepting taxicabs and buses under (b) of this section, or for the transportation of property for hire or for other commercial purposes, including a low-speed vehicle, truck, wrecker, tow car, hearse, ambulance, and tractor, as follows:

(1) up to and including 5,000 pounds $180;

(2) more than 5,000 pounds to and including 12,000 pounds $268;

(3) more than 12,000 pounds to and including 18,000 pounds $516;

(4) more than 18,000 pounds ..... $662.

(d) The special registration fees under this subsection are imposed biennially, unless otherwise specified, for

(1) a historic vehicle registered under

(A) AS 28.10.181(b)(1) and that is driven or moved on a highway for the primary purpose of historical exhibition or similar activity, one time only upon initial registration under AS 28.10.181(b) $10;

(B) AS 28.10.181(b)(2) $30

plus the fee required for that vehicle under (b) of this section, unless the historic vehicle is eligible for the fee described under (C) of this paragraph; the fee required by this subparagraph shall be collected only on the first issuance and on the replacement of the historic plates;

(C) AS 28.10.181(b)(2) and that is driven or moved on a highway for the primary purpose of historical exhibition or similar activity, one time only upon initial registration under AS 28.10.181(b) $10;

(2) special request plates for

(A) Alaska National Guard personnel $30;

(B) veterans or retired veterans $30;

(C) recipients of the Purple Heart ..... none;

(D) owners of custom collector vehicles $50;

(E) Iditarod race finishers $50;

(F) other special request plates $30;

plus the fee required for that vehicle under (b) of this section; the fee required by this paragraph shall be collected only on the first issuance and on the replacement of special request plates;

(3) a vehicle owned by a person with a disability and registered under AS 28.10.181(d), or by a resident 65 years of age or older who files a written application for an exemption on a form prescribed by the department ..... none;

(4) a vehicle owned by the state ..... none;

(5) a vehicle owned by an elected state official ..... the fee required for that vehicle under (b), (c), (h), or (i) of this section;

(6) a vehicle owned by a rancher, farmer, or dairyman and registered under AS 28.10.181 ..... $68;

(7) a snowmobile or off-highway vehicle $10;

ALASKA STATE LEGISLATURE

Co-Chair:
House Finance Committee

Chair:
House Finance Subcommittees for;
Department of Public Safety
Department of Law
Alaska Court System

Member:
Legislative Council
Committee on Committees
Legislative Budget & Audit (alt)
House Finance Sub-Committees for:
Governor's Office
Legislature
University of Alaska

BILL STOLTZE
STATE REPRESENTATIVE
Representative_Bill_Stoltze@legis.state.ak.us

Session:
Alaska State Capitol, Rm 515
Juneau, AK 99801-1182
Phone: (907) 465-4958
Fax: (907) 465-4928

District:
600 E. Railroad Ave.
Wasilla, AK 99654
Phone: (907) 376-4958
Fax: (907) 376-4928

Toll Free: 1-866-465-4958

Memorandum

TO: Rep. Peggy Wilson, Chair House Transportation Committee

FROM: Rep. Bill Stoltze

DATE: February 1, 2011

RE: Hearing Request for HB 10 "An Act relating to the registration fee for noncommercial trailers and to the motor vehicle tax for trailers."

Madame Chair,

I request that HB 10 be scheduled for a hearing before the House Transportation Committee at the earliest possible time.

Attached is a sponsor statement, supporting material and a copy of the legislation for consideration by the committee.

HB 10 Change in Registration Fee for Trailers.

Current Registered Trailers in Anchorage								**Notes**
Total Anchorage trailers	34,746							Total registered non commercial trailers in Anchorage in 2010 from DMV web site
One to Three Years Old								
Percent of trailers 1-3 years old	14%							From Fiscal note for HB 10
Total Trailers 1-3 years old	4,695							total trailers 1-3 years old = percent of trailers statewide that are 1-3 years old * total number of registered trailers in Anchorage.. Registrations on half will expire in 2012 and half in 2013
Percent electing permanent registration	50%							From Fiscal note for HB 10
Percent of trailers that leave state or no longer register each year	5%							Assumed. Percent of Trailers that are decommissioned each year and would no longer pay any type of registration fee, either because they no longer function or because they left the state
More than Three Years Old								
Total Trailers more than 3 years old	30,051							total trailers older than 3 years = total registered trailers in Anchorage minus number of registered trailers 1-3 years old. Registrations on half will expire in 2012 and half in 2013.
Percent electing permanent registration	20%							From Fiscal note for HB 10
Percent of trailers that leave state or no longer register each year	10%							Percent of Trailers that are decommissioned each year and would no longer pay any type of registration fee, either because they no longer function or because they left the state
New Trailers in Anchorage								
Number of new trailers each year in state	5000							From Fiscal note for HB 10
Anchorage Share of Trailers in state	31%							From DMV web site
New trailers registered in Anchorage each year	1,529							Total new trailers in state * Anchorage Share
Percent electing permanent registration	75%							From Fiscal note for HB 10
Percent of trailers that leave state or no longer register each year	2%							Percent of Trailers that are decommissioned each year and would no longer pay any type of registration fee, either because they no longer function or because they left the state
Biennial trailer registration fee effective in 2012 in Anchorage	20							Biennial registration fee effective in Anchorage starting in 2012 from Section 16 of AO 2010-81(S)
Permanent registration fee	100							New optional permanent fee starting in 2012 from HB 10
		2012	**2013**	**2014**	**2015**	**2016**	**2017**	
Current: Trailers 1-3 years old in Anchorage								
Total Number of trailers 1-3 years old that switch to permanent	1,174							Number of trailers one to three years old opting for permanent registration each year = number of trailers 1 to 3 years old / 2 * percentage electing permanent registration
Revenues received from permanent registrations		117,385	111,516					Gain from permanent registrations = number of trailers opting for permanent registration * permanent registration fee.
Revenues lost from trailers that no longer pay biennial registration		(23,477)	(22,303)	(21,188)	(20,129)	(19,122)	(18,166)	Loss of Biennial Fees = - number opting for permanent registration * biennial fee.
Current Trailers : older than 3 years old in Anchorage								
Total Number of trailers over 3 years old that switch to permanent	3,005							Number of trailers older than three years old opting for permanent registration each year = number of trailers older than three years / 2 * percentage electing permanent registration
Revenues received from permanent registrations		300,506	270,455					Gain from permanent registrations = number of trailers opting for permanent registration * permanent registration fee.
Revenues lost from trailers that no longer pay biennial registration		(60,101)	(54,091)	(48,682)	(43,814)	(39,432)	(35,489)	Loss of Biennial Fees = - number opting for permanent registration * biennial fee.
New Trailers in Anchorage								
Number of New Trailers each year that switch to permanent	1,147							Number of new trailers opting for permanent registration each year = number of new trailers registered each year * percentage electing permanent registration
Revenues received from permanent registrations		114,692	112,399	110,151	107,948	105,789	103,673	Gain from permanent registrations = number of new trailers opting for permanent registration * permanent registration fee.
Revenues lost from trailers that no longer pay biennial registration		(22,938)	(22,480)	(22,030)	(21,590)	(21,158)	(20,735)	Loss of Biennial Fees = - number opting for permanent registration * biennial fee.
Total Change in Revenues		**426,067**	**395,496**	**18,251**	**22,416**	**26,076**	**29,283**	**Sum of all revenue gains and losses for all trailers.**

HB 64 Change in Registration Fee for Old Cars

Currently Registered Old Cars in Anchorage

Total passenger cars in Anchorage of all ages	190768	Total Number of registered passenger cars in 2010 from DMV website
Percent of passenger cars in Anchorage older than 8 years	63%	Percent older than 8 years from Feb 14 email from Alaska Municipal League (Leslie Peters)
Number of cars in Anchorage older than 8 years	120,184	Number of Vehicles in Anchorage currently older than 8 years = percentage over eight years * total number of registered passenger cars.. Half of these currently registered cars would renew their registration in 2012 and half in 2013.
Percent electing permanent registration	40%	Assumed. Change as necessary to investigate alternative scenarios
Percent of old cars that leave state or no longer register each year	10%	Assumed. Change as necessary to investigate alternative scenarios. Percent of current registered old cars that would no longer pay any type of registration fee each year either because they break down or leave the state.

Cars that age to more than 8 years each year in Anchorage

Number of cars that age from seven years old to eight years old each year.	8,823	This is the number of currently registered cars that become eligible for permanent registration each year because they age from seven years to eight years old = (Total number of registered passenger cars minus number of passenger cars more than eight years old) / 8. This assumes that the total cars that are less than eight years old are distributed evenly across each age class. In other words, 1/8 of the cars less than eight years old are one year old, 1/8 are two years old, 1/8 are three years old, and so on.
Percent electing permanent registration	40%	Assumed, Change as necessary for alternative scenarios.
Percent of old cars that leave state or no longer register each year	10%	Percent of current registered old cars that would no longer pay any type of registration fee each year either because they break down or leave the state.
Biennial fee for cars older than 8 years	70	Biennial registration fee effective in Anchorage starting in 2012 from Section 16 of AO 2010-81(S)
Permanent registration fee	100	Optional new permanent fee specified by HB 64. The permanent fee would be the minimum of either $100 or 5 times the biennial fee. Since $100 is less than $350 (=5*$70), the old cars would have the option of paying $100 as the permanent fee in Anchorage.

		2012	2013	2014	2015	2016	2017	
Current: Passenger Cars older than 8 years								
Number of cars that are currently 8 years or older and opt for permanent registration and change each year	24,037							Number of cars opting for permanent registration each year = number of cars older than eight years / 2 * percentage electing permanent registration
Revenues received from permanent registration		2,403,677	2,163,309					Gain of Permanent fees = number that opting for permanent registration * permanent registration fee.
Revenues lost from old cars that no longer pay biennial fee.		(1,682,574)	(1,514,316)	(1,362,885)	(1,226,596)	(1,103,937)	(993,543)	Loss of Biennial Fees = number of cars opting for permanent registration * biennial registration fee.
Additional Passenger Cars that age to more than 8 years								
Number of cars that are currently 8 years or less and age each year to over 8 years and opt for permanent registration	3,529							Number of additional cars that age to more than eight years and opt for permanent registration each year = number of cars that age to more than eight years * percentage electing permanent registration
Revenues received from permanent registration		352,921	317,629	285,866	257,279	231,551	208,396	Gain of Permanent fees = number of cars that age to more than eight years and opt for permanent registration * permanent registration fee.
Revenues lost from old cars that no longer pay biennial fee.		(247,045)	(222,340)	(200,106)	(180,095)	(162,086)	(145,877)	Loss of Biennial Fees = number of cars that age to eight years and opt for permanent registration * biennial registration fee.
Total Change in Revenues		**826,979**	**744,281**	**(1,277,125)**	**(1,149,412)**	**(1,034,471)**	**(931,024)**	**Sum of all revenue losses and gains for all old cars.**

HB

22

<TARGET><BILL>HB 22</BILL><SUBJECT>HB
22</SUBJECT><COMM>HTRA27</COMM></TARGET>

27-LS0155\B
Luckhaupt
2/24/11

CS FOR HOUSE BILL NO. 22( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES MUÑOZ AND HERRON

A BILL

FOR AN ACT ENTITLED

"An Act prohibiting the use of a cellular telephone when driving a motor vehicle."

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

*** Section 1.** AS 28.35 is amended by adding a new section to read:

Sec. 28.35.165. Prohibited use of cellular telephone. (a) A person may not use a cellular telephone when driving a motor vehicle on a highway or vehicular way or area.

(b) This section does not apply to a person using a cellular telephone

(1) for emergency purposes, including an emergency call to a law enforcement agency, fire department, or other emergency services agency or entity; or

(2) by hands-free mode.

(c) In this section,

(1) "emergency" has the meaning given in AS 42.20.150;

(2) "hands-free mode" means use of a cellular telephone for listening or talking by means of a speaker function, headset, or earpiece without holding the telephone.

New Text Underlined [DELETED TEXT BRACKETED]

(d) A person who violates this section is guilty of an infraction and may be punished as provided under AS 28.90.010.

REPRESENTATIVE CATHY MUÑOZ

HB22: PROHIBIT CELL PHONE USE WHILE DRIVING

If enacted, House Bill 22 will prohibit cell phone use while driving, unless a hands-free unit is being used or an emergency situation exists. The allowance for hands-free devices will accommodate commercial drivers, tour operators and others to allow flexibility in the implementation of the law. Nine states, and the District of Columbia, have prohibited the use of cell phones while driving for all drivers, twenty-eight states prohibit novice drivers – usually defined as drivers under 18 years old – and thirty states, and the District of Columbia, ban drivers from text messaging, including Alaska.

Cell phone use in the United States has been on a rapid increase in the past decade. According CTIA – The Wireless Association, there are about 293 million subscribers, representing more than 84 percent of the U.S. population, as of June 2010.

Distracted drivers create a risk to all motor vehicles, bicyclists and pedestrians. Driver performance is affected by the cognitive distractions associated with cell phone tasks which typically decrease reaction time, travel speed and increase lane deviations and steering wheel movements, resulting in a higher number of crashes.

The National Highway Traffic Safety Administration Distracted Driving Report (2009) estimates 5,474 people were killed and an additional 448,000 were injured in motor vehicle accidents that involved distracted driving. The University of Utah published a study showing motorists who talk on cell phones are as impaired as drunk drivers. As for cell phone use in Alaska, according to the Alaska 2010 Highway Safety Phone Survey 61% of Alaskan drivers talk on their cell phone while driving.

HB22 will create safer roads for all travelers and help to prevent accidents caused by distracted drivers. I urge your support in the passage of HB22.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM February 1, 2011

SUBJECT: Sectional Summary - Draft SSHB 22
(Work Order No. 27-LS0155\M)

TO: Representative Cathy Muñoz
Attn: Kendra Kloster

FROM: Gerald P. Luckhaupt
Assistant Revisor

You have requested a sectional summary of the above-described bill draft. As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill -- the bill itself is the best statement of its contents.

Section 1 of the bill adds a new section to AS 28.35 to provide that a person who uses a cellular telephone when driving a motor vehicle commits an infraction. Definitions and situations where the prohibition does not apply are listed.

GPL:ljw
11-063.ljw

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **HB022**
() Publish Date

Identifier (file name): HB022-LAW-CRIM-02-25-11
Dept. Affected Law
Title An Act prohibiting the use of cellular telephone when driving a motor vehicle; and providing for an effective date.
Appropriation Criminal
Allocation Criminal Justice Litigation
Sponsor Representative(s) Munoz, Herron
Requester (H) Transportation
OMB Component Number 2202

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES							

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other (please identify)							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by Eileen Donahue, Division Operations Manager
Phone 465-5427
Division Administrative Services
Date/Time 2/25/11 3:30 PM
Approved by John J. Burns, Attorney General
Date 2/25/2011
Department of Law

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB 022

Analysis

HB 22 makes it an infraction to operate a motor vehicle on a highway or vehicular way while using a cell phone. The bill excepts use of a cell phone for emergency purposes or with a cell phone that is voice-activated or may be used hands-free.

Passage of this legislation would have no foreseeable fiscal impact on the Department of Law.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: **HB 022**
() Publish Date

Identifier (file name) HB022-DPS-DET-02-25-11
Title "An Act prohibiting the use of cellular telephones when driving"
Sponsor Representative Munoz
Requester House Transportation

Dept. Affected: Public Safety
Appropriation: Alaska State Troopers
Allocation: AST Detachments
OMB Component Number: 2325

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES							

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other (please identify)							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version.

Prepared by Lt. Rodney Dial
Division Alaska State Troopers
Approved by Joseph Masters, Commissioner
Department of Public Safety

Phone (907) 247-4480
Date/Time 2/25/11 3:38 PM
Date 2/25/2011

(Revised 1/27/2011 OMB)

STATE OF ALASKA **BILL NO.** HB022
2011 LEGISLATIVE SESSION

Analysis

This legislation would amend AS 28.35 by adding a new section that would prohibit the use of certain cellular telephones when driving a motor vehicle. Violation would be an infraction and considered a primary traffic offense.

It is not estimated that this bill will significantly increase the workload of the division of Alaska State Troopers. There is no fiscal cost to the AST as a result of this legislation.

Alaska State Legislature

Representative Peggy Wilson
House District 2
Putting Alaska's Families First

FAX TRANSMITTAL SHEET

TO: LegLegal FAX# 465 2029

DATE: 3-10-11 FROM: Becky Rooney

SUBJECT: Request C.S for CSHB22 ver B

Total Pages (including cover sheet)_____

Please create a CSHB22 TRA using the attached amendments that passed House TRA 3-10-11. (Bill passed as amended)

This transmittal may be a confidential communication or otherwise privileged information. If you are not the intended recipient, you are hereby notified that you have received this transmittal in error; any review, dissemination, distribution or copying of this transmittal is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone at (907) 465-3824. Please destroy this fax cover and all its attachments.

Jan-May, Juneau: State Capitol • Juneau, AK 99801-1121 • *ph:* (907) 465-3824 • *fax:* (907) 465-3175
June-Dec, Wrangell: PO Box 109 • Wrangell, AK 99929 • *ph:* (907) 874-3088 • *fax:* (907) 874-3055
Rep.Peggy.Wilson@legis.state.ak.us • http://www.akrepublicans.org/wilson/ • 1-800-686-3824

27-LS0155\B.2
Luckhaupt
3/7/11

AMENDMENT #1 passed

OFFERED IN THE HOUSE

TO: CSHB 22( ), Draft Version "B"

Page 1, lines 7 - 10:

Delete all material and insert:

"(b) This section does not apply to a person

(1) using a cellular telephone for emergency purposes, including an emergency call to a law enforcement agency, fire department, or other emergency services agency or entity; or

(2) 18 years of age or older using a cellular telephone by hands-free mode."

#2 passed

AMENDMENT

OFFERED IN THE HOUSE

TO: CSHB 22( ), Draft Version "B"

Page 1, line 1, following "**vehicle**":

Insert "**; and providing for an effective date**"

Page 2, following line 2:

Insert a new bill section to read:

"* **Sec. 2.** This Act takes effect July 1, 2011."

27-LS0155\M
Luckhaupt
1/28/11

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 22

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES MUÑOZ AND HERRON

Introduced:
Referred:

A BILL

FOR AN ACT ENTITLED

"An Act prohibiting the use of a cellular telephone when driving a motor vehicle."

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

*** Section 1.** AS 28.35 is amended by adding a new section to read:

Sec. 28.35.165. Prohibited use of cellular telephone. (a) A person may not use a cellular telephone when driving a motor vehicle on a highway or vehicular way or area.

(b) This section does not apply to a person using a cellular telephone

(1) for emergency purposes, including an emergency call to a law enforcement agency, fire department, or other emergency services agency or entity; or

(2) that has a voice-activated or hands-free mode or configuration if the telephone is used in a voice-activated or hands-free manner.

(c) In this section,

(1) "emergency" has the meaning given in AS 42.20.150;

(2) "hands-free mode" means use of a cellular telephone for listening or talking by means of a speaker function, headset, or earpiece without holding the

telephone.

(d) A person who violates this section is guilty of an infraction and may be punished as provided under AS 28.90.010.

REPRESENTATIVE CATHY MUÑOZ

MEMORANDUM

TO: Representative Peggy Wilson
Transportation Chair

CC: Becky Rooney
Committee Aide

FROM: Representative Cathy Muñoz

DATE: January 31, 2011

RE: HB 22 Hearing Request

Please schedule HB 22 – Prohibit Cell Phone Use While Driving for a hearing in House Transportation at your earliest convenience.

Attached to this memo please find the following documents

- HB 22 – Prohibit Cell Phone Use While Driving
- Sponsor Substitute & explanation of changes
- Sponsor Statement
- Legislative Research Report
- Articles
- Support Letters
- Expected Testimony
    - Cindy Cashen, Administrator, Alaska Highway Safety Office, 957-2562, 465-4374

Office Contact: Kendra Kloster, 465-4712, Kendra_kloster@legis.state.ak.us

Thank You.

STATE CAPITOL • JUNEAU, ALASKA 99801-1182 • (907) 465-3744 • FAX (907) 465-2213
REPRESENTATIVE_CATHY_MUNOZ@LEGIS.STATE.AK.US

Alaska State Legislature

House of Representatives

Member

Standing Committees:
Judiciary
Rules
State Affairs
Transportation

Representative Max F. Gruenberg, Jr.
House District 20
Anchorage (Mountain View, Russian Jack, East Anchorage)
House Minority Floor Leader

Interim:
716 W 4th Avenue, Rm 350
Anchorage, Alaska 99501-2133
Phone: (907) 269-0123
Fax: (907) 269-0124

Session:
Alaska State Capitol, Rm 110
Juneau, Alaska 99801-1182
Phone: (907) 465-4940
Toll Free: (866) 465-4940
Fax: (907) 465-3766

Email:
Rep.Max.Gruenberg@legis.state.ak.us

John Moffat
Regional Administrator, Region 10
US DOT, NHSTA
915 Second Avenue, Suite 3140
Seattle, WA 98174

Dear Mr. Moffat:

As a co-sponsor of House Bill 22, which prohibits the use of hand-held cell phones while driving, as well as banning minors from using any cell phone while driving, I would like to request any information the US Department of Transportation and National Highway Traffic Safety Administration may have regarding how cell phone use while driving negatively impacts driver performance.

I would also like to request information on how enforcement of primary stop seatbelt laws helps to save lives and property. Specifically, I would like information on the economic impacts of changing from a primary violation to a secondary violation. I would also appreciate any other information you have that shows the consequences of how a primary stop seatbelt law impacts states and communities.

Thank you very much for your time. I appreciate your prompt consideration of these matters.

Cordially,

Max F. Gruenberg, Jr.
State Representative

CC: Rep. Peggy Wilson
Rep. Cathy Muñoz
Rep. Tammie Wilson

LEGISLATIVE RESEARCH REPORT

JANUARY 26, 2011

REPORT NUMBER 11.132

LAWS REGARDING CELLULAR PHONE USE BY DRIVERS

PREPARED FOR REPRESENTATIVE CATHY MUÑOZ

BY TIM SPENGLER, LEGISLATIVE ANALYST

You wanted to know what states have done regarding limiting or banning the use of cellular (cell) phones by individuals operating motor vehicles.[1]

Alaska Legislation Regarding Driver Cell Phone Usage

Under Alaska law (AS 28.35.161), enacted September 1, 2008, drivers are effectively banned from text messaging while operating a motor vehicle. Alaska is one of the 30 states (and the District of Columbia) to ban text messaging for drivers—thought by many experts to be the most distracting cell phone activity. There have also been several attempts in Alaska this decade to limit or ban the use of cell phones by all drivers, but none has been successful.

Currently, the Alaska legislature is considering three bills—House Bill 22, House Bill 35 and House Bill 68—all of which would prohibit the use of cellular telephones by an individual, regardless of age, while driving a motor vehicle.

Legislation in Other States

According to the Insurance Institute for Highway Safety (IIHS), as of January 2011, the following cell phone bans or restrictions are in place across the nation:[2]

- Nine states and the District of Columbia impose state-wide bans on driving while talking on hand-held cell phones;[3]

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[1] This report is essentially an update of Legislative Research Report 10.179 from February 18, 2010.

[2] The Insurance Institute for Highway Safety is an independent, nonprofit organization focused on reducing the losses — deaths, injuries, and property damage — from crashes on the nation's highways (*http://www.iihs.org/*).

[3] The nine states that impose state-wide bans on driving while using hand-held cell phones are California (Vehicle Code 23123), Connecticut (Public Act No. 05-159), Delaware (Del. Code 4176C), Maryland (Md. Code Ann. 21-1124.2), New Jersey (N.J.S.A. 30:4-97.3), New York (Vehicle and Traffic Law Section 1225c), Oregon (ORS 811.507), Utah (UT Code 41-6a-1715), and Washington (RCW 46.61.667). Utah considers talking on a cell phone, without a hands-free device, to be an offense only if a driver is also committing some other moving violation (other than speeding).

- Nineteen states and the District of Columbia prohibit the use of a cell phone while operating a school bus;[4]
- Twenty-eight states and the District of Columbia prohibit novice drivers—usually defined as drivers under 18 years old—from using cell phones when operating vehicles;[5] and,
- Thirty states and the District of Columbia ban drivers from text messaging.[6]

We include, as Attachment A, a table from the Institute for Highway Safety that presents an overview of states' cell phone laws. Also in Attachment A, we include a *question and answer* sheet from the IIHS on cell phones and driving. It provides a summary of the myriad issues surrounding this topic. Arthur Goodwin, senior research associate at the Highway Safety Research Center, contends that laws banning or limiting cell phone use while operating a motor vehicle are of vital importance and are gaining momentum nationwide.[7] He likened the situation to when seat belt laws came to the fore in the United States: it took some time to educate the public, and for people to change their habits, but eventually most did. Mr. Goodwin believes this will be the case with cell phone laws—that it will take time and continued efforts for these laws to become solidified in our national consciousness.

All the experts with whom we spoke, and the literature we reviewed, support states enacting laws restricting the use of cell phones while driving.[8] While difficult to enforce, such legislation does highlight the reality that the behavior is unsafe.

We hope you find this information to be useful. Please let us know if you have questions or need additional information.

19

[4] School bus drivers in the following states are banned from using cell phones while driving: Arizona, Arkansas, California, Connecticut, Delaware, Georgia, Illinois, Kentucky, Louisiana, Maryland, Massachusetts, Minnesota, New Jersey, North Carolina, Oklahoma, Rhode Island, Tennessee, Texas, and Virginia.

[5] Novice drivers are banned from using cell phones while driving in the following states: Alabama, Arkansas, California, Colorado, Connecticut, Delaware, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Minnesota, Nebraska, New Jersey, North Carolina, Oregon, Rhode Island, Tennessee, Texas, Vermont, Virginia, Washington, and West Virginia.

[6] A ban on texting while driving is in place in the following states: Alaska, Arkansas, California, Colorado, Delaware, Connecticut, Georgia, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Nebraska, New Hampshire, New Jersey, New York, North Carolina, Oregon, Rhode Island, Tennessee, Utah, Vermont, Virginia, Washington, Wisconsin, and Wyoming.

[7] The Highway Safety Research Center's stated mission is to improve the safety, security, access and efficiency of all surface transportation modes through a balanced, interdisciplinary program of research, evaluation and information dissemination (*http://www.hsrc.unc.edu/index.cfm*). Arthur Goodwin can be reached at (919) 843-5038.

[8] In addition to Mr. Goodwin, we also contacted Anne McCartt, Senior Vice President of the Insurance Institute for Highway Safety (703) 247-1534, and Dr. David Strayer of the University of Utah, who has studied distracted drivers issues for more than ten years (801) 581-5037.

Attachment A

Cellphone Laws, Insurance Institute for Highway Safety, January 2011

Q&As: Cellphones and Driving, Insurance Institute for Highway Safety, January 2011

Cellphone laws

January 2011

A jurisdiction-wide ban on driving while talking on a hand-held cellphone is in place in 9 states (California, Connecticut, Delaware, Maryland, New Jersey, New York, Oregon, Utah, and Washington) and the District of Columbia. Utah has named the offense careless driving. Under the Utah law, no one commits an offense when speaking on a cellphone unless they are also committing some other moving violation other than speeding.

Local jurisdictions may or may not need specific state statutory authority to ban cellphones or text messaging. Several of the many localities that have enacted restrictions on cellphone use include: Oahu, HI; Chicago, IL; Brookline, MA; Detroit, MI; Santa Fe, NM; Brooklyn, North Olmstead, and Walton Hills, OH; Conshohocken, Lebanon, and West Conshohocken, PA; Waupaca County, WI; and Cheyenne, WY.

The use of all cellphones while driving a school bus is prohibited in 19 states and the District of Columbia.

The use of all cellphones by novice drivers is restricted in 28 states and the District of Columbia.

Text messaging is banned for all drivers in 30 states and the District of Columbia. In addition, novice drivers are banned from texting in 8 states (Alabama, Indiana, Maine, Mississippi, Missouri, Oklahoma, Texas, and West Virginia) and school bus drivers are banned from text messaging in 2 states (Oklahoma and Texas).

The table below shows the states that have cellphone laws, whether they specifically ban text messaging, and whether they are enforced as primary or secondary laws. Under secondary laws, an officer must have some other reason to stop a vehicle before citing a driver for using a cellphone. Laws without this restriction are called primary.

Table Map: hand-held bans Map: young driver bans Map: bus driver bans Map: texting bans

Laws restricting cellphone use and texting

State	Hand-held ban	Young drivers all cellphone ban	Bus drivers all cellphone ban	Texting ban	Enforcement
Alabama	no	drivers age 16 and 17-year-old drivers who have held an intermediate license for fewer than 6 months	no	drivers age 16 and 17-year-old drivers who have held an intermediate license for fewer than 6 months	primary
Alaska	no	no	no	all drivers	primary
Arizona	no	no	school bus drivers	no	primary
Arkansas	drivers 18 or older but younger than 21	drivers younger than 18	school bus drivers	all drivers	primary: texting by all drivers and cellphone use by school bus drivers; secondary: cellphone use by young drivers[1]
California	all drivers	drivers younger than 18	school and transit bus drivers	all drivers	primary: hand held and texting laws; secondary: hands-free cellphone use by young drivers[1]
Colorado	no	drivers younger than 18	no	all drivers	primary
Connecticut	all drivers	drivers younger than 18	school bus drivers	all drivers	primary
Delaware	all drivers	learner's permit and intermediate license holders	school bus drivers	all drivers	primary
District of Columbia	all drivers	learner's permit holders	school bus drivers	all drivers	primary

Florida	no	no	no	no	not applicable
Georgia	no	drivers younger than 18	school bus drivers	all drivers	primary
Hawaii	no	no	no	no	not applicable
Idaho	no	no	no	no	not applicable
Illinois	drivers in construction and school speed zones	drivers younger than 19 and learner's permit holders younger than 19	school bus drivers	all drivers	primary
Indiana	no	drivers younger than 18	no	drivers younger than 18	primary
Iowa	no	learner's permit and intermediate license holders	no	all drivers	primary for learner's permit and intermediate license holders; secondary for texting
Kansas	no	learner's permit and intermediate license holders	no	all drivers	primary
Kentucky	no	drivers younger than 18	school bus drivers	all drivers	primary
Louisiana	with respect to novice drivers, see footnote[2]	all novice drivers, see footnote for detail[2]	school bus drivers	all drivers	primary[2]
Maine	no	learner's permit and intermediate license holders	no	learner's permit and intermediate license holders	primary
Maryland	all drivers	learner's permit and provisional license holders younger than 18	school bus drivers (hand-held ban)	all drivers	secondary; primary for texting
Massachusetts	no	drivers younger than 18	school bus drivers and passenger bus drivers	all drivers	primary
Michigan	no	no	no	all drivers	primary
Minnesota	no	learner's permit holders and provisional license holders during the first 12 months after licensing	school bus drivers	all drivers	primary
Mississippi	no	no	no	learner's permit and intermediate license holders	primary
Missouri	no	no	no	drivers 21 and younger	primary
Montana	no	no	no	no	not applicable
Nebraska	no	learner's permit and intermediate license holders younger than 18	no	all drivers	secondary
Nevada	no	no	no	no	not applicable
New Hampshire	no	no	no	all drivers	primary

New Jersey	all drivers	learner's permit and intermediate license holders	school bus drivers	all drivers	primary
New Mexico	no	no	no	no	not applicable
New York	all drivers	no	no	all drivers	primary; secondary for text messaging
North Carolina	no	drivers younger than 18	school bus drivers	all drivers	primary
North Dakota	no	no	no	no	not applicable
Ohio	no	no	no	no	not applicable
Oklahoma	learner's permit and intermediate license holders	no[3]	school bus drivers and public transit drivers	learner's permit holders, intermediate license holders, school bus drivers and public transit drivers	primary
Oregon	all drivers	drivers younger than 18	no	all drivers	primary
Pennsylvania	no	no	no	no	not applicable
Rhode Island	no	drivers younger than 18	school bus drivers	all drivers	primary
South Carolina	no	no	no	no	not applicable
South Dakota	no	no	no	no	not applicable
Tennessee	no	learner's permit and intermediate license holders	school bus drivers	all drivers	primary
Texas	drivers in school crossing zones	intermediate license holders for the first twelve months	bus drivers when a passenger 17 and younger is present	bus drivers when a passenger 17 and younger is present; intermediate license holders for first twelve months; drivers in school crossing zones	primary
Utah	all drivers	no	no	all drivers	primary for texting; secondary for talking on a hand-held cellphone[4]
Vermont	no	drivers younger than 18	no	all drivers	primary
Virginia	no	drivers younger than 18	school bus drivers	all drivers	secondary; primary for school bus drivers
Washington	all drivers	learner's permit and intermediate license holders	no	all drivers	primary
West Virginia	no	drivers younger than 18 who hold either a learner's permit or an intermediate license	no	drivers younger than 18 who hold either a learner's permit or an intermediate license	primary
Wisconsin	no	no	no	all drivers	primary
Wyoming	no	no	no	all drivers	primary

[1]The laws in Arkansas and California prohibit police from stopping a vehicle to determine if a driver is in compliance with the law. Clearly, that language prohibits the use of checkpoints to enforce the law, but it has been interpreted as the functional equivalent of secondary provisions that typically state the officer may not stop someone suspected of a violation unless there is other, independent, cause for a stop.

[2]In Louisiana, all learner's permit holders, irrespective of age, and all intermediate license holders are prohibited from driving while using a hand-held cellphone and all drivers younger than 18 are prohibited from using any cellphone. Effective April 1, 2010 all drivers, irrespective of age, issued a first driver's license will be prohibited from using a cellphone for one year. The cellphone ban is secondary for novice drivers age 18 and older.

[3]In Oklahoma, learner's permit and intermediate license holders are banned from using a hand-held electronic device while operating a motor vehicle for non-life-threatening emergency purposes.

[4]Utah's law defines careless driving as committing a moving violation (other than speeding) while distracted by use of a hand-held cellphone or other activities not related to driving.

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Q&As: Cellphones, texting, and driving

January 2011

More information on cellphones

Hide all answers

1 | How many people use cellphones?

Cellphone use in the United States has grown quickly during the past decade. There were about 293 million wireless cellphone subscribers as of June 2010, according to CTIA – The Wireless Association, an industry trade group.[1] That's up 51 percent from 194 million in June 2005 and 3 times the 97 million wireless subscribers in June 2000. Minutes of use have surged to about 2.3 trillion in June 2010 from 195 billion in June 2000.

2 | Do drivers frequently use phones behind the wheel?

Yes, though it's hard to determine accurately just how many drivers use phones. Combining observational and self-reported data on phone use, the federal government estimated that drivers using phones nearly tripled during 2000-08, from 4 to 11 percent, and then declined to 9 percent in 2009. Federal observational data indicate that 5 percent of drivers in 2009 were talking on hand-held phones at any moment during the day. This means about 672,000 passenger vehicles on the road at any moment during the day were driven by people talking on hand-held phones.[2]

A 2009 Institute telephone survey of 1,219 drivers 18 and older indicates phone use may be somewhat lower than government estimates. Drivers on average reported spending about an hour in the car each day, with about 4 minutes of that time on the phone. This translates into roughly 7 percent of time behind the wheel on the phone.[3] The discrepancy between the two estimates may be a result of drivers in the Institute survey understating how much phoning while driving they do because the practice has negative connotations. It also could reflect different methodologies. Government researchers observed hand-held phone use among drivers waiting at intersections during the daytime, then adjusted this for self-reported hands-free use. The Institute's survey estimates self-reported driver phone use on all kinds of roads during all hours.

3 | Who is most likely to talk on a cellphone while driving?

Young drivers ages 16-24 are more likely than other drivers to talk on hand-held cellphones according to daytime observational surveys of drivers the federal government conducted nationwide in 2009. Eight percent of drivers ages 16-24 were observed talking on hand-held phones, compared with 5 percent of those ages 25-69 and 1 percent of drivers 70 and older.[2] In the Institute's 2009 survey of drivers' self-reported phone use, people younger than 30 spent 16 percent of driving time on the phone, compared with 7 percent for drivers 30-59 years old, and just 2.5 percent for drivers 60 and older.[4]

Men in the Institute's survey reported spending slightly more time on the phone than women (7 percent versus 6 percent). This differs from the government's and other observations that female drivers use cellphones more. Drivers reported using phones more on weekdays and during afternoons and evenings. Use rates were 8 percent during these times.[3] This is in line with government observations that use is higher on weekdays.[2]

4 | Does using a cellphone while driving increase crash risk?

Yes. Two controlled studies link talking on a cellphone directly to increased crash risk. A 2005 Institute study of drivers in Western Australia found cellphone users four times as likely to get into crashes serious enough to injure themselves.[5] The study used cellphone billing records to verify phone use of crash-involved drivers. Increased risk was similar for males and females, drivers younger than 30 and those 30 and older, and hands-free and hand-held phones. The findings were consistent with 1997 research that showed phone use among Canadian drivers was associated with a fourfold increase in the risk of a property damage crash. The Canadian study also used cellphone billing records to verify phone use of drivers.[6]

5 | How many crashes have been caused by drivers using cellphones?

The federal government estimates that in 2009, 5,474 people were killed and an additional 448,000 were injured in motor vehicle crashes that were reported by police to have involved distracted driving. The government estimates that 18 percent of these deaths and 5 percent of these injuries involved cellphones.[7] However, these estimates are imprecise and likely underestimate distraction's role in crashes, as many police reports don't have information on distracting events. Police crash reports aren't a reliable way to count cellphone-related collisions because drivers often don't volunteer that they were on the phone.

It is possible to estimate the expected number of crashes linked to phoning while driving. An Institute analysis suggests this practice could account for 22 percent of all crashes, or about 1.3 million in 2008, based on how much phoning while driving motorists admitted to researchers and the estimated risk of driver phone use.[3] However, there is a disconnect between estimated crashes and real-world data, which indicate that crashes have been holding steady in recent years, even as cellphone use in general and driver use of phones in particular have proliferated.

About 5.5 million police-reported motor vehicle crashes occurred during 2009, the latest year for which federal data are available. This count doesn't differ much from the approximately 6 million crashes recorded annually during the early 1990s, when cellphones started getting popular, and it is lower than the 6.4 million crashes in 2000, when federal researchers began documenting the increase in phone use while driving.

An increase in cellphone-related crashes isn't showing up in insurance claims either. An analysis by the Highway Loss Data Institute indicates that the frequency of insurance claims for crash damage filed under collision coverage during 1998-2008 hasn't increased, even though driver phone use has escalated.[8]

A 2006 Virginia Tech Transportation Institute study used video cameras to monitor drivers in about 100 vehicles for about a year. Four percent of crashes or near-crashes were attributable to talking on a cellphone, researchers estimated.[9]

6 | Are hands-free cellphones safer?

No, at least not after the conversation begins. Two studies of crashes using cellphone billing records to verify phone use found about a fourfold increase in crash risk with conversing on both hands-free and hand-held phones.[5,6] The studies were unable to estimate crash risk from different types of hands-free devices. They also were unable to determine whether there was any benefit associated with hands-free devices while placing the call. Experimental research using driving simulators indicates that phone conversation tasks, whether using hand-held or hands-free devices, affect some measures of driving performance.[10,11] Hands-free phones may eliminate some of the physical distraction of handling phones, but the cognitive distraction from phone conversations remains.

7 | How does cellphone use affect driving performance?

An Institute review of more than 120 cellphone studies, about half of which were experimental studies using driving simulators or vehicles instrumented with video cameras, sensors, and other equipment, found that nearly all reported that some measures of driver performance were affected by the cognitive distractions associated with cellphone tasks.[11] Phone conversation tasks typically increased reaction times and travel speeds and increased lane deviations and steering wheel movements. Statistical analyses that aggregated the results of 33 studies and 23 studies, respectively, reported similar findings.[10,12] Some studies have found that older drivers' performance is more affected by cellphone tasks, particularly their reaction time. Few studies included drivers younger than 18, and evidence is mixed on the effects of phone use for teenage drivers compared with adult drivers. Findings also are mixed on whether driving performance while talking on a cellphone improves with practice. Some simulator studies suggest that the negative impact of phone use on driving performance may lessen with experience.[13,14] Other simulator research has found no change in performance with practice.[15]

Using functional magnetic resonance imaging, researchers at Carnegie Mellon University found a 37 percent reduction in brain activity associated with driving when research subjects listened via a headset to spoken sentences that they judged as true or false while steering in a driving simulator. Researchers concluded that listening and processing information from a phone conversation can draw mental

resources away from driving, worsening driving performance, even when drivers are not holding or dialing a phone.[16]

Further evidence comes from a few studies of small samples of people observed during their everyday driving. One study included drivers of 100 vehicles instrumented with video cameras and other monitoring technologies. Only a few serious crashes occurred, but researchers calculated the odds of being in a near-crash or crash were 2.8 times higher when dialing a hand-held phone than when phones weren't being used. The odds of a near-crash or crash were 1.3 times higher when talking on a hand-held phone, although this was not statistically significant. But because drivers spend more time talking on a hand-held phone than dialing, the percentage of crashes and near-crashes estimated to be attributable to talking and dialing on hand-held phones were both about 4 percent.[9]

8 | Do bans on hand-held phones work to reduce driver phone use?

Institute research has documented that all-driver bans on hand-held phoning can have large and lasting effects on phone use. In November 2001, New York became the first state to implement a universal ban on hand-held cellphones. Observed driver hand-held cellphone use declined by an estimated 47 percent immediately after the ban. Use then began going back up, but when measured more than 7 years after the ban, use was 24 percent lower than would have been expected without the ban. Soon after a ban was passed in the District of Columbia in 2004, observed driver hand-held phone use dropped by 41 percent. Nearly five years after the ban, the rate of phone use was 43 percent lower than would have been expected without a ban. Connecticut's ban took effect in 2005. Observed hand-held phone use declined an estimated 76 percent immediately after a ban; more than 3 years later, use was 65 percent lower than would be expected without a ban.[17]

In the Institute's telephone survey of cellphone use, drivers in states with hand-held bans were less likely to say they talk on phones while driving. Forty-four percent of drivers in states with bans reported they don't use phones when driving, compared with 30 percent in states without such laws. The percent of drivers who talk on phones and always talk hands-free was 22 in states with all-driver bans on hand-held phones, and 13 in states without all-driver bans.[4]

9 | Do hand-held phone bans reduce crashes?

There is no evidence so far that banning hand-held phone use reduces crashes, even though Institute research demonstrates that bans on hand-held phoning while driving can have big and long-term effects in curbing phone use. A 2009 analysis by the Highway Loss Data Institute found that hand-held bans had no effect on insurance claims. Researchers compared claims for crash damage in 4 jurisdictions before and after hand-held phone use bans, finding steady claim rates before and after laws went into effect.[8]

Many drivers still use hand-held phones where use is banned, and others may simply switch to hands-free phones. Given that crash risk increases substantially with drivers' use of either hand-held or hands-free phones, bans on hand-held cellphones won't eliminate the problem entirely. Laws prohibiting hands-free phones are difficult to enforce, plus drivers may be unfamiliar with restrictions in their state. In the Institute telephone survey, 18 percent of drivers in states with a universal ban on hand-held phone use either believed there was no law or were unsure. The proportion was even higher (48 percent) among drivers in states with a universal texting ban. Many drivers don't believe police pay much attention to them. Only 29 percent of drivers in states with universal hand-held phone bans who knew about the bans and 22 percent of drivers in states with universal texting bans who were aware of the restrictions felt they were strongly enforced.[4]

10 | How common are bans on hand-held cellphones and texting?

Bans are widespread in other countries and are becoming more common in the U.S. Nine states (California, Connecticut, Delaware, Maryland, New Jersey, New York, Oregon, Utah, and Washington) and the District of Columbia have enacted laws that ban drivers of all ages from using hand-held cellphones.

More common in the US are laws that restrict young drivers from using any type of cellphone. Teenage drivers in 28 states and the District of Columbia have such laws. School bus drivers in 19 states and the District of Columbia are restricted from using all cellphones while driving a bus.

In Australia, drivers in Victoria and Tasmania are banned from using all phones, except ones secured in a commercially designed holder fixed to the vehicle that can be operated without touching any part of the phone.

Text messaging is banned for all drivers in 30 states and the District of Columbia. In addition, novice drivers are banned from texting in 8 states (Alabama, Indiana, Maine, Mississippi, Missouri, Oklahoma, Texas, and West Virginia), and school bus drivers are banned from text messaging in 2 states (Oklahoma and Texas).

Cellphone laws in the US

11 | Why do more laws cover only teenage drivers?

Cellphone bans for young drivers are becoming more common amid concerns about the role distractions play in teenagers' elevated crash risk. Distractions of any type are a common factor in crashes of newly licensed 16-year-old drivers.[18] Some research also shows teenage drivers tend to use cellphones and other emerging technologies more than adult drivers.[19] States increasingly have graduated licensing laws that place restrictions on newly licensed drivers, e.g., limiting nighttime driving and the number of passengers a novice driver can carry. Cellphone bans are being added to those restrictions.

See Q&A: Teenagers — graduated driver licensing

More about the licensing law in your state, or any state

12 | Do teenagers comply with cellphone bans?

Young drivers often ignore cellphone restrictions, according to an Institute study of North Carolina's cellphone ban for young beginning drivers. The state bans the use of any telecommunications device by drivers younger than 18 under its graduated licensing system. Observed cellphone use by teenagers leaving high schools in the afternoon changed little from 1-2 months before to 5 months after the restriction took effect on Dec. 1, 2006.[20] About 11 percent of teenage drivers were seen using phones before the law. That percentage rose slightly to 12 percent in the postlaw survey. Cellphone use remained steady at about 13 percent at comparison sites in South Carolina, which doesn't restrict teenage drivers' phone use. When observed postlaw, less than 1 percent of teenage drivers in North Carolina were using hands-free phones. About 2 percent were observed dialing or texting and about 9 percent were holding a phone to their ear.

The study coupled driver observations with telephone surveys of North Carolina parents and their teenagers. In postlaw surveys, about two-thirds of teenagers said they knew about their state's law, compared with 39 percent of parents. Three-quarters of teenagers and 95 percent of parents said they approved of the law. The proportion of teenagers who reported using phones while driving declined somewhat following the law. However, of those who owned a phone and admitted to ever talking on the phone while driving, about half admitted they used their phones, if they had driven, on the day prior to the interview. There was no evidence of focused enforcement or publicity of the law. Only 22 percent of teenagers and 13 percent of parents believed the ban was being enforced fairly often or a lot.[20]

13 | Is cellphone use more distracting to drivers than other tasks?

Evidence is mixed. For example, some experimental studies found that phone conversations are more disruptive than conversations with passengers or adjusting a radio.[11] However, two statistical analyses combining the results of multiple experimental studies found similar decrements in reaction time for conversation tasks with passengers and with hand-held or hands-free phones.[10,12] Two studies reported that talking on cellphones or having a 0.08 percent blood alcohol concentration (BAC) — the legal threshold for impairment — has a comparable effect on some simulated driving tasks.[21,22] However, the risks associated with alcohol impairment accumulate over the entire duration of a trip, whereas the risks of cellphone use generally apply for only a portion of a trip. In addition, crash risk increases substantially at very high BACs, and the implications of the experimental studies for drivers in their own vehicles is unknown.

14 | Is texting while driving a problem?

Texting in general is on the increase. Annualized text messages soared to about 1.8 trillion in June 2010 from 57 billion in June 2005.[1] Many people report that they text while driving. A 2009 Institute survey found that 13 percent of drivers of all ages have texted while driving, and this jumps to 43 percent among 18-24-year-old drivers.[4] Similar results were found in other studies.[23,24]

There hasn't been a lot of research on the safety effects of texting and driving, but three studies of young drivers using driving simulators all found that receiving, and especially sending, text messages impeded drivers' reaction times and lane-keeping ability.[25,26,27] In a study involving large trucks instrumented with video cameras and other monitoring technology, the odds of a traffic conflict, lane drift, near-crash, or crash were 23 times higher when a truck driver was texting. A limitation is that less than 1 percent of the incidents involved crashes; most were lane drifts or other driver errors. It's unknown how such incidents relate to actual crashes. It also is unclear whether the results generalize to passenger vehicle drivers.[28]

15 | Do drivers comply with text messaging bans?

So far it appears that drivers, especially young adults, largely shrug off texting bans. An Institute study found that among 18-24 year-olds — the group most likely to text — 45 percent reported texting while driving in states that bar the practice, just shy of the 48 percent of drivers who reported texting in states without bans.[4] Among drivers 25-29, 40 percent reported texting in states with bans, compared with 55 percent in states without bans.

Many drivers are unclear about the laws in their state. Forty-eight percent of drivers in states with universal texting bans believed there was no law or were unsure. Plus, only 22 percent of drivers who were aware of the restrictions felt they were strongly enforced.[4]

16 | Do bans on driver text messaging reduce crashes?

Not according to research by the Highway Loss Data Institute. A 2010 study examined insurance claims filed for damage to vehicles before and after driver texting bans were enacted in four states. There was no reduction in claim rates relative to comparison states. Rather, there was a significant increase of 7-9 percent in the frequency of claims in 3 of the 4 study states. Increases in the frequency of claims also were found for rated drivers 25 and younger in these 3 states.[29]

17 | Can technology be used to prevent crashes caused by distracted driving?

Automakers are rolling out crash avoidance systems that warn drivers when they are not paying attention. Some systems may intervene if the system judges that a crash is imminent. Systems like lane -departure warning and forward-collision warning promise to prevent many kinds of distracted driving crashes, not just those that result from cellphone use (see *Status Report*, April 17, 2008). But this isn't a quick fix. Most new vehicles don't have crash avoidance features, and it will take some time before the systems are in wide use as newer vehicles supplant older ones. Plus, the effects of these technologies on real-world crashes have not yet been established.

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National Highway Traffic Safety Administration
(http://www.nhtsa.gov/)

Research on distracted driving reveals some surprising facts:

- 20 percent of injury crashes in 2009 involved reports of distracted driving. (NHTSA).
- Of those killed in distracted-driving-related crashed, 995 involved reports of a cell phone as a distraction (18% of fatalities in distraction-related crashes). (NHTSA)
- In 2009, 5,474 people were killed in U.S. roadways and an estimated additional 448,000 were injured in motor vehicle crashes that were reported to have involved distracted driving. (FARS and GES)
- The age group with the greatest proportion of distracted drivers was the under-20 age group – 16 percent of all drivers younger than 20 involved in fatal crashes were reported to have been distracted while driving. (NHTSA)
- Using a cell phone use while driving, whether it's hand-held or hands-free, delays a driver's reactions as much as having a blood alcohol concentration at the legal limit of .08 percent. (Source: University of Utah)

Highlights

Police-reported data from the Fatality Analysis Reporting System (FARS) and the National Automotive Sampling show that:

- In 2009, there were 30,797 fatal crashes in the United States, which involved 45,230 drivers. In those crashes 33,808 people died.
- In 2009, 5,474 people were killed in crashes involving driver distraction (16% of total fatalities).
- The proportion of fatalities reportedly associated with driver distraction increased from 10 percent in 2005 to 16 percent in 2009. During that time, fatal crashes with reported driver distraction also increased from 10 percent to 16 percent.
- The under-20 age group had the highest proportion of distracted drivers involved in fatal crashes (16%). The age group with the next greatest proportion of distracted drivers was the 20- to-29-year-old age group – 13 percent of all 20-to-29-year-old drivers in fatal crashes were reported to have been distracted.
- Of those drivers reportedly distracted during a fatal crash, the 30-to-39-year-old drivers were the group with the greatest proportion distracted by cell phones. Cell phone distraction was reported for 24 percent of the 30-to-39-year-old distracted drivers in fatal crashes.
- An estimated 20 percent of 1,517,000 injury crashes were reported to have involved distracted driving in 2009.

The National Motor Vehicle Crash Causation Survey (NMVCCS) is a nationally representative survey specifically focused toward documenting events and conditions leading up to crashes.

- NMVCCS captures distraction as an associated factor to the crash and/or as the critical reason that made the crash imminent. Driver distraction was coded as the critical reason in 18 percent of the crashes. Data describing the specifics of the distraction — for example adjusting the radio or eating — are included in this data set.

Data Sources
The following NHTSA data sources were used in the research:

- Fatality Analysis Reporting System (FARS)
- National Automotive Sampling System (NASS) General Estimates System (GES)
- National Motor Vehicle Crash Causation Survey (NMVCCS)
- The 100-Car Naturalistic Driving Study
- National Occupant Protection Use Survey (NOPUS) of Driver Electronic Use
- Motor Vehicle Occupant Safety Survey (MVOSS)

Alaska 2010 Highway Safety Phone Survey

- **An Alaskan View of:**
  - Drivers' attitudes,
  - Awareness of enforcement and media and
  - Self-reported driving behavior

Prepared for the Alaska Highway Safety Office
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August, 2010

Executive Summary:
As reported by Alaskan Drivers:

- **One in four** have driven within two hours of drinking an alcoholic drink in the past 60 days.
- Nearly **70%** believe that **the court system is somewhat to very tough on enforcing drunk driving laws.**
- Almost **half** believe that chances of **getting arrested for drinking and driving** are at least **very likely.**
- **91% always buckle up.**
- **41%** think it is **unlikely** they'll get a **ticket for not wearing a seatbelt.**
- **49% rarely or never** drive over **35mph in a 30 mph** zone.
- **81% rarely or never** drive over **70 mph in a 65** mph zone.
- **79%** of 4-8 years olds **always use booster seats.**
- **61% talk** on their **cell phone** while driving.
- **86% never text** while driving.
- **72%** usually **use headlights** when driving **in daylight.**

Introduction:
The Alaska Injury Prevention Center (AIPC) designed and implemented a phone survey, in compliance with the National Highway Traffic Safety Administration guidelines. A randomly selected representative sample of Alaska licensed drivers was asked a series of questions in the five-minute phone survey. The questions addressed driver attitudes, awareness of highway safety enforcement and communication activities and self-reported driving behavior. The questions addressed the following topics: seatbelt use, drinking and driving, headlight use, talking and texting while driving, speeding and booster seat use.

Methodology:
A five-minute telephone survey, was conducted in August, 2010. The survey included 40 questions, mostly closed-ended, introduction, screener, and demographics questions. Craciun Research Group (CRG) was contracted with to conduct the survey. AIPC provided CRG with questions, conducted analysis and wrote the report of survey findings. CRG reviewed the survey and made suggestions for changes; programmed the approved survey; prepared the four sample frames from CRG's database of Alaska residents, with quotas for age categories; conducted the survey, and provided the data to the client.

Total sample size for the survey was four hundred (n=400) Anchorage, Kenai/Soldotna, Mat-Su and Fairbanks and Juneau residents for a total margin of error of +/-5% with 95% confidence.

Analysis:

The analysis section is broken out into 6 sections. Each section addresses behaviors and potential motivational variables and demographic variables which might affect the behavior choices. Motivational variables include awareness of enforcement efforts and perceived likelihood of getting caught engaging in an illegal and unsafe behavior. Analysis was done utilizing PASW 18 (formerly know as SPSS.) Frequencies and crosstabs were the primary analytical tests used for this preliminary review of the data. Additional analysis will be conducted in the next few months to provide a broader vision of highway issues.

Drinking and Driving

Just over one in four (27%) persons of driving age reported driving a motor vehicle within 2 hours of consuming an alcoholic drink in the past sixty days. These persons are referred to as "drinking- drivers" throughout this report. Thirty-two percent of males and 21% of females reported at least one drinking-driving trip in the past 60 days. Within these groups, 8% of men and 4% of women have taken 4 or more drink-driving trips in the past 60 days. [1]

When examined by education, the percentage of the driving-age public who reported driving a motor vehicle within 2 hours of drinking any alcoholic beverages ranged from 22% - 26% for respondents with a GED to those with a 4-year degree. The percent jumped to 42% for those with a postgraduate degree.

Looking at type of vehicle driven revealed that drivers of cars, SUV's and trucks all had about a 30% chance of drinking and driving. Only 4% of van drivers reported having made at least one trip after drinking alcohol.

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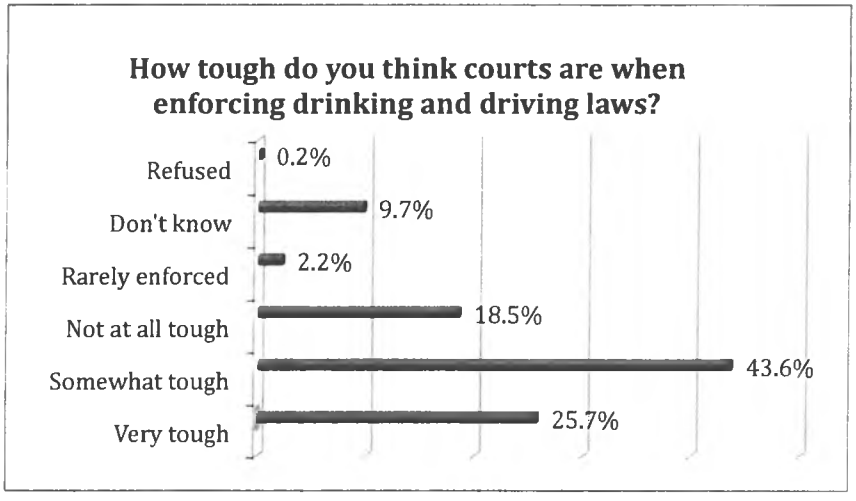
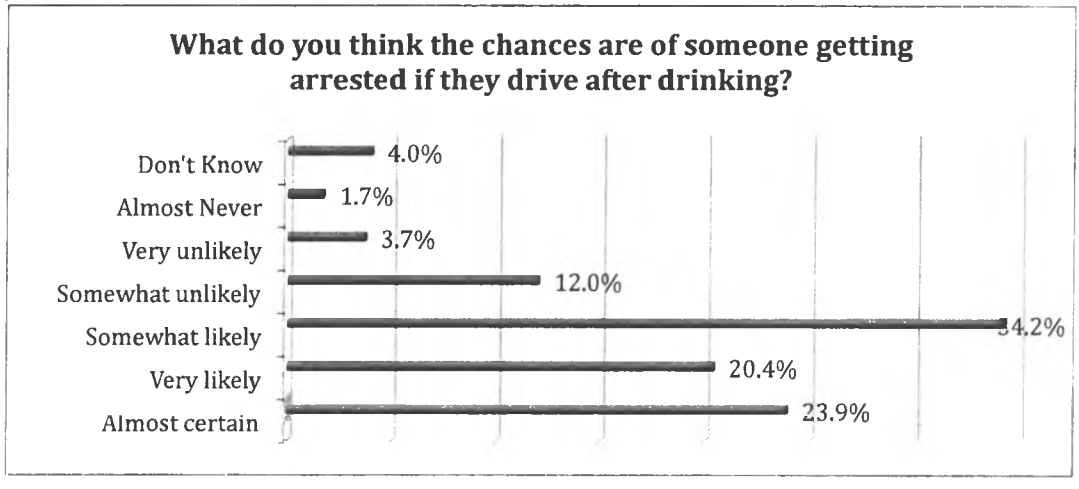
[1] Q.22 In the past 60 days, how many times have you driven a motor vehicle within 2 hours after drinking an alcoholic beverage? Never, Once, Two or three times, Four or five times, Many times, Some. I don't know how many, Refused



Participants were also asked how tough they thought courts were in enforcing drinking and driving laws.[2] Most answered that they thought courts were somewhat to very tough. (69.3%)



Participants were also asked how tough they thought courts were in enforcing drinking and driving laws.[3]

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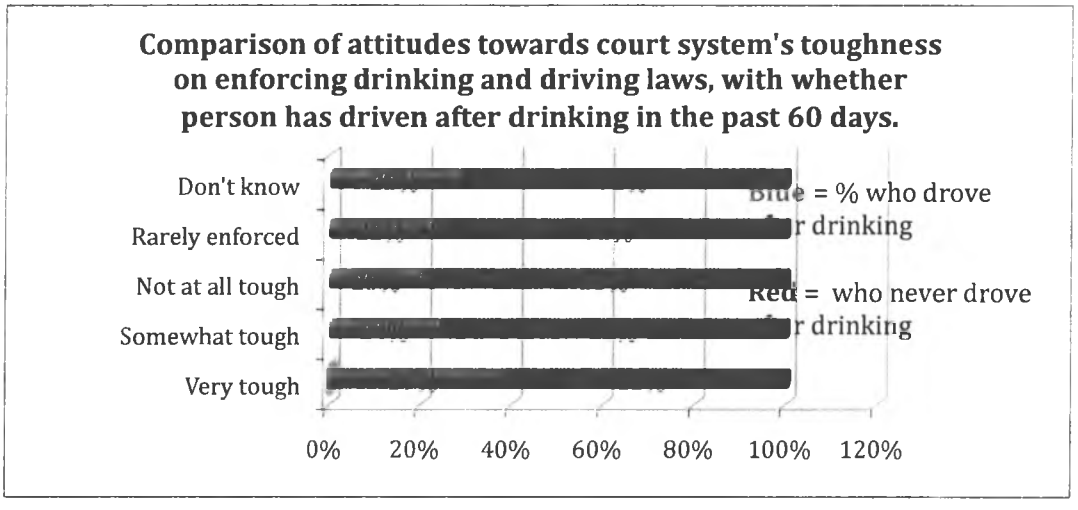
[2] Q.15 In your opinion, how tough do you think the courts are when enforcing drinking-and-driving laws?
Very tough, Somewhat tough, Not at all tough, Rarely enforced, Don't know/ Unsure, Refused

[3] Q.15 In your opinion, how tough do you think the courts are when enforcing drinking-and-driving laws?
Very tough, Somewhat tough, Not at all tough, Rarely enforced, Don't know/ Unsure, Refused

Twenty-three percent of the driving-age public believed that a driver who had too much to drink to drive safely was "almost certain" to be arrested by the police. Seventy-eight percent believe a person's chances are "Somewhat likely" or more that they will get arrested if they drive after drinking. Twenty-six percent believed that the courts are very tough when enforcing drinking and driving laws. While 70% believe that the courts are somewhat to very tough with enforcing these laws.



Of those who believe that the courts are very tough enforcing drinking and driving laws, 37% had driven after drinking in the last 60 days. Participants were asked whether they had "read, seen or heard anything about drunk-driving enforcement in Alaska."[4] Sixty-seven percent answered yes. Of those who self reported making many trips after drinking in the last 60 days, 82% were aware of drunk driving enforcement.

Seatbelt Use

In the 2010 seatbelt observation survey for Alaska, 86.7% or drivers and passengers were observed wearing a seatbelt. When asked: "How often do you use a seatbelt when you drive or ride in your personal vehicle" 91% answered "always" and 5% said "almost always."[5] Only 1.2% said never. Fifty-five percent said they had read, seen or heard about seatbelt enforcement in the past 60 days.[6] And 29% believed that a person would always or nearly always get a ticket for not using a seatbelt.[7] Forty-two percent answered that the chance was never or seldom.

---

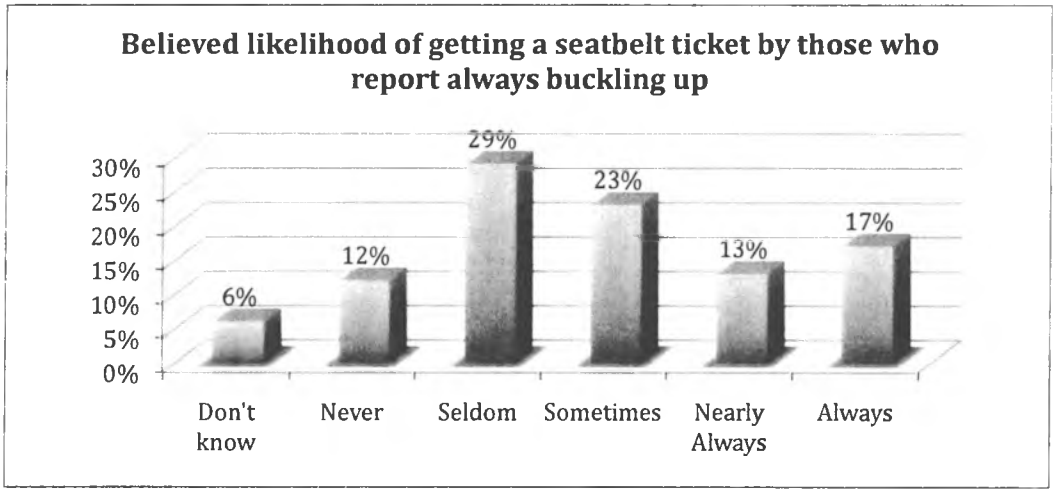
[4] Q.21 In the past 60 days, have you read, seen or heard anything about drunk-driving enforcement in Alaska? Yes, No, Don't know/ Unsure, Refused

[5] Q.11 How often do you use a seatbelt when you drive or ride in your personal vehicle? Always, Nearly always, Sometimes, Seldom, Never, Unsure, Refused

[6] Q.12 In the past 60 days, have you read, seen or heard anything about seat belt enforcement in Alaska? Yes, No, Don't know/ Unsure, Refused

[7] Q.13 What do you think the chance is for you to get a ticket if you do not wear your seat belt? Would you get one: Always, Nearly always, Sometimes, Seldom, Never, Don't know/ Unsure,Refused

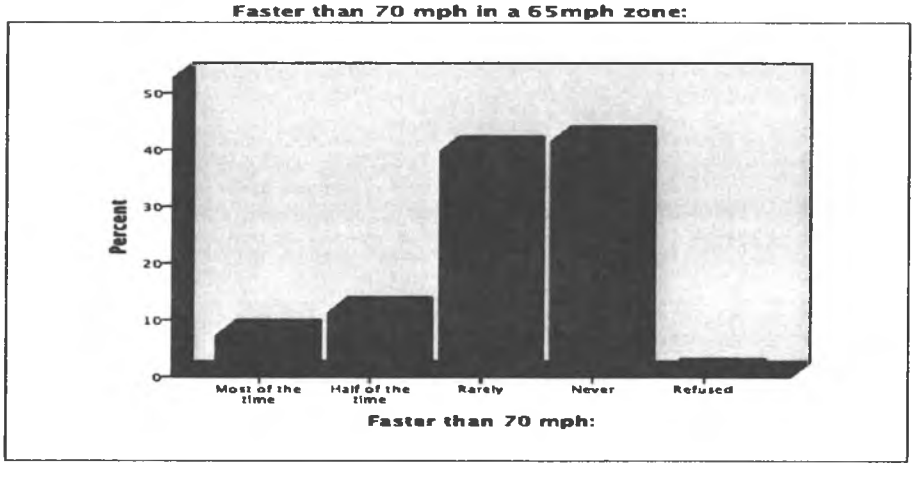
The degree of certainty of which a person would get a seatbelt ticket did not seem to be effected by awareness of seatbelt use enforcement. Sixty-four percent of those who thought they had no chance of getting a seatbelt ticket had heard about seatbelt enforcement in the last 60 days. Sixty percent of those who thought they would always get a ticket had also heard of the enforcement efforts.



For those who always wear a seatbelt, 12% felt that they would never get a ticket for not buckling up and 17 percent felt they would always get a ticket. Forty-one percent thought they would never or seldom get a ticket. While 30% thought they would always or nearly always get a ticket.

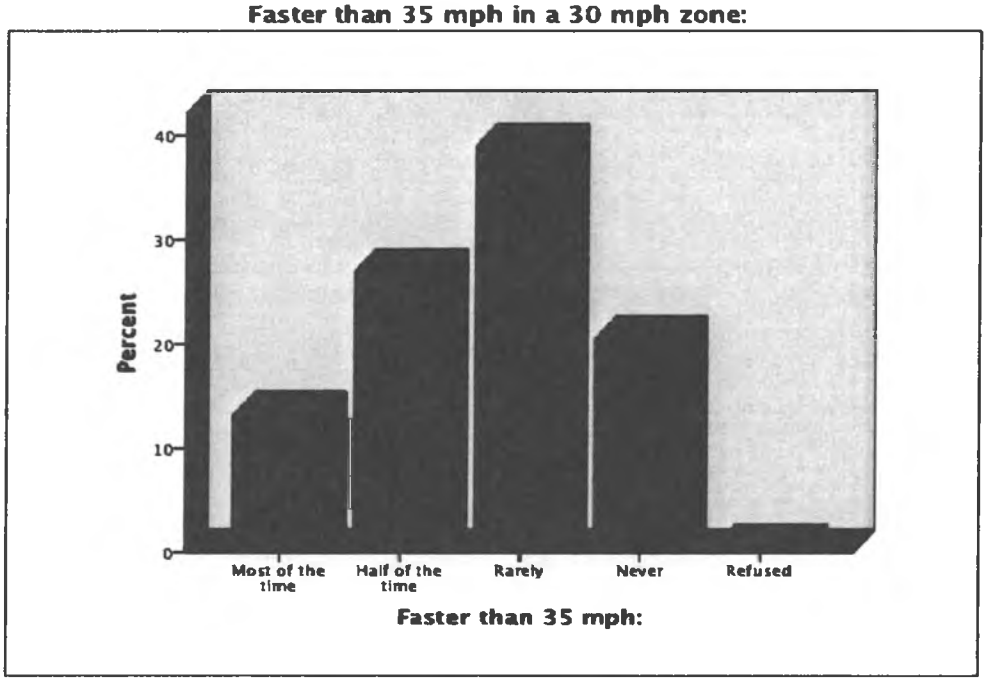
Speeding

Two scenarios were presented concerning speeding. The first was how often a driver goes more than 70 mph in a 65 mph zone.[8] And the second how often the driver goes



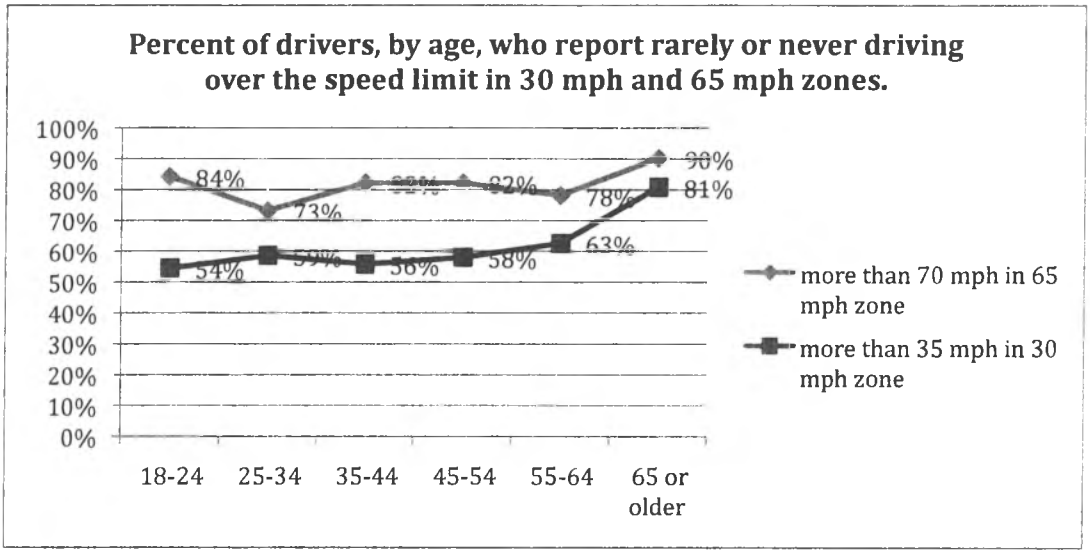
[8] Q.18 On a road with a speed limit of 65 mph, how often do you find yourself driving faster than 70 mph: Most of the time, Half of the time, Rarely, Never, Refused

faster than 35 mph in a 30 mph zone.[9] People report being more likely to speed in 30 mph areas than 65 mph areas. Eighty-one percent say they rarely or never go over 70 in a 65 area. However, 59% say they rarely or never drive more than 35 mph in a 30 mph zone.



Considering this further, gender makes a difference. Eighty percent of men and 82% of women report never or rarely driving over 70 in a 65 zone. While Sixty-three percent of men and 56% of women report rarely or never driving faster than 35 in a 30 mph zone.

[9] Q.17 On a local road with a speed limit of 30 mph, how often do you find yourself driving faster than 35 mph: Most of the time, Half of the time, Rarely, Never, Refused



Looking at the data by age group shows that there is an increase in the percent of drivers who drive close to the speed limit with an increase in age. But this doesn't really show until the 65-year and older group of drivers.

Cell Phones:

Ninety-three percent of respondents said that there is at least one cell phone in their households. Cell phones have become commonplace in and out of cars. This is the first time cell phone use and ownership questions were asked in an Alaska Highway Safety phone survey. The answers here will serve as baseline data.

Multiple questions were asked concerning cell phone use in cars. Questions included how often the driver talks on the phone, reads of sends texts, makes or answers calls, whether these happen more often on city or rural roads, and whether hands-free devices are used while driving.[10] Additionally, the 2010 Alaska NOPUS observational surveys collected data about observed cell phone usage rate for drivers. The statewide observed cell phone use rate was 5.1%. The observed usage rates by borough were:

---

[10] Q.25 How often do you talk on a cell phone while driving your car? Almost every time you drive, Every two or three times, Sometimes, not often, Never, Don't know/ Unsure, Refused

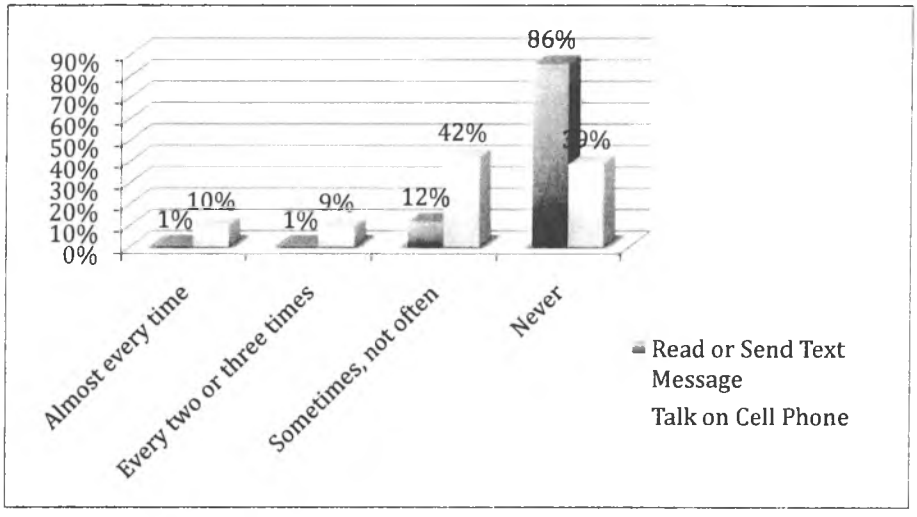
Q.26 How often do you read or send text messages while driving your car? Almost every time you drive, Every two or three times, Sometimes, not often, Never, Don't know/ Unsure, Refused

Q.27 Do you make calls from your car, answer them or both? Make calls, Answer them, Both, Refused

Q.28 Do you take or make calls when you are driving in a city or town or only on rural roads? In cities or towns, in rural areas, Both, Neither, Refused

Q.29 Do you have a "hands-free" cell phone arrangement in your vehicles? Yes, No, Not in every car I drive, Refused

MatSu 8.0%, Kenai/Soldotna 6.0%, Anchorage 5.0%, Fairbanks 4.9%, and Juneau 2.0%. These numbers do not include use where a hands-free device was in use.



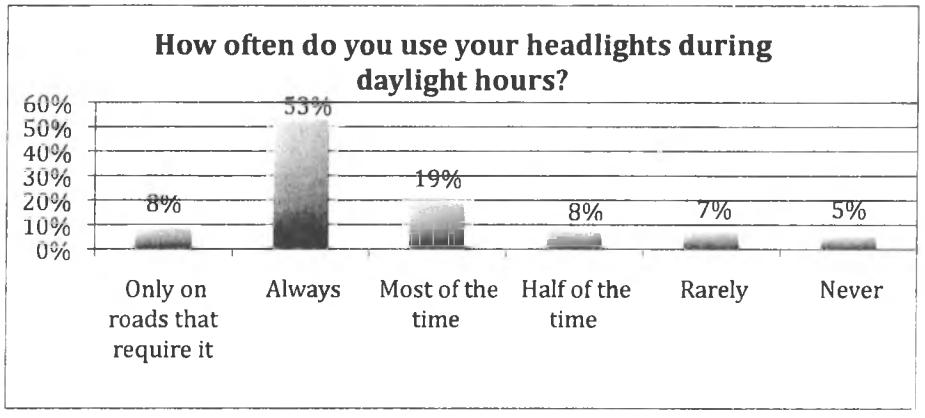
Most people (86%) report that they never read or send texts while driving. Two percent say they text at least every two or three times that they drive. While 19% of drivers talk on their cell phones at least every two or three times that they drive. And 42% say they talk on their phone some times but not often. Thirty-nine percent of drivers say they never talk on a cell phone while driving.

The next three questions were only asked of those who have used a cell phone while driving. Just over a third (36%) of cell phone using drivers have a hands-free device. Seventy-six percent of users have both made and received phone calls. Twenty-one percent have only answered calls. Sixty percent use cell phones in both rural and urban areas. Twelve percent use them only is urban areas, and 9% in only rural areas.

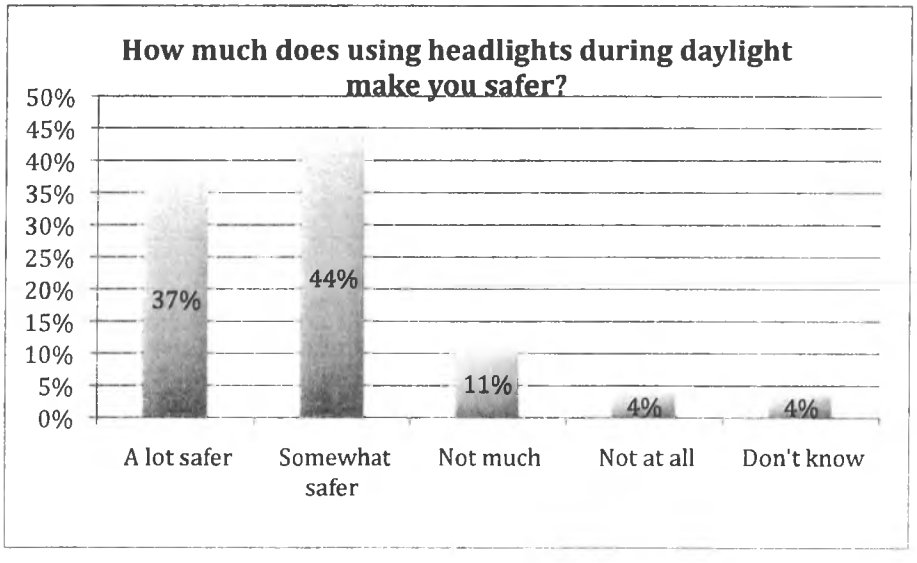
Headlights:

Headlight use was defined as a crash prevention strategy in the Alaska Strategic Highway Safety Plan. The survey asked two questions concerning headlight use in order to determine baseline behavior and attitudes.[11]

[11] Q.23 During daylight hours, would you say you use your headlights: Only on roads that require it, Always, Most of the time, Half of the time, Rarely, Never, Don't know/ Unsure, Refused
Q.24 Do you think using headlights during daylight makes you a lot safer, somewhat safer, not much safer or not at all? A lot safer, Somewhat safer, Not much, Not at all, Don't know/ Unsure, Refused



Drivers were asked how often they use their headlights during daylight hours, and how much they think doing so makes them safer. Fifty-three percent said they use their lights all of the time and 72% said always or most of the time. This is slightly higher than the NOPUS observations of headlight use, in which observers determined that headlight use was 45.5% in Anchorage, 45.3% in Fairbanks, 22.9% in Juneau, 29.3% in Kenai/Soldotna, and 30.3% in MatSu 30.3%. Statewide, 42.5% of cars observed had their headlights on during daylight hours.



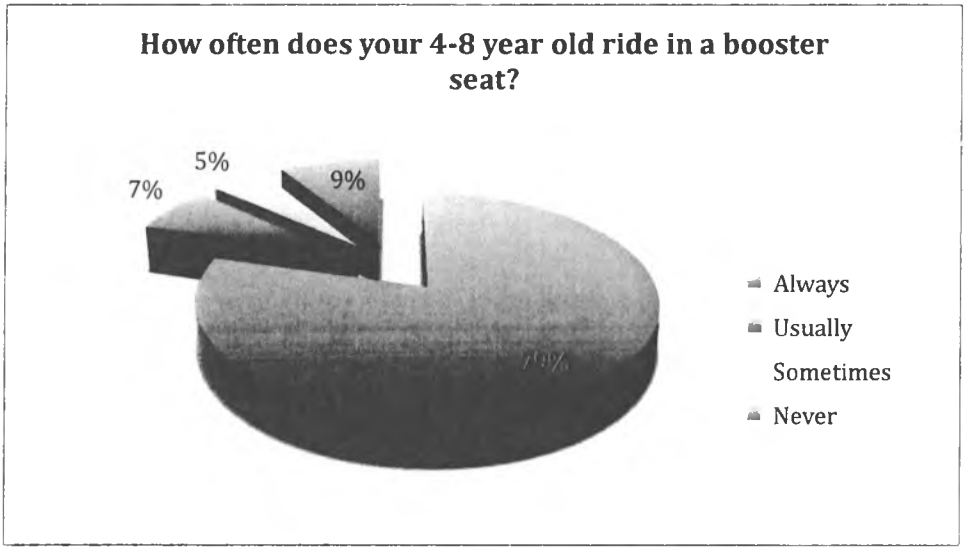
There was a statistically significant correlation between those who felt that using headlights makes a person safer, and people who use headlights.

Booster Seats

The Alaska Injury Prevention Center conducted 3 booster seat use observations studies. The first took place in June 2009, prior to implementation of new booster seat legislation. Fifty-two percent of observed children were using appropriate child passenger safety devices. The second took place in October, 2009 after the legislation,

mandating booster seat use for most children between 4 and 8 years old was signed into law, and a major public awareness campaign was implemented. At that point, 74% of children were using appropriate child passenger safety devices. In July, one-year follow-up observations were made, with a finding that 80% of children were properly restrained.

This phone survey also asked about booster seat use. It first asked whether the driver being interviewed ever drove in a car with a 4-8 year old. [12] If the answer was yes, a follow-up question was asked, how often that child rode in a booster seat.[13]



Drivers' self reported answers mimicked observed use at 79%. This is a dramatic increase from the 52% use observed prior to the media campaign and implementation of the law.

Conclusions:

Results from the 2010 phone survey addressing highway safety issues in Alaska provide useful information for future safety interventions.

- Addressing speeding in low speed limit areas is important, especially since these areas usually involve multiple modes of transportation including bikes and pedestrians.
- Most people wear seatbelts, and at the same time, most people do not think that it is likely that they will get a ticket for being unbuckled. It would be helpful to

[12] Q.30 Do you ever drive with a child between the ages of four and eight? Yes, No, Refused

[13] Q.31 How often is the child riding in a booster seat? Always, Usually, Sometimes, Never, Refused

better understand the motivators for wearing seatbelts, and possibly build them into campaigns for other desired behavior changes.

- Only 16% of people report texting while driving. Tracking changes in this statistic will be important for prioritization of highway safety efforts. It is currently a small number of those who say they text and drive, and texting is reportedly not being done very often. The risk created by texting and driving may be minimal.
- There is a majority belief (70%) that the courts are tough when enforcing drinking and driving laws. Understanding how this perception grew would be helpful for future behavior change and perception creating campaigns.

Conducting phone surveys with Alaskan drivers has created an opportunity to gain insights into behaviors, levels of awareness and motivators for behaviors. This information will be useful to assist with developing future initiatives as well as monitoring success with current one.

For Immediate Release,
1/12/2010

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National Safety Council Estimates that At Least 1.6 Million Crashes are Caused Each Year by Drivers Using Cell Phones and Texting

Washington, DC – The National Safety Council announced today that it estimates at least 28% of all traffic crashes – or at least 1.6 million crashes each year – are caused by drivers using cell phones and texting. NSC estimates that 1.4 million crashes each year are caused by drivers using cell phones and a minimum of 200,000 additional crashes each year are caused by drivers who are texting. The announcement came on the one-year anniversary of NSC's call for a ban on all cell phone use and texting while driving.

"We now know that at least 1.6 million crashes are caused by drivers using cell phones and texting," said Janet Froetscher, president & CEO of the National Safety Council. "We know that cell phone use is a very risky distraction and texting is even higher risk. We now know that cell phone use causes many more crashes than texting. The main reason is that millions more drivers use cell phones than text," she said. "That is why we need to address both texting and cell phone use on our roads."

"This new estimate provides critical data for legislators, business leaders and individuals to evaluate the threat and need for legislation, business policies and personal actions to prevent cell phone use and texting while driving," Froetscher said. "There was great progress made in 2009, particularly regarding a broad recognition that texting is dangerous. We now need the same broad consensus that recognizes cell phone use while driving causes even more crashes."

Froetscher said public support for laws banning cell phone use while driving is gaining momentum.

"Public opinion research conducted in 2009 by the AAA Foundation for Traffic Safety and Nationwide Insurance show public support for total bans on cell phones at 43 and 57 percent respectively," Froetscher said. "With public support now around 50 percent, we will continue to educate people about the risks of cell phone use while driving and the value of effectively-enforced laws in changing behavior and reducing crashes."

In constructing its estimates, NSC used widely-accepted statistical methods and analysis based on data of driver cell phone use from the National Highway Traffic Safety Administration (NHTSA) and from peer-reviewed research that quantifies the risk of using a cell phone and texting while driving. NSC's statistical model and estimates were peer-reviewed by academic researchers in traffic safety and biostatistics.

The estimate of 25% of all crashes -- or 1.4 million crashes – caused by cell phone use was derived from NHTSA data showing 11% of drivers at any one time are using cell phones and from peer-reviewed research reporting cell phone use increases crash risk by four times. The estimate of an additional minimum 3% of crashes -- or 200,000 crashes – caused by texting was derived by NHTSA data showing 1% of drivers at any one time are manipulating their device in ways that

include texting and from research reporting texting increases crash risk by 8 times. Using the highest risk for texting reported by research of 23 times results in a maximum of 1 million crashes due to texting; still less than the 1.4 million crashes caused by other cell phone use.

The National Safety Council (www.nsc.org) saves lives by preventing injuries and deaths at work, in homes and communities, and on the roads, through leadership, research, education and advocacy.

NSC Press Kit

Cell Phone Fact Sheet

Public Opinion Fact Sheet

Attributable Risk Estimate (Cell Phones & Texting)
Risk Estimate Model (Full Study)
Risk Estimate Summary
Risk Estimate Table

NSC Bios

NSC Media Coverage

NSC received significant media coverage on Jan. 12 when it announced that 28 percent of crashes are caused by drivers using their cell phones. NSC also announced the launch of FocusDriven - Advocates for Cell-Free Driving. Below are some highlights of this coverage.

ABC News

CBS News

CBS News "The Early Show"

FOX News

MSNBC

Oprah Winfrey Show

New York Times Series on Distracted Driving

DOT's Distracted Driving Site

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PRESS IMAGES

A student talks on a hands-free cell phone while operating a high-tech driving simulator. The simulator was used during a University of Utah study that found motorists who talk on cell phones while driving are as impaired as drunken drivers with blood-alcohol levels at the legal limit of 0.08 percent.

Photo Credit: Jim Moulin

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DRIVERS ON CELL PHONES ARE AS BAD AS DRUNKS

UTAH PSYCHOLOGISTS WARN AGAINST CELL PHONE USE WHILE DRIVING

6

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June 29, 2006 -- Three years after the preliminary results first were presented at a scientific meeting and drew wide attention, University of Utah psychologists have published a study showing that motorists who talk on handheld or hands-free cellular phones are as impaired as drunken drivers.

"We found that people are as impaired when they drive and talk on a cell phone as they are when they drive intoxicated at the legal blood-alcohol limit" of 0.08 percent, which is the minimum level that defines illegal drunken driving in most U.S. states, says study co-author Frank Drews, an assistant professor of psychology. "If legislators really want to address driver distraction, then they should consider outlawing cell phone use while driving."

Psychology Professor David Strayer, the study's lead author, adds: "Just like you put yourself and other people at risk when you drive drunk, you put yourself and others at risk when you use a cell phone and drive. The level of impairment is very similar."

"Clearly the safest course of action is to not use a cell phone while driving," concludes the study by Strayer, Drews and Dennis Crouch, a research associate professor of pharmacology and toxicology. The study was set for publication June 29 in the summer 2006 issue of *Human Factors: The Journal of the Human Factors and Ergonomics Society*.

The study reinforced earlier research by Strayer and Drews showing that hands-free cell phones are just as distracting as handheld cell phones because the conversation itself – not just manipulation of a handheld phone – distracts drivers from road conditions.

Human Factors Editor Nancy J. Cooke praised the study: "Although we all have our suspicions about the dangers of cell phone use while driving, human factors research on driver safety helps us move beyond mere suspicions to scientific observations of driver behavior."

The study first gained public notice after Strayer presented preliminary results in July 2003 in Park City, Utah, during the Second International Driving Symposium on Human Factors in Driver Assessment, Training and Vehicle Design. It took until now for the study to be completed, undergo review by other researchers and finally be published.

Key Findings: Different Driving Styles, Similar Impairment

Each of the study"s 40 participants "drove" a PatrolSim driving simulator four times: once each while undistracted, using a handheld cell phone, using a hands-free cell phone and while intoxicated to the 0.08 percent blood-alcohol level after drinking vodka and orange juice. Participants followed a simulated pace car that braked intermittently.

Both handheld and hands-free cell phones impaired driving, with no significant difference in the degree of impairment. That "calls into question driving regulations that prohibited handheld cell phones and permit hands-free cell phones," the researchers write.

The study found that compared with undistracted drivers:

- Motorists who talked on either handheld or hands-free cell phones drove slightly slower, were 9 percent slower to hit the brakes, displayed 24 percent more variation in following distance as their attention switched between driving and conversing, were 19 percent slower to resume normal speed after braking and were more likely to crash. Three study participants rear-ended the pace car. All were talking on cell phones. None were drunk.

- Drivers drunk at the 0.08 percent blood-alcohol level drove a bit more slowly than both undistracted drivers and drivers using cell phones, yet more aggressively. They followed the pace car more closely, were twice as likely to brake only four seconds before a collision would have occurred, and hit their brakes with 23 percent more force. "Neither accident rates, nor reaction times to vehicles braking in front of the participant, nor recovery of lost speed following braking differed significantly" from undistracted drivers, the researchers write.

"Impairments associated with using a cell phone while driving can be as profound as those associated with driving while drunk," they conclude.

Are Drunken Drivers Really Less Accident-Prone than Cell Phone Users?

Drews says the lack of accidents among the study's drunken drivers was surprising. He and Strayer speculate that because simulated drives were conducted during mornings, participants who got drunk were well-rested and in the "up" phase of intoxication. In reality, 80 percent of all fatal alcohol-related accidents occur between 6 p.m. and 6 a.m. when drunken drivers tend to be fatigued. Average blood-alcohol levels in those accidents are twice 0.08 percent. Forty percent of the roughly 42,000 annual U.S. traffic fatalities involve alcohol.

While none of the study's intoxicated drivers crashed, their hard, late braking is "predictive of increased accident rates over the long run," the researchers wrote.

One statistical analysis of the new and previous Utah studies showed cell phone users were 5.36 times more likely to get in an accident than undistracted drivers. Other studies have shown the risk is about the same as for drivers with a 0.08 blood-alcohol level.

Strayer says he expects criticism "suggesting that we are trivializing drunken-driving impairment, but it is anything but the case. We don't think people should drive while drunk, nor should they talk on their cell phone while driving."

Drews says he and Strayer compared the impairment of motorists using cell phones to drivers with a 0.08 percent blood-alcohol level because they wanted to determine if the risk of driving while phoning was comparable to the drunken driving risk considered unacceptable.

"This study does not mean people should start driving drunk," says Drews. "It means that driving while talking on a cell phone is as bad as or maybe worse than driving drunk, which is completely unacceptable and cannot be tolerated by society."

University of Utah Cell Phone Research

Previous research by Strayer, Drews and colleagues include:

- A 2001 study showing that hands-free cell phones are just as distracting as handheld cell phones.
- A 2003 study showing that the reason is "inattention blindness," in which motorists look directly at road conditions but don't really see them because they are distracted by a cell phone conversation. And such drivers aren't aware they are impaired.
- A 2005 study suggesting that when teenagers and young adults talk on cell phones while driving, their reaction times are as slow as those of elderly drivers.

The University of Utah psychologists conducted the alcohol study because a 1997 study by other researchers evaluated the cell phone records of 699 people involved in motor vehicle accidents and found one-fourth of them had used their phone in the 10 minutes before their accident – a four-fold increase in accidents compared with undistracted motorists.

Those researchers speculated there was a comparable risk from drunken driving and cell phone use while driving. So Strayer and Drews conducted a controlled laboratory study.

The study included 25 men and 15 women ages 22 to 34 who were social drinkers (three to five drinks per week) recruited via newspaper advertisements. Two-thirds used a cell phone while driving. Each participant was paid $100 for 10 hours in the study.

The driving simulator has a steering wheel, dashboard instruments and brake and gas pedals from a Ford Crown Victoria sedan. The driver is surrounded by three screens showing freeway scenes. Each simulated daylight freeway drive lasted 15 minutes. The pace car intermittently braked to mimic stop-and-go traffic. Drivers who fail to hit their brakes eventually rear-end the pace car. Other simulated vehicles occasionally passed in the left lane, giving the impression of steady traffic flow.

Each study participant drove the simulator during three sessions – undistracted, drunk or talking to a research assistant on a cell phone – each on a different day.

The simulator recorded driving speed, following distance, braking time and how long it would take to collide with the pace car if brakes were not used.

The study was funded by a $25,000 grant from the Federal Aviation Administration – which is interested in impaired attention among pilots – and by Strayer's and Drews' salaries. The Utah Highway Patrol loaned the researchers a device to measure blood-alcohol levels.

Driving while Distracted: A Growing Problem

The researchers cited figures from the Cellular Telecommunications Industry Association indicating that more than 100 million U.S. motorists use cell phones while driving. The National Highway Transportation Safety Administration estimates that at any given moment during daylight hours, 8 percent of all drivers are talking on a cell phone.

"Fortunately, the percentage of drunk drivers at any time is much lower," Drews says. "So it means the risk of talking on a cell phone and driving is probably much higher than driving intoxicated because more people are talking on cell phones while driving than are driving drunk." The main reason there are not more accidents is that "92 percent of drivers are not on a cell phone and are compensating for drivers on cell phones," he adds.

Cell phone use is far from the only distraction for motorists. The researchers cite talking to passengers, eating, drinking, lighting cigarettes, applying makeup and listening to the radio as the "old standards" of driver distraction.

"However, over the last decade many new electronic devices have been developed, and they are making their way into the vehicle," the researchers write. "Drivers can now surf the Internet, send and receive e-mail or faxes, communicate via a cellular device and even watch television. There is good reason to believe that some of these new multitasking activities may be substantially more distracting than the old standards because they are more cognitively engaging and because they are performed over longer periods of time."

News media may obtain a copy of the study by emailing leesiegel@ucomm.utah.edu or, starting June 29, by going to http://hfes.org and clicking on "What's New"

Other studies by Strayer and colleagues on cell phones and driving may be downloaded from: http://www.psych.utah.edu/AppliedCognitionLab/

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WTAE.com

Woman Gets Jail For Cell Phone Car Crash That Killed H.S. Girl

'Just Let It Ring' Is Britnee Moore's Message To Others

POSTED: 10:59 am EDT
July 30, 2009
UPDATED: 1:17 pm EDT
July 31, 2009

Related To Story

Driver In Car Crash Apologizes To Family

POSTED: 4:32 pm EST July 30, 2009
UPDATED: 4:50 pm EST July 30, 2009

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Britnee Moore expresses remorse as a judge sends her to jail for causing a car crash that killed 16-year-old Hope Maley.

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WAYNESBURG, Pa. -- A young Waynesburg woman expressed remorse Thursday as a judge ordered her to serve jail time for causing a car crash that killed a 16-year-old high school student.

Britnee Moore, 20, was found guilty in June of homicide by vehicle. Judge William Nalitz sentenced her to no less than five months and no more than 36 months in the Greene County Jail.

"The judge did say during the sentencing that no sentence would help the family, but I disagree. I was hoping she would be mandated to a state prison," said Hope Maley's mother, Darlene. "Hope's life matters, and I just have not seen any remorse. The defendant has never apologized in over 2 1/2 years."

Maley's family said Moore never apologized to them. Outside the courtroom on Thursday, Moore did tell Channel 4 Action News that she was sorry.

"I'm just real sorry for my actions and I hope a lot of other people learn from this," said Moore, who told reporters, "I take full responsibility for this."

More: Read Britnee Moore's Letter To Victim's Family (PDF)

State police said Moore was going too fast in a 45 mph zone and reaching for a cell phone when her car collided head-on with Hope Maley's car in Franklin Township in March 2007.

Maley, who attended Waynesburg High School, was pronounced dead at the scene of the wreck on a curvy section of Route 218 near Randy Hoge Road.

Asked if she had a message for the Maley family, Moore said, "I'm very sorry for your loss. My prayers go out to you."

More: Read Hope Maley's Mother's Letter To Judge

Police estimated that Maley was driving somewhere between 25 mph and 47 mph when the collision happened.

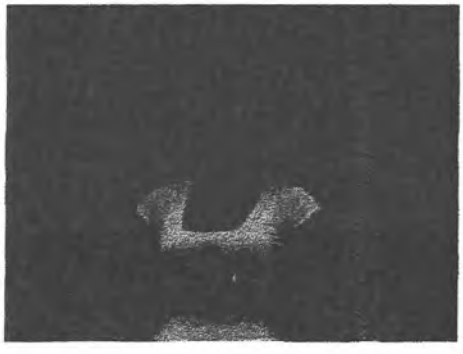
In addition to the homicide by vehicle charge, Moore was convicted of involuntary manslaughter and reckless endangerment.

Moore hopes her example will teach people "not to pick up their cell phone when they're driving. Just let it ring, no matter how important your call is, and don't rush."

Hope Maley

Previous Stories:

- June 29, 2009: 'Run For Hope' Remembers Greene Co. Teen Crash Victim
- June 4, 2009: Woman, 20, Guilty In Car Collision That Killed High School Girl



Britnee Moore

- **Your County:** More County News Headlines
- **RSS:** Add Us To Your iGoogle Or My Yahoo Page

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WSOCTV.com

Stanley Teen Killed In Crash Using Cell Phone While Driving

Posted: 5:34 pm EDT September 7, 2009Updated: 8:43 am EDT September 8, 2009

GASTON COUNTY, N.C. -- A 16-year-old Stanley girl crashed while using a cell phone and died Sunday night, witnesses and investigators said.

Brittany Johnson, an East Gaston High School student, was driving on Mauney Road toward Stanley when she wrecked at about 6:30 p.m. Troopers said she ran off the right side of the road, struck an embankment, went airborne and then hit a utility pole.

Rescue crews found the teen's Chevrolet Lumina on its side, and it appeared the top of the car hit the utility pole just above the teen's head before the car spun around. Johnson was pronounced dead at the scene.

Neighbors who heard the crash ran out to help. Greg Burch said the car was wrapped like a horseshoe around the pole.

"We tried to help her out, but we couldn't do nothing for her," Burch said.

Burch said he found Johnson's cell phone on the ground nearby, and it had an unfinished text message to her mother on the screen.

He said he used the number marked "Mom" to make a heartbreaking phone call.

"I asked her if her daughter drove a green Lumina," Burch said.

He said he told her to come to the scene quickly, but she asked the question he didn't want to answer.

"It was tough. She asked me how she was, and I said, 'I don't know,'" Burch said.

He said he suspected the worst, but he didn't want to say it.

On Monday, Johnson's grandmother hugged Burch and thanked him for making the call.

She whispered a little goodbye as she stared down at the growing memorial of flowers, stuffed animals and notes placed at the scene by friends and supporters.

"It hurts, Brit. It hurts, but I know you are with God now so you'll be OK," Helen Anderson said.

Anderson said Johnson was her first grandchild. She said she hopes other teens will learn from the tragedy.

"I hope they learn their lesson and don't put their families what we are going through now. Don't text and drive. It's not that important," she said.

Classmates and friends cried together at the pole Monday. Johnson's boyfriend put her picture on the pole, and together they silently said goodbye.

"I'll always love her," Anderson said.

Family members said they are still working on funeral plans. A memorial service for Johnson was held at the First Baptist Church in Stanley on Monday evening.

North Carolina is one of nine states that bans texting for certain groups. In some cases, they restrict drivers younger than 18, and in others, the ban has to do with restrictions on the license, not the driver.

On Dec. 1, North Carolina will join a group of 18 states that have total bans, which restrict all drivers from texting while driving.

South Carolina does not have any sort of cell phone ban, but it could be forced to adopt one if Congress goes ahead with a nationwide ban.

Several studies have indicated how dangerous texting while driving can be. A study from Car And Driver magazine found texting is more dangerous than driving drunk. A study out of Virginia Tech found text messaging could take the driver's eyes off the road for 4.6 seconds. That's equal to driving the length of a football field at 55 mph

- **LINK:** Virginia Tech Study On Cell Phone Use And Driving Distraction
- **LINK:** Car And Driver: Texting While Driving Feature

Previous Stories:

- June 10, 2009: N.C. Lawmakers Vote to Ban Texting While Driving
- February 10, 2009: Text-Messaging Ban For N.C. Drivers Sought In House
- November 16, 2007: Texting Drivers Put Others At Risk

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PITTSBURGH
TRIBUNE-REVIEW

Crash survivor urges cell-phone ban

By Brad Bumsted
STATE CAPITOL REPORTER
Thursday, March 12, 2009

HARRISBURG — Jacy Good lost her parents in a May vehicle crash she says could have been avoided if the driver at fault had not been talking on a hand-held cell phone.

The Goods were returning to their Lancaster County home on the day that Jacy, 22, graduated from Muhlenberg College in Allentown. Jay and Jean Good, both 57, died in the crash on Route 222 when their station wagon, stuffed with Jacy's belongings, was hit by a tractor-trailer that swerved to avoid a minivan that ran a red light, police say.

Jacy Good suffered a shattered pelvis, several broken bones and a brain injury.

Now she is the "face" of a state House effort to ban hand-held cell phone use by drivers and to make text messaging while driving illegal.

"I will not stop until this bill becomes law," Good said Wednesday after a news conference. Enacting the law would honor her parents, she said.

"Paramedics and the doctors were giving her a less than 10 percent chance" of living, said Northern Berks Regional Police Chief Scott Eaken. He confirmed the 18-year-old minivan driver was talking on a cell phone when the crash happened and was cited for traffic violations.

Berks County District Attorney John Adams said he decided against filing charges of homicide by vehicle or involuntary manslaughter because his office could not establish that the driver ran the light because he was on the phone. It did not rise to the level of "reckless or gross negligence" as it might have if the driver were intoxicated or speeding 30 miles above the limit, Adams said.

"The guy was on the phone with somebody from Bible camp or Bible school," he said, but added, "An inexperienced driver should not be on a cell phone."

Rep. Josh Shapiro, a Montgomery County Democrat, cited Good's story, other crash statistics and the bill's 70 co-sponsors as reasons he believes lawmakers will pass the legislation. He began pushing the idea four years ago without much data. His bill failed to gain traction last session.

"We've got the technology available today to save lives in Pennsylvania," Shapiro said.

But Matthew Brouillette, president of the Commonwealth Foundation, a conservative policy group, said he isn't convinced the bill would make the highways safer.

"There is no way to adequately regulate and punish activities that distract drivers," Brouillette said. "Whether it is eating, putting on makeup or talking on the phone, the issue is more about personal responsibility and paying the consequences for bad decisions than trying to come up with another law that has not proven to make our roads safer."

Under the bill, violators would be charged with a summary offense carrying a $50 fine. Motorists could use speaker phones or cell phones with earpieces.

About 1,200 crashes involving drivers with hand-held phones occur in Pennsylvania each year, according to PennDOT figures. Fifty-six crashes in 2007 involved drivers using hands-free cell phones, Shapiro said.

Six states, including New York and New Jersey, have enacted bans, as has the District of Columbia.

"My friends from New York and New Jersey don't understand why Pennsylvania is having trouble passing this bill," Good said.

Pollster Mike Young, a former political science professor at Penn State University, said the average Pennsylvanian probably places the issue far down a growing list of things to worry about.

"Pennsylvania is not an 'early adopter' of most reforms, nor an enthusiastic advocate of state restrictions on social behavior," he said.

Senate Transportation Chairman Rob Wonderling, a Republican from Montgomery County, said the Senate's priority is "to put Pennsylvanians back to work."

Wonderling said a cell phone ban likely won't be debated early this session, but he wouldn't rule it out. He said he would take a "deliberative approach" with any such bill, weighing others' views.

Verizon Wireless supports statewide legislation to ban hand-held cell phones while driving but questions municipal regulations that drivers can find confusing, said Laura Merritt, a Dublin, Ohio-based spokeswoman for the company.

"We will certainly not oppose anything of that nature. We strongly encourage our drivers to focus on driving," Merritt said.

Brad Bumsted can be reached at bbumsted@tribweb.com or 717-787-1405.

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Alaska State Legislature

Mike Doogan
Representative
District 25, Anchorage

April 7, 2009

The Honorable Representative Peggy Wilson
Alaska State Capitol
Room 408
Juneau, AK 99801

Dear Representative Wilson:

I understand the House Transportation Committee you chair will be taking up the issue of cell phone use while driving on March 1. It was also brought to my attention that you offered to look at the several cell phone related bills at the same time, though Rep. Munoz' HB 22 will be the likely vehicle moving forward.

I appreciate the opportunity to present my own HB 35, but, in the interest of time and efficiency, I will respectfully decline to do so. I would urge the committee to consider some of the merits of HB 35 as it deliberates on this important safety issue. The difference between the two bills is that HB 22 makes an exception for hands-free cell phone use, while my bill does not. Studies have shown that hands-free cell use is not significantly less distracting, and that driving ability is still impaired. It is different than talking to a passenger in the car, because it requires different thought processes, and also because passengers are aware of changing road conditions.

Again, I thank you for the opportunity to present, though I respectfully decline, and hope the committee will pass a bill that best provides for safe roadways.

Sincerely,

Mike Doogan

Rep. Mike Doogan

State Capitol
Juneau, AK 99801
907-465-4998 or 800-689-4998
Fax 907-465-4419

716 West 4th Avenue
Anchorage, AK 99501
907-269-0216
Fax 907-269-0218

Rep.Mike.Doogan@legis.state.ak.us

Kendra Kloster

From: RDeising@aol.com
Sent: Monday, January 31, 2011 3:43 PM
To: Rep. Cathy Munoz
Subject: Cell Phone Bill HB 22

Greetings Representative Munoz, I write to you in support of HB 22 that you have worked so hard to get on the floor of the Session going on. My name is Ricky Deising 58 year old male who has lived here in Juneau the past 32 years and I ride a Harley Davidson Motorcycle, The reason I support this bill are several but what took place last summer to comes to mind firstly, I was riding down the road by the Juneau Empire when out of the DOT parking area a car pulled out in front of me with the driver on her cell phone in her left hand which was blocking her view of the road, I had to react fast by locking up my brakes and sliding sideways to avoid being run over, when the driver did hear me yelling and I came to a stop with my foot hitting her door she realized what had just happened, after yelling at her for being on her cell phone and almost ending my life, she said very casually sorry and drove away while still talking on her phone, Being a grown adult is one thing, but kids never would have had a chance and probably could or would have been seriously injured or killed because of this action by a cell phone user while driving, and not paying attention to the task of being a safe and responsible person behind the wheel of a moving vehicle, there have been several other near misses by drivers on their phones just pulling over into the next lane without even looking because their view is blocked by the phone in their hand, lucky again for me that I am a skilled rider and have been able to avoid a crash while going 55 mph on a motorcycle. I ask that each and everyone of our Elected Officials please support HB 22 and pass it into law. With the passing of this HB 22 I can guarantee many lives will be saved that other wise will be lost to someone using a cell phone driving down the road.

Praise Life & Namast'e Ricky Deising 4500 Glacier Hwy Juneau Alaska.

APOA
ALASKA PEACE OFFICERS ASSOCIATION

ALASKA ASSOCIATION OF CHIEFS OF POLICE

Women Police of Alaska

February 14, 2011

Representative Cathy Muñoz
House of Representatives
State Capitol
Juneau AK 99801-1182

Dear Representative Muñoz:

On behalf of our respective organizations, we would like to thank you for introducing HB 22, an Act prohibiting the use of a cellular telephone when driving a motor vehicle; and providing for an effective date.

We met recently to review proposed legislation and decided to unanimously support this bill.

Again, thank you for addressing this issue. Please contact the APOA office in Anchorage at 277-0515 if there is anything our organizations can do to assist in the passage of this bill.

Sincerely,

John Lucking Jr., President
Alaska Peace Officers Association
PO Box 240106
Anchorage AK 99524

Tom Clemons, President
Alaska Association of Chiefs of Police
183 Nelson Ave
Wasilla AK 99654

Michele Logan, President
Women Police of Alaska
PO Box 233306
Anchorage AK 99523

cc: Bob Herron

February 20, 2011

Gary & Kathy Miller
20135 Cohen Dr
Juneau, AK 99801-8211

Representative Cathy Munoz
State Capitol Room 403
Juneau AK, 99801

Subject: HB 22, 35, 68 & 128.

Dear Representative Munoz,

We support legislation that prohibits the use of cell phones and devices for texting while people are driving. We believe that the police should be allowed to pull offenders over and ticket them if they violate this.

Thank you.
Gary Miller
Kathleen Miller

Gary & Kathleen Miller

January 28, 2011

Representative Munoz
State Capitol Room 403
Juneau, AK 99801

Re: HB35 and HB68

Dear Honorable Representative Munoz-

Thank you for your support of both of these bills. I think that even hands-free use should be banned except in the event of an emergency. Talking on any cell phone is really dangerous because it creates a distraction from the primary function of driving. And for those who say that hands-free is not a distraction because one's hands are not involved, it's simply not true. Drivers talking on a cell phone are not fully engaged in the act of driving and are less likely to respond to events. I used to talk on my cell phone frequently, but have reduced that dramatically after almost being involved in two accidents.

Please support a total ban on driving while using a cell phone.

Sincerely,

Michele Foley
1097 Willow Grouse Road
Fairbanks, AK 99712
907.479.0684

Kendra Kloster

Subject: Please outlaw cell phone use when driving

Dear Members of the Alaska State Legislature:

I respectfully request that you create a law prohibiting motor vehicle drivers from talking on cells phones - including hands free models - when they are driving, except in the event of an emergency.

There is sufficient evidence that distractions are a significant cause of accidents. And talking on a cell phone including a hands free cell phone takes attention from the most important job at hand, driving. (Please see the websites below.)

I recognize that many people think they are skilled multi-taskers; and they like

the convenience of being able to keep in touch with friends and family while driving. However, the benefits don't outweigh the costs in terms of potential danger and harm that may eventuate by inattentiveness at the wheel. If it is truly important for a driver to be in contact with friends and family while motoring, the driver can pull off the road and return or place a call.

While I understand there is a movement afoot to prohibit the use of hand held cell phones, this approach does not adequately take into consideration the danger involved in simply talking on a cell phone, whether hand held or not.

Your consideration will be most appreciated.

Thank you.

Andrea Veach
PO Box 90534
Anchorage, Alaska 99509

http://pubsindex.trb.org/DOCs/Publications%20from%20TRIS%20on%20Distracted%20Driving.pdf

http://www.bmj.com/content/331/7514/428.abstract

http://www.nhtsa.gov/About+NHTSA/Press+Releases/2010/ci.Consumer+Advisory:+Make+Safety+Your+Constant+Companion+This+Summer+Driving+Season.print

http://www.distraction.gov/stats-and-facts/#electronic

http://www.ehow.com/about_5188398_accidents-caused-cell-phone-use.html

Kendra Kloster

Subject: FW: Support Cell Phone Ban

Please note my support for legislation (three bills) that would ban cell phone use while driving. I would ban "all" cell phone use, including "hands-free" which I understand causes some drivers to become distracted and to cause a crash, injury or death. I experienced almost getting run over on three separate occasions (all in a cross walk) due to cell phone use. I subscribe to the idea of "do no harm," by which I mean people should not have the "freedom" to run over me due to their distracted driving habits.

Sincerely,

Gene Miller

3261 Foster Avenue
Juneau, AK 99801-1924

907-463-6720 or 907-723-5537 (cell)
gmiller03@live.com

Kendra Kloster

Subject: Drive Safe Alaska Coalition

Dear Rep. Munoz,

I share your concern with cellphone usage while driving and am pleased you have introduced HB-22. My public relations firm is in the process of forming the Drive Safe Alaska Coalition, a public awareness campaign to educate Alaskans on the dangers of texting while driving. MSI Communications has spearheaded several public awareness campaigns, including one for the AK Men's Run to raise funds for cancer research as well as political campaigns such as Alaskans Standing Together that helped re-elect Senator Lisa Murkowski.

Educating Alaska drivers on the dangers of texting while driving is our way of giving back. Many of us here at MSI are parents of teenagers and well aware of the impact texting has on their lives. We believe educating them on safe driving could only enhance our communities. I've attached a summary and hope you will support this effort by including it in the capital budget.

Please call me with any questions.

Regards,

Ingrid Parish

Account Manager

MSI Communications
3501 Denali Street, Suite 202
Anchorage, Alaska 99503
Phone 907.569.7070

Cell 907.230.0415
Fax 907.569.7090

msi communications
marketing • strategy • interactive

Kendra Kloster

Subject: H.B. 22

From: BrettnRose [mailto:brettnrose@gci.net]
Sent: Monday, February 07, 2011 11:52 AM
To: Rep. Cathy Munoz; BrettnRose
Subject: H.B. 22

Dear Rep Cathy Munoz

Please reconsider H.B. 22

As one person has said you are creating the "PHONE POLICE".
As a police officer is talking on the phone/radio he will be stopping a citizen for talking on the phone !
Does this make sense ?

So add another voter to the NO on H.B.22 list.

Brett Freyder
Juneau
723-5456

U.S. Department of Transportation
National Highway Traffic Safety Administration

TRAFFIC SAFETY FACTS
Research Note

NHTSA
www.nhtsa.gov

DOT HS 811 376

September 2010

High Visibility Enforcement Demonstration Programs in Connecticut and New York Reduce Hand-Held Phone Use

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Driving while distracted increases the likelihood of a crash (NHTSA, 2010), and recent well-publicized events have brought this unsafe driving behavior to the forefront of the public eye. According to CTIA-The Wireless Association (2009) about 285 million Americans (91% of all Americans) now own cell phones, compared to only 1 million in 1987. The National Health Interview Survey (Blumberg & Luke, 2010) found that nearly one in four households were wireless only (no land line), up nearly 2 percentage points from the year before. The popularity of text messaging is increasing, and videotaped footage of drivers who were texting immediately before a crash has circulated widely on television and the Internet.

The National Highway Traffic Safety Administration estimates that 6% of drivers nationwide were using an electronic device at any given time in 2008 (Pickrell & Ye, 2009. A meta-analysis (Horrey & Wickens, 2006) of 23 experiments that measured the effects of cell phone use on driving performance found that, across all studies, reaction times were consistently slower when using a cell phone than when not using a phone.

To address this problem, NHTSA initiated distracted driving demonstration programs in two communities to test whether a high visibility enforcement (HVE) model could reduce two specific instances of distracted driving -- talking or texting using a hand-held cell phone. The HVE model combines dedicated law enforcement during a specific period, paid and earned media emphasizing an enforcement-based message, and evaluation before and after. *Click It or Ticket*, NHTSA's best known and most successful HVE campaign for seat belt use, has also been effective in areas of aggressive driving and impaired driving. This report summarizes results from the first two of four waves of enforcement and media for distracted driving high visibility enforcement campaigns in two communities.

Background

Over the past several years legislatures have introduced laws banning hand-held cell phone use and texting in a number of States. New York and Connecticut passed laws banning hand-held cell phone while driving in 2001 and 2005 respectively. At the time of this report, 8 States and the District of Columbia have banned hand-held cell phone use for all drivers, and 30 States and the District have banned texting for all drivers (GHSA, 2010). Many States also ban any use of a cell phone (even with a hands-free device) for novice teen drivers. The demonstration projects were aimed to test whether HVE would be effective in persuading drivers not to use hand-held phones to talk or text, whether law enforcement would be able to observe violations, and whether an HVE campaign would increase drivers' perceived risk of receiving a citation for violating the law.

***Hand-held cell phone use while driving dropped 56% in Hartford** (from 6.8% to 3.1%) **and 38% in Syracuse** (from 3.7% to 2.3%).*

***Texting while driving declined 68% in Hartford** (from 3.9% to 1.4%) **and 42% in Syracuse** (from 2.8% to 1.6%).*

Under the leadership of the U.S. Department of Transportation Secretary Ray LaHood, NHTSA awarded cooperative agreements to Connecticut and New York to implement and evaluate demonstration programs that apply the high visibility enforcement model to distracted driving at the community level. Syracuse, New York, and Hartford, Connecticut, (a combination of three contiguous cities -- East Hartford, Hartford, and West Hartford) conducted the demonstrations.

Program Description

NHTSA worked with the Connecticut Department of Transportation and the New York Department of Motor Vehicles' (DMV) Governor's Traffic Safety Committee to conduct model high visibility enforcement programs in the two selected communities. In Connecticut, the participating law enforcement agencies were the Connecticut State Police and the Hartford, West Hartford, and East Hartford Police Departments. In New York, the New York State Police, the Syracuse Police Department, and the Onondaga County Sheriff's Office participated. Both communities planned to conduct four waves of enforcement over the course of one year.

Under separate contracts, NHTSA provided evaluation and communications support to both sites. Preusser Research Group was the evaluation firm and the Tombras Group was the communications firm.

Table 1
Demonstration Program and Evaluation Schedule

	Wave 1		Wave 2	
	CT	NY	CT	NY
Pre Wave Observations	March 18-22	March 25-27	July 8-12	July 8-10
Pre Wave Awareness	March 23-27	March 15-19	July 6-10	July 5-9
Media Flight	April 4-16	April 4-16	July 22-28	July 20-26
Enforcement Dates	April 10-16	April 8-17	July 24-30	July 22-31
Post Wave Observations	April 15-19	April 15-17	July 29-August 2	July 29-31
Post Wave Awareness	April 15-20	April 19-22	July 29-August 3	August 2-6

The first two waves of focused enforcement took place in April and July 2010. Table 1 shows the timeline for pre and post evaluation data collection, media flights, and enforcement in test and control sites.

Development of the Creative Material

In September 2009 NHTSA explored a variety of project themes and held focus groups in Syracuse and Hartford (four in each city). Six potential taglines were selected for assessment. The line "A phone in one hand leads to a ticket in the other" received the highest marks. Based on additional comments, the line for the demonstration project was shortened to *Phone in One Hand, Ticket in the Other.*

The creative material was designed to generate high awareness of stepped-up enforcement efforts regarding local cell phone laws and convince drivers to adhere to those laws. In December 2009, eight more focus groups were held in Hartford and Syracuse to test four TV commercial ideas. The "BAM!" concept received the highest marks, and became the ad for the demo project.

Earned Media

Secretary LaHood and NHTSA Administrator David Strickland launched the campaign with press events (U.S. DOT, 2010) in each State on April 8, 2010. These events generated considerable coverage from local and national media outlets including a feature on ABC-TV's *Good Morning America* (Clarke, 2010) and a feature on ABC News (San Miguel, 2010).

Each of the demonstration sites received sample earned media templates so that they could develop localized press releases, fact sheets and post wave press releases. Outreach with the news media and various partners during each wave resulted in scores of articles and events in both States. In Connecticut and New York, more than 100 news organizations developed news stories about the demonstration projects. Syracuse and Hartford actively generated opportunities to earn additional media for the program. For instance, New York initiated a media tour and the Connecticut DMV joined with Traveler's Insurance Company to sponsor a teen driving video contest.

Paid Media

NHTSA's Office of Communications and Consumer Information purchased air time to promote the program activity and emphasize the enforcement component among the target audience of men and women 18 to 45 years old. The television spots are available online at distraction.gov/hartford and distraction.gov/syracuse. Figure 1 shows a still shot from one of the animated Internet ads also located on the Web site.

Advertisers use "gross rating points" (GRPs) to determine how much of their target audience is reached by a specific advertisement multiplied by the number of times the target audience sees it. For the first wave in April 2010, NHTSA purchased two weeks of advertising in each demonstration location at a level of about 535 GRPs for television/cable, 400 GRPs for radio, and an additional 2 million online impressions on Web sites like USAToday.com. This was considered a strong buy that would reach the target audience enough times that the ad's message would resonate with them. For the second wave in July 2010, NHTSA purchased one week of advertising in each demonstration location at a level of about 300 GRPs for television/cable, approximately 240 GRPs for radio, and an additional 1.5 million online impressions. The media expenditures were $219,290 in Hartford and $88,904 in Syracuse for both waves combine (see Table 2).

The Connecticut Highway Safety Office also ran the *Phone in One Hand, Ticket in the Other* slogan on variable message boards in and around the pilot area and purchased digital billboards on major Hartford Interstate Highways I-84 and I-91. The billboard message also ran at the XL Center, a sports and concert venue in downtown Hartford. This message ran on the XL Center digital billboard and outdoor marquee.

Enforcement

Hartford and Syracuse chose enforcement strategies tailored to their communities. Hartford preferred a spotter technique, where an officer, usually standing on the side of the road, radioed ahead to another officer whenever a passing motorist using a hand-held cell phone was observed. The second officer made the stop and wrote the ticket. The Connecticut Highway Safety Office prepared citation holders, short brochures that officers used to hold the tickets to provide specific information about Connecticut's cell phone law, the fine amount, and the risks associated with distraction.

Syracuse preferred roving patrols where officers drove though their jurisdiction actively seeking out distracted drivers using cell phones or texting. Officers reported that higher vantage points, SUVs, and unmarked vehicles were particularly effective in identifying violators. Both States found that having the flexibility to schedule overtime shifts as needed was critical to the successful implementation of the enforcement mobilizations.

Figure 1
Scene From Animated Internet Banner Ad

Table 2
Media Buy

	Wave 1 (2 weeks)		Wave 2 (1 week)	
	Hartford	Syracuse	Hartford	Syracuse
TV Cost	$108,651	$36,898	$57,098	$21,517
Radio Cost	$108,651	$36,898	$57,098	$21,517
Online Cost	$5,000	$5,000	$3,750	$3,750
Total Cost	$140,855	$54,159	$78,435	$34,745

Table 3
Enforcement Hours and Citations Issued

	Wave 1		Wave 2	
	Hartford	Syracuse	Hartford	Syracuse
Dedicated Hours	1,345	1,370	1,856	1,337
Hand-Held Phone Use	2,329	2,185	2,327	1,977
Text/E-mail/ Distraction	279	115	21	169
Citations/10k Population	107	167	100	156

Both Hartford and Syracuse dedicated officers to vigorously enforce the hand-held cell phone ban during the two waves, exceeding benchmarks based on previous high visibility enforcement campaigns. Table 3 shows the number of enforcement hours and phone and texting citations issued in each site, along with the rate of citations per 10,000 of each city's population.

Evaluation Methodology

Before and after each enforcement wave, NHTSA conducted observations of driver cell phone use and collected public awareness surveys at driver licensing offices in each test and comparison site.

Albany, New York, served as the comparison area for Syracuse. Bridgeport and Stamford, Connecticut, were noncontiguous control areas to match the demographics of the three Hartford area cities. Control sites allow evaluators to separate the effect of the demonstration program from extraneous influences that may be going on in the State. None of the control sites received the paid media advertising and law enforcement officers continued their usual enforcement activities without special emphasis on cell phone laws.

Cell Phone Observations

Cell phone observations were taken at 15 sites in each intervention area, plus 15 sites in Albany, 15 in Stamford, and 7 sites in Bridgeport. Sites were selected from road segments based on traffic volume estimates. Three of the sites in each area were highway off-ramps. The rest of the sites were identified from the highest volume segments, assuring that they were geographically dispersed throughout the areas. The main goal of site selection was to capture the bulk of the traffic streams in the given area.

Observation protocols were based on NHTSA's National Occupant Protection Use Survey (NOPUS) observation protocols, adapted to increase sample size. An earlier formulation of the method, consistent with NOPUS observation protocols, had observers sampling from traffic stopped at red lights. Therefore all selected sites were at traffic light controlled intersections. Pilot testing of this method resulted in few observations and NHTSA modified its method to observe moving traffic only. Observations were made from

street corners observing one direction of traffic (the vehicles traveling in the lanes nearest the observer) for one hour at each site. When traffic signals turned red, observers pivoted and sampled vehicles from the moving traffic on the cross street. Observers coded vehicle type, sex, estimated age (16-24, 25-59, 60+) and whether the driver was holding a hand-held phone to her or his ear, manipulating a cell phone (other than by holding to one's ear) and if the driver had a hands-free headset (e.g., Bluetooth) in the visible ear.

The main analyses were the average percentage of each of the three cell phone use categories separately for each test and control area. Weighting of data occurred prior to analysis so that each site held equal weight. That is, for a 15-site survey in which the number of observed drivers varied between sites, the percentage use recorded in each site contributed an equal 1/15 of the total use rate for that area. Binary logistic regressions analyses evaluated the significance of differences and chi squares were conducted for raw data for subsets of the data (e.g., age). Over 121,000 vehicles were observed for the first two waves of the demonstration program.

Self-Reported Use and Awareness Surveys

Motorists who visited driver licensing offices in the test and comparison sites completed a single page questionnaire asking whether they had seen or heard of the distracted driving program, enforcement, or messaging. They were asked about their cell phone use while driving and whether they had changed their cell phone use in the past 30 days, among other topics. Surveyors collected more surveys for the first (pre Wave 1) administration and will do the same for the final (post Wave 4) administration to increase the power of analyses for both baseline and final data. Over 11,000 self-report surveys were collected for the first two waves of the demonstration program.

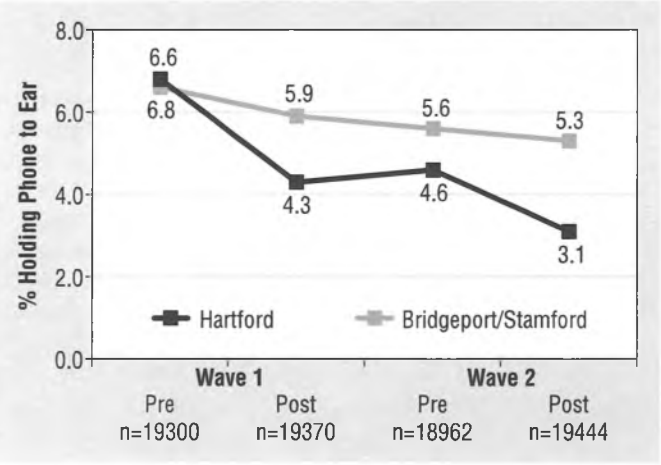
Researchers collected some data a bit later than originally planned (Table 1). In Syracuse there was a clerical error on the final question about slogan recognition. For this question, the analyses report data from another survey administered two weeks later in both Syracuse and Albany. There were inexplicable fluctuations in the Wave 2 results (pre and post) in the Albany surveys compared to Wave 1. For example there were 14% (pre) and 11% (post) of the respondents who reported having gotten a ticket for using a hand-held phone in the past month for Wave 2. This value was only 1% in both pre and post Wave 1 surveys. The data collected two weeks later were more comparable to Wave 1 results. For this reason the researchers deemed the original data from Albany Wave 2 unreliable. The analyses report only the re-sampled post wave data for Albany.

Results

Observed Phone Use in Connecticut

The results of Wave 1 showed a significant decrease ($p < .01$) in hand-held cell phone use in the Hartford areas from 6.8% before the program to 4.3. afterwards (see Figure 2). The control areas also showed a slight decrease in hand-held cell phone use, but this was not statistically significant (6.6% to 5.9%, $p > .05$).

Figure 2
Observed Hand-Held Phone Use in Connecticut



There were further reductions in observed hand-held cell phone use in the second wave in the Hartford intervention area. In between waves, there was minimal increase in hand-held cell phone use in the Hartford areas, when the program was silent. Observed use was 4.6% at the pre measurement of the second wave, dropping to 3.1% in the post measurement ($p < .01$). Use in the control areas continued a slight, although not statistically significant, downward trend, starting at 5.6% and dropping to 5.3% ($p > .05$).

From the baseline (pre Wave 1) to the end of the second wave (post Wave 2) hand-held cell phone use dropped 56% (from 6.8% to 3.1% in the Hartford areas compared to 20% (6.6% to 5.3%) in the control areas.

Most of the decrease in cell phone use was attributed to drivers age 25 to 59 in the Hartford area. Young drivers 16 to 24 dropped 5.3 percentage points (from a pre of 9.0% to a post of 3.7%) following enforcement during Wave 1. However, relatively small sample sizes for this group made this drop only marginally significant ($p < .06$). There was no change for the second wave for the young drivers and there was also no change in use among this group for control areas in either wave. For the 25- to 59-year-old age group, there were significant pre to post drops for both waves in the Hartford area. The changes in the control areas were not significant for either wave and there were no significant effects for the oldest drivers in either wave in either area.

There were significant drops in observed phone use for men and women in both waves in the Hartford area. Surprisingly, there were significant (p's $< .05$) pre to post decreases among female drivers in the control area for both waves but no change for male drivers.

For Wave 1, headset use significantly decreased from pre to post in both the Hartford area (3.5% to 2.8%) and in the control area (4.1% to 2.7%). For Wave 2, none of the pre to post differences were significant in either the test or control sites.

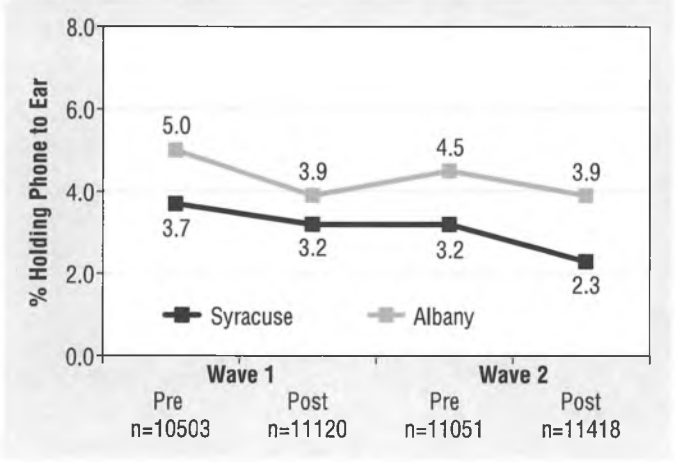
The percentage of people observed manipulating their phones decreased significantly in Wave 1 from pre to post. There was a larger decrease in the Hartford area (3.9% to 2.7%) than in the control area (2.8% to 2.1%). For Wave 2 there was another significant pre to post decrease without much of an increase between waves in the Hartford area (2.6% to 1.4%). There was no change in the control area for the second wave (2.6% to 2.6%).

Observed Phone Use in New York

The results of Wave 1 showed a non-significant decrease in hand-held cell phone use in Syracuse going from 3.7% to 3.2% ($p > .05$) (see Figure 3). There was an unexpected decrease in use in the control area that did reach significance. In Albany use started at 5.0% and dropped to 3.9%.

Wave 2 results were more in line with expectations. Between waves there was no increase in hand-held cell phone in Syracuse and use remained at 3.2%. After the second wave there was a significant drop in use to 2.3% ($p < .01$). Use in Albany rebounded between waves and was 4.5% prior to Wave 2. There was a drop in hand-held cell phone use in Albany (to 3.9%) but this decrease was not significant.

Figure 3
Observed Hand-Held Phone Use in New York



From the baseline (pre Wave 1) to the end of the second wave (post Wave 2) hand-held cell phone use dropped 38% (from 3.7% to 2.3%) in Syracuse compared to a 22% decline (from 5.0% to 3.9%) in Albany.

Drivers 25 to 59 accounted for most of the decrease in cell phone use in Syracuse in Wave 1, but not enough to influence the overall observation rate. None of the other age categories in Syracuse showed a decrease for this wave. The same age group was also the only significant decrease for the Albany drivers in Wave 1. For Wave 2, this group was again the only age group showing a significant decrease in Syracuse. In Albany, despite no overall significant drop, the drivers under 25 showed a significant decrease in driving while using a hand-held phone.

During Wave 1, male drivers showed a significant decrease in driving while on a hand-held phone in Syracuse while women did not. This effect for men was also the only significant drop in Albany. In the second wave men again significantly reduced their use in Syracuse while women did not. Conversely, there was a small but significant decrease in use by women in Albany but not men.

Observations of phone manipulation (e.g., texting, dialing) significantly decreased ($p < .05$) in Syracuse in Wave 1 (2.8% to 2.2%). There was also a decrease in Wave 2 (2.2% to 1.6%), but this decrease was not significant. The observed rate of manipulating a phone while driving was much higher in Albany than Syracuse. In both waves there was a significant pre to post decrease in observed phone manipulation in Albany (Wave 1: 6.3% to 5.3%; Wave 2: 5.7% to 3.0%). Both cities showed an overall decrease of 43% in observed phone manipulation from the baseline to the end of the second wave, with an absolute change of 1.2 percentage points in Syracuse and 3.3 points in Albany.

There were no significant changes in Syracuse in the percentage of drivers observed with hands-free headset. In both waves (pre and post) the rate was about 2% (ranging from 1.7% to 2.3%). Albany's rate of hands-free use was more variable ranging from 4.4% to 2.6%. There was a significant decrease between pre and post use rates during Wave 1 (4.4% to 2.8%).

Self-Reported Cell Phone Use and Program Awareness in Connecticut

Respondents in Connecticut were aware of and knowledgeable about the program and enforcement. From pre to post in Wave 1, Hartford area respondents reported increased chances of getting tickets while there was no effect in the control area. In both Syracuse and the control site, Albany, respondents also reported hearing more general distracted driving information after Wave 1 than before. In Wave 1 there was a decrease in the percentage reporting that it is important for police to enforce the hand-held cell law in both Hartford and control areas, but much of the decrease was restored by Wave 2. There was a pre to post increase in the Hartford area in Wave 1 for reports of having ever gotten a cell phone ticket. Similarly there was a pre to post (Wave 1 only) increase in reports of getting a ticket in the past month (for the control area also).

During Wave 2 there was an increase in the percentage of respondents in the Hartford area who heard about enhanced police enforcement. There was no such increase during Wave 1, but there was an overall gain between the waves. There were no significant effects for the control area.

During Wave 1 there was actually a decrease in the percentage of people having heard about distracted driving in general (both areas) but in Wave 2 there was a large increase (pre to post) in recognition for the Hartford area (but not the control area).

Awareness of the *Phone in One Hand, Ticket in the Other* slogan started at 5% in the pre of Wave 1. Following the first wave, recognition rose significantly to 32%. There was also a significant increase in the control area but not of the same magnitude (5% to 11%). Wave 2 led to further increases in recognition in the Hartford areas (27% to 47%). There was no increase in the control areas (8% to 10%).

Recognition of other slogans was not as high. The other most recognized slogan in the Hartford area following Wave 2 was *I-Promise Not to Drive Distracted* which was recognized by 15% of respondents. A local TV station (WFSB) has been running messages with this slogan between enforcement waves. Ten percent of the respondents recognized *Hang Up or Pay Up,* an enforcement type distracter slogan not in use in the area. Recognition of Oprah Winfrey's *No Phone Zone* was at 8%.

There was an increase in Wave 1 for judgments of frequency of cell phone use while driving, with no effect for the control group. The effect dissipated by Wave 2 -- the Wave 2 pre and post measures were much lower than the post of Wave 1. There was also a significant increase in self-reported texting during the first wave in the Hartford area. During the second wave there was a significant decrease in reported use by the control area respondents.

Self-Reported Cell Phone Use and Program Awareness in New York

Overall, Syracuse respondents knew about the enforcement and messaging campaign. Drivers in Syracuse reported having heard about the cell phone enforcement with significant pre to post increases for each wave. They also reported hearing about distracted driving (in general) more in the post of Wave 1 than in the pre of Wave 1 and this was also true in Albany. There was also an increase in self-reported tickets within the last month for Wave 1 in Syracuse. There was an increase in both waves for perceived strictness of police enforcement in Syracuse while there was a significant decrease during Wave 1 in Albany, the control site.

Unexpectedly, self-reported hand-held cell phone use increased from pre to post in Wave 1 in Syracuse. Albany's rates stayed the same. There were no changes in self-reported texting while driving.

Recognition of the main message, *Phone in One Hand, Ticket in the Other,* increased 32 percentage points in Syracuse (5% to 37%). The rates were flat in Albany, going from 4% to 5%.

Slogan recognition for Syracuse went from 5% to 21%. It is likely that recognition would have been even higher immediately following the campaign. Indeed, the recognition was at 37% following Wave 1. Rates in Albany, the control site, stayed the same going from 4% to 5%.

Recognition of other slogans was considerably lower at the end of Wave 2 in Syracuse. For example *Hang Up or Pay Up,* (not in use in the area) was 11%. Eight percent of the respondents recognized Oprah Winfrey's *No Phone Zone.*

There was an unexpected increase from pre to post in the first wave in Syracuse respondents' judgment of how frequently they use a hand-held phone while driving, similar to the findings in Hartford. This increase was not present in Albany, and was not present in the second wave in either area. Self-reported cell phone use rates for both pre and post in the second wave were lower than the post in the first wave for Syracuse. Figures 4 through 8 show public awareness findings for Syracuse, Hartford, and the control sites over both waves.

Figure 4
In the Past Month, Have You Seen or Heard About Distracted Driving in [Connecticut/New York]?

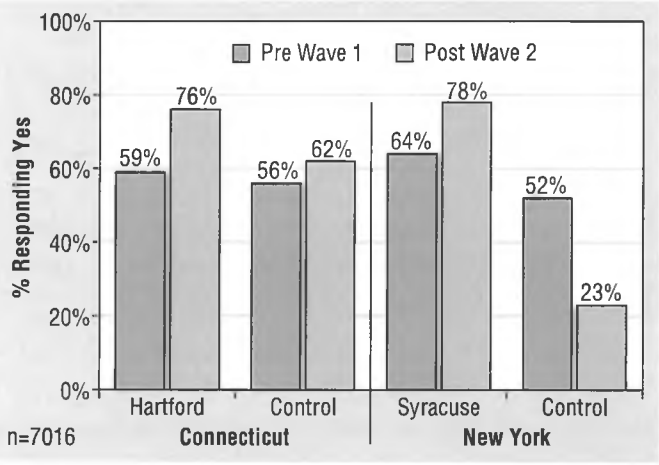


Figure 5
Awareness of "*Phone in One Hand, Ticket in the Other*" Slogan in Connecticut and New York

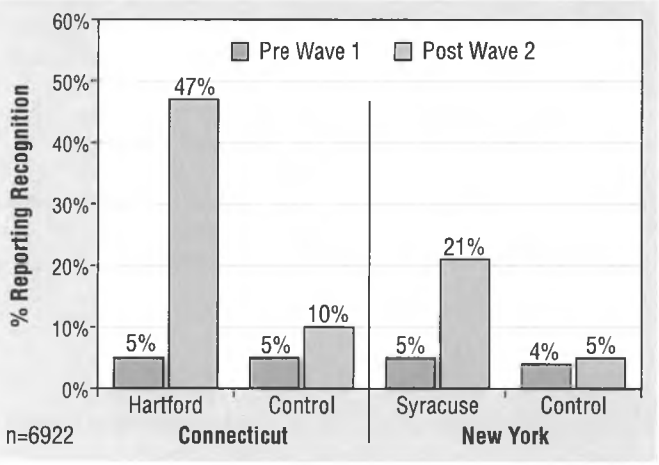


Figure 6
What do you think the chances are of getting a ticket if you use a hand-held cellular phone while driving?

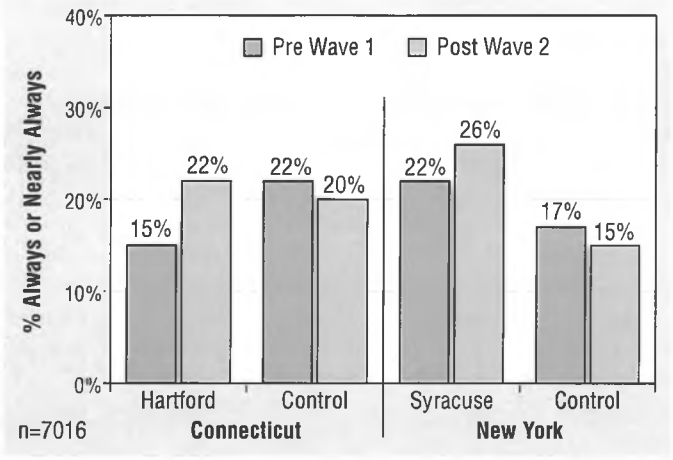


Figure 7
Strictness of Enforcement of Hand-Held Phone Law

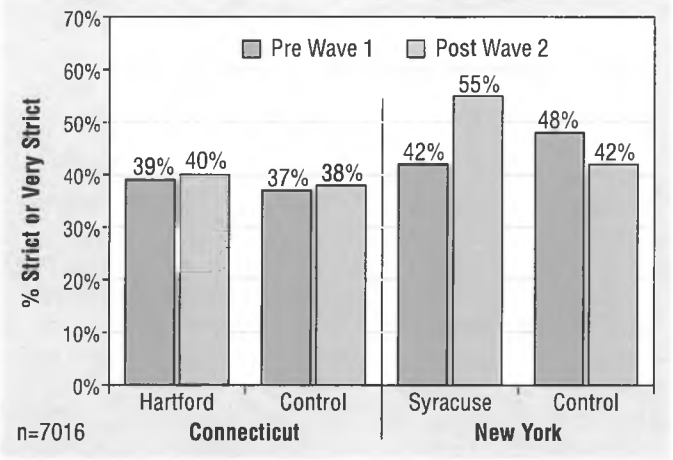
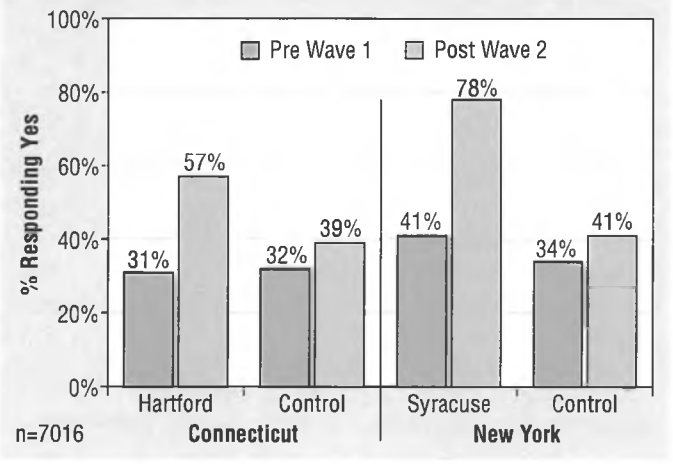


Figure 8
In the past month, have you seen or heard about police enforcement focused on hand-held cellular phone use?



Discussion

The most apparent finding from the first two waves of NHTSA's distracted driving demonstration programs in Syracuse and Hartford is that awareness about cell phone use and texting is remarkably high. About 6 in 10 in both communities had heard something about distracted driving, even before the new *Phone in One Hand, Ticket in the Other* advertisements aired. This most likely reflects the influx in media discussing the issue. Insurance companies, mobile phone providers, and safety organizations have been addressing the dangers of using a cell phone and texting while driving, especially for teens, and have sponsored advertisements on national television. State legislatures have passed texting and cell phone bans. The U.S. Department of Transportation held a summit in Washington, DC, in September 2009 bringing together over 250 researchers, government agencies, industry representatives, public advocates, and elected officials to discuss what could be done to reduce the preventable deaths and injuries that distracted driving is causing in America. The President issued an Executive order advising Federal workers to "put it down." In January 2010 Oprah started the *No Phone Zone* and on April 30, the Oprah Winfrey Show launched a "No Phone Zone Day" with a live TV broadcast, rallies in six cities – Atlanta, Boston, Detroit, Chicago, Los Angeles, and Washington – and a national public service announcement campaign.

Despite the national attention and motorists' beliefs that distracted driving by others is a dangerous activity, surveys show that motorists are willing to engage in the behavior themselves. Changing driver behavior presents a challenge, but high visibility enforcement campaigns are a proven countermeasure in a variety of traffic safety areas. The intent of a high visibility enforcement campaign is not to issue tickets. Rather, the intent is to deter drivers from engaging in that particular behavior in the first place. In order words, if drivers violate a particular law, there should be a high certainty that they will receive a ticket. While issuing one citation to a motorist may persuade that person to avoid that offense in the future (known as specific deterrence), highly visible enforcement seeks to have 100 or 1,000 other drivers know about that one citation so they choose to avoid that behavior (general deterrence).

The new slogan, *Phone in One Hand, Ticket in the Other,* proved effective in conveying the message of increased cell phone enforcement to the public. Nearly 50% of respondents in Hartford and 20% in Syracuse reported that they had seen and heard about the program after just the first wave of the program. People reported having heard about the enforcement, recognized the increased strictness of the police, and thought that their chance of getting a ticket if they used a hand-held cell phone increased. An interesting anomaly in the public awareness data is that self-reported use of a hand-held cell phone actually increased during the first wave, before finally decreasing at the end of the second wave. One

explanation is that drivers were becoming more aware of their cell phone use while driving because of the increased media. There was strong public support for the program, with 8 out of 10 drivers believing that it is important for the police to enforce the hand-held cell phone law.

Observed cell phone use decreased in both sites by the end of the second wave of the *Phone in One Hand, Ticket in the Other* demonstration program. Before the distracted driving programs began, observed cell phone use in Syracuse was about half that of the rest of the Nation and Connecticut was close to average. Both States have had hand-held cell phone bans while driving for some time – 2001 for New York and 2005 for Connecticut. After the second wave of the high visibility enforcement campaign, hand-held cell phone use decreased 38% in Syracuse (from 3.7% to 2.3%) and 58% in Hartford (from 6.8% to 3.1%). The laws alone may have served to keep these States at or below the national average, but the addition of high visibility enforcement and media emphasizing the enforcement drove the rates down even lower. High levels of national media and celebrity attention to distracted driving, such as by the *Oprah Winfrey Show,* may account for some of the high public awareness of the issue and for the steady declines in observed hand-held cell phone use in the control sites and among women in three of the five sites overall.

Unlike other periodic traffic safety campaigns, there was no rebound or ratcheting effect during the period between waves where the observed behavior reverted close to previous levels. It remains to be seen whether this trend will continue throughout the remaining two waves, but it is promising and suggests that social norms towards phone use and texting are shifting towards finding it as unacceptable as driving while impaired by alcohol.

The law enforcement agencies in both sites exceeded program expectations. Ticketing rates of about 20 citations per 10,000 population are common benchmarks for effective belt enforcement programs, a rate deemed sufficient to change motorists' behaviors. Enforcement rates for the distracted driving demonstration programs in Syracuse and Hartford were more than five times that benchmark. Officers reported that they were enthusiastic about the dedicated advertising that focused on their increased enforcement. They reported that coordinated enforcement activities with neighboring law enforcement agencies expanded the visibility of their enforcement efforts. They reported positive public reactions -- the general theme was that "it was about time."

There are challenges to enforcing hand-held cell phone and texting bans. The most obvious challenge is the difficulty in observing the offense. Syracuse law enforcement officers preferred roving patrols and found higher observation locations or taller vehicles like SUVs useful in seeing down into a passenger vehicle to observe texting offenses. Hartford officers found the spotter, or stationary, strategy effective but both chose strategies that suited their community and resources and both used other strategies as well. Because this was a demonstration program, additional reporting paperwork was required. The Hartford officers felt that their post ticketing paper work was more time consuming than a seat belt ticket but they are working to improve the process in time for the third wave.

There are two additional waves of enforcement planned in Hartford and Syracuse. The third wave will begin in October 2010; the fourth and final wave will occur in the spring of 2011. At the conclusion of the fourth wave, NHTSA's Office of Behavioral Safety Research will prepare a final report detailing all four waves.

References

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100-Car Naturalistic Study Fact Sheet

VirginiaTech TRANSPORTATION INSTITUTE
DRIVING TRANSPORTATION WITH TECHNOLOGY

Setting up the Study

Study Sponsors:
- National Highway Traffic Safety Administration (NHTSA)
- Virginia Department of Transportation (VDOT)
- Virginia Transportation Research Council (VTRC)
- Virginia Tech (VT)

Study Parameters:
- 109 primary drivers, 241 total drivers (primary plus secondary)
- Northern Virginia/Metropolitan Washington, DC area
- 12 – 13 months of data collection
- Drivers' ages ranging from 18 to 73 years old; 60 percent male; 40 percent female

100-Car Study Features:
- First large-scale instrumented-vehicle study undertaken with the primary purpose of collecting pre-crash and near-crash naturalistic driving data.
- Captured a range of severity of crashes from airbag deployments to minor, low-force, no-property-damage crashes.
- First study to collect detailed information on a large number of near-crash events.
- Drivers were given no special instructions and no experimenter was present.
- Vehicles were used for general purpose driving.
- Data collection instrumentation was unobtrusive.

Data Collection Instrumentation Included:
- Five channels of digital, compressed video
- Front and rear radar sensors
- Accelerometers
- Machine vision-based lane tracker
- GPS
- Vehicle speed sensor

The Database:
- Contains many extreme driving cases, including severe drowsiness, impairment, judgment error, risk taking, secondary task engagement, aggressive driving and traffic violations
- Each safety-related conflict was classified as one of the following:
  - Crash – any physical contact between the subject vehicle and another vehicle, fixed object, pedestrian, pedalcyclist or animal
  - Near-Crash – situations requiring a rapid, severe evasive maneuver to avoid a crash
  - Incident – situations requiring an evasive maneuver occurring at less magnitude than a near-crash

Top Level Database Statistics
- Approximately 2,000,000 vehicle miles of driving
- 42,300 hours of driving data
- 15 police-reported and 67 non-police-reported crashes
- 761 near-crashes
- 8,295 incidents

Types of Driving Behavior Recorded:
- Drowsiness
- Driver Inattention
- Traffic violations
- Aggressive driving and "road rage"
- Seat belt usage

Discoveries

Driver Inattention:
- Nearly 80 percent of all crashes and 65 percent of all near-crashes involved driver inattention (due to distraction, fatigue, or just looking away) just prior to (i.e., within 3 seconds) the onset of the conflict.

Rear-End-Striking Crashes:
- Visual inattention was a contributing factor for 93 percent of rear-end-striking crashes.
- In 86 percent of rear-end-striking crashes, the headway at the onset of the event was greater than 2.0 s.
- Most near crashes involving conflict with a lead vehicle occurred while the lead vehicle was moving, while 100 percent of the crashes (14 total) occurred when the lead vehicle was stopped. This indicates that drivers are sufficiently aware and able to perform evasive maneuvers when closing rates are lower and/or expectancies about traffic are not violated.

Age-Related:
- Judgment error, including secondary task performance in higher risk situations, driving while impaired, and other instances of aggressive driving, was much more prevalent in the youngest age group (i.e., 18 to 20 years) relative to the older age groups.
- The rate of inattention-related crash and near-crash events decreased dramatically with age, with the rate being as much as four times higher for the 18- to 20-year-old age group relative to the older groups (i.e., 35+ years).

Hand-Held Wireless Devices:
- Primarily cellular telephones, but included a small amount of PDA use.
- Associated with the highest frequency of distraction-related events for both incidents and near-crashes.

Driver Drowsiness:
- Contributing factor in 20 percent of all crashes and 16 percent of all near-crashes, while most current database estimates place fatigue-related crashes at a much lower percent (i.e., under 10 percent) of total crashes.

NHTSA People Saving People

For more information, contact the VTTI Communications Office
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VTRC Virginia Transportation Research Council

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Rebecca Rooney

From: Cashen, Cindy L (DOT) [cindy.cashen@alaska.gov]
Sent: Friday, February 25, 2011 4:50 PM
To: Charles Boyle; Ted Madsen; Kendra Kloster; Noah Hanson; Rebecca Rooney; Nancy Barnes
Cc: Hewitt, Brenda (DOT sponsored)
Subject: Distracted Driving NHTSA report and AK surveys
Attachments: 2010 NHTSA Education-Enforcement CT-NY.pdf

Good evening:

I have attached a NHTSA study of distracted driving education/enforcement efforts. A summary of the results is on Page 8:
Observed cell phone use decreased in both sites by the end of the second wave of the *Phone in One Hand, Ticket in the Other* demonstration program. Before the distracted driving programs began, observed cell phone use in Syracuse was about half that of the rest of the Nation and Connecticut was close to average. Both States have had hand-held cell phone bans while driving for some time – 2001 for New York and 2005 for Connecticut. After the second wave of the high visibility enforcement campaign, **hand-held cell phone use decreased 38% in Syracuse (from 3.7% to 2.3%) and 58% in Hartford (from 6.8% to 3.1%).**

In a 2010 AK survey, 61% of 400 participants admitted to talking on their cell phone while driving and 86% never text while driving. This and more information can be found on the "Alaska 2010 Highway Safety Phone Survey Report", particularly on pages 8-9:
http://www.dot.state.ak.us/stwdplng/hwysafety/stats.shtml

In a 2010 AK observational survey of 26,731 vehicle occupants, **a cell phone usage rate for drivers was 5.1%.** The observed usage rates by borough were: MatSu 8.0%, Kenai/Soldotna 6.0%, Anchorage 5.0%, Fairbanks 4.9%, and Juneau 2.0%. The surveyors observed a total of 26,731 vehicle occupants (21,339 drivers and 5,392 outboard passengers) in 2010. Thirty-five percent (35%) of the observed vehicles were cars, 32% sport utility vehicles (SUV), 26% trucks, and 7% were vans. This and more information can be found on the "2010 Observational Seatbelt Survey from the Alaska Injury Prevention Center (AIPC), page 9:
http://www.dot.state.ak.us/stwdplng/hwysafety/stats.shtml

Sincerely,
Cindy

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AN OVERVIEW OF THE 100-CAR NATURALISTIC STUDY AND FINDINGS

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United States
Paper Number 05-0400

ABSTRACT

A key to the development of effective crash countermeasures is an understanding of pre-crash causal and contributing factors. This research effort was initiated to provide an unprecedented level of detail concerning driver performance, behavior, environment, driving context and other factors that were associated with critical incidents, near crashes and crashes for 100 drivers across a period of one year. A primary goal was to provide vital exposure and pre-crash data necessary for understanding causes of crashes, supporting the development and refinement of crash avoidance countermeasures, and estimating the potential of these countermeasures to reduce crashes and their consequences.

The 100-Car Naturalistic Driving Study database contains many extreme cases of driving behavior and performance, including severe fatigue, impairment, judgment error, risk taking, willingness to engage in secondary tasks, aggressive driving, and traffic violations. The data set includes approximately 2,000,000 vehicle miles, almost 43,000 hours of data, 241 primary and secondary drivers, 12 to 13 months of data collection for each vehicle, and data from a highly capable instrumentation system including five channels of video and vehicle kinematics. From the data, an "event" database was created, similar in classification structure to an epidemiological crash database, but with video and electronic driver and vehicle performance data. The events are crashes, near crashes and other "incidents." Data was classified by pre-event maneuver, precipitating factor, event type, contributing factors, and the avoidance maneuver exhibited. Parameters such as vehicle speed, vehicle headway, time-to-collision, and driver reaction time are also recorded.

This paper presents the 100-Car Naturalistic Driving Study method, including instrumentation and vehicle characteristics, and a sample of study results. Presented analyses address the driver characteristics, the role of inattention and distraction in rear-end and lane change events. In addition, the methodological attributes of naturalistic data collection and the implications for a larger-scale naturalistic data collection effort are provided.

INTRODUCTION

Although the crash rate is declining, the number of driving related deaths is approximately 43,000 per year. While the development of mechanistic safety features, such as seat belts, air bags, and collapsible steering wheels, have been extremely important in lowering the vehicle-related death rate, it is plausible that the next significant decrease in roadway fatalities will require systems to assist drivers in preventing crashes. However, driver assistance systems require a more precise understanding of the driver behaviors prior to an adverse driving event to be more effective.

Data collected to study driver behavior have historically relied on epidemiological, simulator, and test track studies. While these are valuable techniques that certainly have their place in the study of driver behavior, they are not well suited to explain the combination of factors leading to an adverse driving event. For example, a police crash report form might list the cause of a rear-end collision as "following too close." However, contributing factors might be fatigue, distraction, traffic backed up from the intersection, and/or a blind corner leading up to the same intersection. For this hypothetical case, there are both driver and infrastructure related causes of the event. Likewise, simulator and test track studies cannot mimic the combination of complex driving environments and the simultaneous array of driver behaviors that lead to many events.

As demonstrated in only a small handful of studies, naturalistic data collection fills the gap in current data collection methods. "Naturalistic" data includes data from a suite of vehicle sensors and

unobtrusively placed video cameras. The drivers are given no special instructions, no experimenter is present, and the data collection instrumentation is unobtrusive. This naturalistic data collection method was applied to study fatigue and resulting driver performance in truck drivers making local/short haul deliveries [1] In this study, 42 drivers drove 4 instrumented vehicles while they made deliveries. The study resulted in approximately 1000 hours of data that included five video views and a host of vehicle sensor data.

In a long-haul truck driving study, naturalistic data was collected from 56 single and team drivers who drove one of two instrumented vehicles [2]. Data was collected to assess sleep quality, driver alertness, and driver performance on normal revenue-producing trips averaging up to eight days in length. This data collection effort resulted in 250 hours of data that was triggered based upon vehicle sensor data. The results showed that single drivers suffered the worst bouts of fatigue and had the most severe critical incidents (by about 4 to 1).

A key to the development of effective crash countermeasures is an understanding of pre-crash causal and contributing factors. This research effort was initiated to provide an unprecedented level of detail concerning driver performance, behavior, environment, driving context and other factors that were associated with critical incidents, near crashes and crashes for 100 drivers across a period of one year. A primary goal was to provide vital exposure and pre-crash data necessary for understanding causes of crashes, supporting the development and refinement of crash avoidance countermeasures, and estimating the potential of these countermeasures to reduce crashes and their consequences.

The 100-Car Naturalistic Driving Study (100-Car Study) was the first instrumented vehicle study undertaken with the primary purpose of collecting large-scale naturalistic driving data. Unique to the 100-Car Study was that the majority of the drivers drove their own vehicles (78 out of 100 vehicles). There is every indication that the drivers rapidly disregarded the presence of the instrumentation, as is indicated by the resulting database containing many extreme cases of driving behavior and performance including: severe fatigue, impairment, judgment error, risk taking, willingness to engage, aggressive driving, and traffic violations (just to name a few). These types of driving events have been heretofore greatly attenuated by other empirical techniques.

Due to the scale of the 100-Car Study and the fact that private vehicles were instrumented, new techniques had to be created and existing methods modified to make the study successful. The data collection effort resulted in the following data set contents:

- Approximately 2,000,000 vehicle miles
- Almost 43,000 hours of data
- 241 primary and secondary drivers participated
- 12 to 13 month data collection period for each vehicle
- Five channels of video and many vehicle state and kinematic variables

This paper presents a sample of the analysis results from the 100-Car Study data collected. The full study report is available through the National Highway Traffic Safety Administration [3].

METHOD

Instrumentation

The 100-Car instrumentation package was engineered by VTTI to be rugged, durable, expandable, and unobtrusive. It constituted the seventh generation of hardware and software, developed over a 15 year period that has been deployed for a variety of purposes. The system consisted of a Pentium-based computer that received and stored data from a network of sensors distributed around the vehicle. Data storage was achieved via the system's hard drive, which was large enough to store data for several weeks of driving before requiring data downloading.

Each of the sensing subsystems in the car was independent, so that any failures that occurred were constrained to a single sensor type. Sensors included a vehicle network box that interacted with the vehicle network, an accelerometer box that obtained longitudinal and lateral kinematic information, a headway detection system to provide information on leading or following vehicles, side obstacle detection to detect lateral conflicts, an incident box to allow drivers to flag incidents for the research team, a video-based lane tracking system to measure lane keeping behavior, and video to validate any sensor-based findings. The video subsystem was particularly important as it provided a continuous window into the happenings in and around the vehicle. This subsystem included five camera views monitoring the driver's face and driver side of the vehicle, the forward view, the rear view, the passenger side of the vehicle, and an over-the-shoulder view for the driver's hands and surrounding areas. An important feature of the video system is

that it was digital, with software-controllable video compression capability. This allowed synchronization, simultaneous display, and efficient archiving and retrieval of 100-Car data. A frame of compressed 100-Car video data is shown in Figure 1.

The modular aspect of the data collection system allowed for integration of instrumentation that was not essential for data collection, but which provided the research team with additional and important information. These subsystems included automatic collision notification that informed the research team of the possibility of a collision; cellular communications that were used by the research team to communicate with vehicles on the road to determine system status and position; system initialization equipment that automatically controlled system status; and a GPS positioning subsystem that collected information on vehicle position. The GPS positioning subsystem and the cellular communications were often used in concert to allow for vehicle localization and tracking.

Figure 1. A compressed video image from the 100-Car data. The driver's face (upper left quadrant) is distorted to protect the driver's identity. The lower right quadrant is split with the left-side (top) and the rear (bottom) views.

The system included several major components and subsystems that were installed on each vehicle. These included the main Data Acquisition System (DAS) unit that was mounted under the package shelf for the sedans (Figure 2) and behind the rear seat in the SUVs.

Doppler radar antennas were mounted behind special plastic license plates on the front and rear of the vehicle (Figure 3). The location behind the plates allowed the vehicle instrumentation to remain inconspicuous to other drivers.

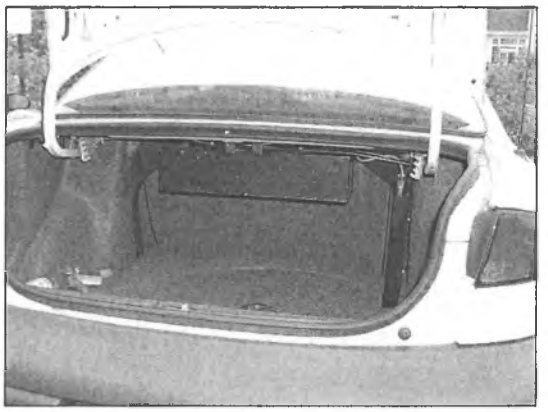

Figure 2. The main Data Acquisition System (DAS) unit mounted under the "package shelf" of the trunk.

Figure 3. Doppler radar antenna mounted on the front of a vehicle, covered by one of the plastic license plates used for this study.

The final major components in the 100-Car hardware installation were mounted above and in front of the center rear-view mirror. These components included an "incident" pushbutton box which housed a momentary pushbutton that the subject could press whenever an unusual event happened in the driving environment. Also contained in the housing was an unobtrusive miniature camera that provided the driver face view. The camera was invisible to the driver since it was mounted behind a "smoked" Plexiglas cover.

Mounted behind the center mirror were the forward-view camera and the glare sensor (Figure 4). This location was selected to be as unobtrusive as possible and did not occlude any of the driver's normal field of view.

Figure 4. The incident push button box mounted above the rearview mirror. The portion on the right contains the driver face/left vehicle side camera hidden by a smoked plexiglass cover.

Subjects

One-hundred drivers who commuted into or out of the Northern Virginia/Washington, DC metropolitan area were initially recruited as primary drivers to have their vehicles instrumented or receive a leased vehicle for this study. Drivers were recruited by placing flyers on vehicles as well as by placing newspaper announcements in the classified section. Drivers who had their private vehicles instrumented (78) received $125.00 per month and a bonus at the end of the study for completing necessary paperwork. Drivers who received a leased vehicle (22) received free use of the vehicle, including standard maintenance, and the same bonus at the end of the study for completing necessary paperwork. Drivers of leased vehicles were insured under the Commonwealth of Virginia policy.

As some drivers had to be replaced for various reasons (for example, a move from the study area or repeated crashes in leased vehicles), 109 primary drivers were included in the study. Since other family members and friends would occasionally drive the instrumented vehicles, data were collected on 132 additional drivers.

A goal of this study was to maximize the potential to record crash and near-crash events through the selection of subjects with higher than average crash- or near-crash risk exposure. Exposure was manipulated through the selection of a larger sample of drivers below the age of 25, and by the selection of a sample that drove more than the average number of miles. The age by gender distribution of the primary drivers is shown in Table 1. The distribution of miles driven by the subjects during the study appears as Table 2. As presented, the data are somewhat biased compared to the national averages in each case, based on TransStats, 2001 [4]. Nevertheless, the distribution was generally representative of national averages when viewed across the distribution of mileages within the TransStats data.

One demographic issue with the 100-Car data sample that needs to be understood is that the data were collected in only one area (i.e., Northern Virginia/Metro Washington, DC). This area represents primarily urban- and suburban driving conditions, often in moderate to heavy traffic. Thus, rural driving, as well as differing demographics within the U.S., are not well represented.

Table 1. Driver age and gender distributions.

	Gender		
Age N % of total	Female	Male	Grand Total
18-20	9 8.3%	7 6.4%	16 14.7%
21-24	11 10.1%	10 9.2%	21 19.3%
25-34	7 6.4%	12 11.0%	19 17.4%
35-44	4 3.7%	16 14.7%	20 18.3%
45-54	7 6.4%	13 11.9%	20 18.3%
55+	5 4.6%	8 7.3%	13 11.9%
Total N Total Percent	43 39.4%	66 60.6%	109 100.0%

Table 2. Actual miles driven during the study.

Actual miles driven	Number of Drivers	Percent of Drivers
0-9,000	29	26.6%
9,001-12,000	22	20.2%
12,001-15,000	26	23.9%
15,001-18,000	11	10.1%
18,001-21,000	8	7.3%
More than 21,000	13	11.9%

A goal of the recruitment process was to attempt to avoid extreme drivers in either direction (i.e., very safe or very unsafe). Self reported historical data indicate that a reasonably diverse distribution of drivers was obtained.

Vehicles

Since 100 vehicles had to be instrumented with a number of sensors and data collection hardware, and since the complexity of the hardware required a number of custom mounting brackets to be manufactured, the number of vehicle types had to be limited for this study. Six different vehicle models were selected based upon their prevalence in the Northern Virginia area. These included five sedan models (Chevrolet Malibu and Cavalier, Toyota Camry and Corolla, and Ford Taurus) and one SUV model (Ford Explorer). The model years were limited to those with common body types and accessible vehicle networks (generally 1995 to 2003). The distribution of these vehicle types was:

- Toyota Camry – 17%
- Toyota Corolla – 18%
- Chevy Cavalier – 17%
- Chevy Malibu – 21%
- Ford Taurus – 12%
- Ford Explorer – 15%

Classification of events

Table 3 provides definitions of traffic "events" that served as a basis for the classifications that follow. The distinction between *near crashes* and *incidents* was based on the subjective assessment of reviewers in concert with kinematic and proximity data associated with adjacent vehicles or objects.

RESULTS

Table 4 shows the relative frequency of crashes, near-crashes, and incidents for each conflicts type. Of the 82 crashes, 13 either occurred while the system was initializing after the vehicle ignition was started (approximately 90 seconds), or has incomplete data for other reasons (e.g., camera failure), leaving a total of 69 crashes for which data could be completely reduced. These data also included 761 near-crashes and 8,295 incidents. The first eight conflict types shown in Table 4 accounted for all of the crashes, 87 percent of the near-crashes and 93 percent of the incidents.

Table 3. Classification of Events.

Event Category	Definition
Crashes	Any contact between the subject vehicle and another vehicle, fixed object, pedestrian pedacyclist, animal
Near Crashes	Defined as a conflict situation requiring a rapid, severe evasive maneuver to avoid a crash.
Incidents	Conflict requiring an evasive maneuver, but of lesser magnitude than a near crash

It is important to note that all of the crashes, including low speed collisions that were not police reported, are shown in Table 5. A "crash" was operationally defined as "any measurable dissipation or transfer of energy due to the contact of the subject vehicle with another vehicle or object." A benefit of the naturalistic approach is that it was possible to record all of these events; however the severity of the crashes must be delineated to better understand the data. Thus, the 69 crashes are parsed into the following four crash categories. Note that 75 percent of the single vehicle crashes were low-g force physical contact or tire strikes; in other words, most of the crashes involved very minor physical contact.

- Level I: Police-reported air bag deployment and/or injury
- Level II: Police-reported property damage only
- Level III: Non-police-reported property damage only
- Level IV: Non-police-reported low-g physical contact or tire strike (greater than 10 mph)

Since it was possible to detect all crashes regardless of severity, it is interesting to note the large number of drivers who experienced one or more collisions during the 12 to 13 month data collection period. Of all drivers, 7.5% of drivers never experienced an event of any severity. In contrast, 7.4% of the drivers experienced many incidents and 3 or 4 crashes. Thus, a handful of subjects were either very risky drivers or very safe, with the majority of drivers demonstrating a relatively normal distribution of events across the data collection period.

Table 4. Number of crashes, near-crashes, and incidents for each conflict type.

Conflict Type	Crash	Near-crash	Incident
Single vehicle	24	48	191
Lead-vehicle	15	380	5783
Following vehicle	12	70	766
Object/obstacle	9	6	394
Parked vehicle	4	5	83
Animal	2	10	56
Vehicle turning across subject vehicle path in opposite direction	2	27	79
Adjacent vehicle	1	115	342
Other	0	2	13
Oncoming traffic	0	27	184
Vehicle turning across subject vehicle path in same direction	0	3	10
Vehicle turning into subject vehicle path in same direction	0	28	90
Vehicle turning into subject vehicle path in opposite direction	0	0	1
Vehicle moving across subject vehicle path through intersection	0	27	158
Merging vehicle	0	6	18
Pedestrian	0	6	108
Pedalcyclist	0	0	16
Unknown	0	1	3

Table 5. Crash type by crash severity level.

Conflict Type	Total	Level I	Level II	Level III	Level IV
Single vehicle	24	1	0	5	18
Lead-vehicle	15	1	3	5	6
Following vehicle	12	2	2	5	3
Object/obstacle	9	0	1	3	5
Parked vehicle	4	0	0	2	2
Animal	2	0	0	0	2
Oncoming vehicle turning across subject vehicle path	2	1	1	0	0
Adjacent vehicle	1	0	0	1	0

Characterization of Driver Inattention

Historically, driver distraction has been typically discussed as a secondary task engagement. Fatigue has also been described as relating to driver inattention. In this study, it became clear that the definition of driver distraction needed to be expanded to a more encompassing 'driver inattention' construct that includes *secondary task engagement* and *fatigue* as well as two new categories, '*Driving-related inattention to the forward roadway*' and '*non-specific eye glance*'. '*Driving-related inattention to the forward roadway*' involves the driver checking rear-view mirrors or their blind spots. This new category was added after viewing multiple crashes, near-crashes, and incidents for which the driver was clearly paying attention to the driving task, but was not paying attention to the *critical aspect* of the driving task (i.e., forward roadway) at an inopportune moment involving a precipitating factor.

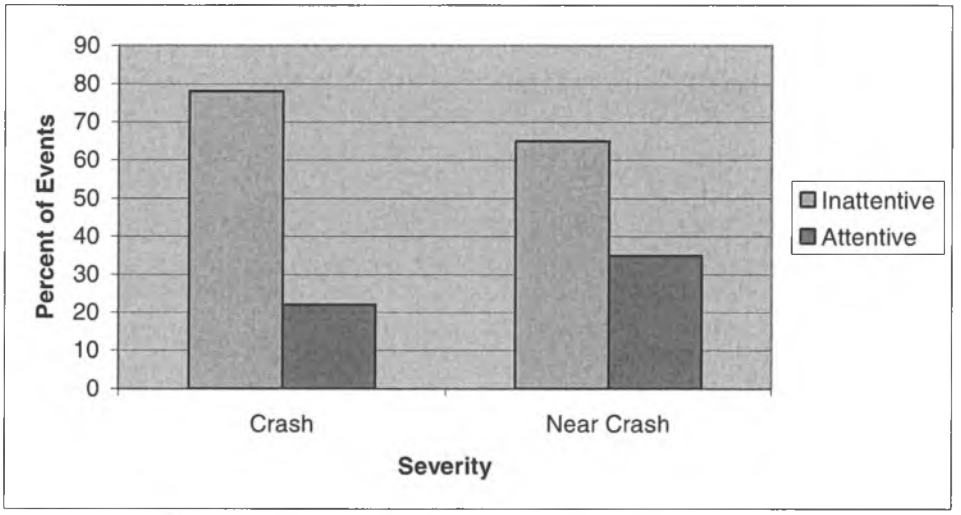

Figure 5. Percentage of events for attention by severity level.

A second analysis of the crashes and near-crashes in the 100-Car database was also conducted using the eye glance analysis performed manually by data reductionists. The *'non-specific eyeglance away from the forward roadway'* describes cases for which drivers glanced, usually momentarily, away from the roadway, but at no discernable object or person. For this project, eye glance reduction was accomplished for crash and near-crash events only, so this category can only be used for the more severe events. The four inattention categories identified above and considered together, suggested that driver's glances away from the forward roadway potentially contribute to a much greater percentage of events than has been previously thought. As shown in Figure 5, 78 percent of the crashes and 65 percent of the near crashes had one of these four inattention categories as a contributing factor.

An analysis of these types of inattention revealed that secondary task distraction was the largest of the four categories. The sources of inattention that generally contributed to the highest percentages of events (Figure 6) were wireless devices (primarily cell phones) internal distractions, and passenger-related secondary tasks (primarily conversations). It is important to note that "exposure," the frequency and duration of inattention associated with each source of inattention, is not considered in these data. Since it is exposure that determines the overall risk of a distraction source, an analysis of frequency of device use is currently being conducted for a future report that will allow calculations of event rates to determine estimates of the relative risk associated with these tasks.

Figure 7 shows a breakdown of the wireless device tasks and associated events. For these data, all of the crashes (about 8.7 percent of total study crashes) and a majority of the near crashes and incidents occurred during a cell phone conversation, although the dialing task was relatively high in term of total conflicts and was associated with the largest number of near crashes for this source of inattention. Although these data are important in that they represent the factors that contribute to events, they also highlight the need for the exposure data described above to establish the degree of risk.

Inattention for Rear End Lead-Vehicle Scenarios

Of particular interest in the analyses of rear-end conflict contributing factors was the prevalence of distraction. An important aspect in rear-end crash countermeasure development is the degree to which an un-alerted driver can be warned and make a proper response. Of course, the 100-Car data can provide great insight into the degree to which distraction is an issue in such conflicts. The important finding in this regard is that 93 percent of all lead vehicle crashes (13 out of 14) involved *inattention to the forward roadway* as a contributing factor (Figure 8). Note also that a majority (68 percent) of the near crashes have inattention identified as a contributing factor.

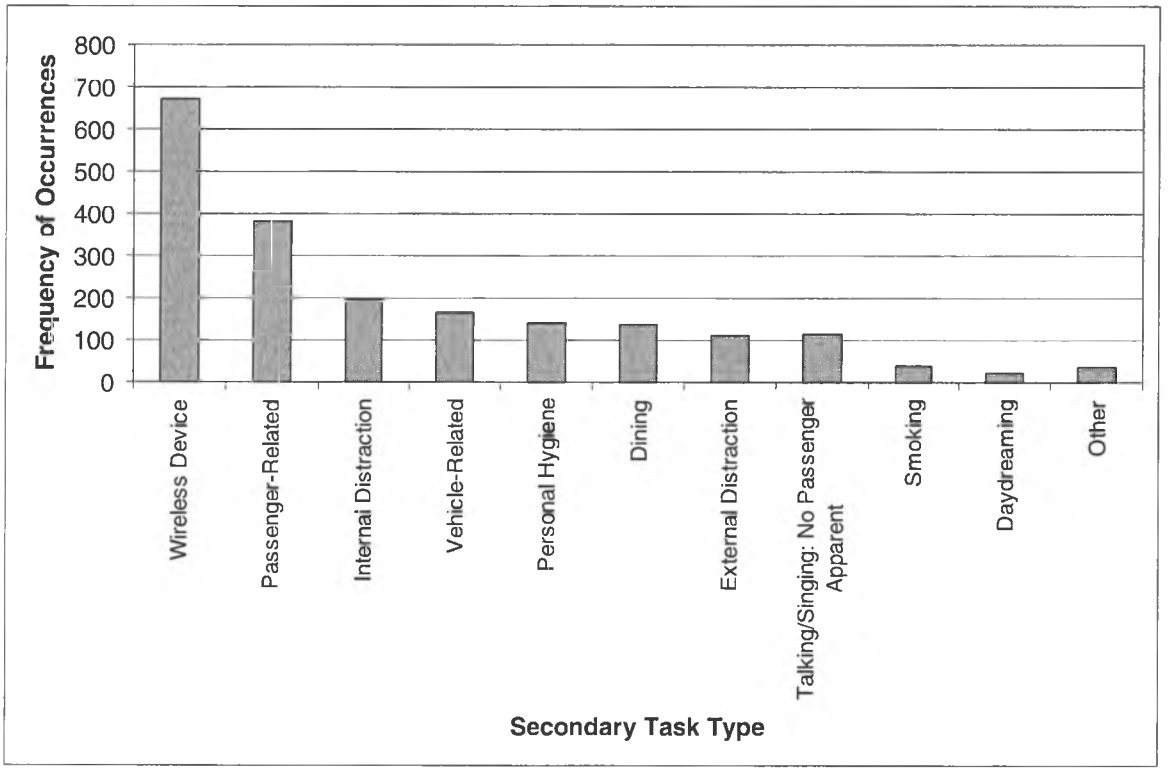

Figure 6. Frequency of occurrence of secondary tasks for crashes, near crashes and incidents.

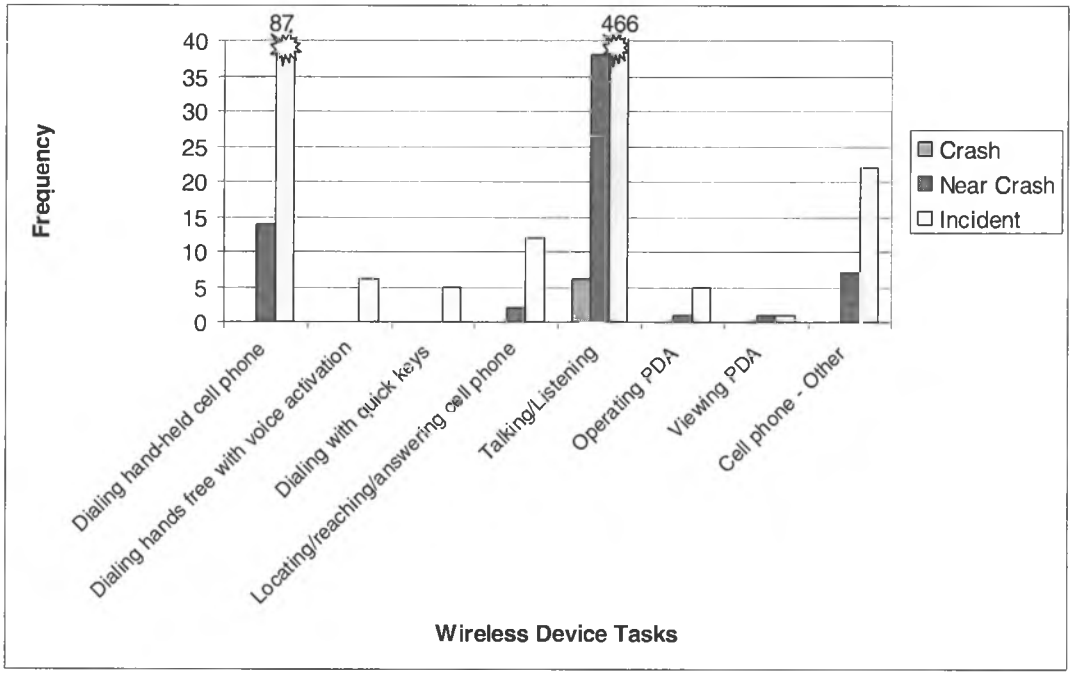

Figure 7. Frequency of occurrences in which the contributing factor was wireless device use by level of severity.

Figure 9 shows the frequency of each source of inattention for each of the secondary tasks. This allows comparison of the actual contribution of each of these sources of inattention to lead vehicle conflicts. Wireless devices (primarily cell phones, but also including PDAs) were the most frequent contributing factor for lead vehicle events, followed by passenger-related inattention. The trend was very similar for near-crashes. Interior distractions were the most frequent source of inattention for crashes.

While cell phone use contributed much more frequently to incidents and near-crashes than any other secondary task, cell phone use did not contribute to any lead vehicle conflict crashes. Nevertheless, cell phone use did contribute to other types of crashes, such as run off road, single vehicle conflict (driver ran into a barricade), and following vehicle conflict (subject vehicle was struck).

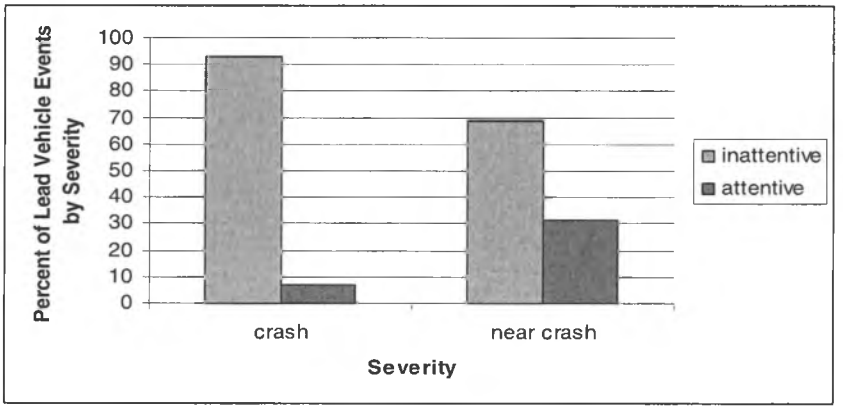

Figure 8. Percent of lead vehicle events for which inattention was listed as a contributing factor (includes the non-specific eye glance events for crashes and near crashes).

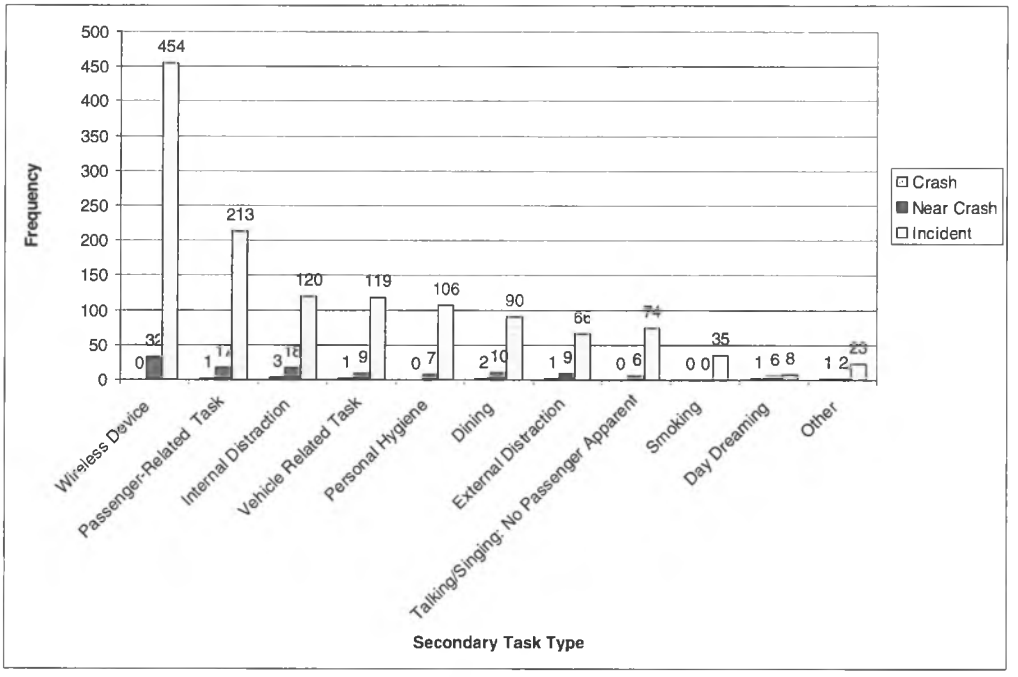

Figure 9. Total frequency of secondary task type by severity.

SUMMARY AND CONCLUSIONS

The event database that was created during the 100-Car Study can be useful for a variety of purposes; for example, evaluation of risky driving behavior and crash risk, calculation of relative risk of engaging in secondary tasks, and evaluation of driver response to lead vehicle brake lights. To facilitate this process, the initial event database will be made publicly accessible via the Internet. In addition, the initial event database can be expanded to address additional issues, since all of the video and electronic data for the entire study have been archived. The 100-Car Study contract specified ten objectives or goals that would be addressed through the initial analysis of the event database. However, as of the time of this writing, there are three additional data reduction and analysis efforts underway for the purpose of addressing another eight goals, and there is considerable interest in using the data for even more purposes. Progressing toward this potential for a multi-purpose, highly flexible and adaptable tool for driving safety may be the most important aspect of this study.

Despite the massive scope of the current effort, it was designed to serve as an exploratory study to a determine the feasibility, value, and methods for initiating a larger, more representative study. From an epidemiological viewpoint, the study was small with the presence of 15 police-reported and 82 total crashes, including minor collisions. Furthermore, drivers were represented from one area of the country (Northern Virginia/Washington, DC metro area). One purpose of a large-scale study would be to have a statistically representative sample of crashes (perhaps 2,000) and a more representative driver/environment sample.

The challenge of a large-scale study is not only the expense of such data collection but the management and analysis of such a large body of data. Nevertheless, it is believed that a large-scale database would be an enormous asset and would be used by transportation researchers for many years to gain insight and understanding into a wide array of driving behavior issues and potentially serve as a basis for decision making and program development within both the government and business sectors. This belief is based upon the robustness of the study results and the expectation that these data will continue to be analyzed and the results made available, from a variety of researchers and research organizations. Clearly, these data can provide unique insights into issues that have eluded the highway safety community for years.

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1. Hanowski, R. J., Wierwille, W. W., Garness, S. A. and Dingus, T. A. (2000). *Impact of local/short haul operations on driver fatigue: Final project report* (DOT-MC-00-203). Washington, DC: Federal Motor Carrier Safety Administration.

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4. Bureau of Transportation Statistics, TransStats 2001 (http://www.transtats.bts.gov/Databases.asp?Mode_ID=3&Mode_Desc=Highway&Subject_ID2=0)

Rebecca Rooney

From: housemajority_email@housemajority.org
Sent: Wednesday, March 02, 2011 12:16 PM
To: Rep. Peggy Wilson
Subject: HB 22

+--+
DO NOT REPLY DIRECTLY TO THIS EMAIL: your reply will go to enews@housemajority.org To correspond with the author Hit 'Reply' or 'Forward'.
Then change the TO: address to cwrightak@hotmail.com If suspected Spam please forward to: support@housemajority.org
+--+

From: cwrightak@hotmail.com

The chances of someone talking on a cell phone when they are in an accident are greater than before because more people talk on cell phones. That doesn't mean that was the cause of the accident. Statisticians are paid to bend the probabilities to meet the needs of their employer. You can find stats to support anything you want to say in life.
I don't believe this to be a safety issue. I believe this to be a revenue issue. If it was a safety issue the state would begin to enforce the laws already on the books for inattentive/wreckless driving. They would deal with those who are driving poorly regardless of what their distractions are. These bills are designed to allow the state to fine a driver whether they are driving safe or not.
We don't need more laws. We need the ones we have enforced.

~ Chuck Wright
Zip Code: 99705

+--+
DO NOT REPLY DIRECTLY TO THIS EMAIL: your reply will go to enews@housemajority.org To correspond with the author Hit 'Reply' or 'Forward'.
Then change the TO: address to cwrightak@hotmail.com If suspected Spam please forward to: support@housemajority.org
+--+

Rebecca Rooney

From: Ted R [htr@ak.net]
Sent: Wednesday, March 02, 2011 3:25 PM
To: Rep. Peggy Wilson
Cc: Rep. Cathy Munoz
Subject: HB 22

Dear Rep. Wilson:

It was Feb. 2, 2006 when, as a pedestrian, I was hit by a car because the driver was talking on her cell phone. She had a red light and I had both a green light and a "WALK" signal -- and I wouldn't cross at the intersection until I was certain she saw me. And she was looking directly at me when she hit me. I ended up with a concussion and she ended up with a citation.

In view of the above incident, I favor the bill introduced by Rep. Mike Doogan, but being realistic, his HjB 35 probably doesn't stand a chance of passing. Therefore, I am writing to urge you to support HB 22.

Thank you.
Ted Ryberg

Rebecca Rooney

From: Andrea Veach [andrea.veach@yahoo.com]
Sent: Wednesday, March 02, 2011 10:09 PM
To: All Legislators
Subject: HB 35 - Support

Dear Members of the Alaska State Legislature,

I support HB 35. It recognizes it's not enough to get both our hands involved in driving. We need our brains fully engaged, too.

Please vote yes for HB 35.

Thank you.

Andrea Veach
PO Box 90534
Anchorage, Alaska 99509
Phone: 349-7302

Rebecca Rooney

From: Micheal Hill [michealehill@gmail.com]
Sent: Wednesday, March 02, 2011 6:46 PM
To: Rep. Peggy Wilson
Subject: Cell Phone Bill

Dear Representative Wilson,

I was reading the Anchorage Daily News today and read an article on the possibility of banning the use of cell phones while driving. I would like you to know that I strongly support any bill that would help make our roads safer. Just last summer I was in a crosswalk at the bottom of Excel street in Petersburg and had to put my hands on the hood of a pickup and jump out of the way to avoid being struck, I was in the crosswalk, the driver was using a cell phone, he ran the stop sign. To add insult to near injury, on the same day I was on the south end of town just past the Ferry Terminal and has to swerve onto the shoulder to avoid a head on because the driver had crossed the center line while talking on her cell phone, I know both of these people I look at them as good citizens, it's a shame they have bad driving habits. These are two first hand near misses that I have personally experienced, are only a drop in the bucket to the many near misses that I have witnessed in this little town. I have been driving for 40 years, with commercial driving and school bus driving in Washington State and Alaska, I know the laws and rules of the road. What about two hands on the wheel, and no head phones? People with a speaker in their ear, I believe, are breaking the rules with or with holding it. I hope that the Alaska State Legislature can put a bill together that will address this accident waiting to happen problem. I have supported you at the voting booth more than once and I hope you will support a good, strict bill banning drivers from using cell phones or any other distracting device that may help keep and make our roads a bit safer.

I thank you for your time,
Respectfully,

Micheal Hill
PO Box 955
Petersburg, AK 99833

Rebecca Rooney

From: Cashen, Cindy L (DOT) [cindy.cashen@alaska.gov]
Sent: Thursday, March 03, 2011 8:03 AM
To: Kendra Kloster
Cc: Brenda Hewitt; Rebecca Rooney
Subject: Fwd: GPS dashboard units

Hi Kendra,
The following email is NHTSAs response about the level of distraction with GPS dashboard units.
Sincerely,
Cindy

Sent from my iPhone

Begin forwarded message

> **Date:** March 2, 2011 12:32:56 PM AKST
> **To:** cindy.cashen@alaska.gov
> **Subject: RE: GPS dashboard units**
>
> I'm not aware of anything that's been published specific to GPS units. Word from back east is that there is research currently being done on them, and I have a message into someone to find out exactly what sort of research and when it might be completed – I seriously doubt it will be done by the end of Session, but if so I'll holler.
>
> **From:** Cashen, Cindy L (DOT) [mailto:cindy.cashen@alaska.gov]
> **Sent:** Wednesday, March 02, 2011 11:42
> **Subject:** GPS dashboard units
>
> A question about using the GPS dashboard units while driving was asked during yesterday's H TRA committee hearing, but I am unable to find a NHTSA-related study or data that includes GPS units. I'm wondering if you have anything I can provide to the committee about the dangers of using GPS while driving. Any data? I read a couple of press releases by Sec. LaHood, who stated that any distraction is dangerous, and GPS was included, but I need the data that backs up this statement.

Rebecca Rooney

From: Eric Marchegiani [ericmary@mtaonline.net]
Sent: Thursday, March 03, 2011 10:03 AM
To: Rep. Peggy Wilson
Cc: 'Eric Marchegiani'
Subject: HBs on Cell Phone Use

Rep. Wilson:
I understand that you will be considering a number of proposals in restricting the use of cell phones while driving.

Similar to a number of other folks out there, I agree that something needs to be done. I am not a proponent in further regulation by the Government but unfortunately there are a number of younger residents and Adults that really don't know when to use a cell phone and to limit their use of it while driving a car. If it were only for a few seconds to check to see if one need to pick up Johnny at the day care or something from the store, it would likely not be the challenge we have today.. The problem is that folks get on a cell phone and are BS about absolutely nothing while driving down the highway for several minutes if not hours sometimes. Not to mention the stupidity of texting while driving (which is prohibited by law now – but folks still do it). I have even seen some lady reading a paperback in the center of her steering wheel, while she was commuting back to the valley… Crazy.

Unfortunately, due to the lack of common sense by the citizens, it is imperative that some legislation be put in place to require them to act appropriately since they obviously have not come to that realization on their own. Additionally, I personally feel that the Citizens will continue to do what they have in the past unless there are some stiff penalties to insure that they act appropriately. That said I am suggesting the following:

1. Absolutely no cell phone use by anyone under the age of 18 while in a car. This will insure that teens that have this impossible lack of rational ability to be disconnected from the internet and their friends electronically for even seconds will have to be. It will also allow the Police to enforce the NO USE while the teen/s are in a Car easily. It is hard to enforce a law that allows for some use i.e. hands free.. This will make the Police's job that much easier and create a definitive line for teens to follow. Teens presently are already restricted in their ability to operate a motor vehicle until they turn 18 in some manner in Alaska and other states. This just recognizes their inability to truly focus on just one thing.. i.e. driving.
2. I believe that a total ban on the use of cell phones in cars by adults would be and undue burden and likely to cause a huge whiplash effect from the population. That said, there still needs to be some kind of restriction that would limit the use of a cell phone. I am suggesting that if a cell phone is to be used in a car by an adult (age 18 or older) that they must use either a speaker phone or some kind of head-set that allows for hands free operation.
3. Finally, no law is effective unless there is a deterrent that will encourage the Citizens to obey it. Obviously if the Citizens had the common sense to do what is right, the legislature would not need to be dealing with this issue… As such there needs to be a fine for the poor judgment on the part of the driver. The military, i.e. Ft Richardson and Elmendorf have already instituted a law that bans all cell phone use with the exception of hands free use. Any infraction will result in a $50 fine initially. I would recommend the same fine for the initial penalty. To some a $50 fine is nothing and as such, I would suggest that the second time offender would be fined $200. A third offense would be fined at $500. And any repeat

offender after the third time would be cited for endangerment to the population with the appropriate punishment either with Community Service or some Prison time.

All legislation is a sort of compromise with the various interest groups but I believe that this legislation is truly trying to protect not only the person that might be injured due to the lack of focus by a cell phone user but also for the cell phone user themselves. I understand that you job is not easy in balancing everyone's opinion and interest, but at this time I believe the statistics indicate that we definitively need something on the books that restricts cell phone use in vehicles.

It is a privilege to drive(as regulated by the State) not a right – which some folks have not come to grips with.

PS: Please share with the rest of your committee. Thanks for the opportunity to comment.

Sincerely,

Eric & Mary Marchegiani
Chugiak, Alaska

Rebecca Rooney

From: brittb@gci.net
Sent: Tuesday, March 01, 2011 11:55 AM
To: Rep. Peggy Wilson
Cc: Rep. Mike Doogan; Rep. Berta Gardner; Rep. Max Gruenberg; Rep. Cathy Munoz; Rep. Bob Herron
Subject: Cell Phone Bills

Representative Wilson,

I am writing to voice support for HB 35. It is clear that cell phone use impairs driver performance. Hand-free cell phone use is not much safer than handheld. Those over 18 drive as badly while using a cell phone as those under 18.

My company (Chevron) prohibits the use of cell phones and other communication devices while driving. I believe it to be a wise policy.

I see erratic driving as a result of cell phone use every day. This is one hazard we can remove from our roads. Primary enforcement will be necessary to do so.

Thank you for your consideration.

Bill Britt

CRIS Inc /Commercial Risk Insurance Services
PO Box 240528
Anchorage AK 99524
Email insurancecris @ yahoo.com Tel 907-561-6510 Fx 561-6502

fax to: Representative Peggy Wilson /Transportation
fax 465-3175 4pages

re: Ban on Cell Phones ? - Study finds bans do not reduce crashes

Please see results of [IIHS] Insurance Institute for Hwy Safety multi year /multi state study.

Please consider this finding before enacting "ineffective" or doubtful feel good legislation.

C R Scantlebury
CRIS Inc

good by

HIGHWAY LOSS DATA INSTITUTE **News Release | September 28, 2010**

Texting bans don't reduce crashes; effects are slight crash increases

ARLINGTON, VA — It's illegal to text while driving in most US states. Yet a new study by researchers at the Highway Loss Data Institute (HLDI) finds no reductions in crashes after laws take effect that ban texting by all drivers. In fact, such bans are associated with a slight increase in the frequency of insurance claims filed under collision coverage for damage to vehicles in crashes. This finding is based on comparisons of claims in 4 states before and after texting ban, compared with patterns of claims in nearby states.

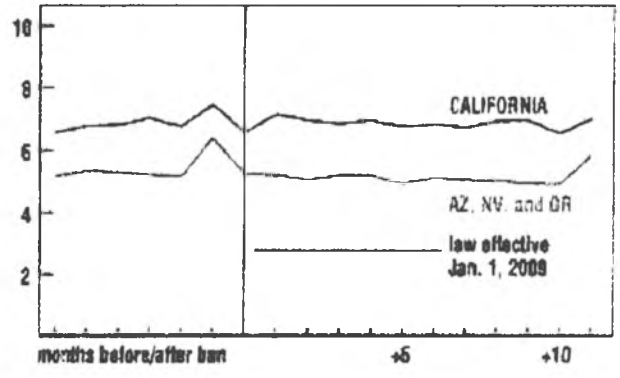
The new findings, released today at the annual meeting of the Governors Highway Safety Association, are consistent with those of a previous HLDI study, which found that banning hand-held phone use while driving doesn't cut crashes. HLDI is an affiliate of the Insurance Institute for Highway Safety.

HLDI researchers calculated rates of collision claims for vehicles up to 9 years old during the months immediately before and after driver texting was banned in California (January 2009), Louisiana (July 2008), Minnesota (August 2008), and Washington (January 2008). Comparable data were collected in nearby states where texting laws weren't substantially changed during the time span of the study. This controlled for possible changes in collision claim rates unrelated to the bans — changes in the number of miles driven due to the economy, seasonal changes in driving patterns, etc.

"Texting bans haven't reduced crashes at all. In a perverse twist, crashes increased in 3 of the 4 states we studied after bans were enacted. It's an indication that texting bans might even increase the risk of texting for drivers who continue to do so despite the laws," says Adrian Lund, president of both HLDI and the Insurance Institute for Highway Safety.

HLDI's new findings about texting, together with the organization's previous finding that hand-held phone bans didn't reduce crashes, "call into question the way policymakers are trying to address the problem of distracted driving crashes," Lund adds.

California — Collision claims per 100 insured vehicle years, by month before and after texting law for all drivers, compared with Arizona, Nevada, and Oregon



"They're focusing on a single manifestation of distracted driving and banning it. This ignores the endless sources of distraction and relies on banning one source or another to solve the whole problem."

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Status Report, Vol.
Cover story on texting
pages, 1 MB)

Full *HLDI Bulletin*
Texting laws and collis
frequencies, 27 11 (PD
250 KB)

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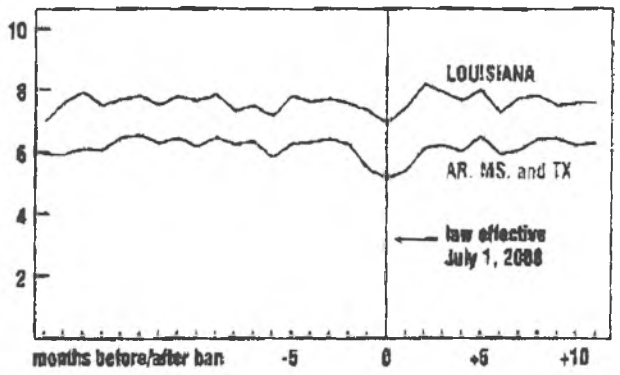
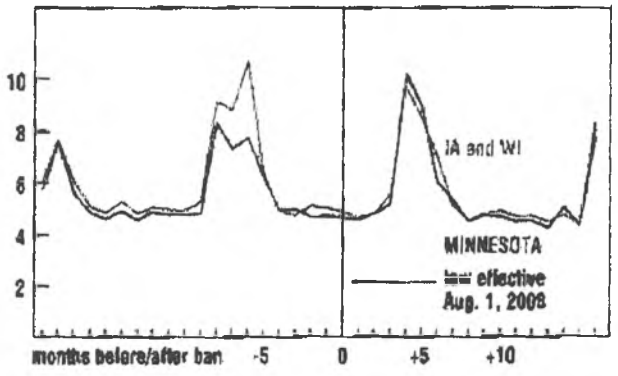
Louisiana — Collision claims per 100 insured vehicle years,by month before and after texting law for all drivers, compared with Arkansas, Mississippi, and Texas



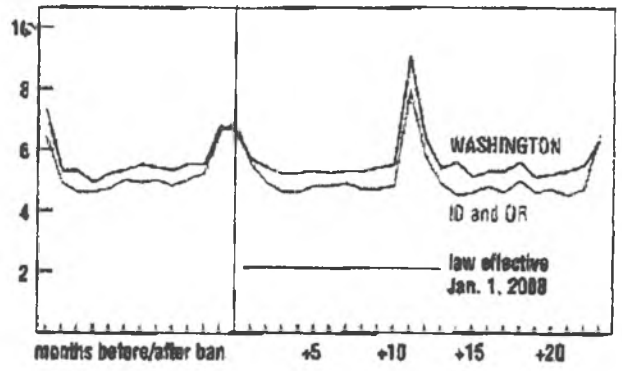
Month-to-month fluctuations in the rates of collision claims in HLDI's 4 study states with texting bans for all drivers didn't change much from before to after the bans were enacted. Nor did the patterns differ much from those in nearby states that didn't ban texting for all drivers during the study period. To the extent that the crash patterns did change in the study states, they went up, not down, after the bans took effect. Increases varied from 1 percent more crashes in Washington to about 9 percent more in Minnesota (the result in Washington isn't statistically significant).

Minnesota — Collision claims per 100 insured vehicle years, by month before and after texting law for all drivers, compared with Iowa and Wisconsin



Young motorists are more likely than older people to text while driving. In all 4 of the study states, crashes increased among drivers younger than 25 after the all-driver bans took effect. In California, Louisiana, and Washington, the increases for young drivers were greater than for drivers 25 and older. The largest crash increase of all (12 percent) following enactment of a texting ban was among young drivers in California.

Washington — Collision claims per 100 insured vehicle years,by month before andafter texting law for all drivers, compared with Idaho and Oregon



"The point of texting bans is to reduce crashes, and by this essential measure the laws are ineffective," Lund points out. He cautions that "finding no reduction in crashes, or even a small increase, doesn't mean it's safe to text and drive, though. There's a crash risk associated with doing this. It's just that bans aren't reducing this crash risk."

An Insurance Institute for Highway Safety study that relied on driver phone records found a 4-fold increase in the risk of injury crashes associated with phoning. A study in Canada found a 4-fold increase in the risk of crashes involving property damage. The crash risk associated with texting hasn't been quantified as precisely, but it may be comparable, if not greater, than the risk associated with phoning.

"Neither texting bans nor bans on hand-held phone use have reduced crash risk," Lund says.

Noncompliance is a likely reason texting bans aren't reducing crashes. Survey results indicate that many drivers, especially younger ones, shrug off these bans. Among 18-24 year-olds, the group most likely to text, 45 percent reported doing so anyway in states that bar all drivers from texting. This is just shy of the 48 percent of drivers who reported texting in states without bans. Many respondents who knew it was illegal to text said they didn't think police were strongly enforcing the bans.

"But this doesn't explain why crashes increased after texting bans," Lund points out. "If drivers were disregarding the bans, then the crash patterns should have remained steady. So clearly drivers did respond to the bans somehow, and what they might have been doing was moving their phones down and out of sight when they texted, in recognition that what they were doing was illegal. This could exacerbate the risk of texting by taking drivers' eyes further from the road and for a longer time."

Using a driving simulator, researchers at the University of Glasgow found a sharp decrease in crash likelihood when participants switched from head-down to head-up displays. This suggests that it might be more hazardous for a driver to text from a device that's hidden from view on the lap or vehicle seat.

Texting in general is on the increase. Wireless phone subscriptions numbered 286 million as of December 2009, up 47 percent from 194 million in June 2005. Text messaging is increasing, too. It went up by about 60 percent in 1 year alone, from 1 trillion messages in 2008 to 1.6 trillion in 2009.

The District of Columbia was the first US jurisdiction to ban all motorists from texting. This was in 2004, and since then 30 states have followed suit. Nearly half of these bans have been enacted in 2010.

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1005 N. Glebe Road, Suite 800, Arlington, VA 22201 USA | tel 703/247-1500 | fax 703/247-1588

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HB

35

<TARGET><BILL>HB 35</BILL><SUBJECT>HB
35</SUBJECT><COMM>HTRA27</COMM></TARGET>

HOUSE BILL NO. 35

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE DOOGAN

Introduced: 1/18/11
Referred: Transportation, Judiciary, Finance

A BILL

FOR AN ACT ENTITLED

"An Act relating to prohibiting the use of cellular telephones when driving a motor vehicle; and providing for an effective date."

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

* **Section 1.** AS 28.35 is amended by adding a new section to read:

Sec. 28.35.165. Prohibited use of cellular telephone. (a) A person may not use a cellular telephone when driving a motor vehicle on a highway or vehicular way or area.

(b) This section does not apply to a person using a cellular telephone for emergency purposes, including an emergency call to a law enforcement agency, fire department, or other emergency services agency or entity.

(c) A person who violates this section is guilty of an infraction and may be punished as provided under AS 28.90.010.

* **Sec. 2.** This Act takes effect July 1, 2011.

Alaska State Legislature

Mike Doogan
Representative
District 25, Anchorage

April 7, 2009

The Honorable Representative Peggy Wilson
Alaska State Capitol
Room 408
Juneau, AK 99801

Dear Representative Wilson:

I understand the House Transportation Committee you chair will be taking up the issue of cell phone use while driving on March 1. It was also brought to my attention that you offered to look at the several cell phone related bills at the same time, though Rep. Munoz' HB 22 will be the likely vehicle moving forward.

I appreciate the opportunity to present my own HB 35, but, in the interest of time and efficiency, I will respectfully decline to do so. I would urge the committee to consider some of the merits of HB 35 as it deliberates on this important safety issue. The difference between the two bills is that HB 22 makes an exception for hands-free cell phone use, while my bill does not. Studies have shown that hands-free cell use is not significantly less distracting, and that driving ability is still impaired. It is different than talking to a passenger in the car, because it requires different thought processes, and also because passengers are aware of changing road conditions.

Again, I thank you for the opportunity to present, though I respectfully decline, and hope the committee will pass a bill that best provides for safe roadways.

Sincerely,

Mike Doogan

Rep. Mike Doogan

State Capitol
Juneau, AK 99801
907-465-4998 or 800-689-4998
Fax 907-465-4419

716 West 4th Avenue
Anchorage, AK 99501
907-269-0216
Fax 907-269-0218

Rep.Mike.Doogan@legis.state.ak.us

HB

57

<TARGET><BILL>HB 57</BILL><SUBJECT>HB 57</SUBJECT><COMM>HTRA27</COMM></TARGET>

CS FOR HOUSE BILL NO. 57(TRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE TRANSPORTATION COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES SEATON, Gruenberg

A BILL

FOR AN ACT ENTITLED

"An Act authorizing municipalities and nonprofit organizations to sponsor a program to encourage the safe use of bicycles as a mode of transportation and to educate the public regarding the safe use of bicycles, and amending the duties of the Department of Transportation and Public Facilities to include administration of state funds appropriated for those purposes."

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

* **Section 1.** AS 29.55 is amended by adding a new section to read:

Article 2. Safe Bicycle Ridership.

Sec. 29.55.100. Safe bicycle ridership. (a) To encourage the safe use of bicycles as a mode of transportation, the governing body of a municipality may establish a program within the municipality to

(1) encourage the safe use, distribution, and maintenance of bicycles, bicycle helmets, bicycle facilities, and bicycle trailers; and

(2) educate the public on the safe use of bicycles and traffic laws relating to bicycles and motor vehicles.

(b) The municipality may apply for a grant under AS 44.42.150 to receive funds

(1) for the purchase, maintenance, and repair of bicycles, bicycle helmets, bicycle facilities, and bicycle trailers by municipal residents; and

(2) to establish safety and education programs described in (a)(2) of this section.

* **Sec. 2.** AS 44.42 is amended by adding a new section to read:

Article 1A. Program to Encourage Safe Bicycle Ridership.

Sec. 44.42.150. Grant program to encourage safe bicycle ridership. (a) To encourage the regular and safe use of bicycles and bicycling as a mode of transportation, a grant program is established in the department to allow municipalities and nonprofit organizations in the state to apply for financial assistance to establish programs for

(1) the purchase, maintenance, and repair of bicycles, bicycle helmets, bicycle facilities, and bicycle trailers by residents of the community where the grantee is located;

(2) educating the public on the safe use of bicycles and traffic laws relating to bicycles and motor vehicles.

(b) The department shall develop regulations establishing criteria for issuing grants to municipalities and nonprofit organizations for the program, giving priority for receiving grants to municipalities and nonprofit organizations that actively encourage safe bicycling as a mode of transportation.

(c) The commissioner shall appoint an administrator of the program. The administrator shall

(1) educate communities and nonprofit organizations about the program and the grant requirements;

(2) receive and evaluate grant applications;

(3) from money in the fund described in (d) of this section, award grants to qualified applicants.

(d) A fund to encourage safe bicycle ridership is established in the department. The Department of Revenue is the fiduciary of the fund and may invest money in the fund under AS 37.10.071. The fund consists of appropriations by the legislature of

(1) money to provide grants for the program;

(2) gifts, bequests, contributions from other sources, and federal money; and

(3) interest earned on the fund balance.

(e) In this section, "program" means the grant program to encourage the regular and safe use of bicycles and bicycling as a mode of transportation, as described in this section.

*** Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to read:

PROGRAM SURVEY. Not later than

(1) December 31, 2012, the Department of Transportation and Public Facilities shall mail a survey to all Alaska residents who received a bicycle or bicycle trailer under the program established in AS 44.42.150, added by sec. 2 of this Act, to evaluate the effectiveness of that program;

(2) December 31, 2014, the department shall deliver a report to the legislature with an evaluation of the program to encourage safe bicycle ridership and recommendations for the program.

27-LS0315\B
Kane
2/18/11

CS FOR HOUSE BILL NO. 57( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES SEATON, Gruenberg

A BILL

FOR AN ACT ENTITLED

"An Act authorizing municipalities and nonprofit organizations to sponsor a program to encourage the safe use of bicycles as a mode of transportation and to educate the public regarding the safe use of bicycles, and amending the duties of the Department of Transportation and Public Facilities to include administration of state funds appropriated for those purposes."

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(1) encourage the safe use, distribution, and maintenance of bicycles, bicycle helmets, bicycle facilities, and bicycle trailers; and

New Text Underlined [DELETED TEXT BRACKETED]

(2) educate the public on the safe use of bicycles and traffic laws relating to bicycles and motor vehicles.

(b) The municipality may apply for a grant under AS 44.42.150 to receive funds

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(1) the purchase, maintenance, and repair of bicycles, bicycle helmets, bicycle facilities, and bicycle trailers by residents of the community where the grantee is located;

(2) educating the public on the safe use of bicycles and traffic laws relating to bicycles and motor vehicles.

(b) The department shall develop regulations establishing criteria for issuing grants to municipalities and nonprofit organizations for the program, giving priority for receiving grants to municipalities and nonprofit organizations that actively encourage safe bicycling as a mode of transportation.

(c) The commissioner shall appoint an administrator of the program. The administrator shall

(1) educate communities and nonprofit organizations about the program and the grant requirements;

(2) receive and evaluate grant applications;

(3) from money in the fund described in (d) of this section, award grants to qualified applicants.

(d) A fund to encourage safe bicycle ridership is established in the department. The Department of Revenue is the fiduciary of the fund and may invest money in the fund under AS 37.10.071. The fund consists of appropriations by the legislature of

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(2) gifts, bequests, contributions from other sources, and federal money; and

(3) interest earned on the fund balance.

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(2) December 31, 2014, the department shall deliver a report to the legislature with an evaluation of the program to encourage safe bicycle ridership and recommendations for the program.

27-LS0315\A

HOUSE BILL NO. 57

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES SEATON, Gruenberg

Introduced: 1/18/11
Referred: Transportation, Finance

A BILL

FOR AN ACT ENTITLED

"An Act authorizing municipalities and nonprofit organizations to sponsor a program to encourage the safe use of bicycles as a mode of transportation, and amending the duties of the Department of Transportation and Public Facilities to include administration of state funds appropriated for that purpose."

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

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Article 2. Safe Bicycle Ridership.

Sec. 29.55.100. Safe bicycle ridership. (a) To encourage the safe use of bicycles as a mode of transportation, the governing body of a municipality may establish a program within the municipality to encourage the safe use, distribution, and maintenance of bicycles, bicycle helmets, bicycle facilities, and bicycle trailers.

(b) The municipality may apply for a grant under AS 44.42.150 to receive funds for the purchase, maintenance, and repair of bicycles, bicycle helmets, bicycle facilities, and bicycle trailers by municipal residents.

New Text Underlined [DELETED TEXT BRACKETED]

* **Sec. 2.** AS 44.42 is amended by adding a new section to read:

Article 1A. Program to Encourage Safe Bicycle Ridership.

Sec. 44.42.150. Grant program to encourage safe bicycle ridership. (a) To encourage the regular and safe use of bicycles and bicycling as a mode of transportation, a grant program is established in the department to allow municipalities and nonprofit organizations within the state to apply for financial assistance to establish programs for the purchase, maintenance, and repair of bicycles, bicycle helmets, bicycle facilities, and bicycle trailers by residents of the community where the grantee is located.

(b) The department shall develop regulations establishing criteria for issuing grants to municipalities and nonprofit organizations for the program, giving priority for receiving grants to municipalities and nonprofit organizations that actively encourage safe bicycling as a mode of transportation.

(c) The commissioner shall appoint an administrator of the program. The administrator shall

(1) educate communities and nonprofit organizations about the program and the grant requirements;

(2) receive and evaluate grant applications;

(3) from money in the fund described in (d) of this section, award grants to qualified applicants.

(d) There is established in the department a fund to encourage safe bicycle ridership. The Department of Revenue is the fiduciary of the fund and may invest money in the fund under AS 37.10.071. The fund consists of appropriations by the legislature of

(1) money to provide grants for the program;

(2) gifts, bequests, contributions from other sources, and federal money; and

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PROGRAM SURVEY. Not later than

(1) December 31, 2011, the Department of Transportation and Public Facilities shall mail a survey to all Alaska residents who received a bicycle or bicycle trailer under the program established in AS 44.42.150, added by sec. 2 of this Act, to evaluate the effectiveness of that program;

(2) December 31, 2012, the department shall deliver a report to the legislature with an evaluation of the program to encourage safe bicycle ridership and recommendations for the program.

CS for date changes
My sheets has CS

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM January 26, 2011

SUBJECT: Sectional summary of HB 57 (Work Order No. 27-LS0315\A)

TO: Representative Paul Seaton
Attn: Mary Jane Shows

FROM: Brian J. Kane BJK
Legislative Counsel

You have requested a sectional summary of HB 57, a bill authorizing municipalities and nonprofit organizations to sponsor a program to encourage the safe use of bicycles as a mode of transportation and amending the duties of the Department of Transportation and Public Facilities to include administration of state funds appropriated for that purpose.

Please note that a sectional summary of a bill is not an authoritative interpretation of a bill. The bill itself is the best statement of its contents.

Section 1 of this bill provides that a municipality may establish a program to encourage the safe use, distribution, and maintenance of bicycles, bicycle helmets, bicycle facilities, and bicycle trailers and apply for grants to purchase bicycles, bicycle helmets, bicycle facilities, and bicycle trailers.

Section 2 of the bill establishes in the Department of Transportation and Public Facilities a grant program to encourage safe bicycle ridership which allows municipalities and nonprofit organizations to apply for financial assistance to establish programs for the purchase of bicycles, bicycle helmets, bicycle facilities, and bicycle trailers.

Section 3 of the bill instructs the Department of Transportation and Public Facilities to mail a survey to residents who received a bicycle or bicycle trailer under the program and report to the legislature an evaluation of the program.

BJK:ljw
11-046.ljw

Alaska State Legislature

State Capitol, Room 102
Juneau, AK 99802
Phone: 465-2689
Fax: 465-3472
Toll Free (800) 665-2689
Representative_Paul_Seaton@legis.state.ak.us

345 W. Sterling Highway
Suite 102B
Homer, AK 99603
Phone: 235-2921
Fax: 235-4008

REPRESENTATIVE Paul Seaton

District 35

HB57 provides Alaskans access to bicycles and encourages bike use as an alternative mode of transportation. This bill creates the Safe Bicycle Ridership grant program for municipalities and non-profits. The increased access to bikes gives Alaskans a choice to respond to high fuel costs in an unstable economy. This availability of an alternative to motor vehicles will benefit many Alaskans and reduce transportation costs while promoting improved community health.

HB57 allows municipalities and nonprofit organizations to apply for state funding to develop and sponsor alternatives to motorized travel by encouraging safe bicycle use. The Department of Transportation will develop regulations establishing criteria for community grant awards, education of grant requirements, evaluate grant applications, and award money. Non-profits and municipalities can propose programs to increase bicycle use in the way that best fits their community. This may be a bike share program, education of safe use of bicycles, a voucher system, or any variation that fits the unique needs of the community.

One example is the City/Borough of Juneau's award winning Bike program that has been working successfully for 3 years. Juneau, in partnership with several local non-profits created the "Bikes, Bikes, Bikes Community Program." This program acquires abandoned bikes through the police department and donations from the community. A local Youth Center provides a maintenance room where young adults learn how to repair and maintain these bikes. The repaired bikes are painted all one color and loaned out to the public with a focus on youth. This program is widely popular and works throughout the summer months.

Shifting a portion of Alaskan's personal travel to bicycling can result in safe non-motorized transportation, improved public health, a decrease in road maintenance, less air and water pollution, and a more vibrant state and population. This transition will also save individuals money by lowering fuel and vehicle maintenance costs and help the State and local government by reducing congestion on the highway.

Staff contact
Mary Jane Shows

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: HB 57
() Publish Date

Identifier (file name) HB057-DOT-AS-2-4-11
Title: Bicycle Grant Program
Sponsor: Rep. Seaton
Requester: H. Transportation

Dept. Affected: DOT&PF
Appropriation: Administration and Support
Allocation: Program Development
OMB Component Number: 2762

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services	40.0		40.0	15.0	15.0	15.0	15.0
Travel	6.0		6.0	6.0	6.0	6.0	6.0
Contractual	35.0		10.0	10.0	10.0	35.0	10.0
Supplies	1.0		0.5	0.5	0.5	0.5	0.5
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	**82.0**	**0.0**	**56.5**	**31.5**	**31.5**	**56.5**	**31.5**
CAPITAL EXPENDITURES							
CHANGE IN							

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF	82.0	0.0	56.5	31.5	31.5	56.5	31.5
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	**82.0**	**0.0**	**56.5**	**31.5**	**31.5**	**56.5**	**31.5**

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

Not applicable, initial version.

Prepared by: Laura Baker, Director
Division: Administrative Services
Approved by: Laura Baker, Director
Administrative Services

Phone 907-465-8974
Date/Time 2/4/11 4:00 PM
Date 2/4/2011

Revised 12.29.2010 OMB)

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. _____

Analysis

HB 57 creates a bicycle grant program providing funding to municipalities and non profits for the purchase, maintenance, repair of bikes and bike helmets, and bike trailers. Regulations are required to be established for the grant program. These funds will be for personal services, travel, contractual and supplies for developing the regulations, implementing and administering the grant program, conducting the required survey and providing grants. Regulations will be updated every 5 years. First and second year costs are higher as they reflect 25% of a FTE position for start-up of program, along with initial contractual costs related to regulation changes, program advertisement, outreach, and related costs. Program oversight is required in subsequent fiscal years. Personal services for program implementation and oversight are not reimbursable with federal receipts.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: HB 57
() Publish Date

Identifier (file name): HB057-DOT-AS-2-4-11
Title: Bicycle Grant Program
Sponsor: Rep. Seaton
Requester: H. Transportation

Dept. Affected: DOT&PF
Appropriation: Administration and Support
Allocation: Program Development
OMB Component Number: 2762

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services	40.0		40.0	15.0	15.0	15.0	15.0
Travel	6.0		6.0	6.0	6.0	6.0	6.0
Contractual	35.0		10.0	10.0	10.0	35.0	10.0
Supplies	1.0		0.5	0.5	0.5	0.5	0.5
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	**82.0**	**0.0**	**56.5**	**31.5**	**31.5**	**56.5**	**31.5**
CAPITAL EXPENDITURES							
CHANGE IN							

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF	82.0	0.0	56.5	31.5	31.5	56.5	31.5
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1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	**82.0**	**0.0**	**56.5**	**31.5**	**31.5**	**56.5**	**31.5**

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

Not applicable, initial version.

This person would research and write grants. Grants are 100% matched and would have to be appropriated by legis.

Prepared by: Laura Baker, Director — Phone: 907-465-8974
Division: Administrative Services — Date/Time: 2/4/11 4:00 PM
Approved by: Laura Baker, Director — Date: 2/4/2011
Administrative Services

(Revised 12/29/2010 OMB)

STATE OF ALASKA **BILL NO.** _____
2011 LEGISLATIVE SESSION

Analysis

HB 57 creates a bicycle grant program providing funding to municipalities and non profits for the purchase, maintenance, repair of bikes and bike helmets, and bike trailers. Regulations are required to be established for the grant program. These funds will be for personal services, travel, contractual and supplies for developing the regulations, implementing and administering the grant program, conducting the required survey and providing grants. Regulations will be updated every 5 years. First and second year costs are higher as they reflect 25% of a FTE position for start-up of program, along with initial contractual costs related to regulation changes, program advertisement, outreach, and related costs. Program oversight is required in subsequent fiscal years. Personal services for program implementation and oversight are not reimbursable with federal receipts.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **HB057\A**
() Publish Date

HB057-DOA-DOF-03-04-11
Title Bicycle Program
Sponsor Representatives Seaton and Gruenberg
Requester House Transportation

Dept. Affected Administration
Appropriation Centralized Administrative Services
Allocation Finance
OMB Component Number 59

Expenditures/Revenues (Thousands of Dollars)

Note. Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES							

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other (please identify)							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by Lisa Pusich
Division Finance
Approved by John Cramer, Deputy Commissioner
Department of Administration

Phone 465-5616
Date/Time 3/2/2011 5pm
Date 3/4/2011

Revised 1/27/2011 OMB

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB057\A

Analysis

This bill will have no fiscal impact.

United Way
KENAI PENINSULA

Board of Directors 2010-2011

Patty Beals
Susie McHone
Blair Rorabaugh
Mary Williamson
Joy Morgan
Joe Owens
Diane Thompson
Paul Caseman
Karen Sefton

Executive Director

Dana Paperman

Our Mission Statement

To insure honor, dignity, security, and independence for older Alaskans; assistance in maintaining meaningful and quality lives.

A non profit Agency
TAX ID: 92-0072425

January 26, 2011

Representative Paul Seaton
State Capital Building
Juneau, Alaska 99801

Dear Representative Seaton,

HB 57 is well over due in this state and in our seaside community of Seward, especially with the lack of public transportation across the state and the cost of fuel in our community, which is now at $3.87/gallon.

Seward has taken the necessary steps over the past 15 years to develop a bike friendly community by partnering with the Department of Transportation to designate bike lanes on the state highway; built separated bike paths along the highway where space allows; a bike path from the north harbor following the coastline to the Alaska Sealife Center and current discussion with the National Forest and DOT about building a separated bike path from the highway out to Exit Glacier National Park.

Two years ago, the City of Seward partnered with Providence Hospital to create a wellness plan for our community. The Wellness grant has funded public bike racks, dietary counseling, fitness programs and some prevention programs that encourage a healthy lifestyle.

How would seniors benefit from HB57? Increase and improve balance and flexibility; provide independence by having safe and inexpensive mode of transportation; the opportunity to get outside and become part of their community by traveling on a non motorized vehicle; and an improved outlook on life knowing they can move at a speed that is faster than walking.

Can't you see it now? People of all ages, on all types of bikes, full size tricycles with flowery baskets, recumbent bicycles or unicycles for the really ambitious (Seward's own Magistrate Peck), enjoying the sites, sounds and sea scents from the comfort of a non motorized vehicle.

Thank you Representative Seaton! Sponsoring this very important, progressive bill this legislative session will cost a fraction compared to the multitude of benefits for the Alaskan.

Sincerely,

Dana Paperman

Seward Senior Center

Seward Senior Citizens, Inc., PO Box 1195 ~ Seward, AK 99664, (907) 224-5604
ssc@seward.net/www.sewardsenior.org

"Serving senior citizens for 33 years"

The Honorable Paul Seaton
Alaska State Senate
Alaska State Capitol
Juneau, Alaska 99801-1182

Dear Representative Seaton,

Thank you for introducing HB57. I greatly appreciate your interest in creating bicyclist-friendly programs and improving bike safety statewide. Not only can HB132 help Alaskans cut down on their fuel costs when we commute less by car, but the state will save money via less wear-and-tear on public infrastructure. Additionally, I am very pleased with the second part of the bill to provide grants to improve and increase safe bike routes. This important component of the bill will encourage Alaskans to commute by bike because of increased safety and expediency.

Thanks again for your work in introducing this fantastic bill and please let me know what I can do to support it in the future.

Sincerely,
J.T. Lindholm

Bikes, Bikes, Bikes:
A program of the City & Borough of Juneau/Parks & Recreation-Zach Gordon Youth Center.

HG Wells once told us that when I see an adult on a bicycle, "I do not despair for the future of the human race. Cycle tracks will abound in Utopia". This year's recipient of the Alaska Municipal League's 2008 Alaska Community Award of Excellence honoring the best in local government innovation is the Zach Gordon Youth Center's Bikes, Bikes, Bikes Community Program spearheaded by the Zach Gordon Youth Center.

The Bikes program provides free bikes for the public to use around town. Bikes, Bikes, Bikes is a partnership of the Youth Center, SEARHC, Steps to a Healthier SE Alaska (grant), JPD and the Skyler Kim Foundation. The Youth Center provides a maintenance room including bike stands, tools (youth are trained in bicycle maintenance), and a bicycle maintenance instructor six hours a week for students to learn basic bike maintenance skills.

Youth ranging from ten to twenty years of age have experienced the joy of riding and repairing bikes. Thirty bikes acquired through JPD's recycle program and community donations are available for use. Weekly organized bike rides occur throughout the summer months on local bike trails.

The program is Parks & Recreation's ultimate contribution to sustainability and healthy transportation choices.

*This information was submitted by
Marc Matsil, Director
Parks & Recreation
City & Borough of Juneau
Alaska's Capital City
155 S. Seward Street
Juneau, AK 99801
(907) 586-0932

I want to write in support of HB57 a bill establishing a grant program to fund public bike share for Alaskan communities.

Shared bike programs are relatively new throughout the world and have generally been successful. HB57 would allow Alaskan communities to among the first in the world to have some exciting new developments for commuting bikes. A couple of examples; a new company named Breezer bikes makes a bike specifically designed to be a no-frills, durable and low-maintanence yet of good quality and specifically designed for commuting. Here is an article and their website:

http://www.popularmechanics.com/science/4271520?click=main_sr

http://www.breezerbikes.com/

A truly revolutionary system is on the horizon as well. It uses the ever-increasing abilities of cell phones and GPS to administer a public bike sharing program. This is, it would be possible for a subscriber to walk up to a locked public share bike, unlock the bike with the cell phone, ride to your destination, lock the bike and walk away and not worry about returning it to a central location. New York city is going to implement it.

Company website:

www.socialbicycles.com

HB57 would provide the funding necessary to make use of these kinds of new technologies and potentially change the face of transportation in communities throughout Alaska.

You can bet if this bill passes I will be active in my community deploying these new technologies. I strongly urge the passage of HB57.

Thank you, Ryan Kennedy

Mary Jane Shows

From: Rep. Paul Seaton
Sent: Monday, January 31, 2011 12:06 PM
To: Mary Jane Shows
Subject: FW: HB57

From: Kenn Barnett [mailto:cd2wellness@gmail.com]
Sent: Friday, January 28, 2011 12:28 PM
To: Rep. Paul Seaton
Subject: HB57

The Honorable Paul Seaton
Alaska State Senate
Alaska State Capitol
Juneau, Alaska 99801-1182

Dear Representative Seaton,

Thank you for introducing HB57! I greatly appreciate your interest in creating bicyclist-friendly programs and improving bike safety statewide. Not only can HB57 help Alaskans cut down on their fuel costs when we commute less by car, but the state will save money via less wear-and-tear on public infrastructure. There is a potential for an even greater benefit to bicycle travel and that would be the health aspect. With recent announcements on the number of sedentary, over weight and even obese residents of all ages in Anchorage and the state, anything we can do to encourage activity is a win for all. This bill will encourage Alaskans to commute by bike because of increased knowledge on the safe and effective use of their bike.

Thanks again for your work in introducing this fantastic bill and please let me know what I can do to support it in the future.

Sincerely,
Kenn Barnett
Anchorage, AK 99507

« Secretary of Transportation Ray LaHood Recaps National Bike Summit Experience

10th National Bike Summit Rocked! »

LaHood: "This is the end of favoring motorized transportation at the expense of non-motorized."

When the Secretary of Transportation Ray LaHood stood on a table at the National Bike Summit to thank the crowd and show his support for bicycling and walking, he was just getting started. Share

Today, he announced his new Policy Statement on Bicycle and Pedestrian Accommodation Regulations and Recommendations. It is simply the strongest statement of support for prioritizing bicycling and walking ever to come from a sitting secretary of transportation.

On his blog, he writes:

> Today, I want to announce a sea change. People across America who value bicycling should have a voice when it comes to transportation planning. This is the *end* of favoring motorized transportation at the expense of non-motorized.
>
> We are integrating the needs of bicyclists in federally-funded road projects. We are discouraging transportation investments that negatively affect cyclists and pedestrians. And we are encouraging investments that go beyond the minimum requirements and provide facilities for bicyclists and pedestrians of all ages and abilities.
>
> To set this approach in motion, we have formulated key recommendations for state DOTs and communities:
>
> - Treat walking and bicycling as equals with other transportation modes.
> - Ensure convenient access for people of all ages and abilities.
> - Go beyond minimum design standards.
> - Collect data on walking and biking trips.
> - Set a mode share target for walking and bicycling.
> - Protect sidewalks and shared-use paths the same way roadways are protected (for example, snow removal)
> - Improve nonmotorized facilities during maintenance projects.
>
> Now, this is a start, but it's an important start. These initial steps forward will help us move forward even further.

The Secretary ended by thanking the League of American Bicyclists, but we strongly thank him for his words, his energy, and now for his official policy statement. We agree that there is further to go and we look forward to working with the Secretary to get there.

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January 2011
December 2010
November 2010
October 2010
September 2010
August 2010
July 2010
June 2010
May 2010
April 2010
March 2010
February 2010
January 2010
December 2009
November 2009
October 2009
September 2009
August 2009
September 2008
March 2008
January 2008
December 2007
November 2007
October 2007
July 2007
June 2007
May 2007
October 2006

CATEGORIES

Advocacy Advance (21)
Advocates (87)
Bicycle Friendly America (10)
Bicycle Friendly Business (7)
Bicycle Friendly Communities (32)
Bicycle Friendly University (2)
Bike Blogosphere (55)
Bike Club (3)
Bike Education (9)
Bike Month (9)
Bike to Work Week (6)

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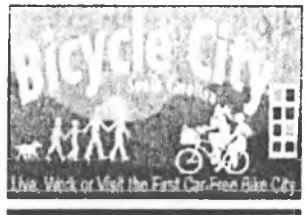


United States Department of Transportation Policy Statement on Bicycle and Pedestrian Accommodation Regulations and Recommendations

Signed on March 11, 2010 and announced March 15, 2010

Note: Also available on the United States Department of Transportation Website

Purpose

The United States Department of Transportation (DOT) is providing this Policy Statement to reflect the Department's support for the development of fully integrated active transportation networks. The establishment of well-connected walking and bicycling networks is an important component for livable communities, and their design should be a part of Federal-aid project developments. Walking and bicycling foster safer, more livable, family-friendly communities; promote physical activity and health; and reduce vehicle emissions and fuel use. Legislation and regulations exist that require inclusion of bicycle and pedestrian policies and projects into transportation plans and project development. Accordingly, transportation agencies should plan, fund, and implement improvements to their walking and bicycling networks, including linkages to transit. In addition, DOT encourages transportation agencies to go beyond the minimum requirements, and proactively provide convenient, safe, and context-sensitive facilities that foster increased use by bicyclists and pedestrians of all ages and abilities, and utilize universal design characteristics when appropriate. Transportation programs and facilities should accommodate people of all ages and abilities, including people too young to drive, people who cannot drive, and people who choose not to drive.

Policy Statement

The DOT policy is to incorporate safe and convenient walking and bicycling facilities into transportation projects. Every transportation agency, including DOT, has the responsibility to improve conditions and opportunities for walking and bicycling and to integrate walking and bicycling into their transportation systems. Because of the numerous individual and community benefits that walking and bicycling provide — including health, safety, environmental, transportation, and quality of life — transportation agencies are encouraged to go beyond minimum standards to provide safe and convenient facilities for these modes.

Authority

This policy is based on various sections in the United States Code (U.S.C.) and the Code of Federal Regulations (CFR) in Title 23—Highways, Title 49—Transportation, and Title 42—The Public Health and Welfare. These sections, provided in the Appendix, describe how bicyclists and pedestrians of all abilities should be involved throughout the planning process, should not be adversely affected by other transportation projects, and should be able to track annual obligations and expenditures on nonmotorized transportation facilities.

Recommended Actions

The DOT encourages States, local governments, professional associations, community organizations, public transportation agencies, and other government agencies, to adopt similar policy statements on bicycle and pedestrian accommodation as an indication of their commitment to accommodating bicyclists and pedestrians as an integral element of the transportation system. In support of this commitment, transportation agencies and local communities should go beyond minimum design standards and requirements to create safe, attractive, sustainable, accessible, and convenient bicycling and walking networks. Such actions should include:

Considering walking and bicycling as equals with other transportation modes: The primary goal of a transportation system is to safely and efficiently move people and goods. Walking and bicycling are efficient transportation modes for most short trips and, where convenient intermodal systems exist, these nonmotorized trips can easily be linked with transit to significantly increase trip distance. Because of the benefits they provide, transportation agencies should give the same priority to walking and bicycling as is given to other transportation modes. Walking and bicycling should not be an afterthought in roadway design.
Ensuring that there are transportation choices for people of all ages and abilities, especially children: Pedestrian and bicycle facilities should meet accessibility requirements and provide safe, convenient, and interconnected transportation networks. For example, children should have safe and convenient options for walking or bicycling to school and parks. People who cannot or prefer not to drive should have safe and efficient transportation choices.
Going beyond minimum design standards: Transportation agencies are encouraged, when possible, to avoid designing walking and bicycling facilities to the minimum standards. For example, shared-use paths that have been designed to minimum width requirements will need retrofits as more people use them. It is more effective to plan for increased usage than to retrofit an older facility. Planning projects for the long-term should anticipate likely future demand for bicycling and walking facilities and not preclude the provision of future improvements.
Integrating bicycle and pedestrian accommodation on new, rehabilitated, and limited-access bridges: DOT encourages bicycle and pedestrian accommodation on bridge projects including facilities on limited-access bridges with connections to streets or paths.
Collecting data on walking and biking trips: The best way to improve transportation networks for any mode is to collect and analyze trip data to optimize investments. Walking and bicycling trip data for many communities are lacking. This data gap can be overcome by establishing routine collection of nonmotorized trip information. Communities that routinely collect walking and bicycling data are able to track trends and prioritize investments to ensure the success of new facilities. These data are also valuable in linking walking and bicycling with transit.
Setting mode share targets for walking and bicycling and tracking them over time: A byproduct of improved data collection is that communities can establish targets for increasing the percentage of trips made by walking and bicycling.
Removing snow from sidewalks and shared-use paths: Current maintenance provisions require pedestrian facilities built with Federal funds to be maintained in the same manner as other roadway assets. State Agencies have generally established levels of service on various routes especially as related to snow and ice events.
Improving nonmotorized facilities during maintenance projects: Many transportation agencies spend most of their transportation funding on maintenance rather than on constructing new facilities. Transportation agencies should find ways to make facility improvements for pedestrians and bicyclists during resurfacing and other maintenance projects.

Conclusion

Increased commitment to and investment in bicycle facilities and walking networks can help meet goals for cleaner, healthier air; less congested roadways; and more livable, safe, cost-efficient communities. Walking and bicycling provide low-cost mobility options that place fewer demands on local roads and highways. DOT recognizes that safe and convenient walking and bicycling facilities may look different depending on the context — appropriate facilities in a rural community may be different from a dense, urban area. However, regardless of regional, climate, and population density differences, it is important that pedestrian and bicycle facilities be integrated into transportation systems. While DOT leads the effort to provide safe and convenient accommodations for pedestrians and bicyclists, success will ultimately depend on transportation agencies across the country embracing and implementing this policy.

Ray LaHood, United States Secretary of Transportation

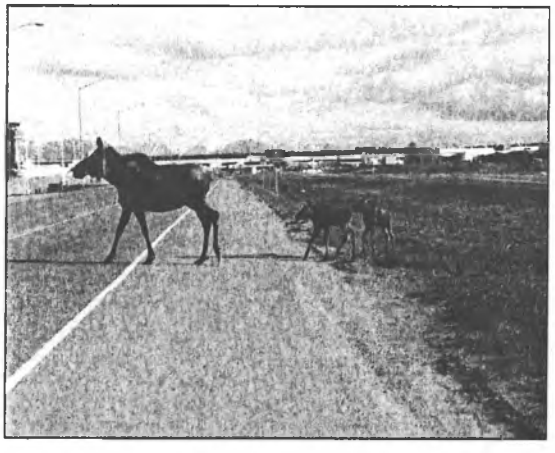
APPENDIX

Key Statutes and Regulations Regarding Walking and Bicycling

Planning Requirements

Alaska Campaign for Active Transportation
Anchorage, Palmer and Wasilla, Alaska
2008

Anchorage, Palmer, Wasilla and the "core area" Active Transportation Partnership



Confirmed Partners as of October 2008:

Municipality of Anchorage
Matanuska-Susitna Borough
Southcentral Foundation
Alaska Center for the Environment
Alaska Transportation Priorities Project
Bicycle Commuters of Anchorage
Valley Mountain Bikers and Hikers

CASE STATEMENT

Alaska Campaign for Active Transportation
Anchorage, Palmer and Wasilla, Alaska
2008

Anchorage, Palmer, Wasilla and the "core area" Active Transportation Partnership

Confirmed Partners as of October 2008:
Municipality of Anchorage, www.muni.org/transplan/non-motorized.cfm
Matanuska-Susitna Borough, ww1.matsugov.us
Southcentral Foundation, www.scf.cc
Alaska Center for the Environment, www.akcenter.org
Alaska Transportation Priorities Project, www.aktransportation.org
Bicycle Commuters of Anchorage, www.bicycleanchorage.org
Valley Mountain Bikers and Hikers, www.vmbah.org

Key contacts:
- Lois Epstein, AK Transportation Priorities Project, lois@aktransportation.org, 907 929-9372
- Lori Schanche, Municipality of Anchorage, SchancheLE@muni.org, 907 343-8368
- Pat Owens, Valley Mountain Bikers and Hikers, pato@mtaonline.net, 907 745-7714

Executive Summary

Anchorage, Palmer, Wasilla and the "core area" between Palmer and Wasilla represent areas ripe for increased, non-motorized trips year-round. Anchorage has a completed, comprehensive Pedestrian Plan, is far along in development of its Bicycle Plan and – with adequate funding – will accelerate plan implementation. Palmer, Wasilla and the "core area" require pedestrian and bicycle plan development prior to plan implementation. The entire region, however, has receptive populations due to the outdoors-focus of many Alaskans and their ability to adapt to cold weather, and the extremely high price of motor fuel in Alaska. The Campaign will include a focus on shifting Alaska Native travel patterns to increased non-motorized transportation since Anchorage contains the largest Native population of any community in the state. Based on population, the Campaign expects to spend 80% of its funds in Anchorage and 20% of the funds in Palmer, Wasilla, and the "core area." Finally, the bi-partisan composition of the Campaign's communities helps ensure that the state's federal representatives will act to increase non-motorized transportation funding.

The Campaign's goals are to:
1. Significantly increase the number of trips to/from work, shopping, school, and public transportation in Anchorage, Palmer, Wasilla and the "core area" via non-motorized travel, including among Alaska Natives;
2. Increase safety for walking and bicycling on roads and trails in Anchorage, Palmer, Wasilla and the "core area";
3. Make Anchorage, Palmer, Wasilla and the "core area" more pedestrian- and bicycle-friendly year-round; and,
4. Provide better connections from diverse neighborhoods in Anchorage to the city's world-class paved trail system.

The Alaska Campaign for Active Transportation has a high likelihood of success. The benefits of a successful campaign include decreased road maintenance costs and reduced need for new roads and/or road expansions (the majority paid for using federal dollars), safer non-motorized travel, improved public health, less air and water pollution, and more vibrant neighborhoods and communities.

Alaska Campaign for Active Transportation
Anchorage, Palmer and Wasilla, Alaska
2008

Anchorage, Palmer, Wasilla and the "core area" Active Transportation Partnership Partners (confirmed and unconfirmed as of October 2008):

*Municipality of Anchorage, www.muni.org/transplan/non-motorized.cfm
*Mat-Su Borough, http://ww1.matsugov.us
City of Palmer
City of Wasilla
Alaska Department of Health and Social Services, Division of Public Health
Alaska Department of Transportation and Public Facilities
Anchorage School District
Alaska Native Medical Center
Alaska Native Tribal Health Consortium
*Southcentral Foundation, www.scf.cc
*Alaska Center for the Environment, www.akcenter.org
Alaska Mobility Coalition
Alaska Public Interest Research Group
*Alaska Transportation Priorities Project, www.aktransportation.org
American Lung Association of Alaska
Anchorage Citizens Coalition
*Bicycle Commuters of Anchorage, www.bicycleanchorage.org
Friends of Mat-Su
*Valley Mountain Bikers and Hikers, www.vmbah.org
Anchorage Chamber of Commerce
Palmer Chamber of Commerce
Wasilla Chamber of Commerce

* Confirmed partners

Introduction and Goals

Active transportation, which includes all forms of non-motorized transportation, is a concept many Alaskans heartily support. Alaskans are an outdoors-oriented population and – if physically able and weather conditions allow – Alaskans generally enjoy walking, bicycling, and/or skiing. The mission of the Alaska Campaign for Active Transportation (the Campaign) is to increase the number of essential trips using non-motorized means by residents of Anchorage, Palmer and Wasilla (the two largest Mat-Su Borough communities, both within commuting range of Anchorage) as well as the unincorporated "core area" between these communities. The benefits of a successful campaign include decreased road maintenance costs, reduced need for new roads and/or road expansions, safer non-motorized travel, improved public health, less air and water pollution, and more vibrant neighborhoods and communities.

The Campaign's goals are to:

5. Significantly increase the number of trips to/from work, shopping, school, and public transportation in Anchorage, Palmer, Wasilla and the "core area" via non-motorized travel, including among Alaska Natives;
6. Increase safety for walking and bicycling on roads and trails in Anchorage, Palmer, Wasilla and the "core area";
7. Make Anchorage, Palmer, Wasilla and the "core area" more pedestrian- and bicycle-friendly year-round; and,
8. Provide better connections from diverse neighborhoods in Anchorage to the city's world-class paved trail system.

Location

Southcentral Alaska is the state's most populated region, and contains Alaska's largest community – Anchorage. Approximately 50 miles north are Palmer and Wasilla which are 12 miles apart, and both communities are within one hour's commute of Anchorage. The following map shows the location of Anchorage, Palmer, and Wasilla within Alaska.

Appendix 1 contains maps showing Anchorage's key employment, commercial, and educational destinations, as well as the existing paved trail system.

Background Information

Anchorage is the largest community in Alaska and in 2007 had an estimated population of 283,823 (42% of the state's population).[1] Palmer and Wasilla are the largest communities in the Mat-Su Borough which in 2007 had an estimated population of 80,056 (12% of the state's population).[2] Both Anchorage and the Mat-Su Borough are growing in population.

Anchorage Journalist Tim Woody and his commuting self-portrait.

The Anchorage region has the largest population of Alaska Natives of any community statewide, with Alaska Natives representing approximately 7% of Anchorage's population during the 2000 census.[3] Due to high fuel costs in rural areas, there recently has been significant migration from primarily Native villages to Anchorage.[4]

At approximately 60° north latitude, the region's climate can be characterized as 6 months of winter (October-March) with temperatures below freezing most of the time, 3 transitional months (April, May, and September), and 3 months of summer (June-August). Alaskans are accustomed to cold weather and many individuals walk and even bicycle all year long using modified gear such as shoes with grippers and studded bicycle tires.

The region has limited daylight during fall and winter. As a result, walking and bicycling routes, including routes to schools, must be well-lit and walkers and bicyclists must be very visible to avoid injuries from vehicles and the area's many moose.

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[1] Alaska Department of Labor and Workforce Development. See http://labor.state.ak.us/news/2008/news08-43.pdf.

[2] *Ibid.*

[3] See http://www.muni.org/homepage/quickstats.cfm#mapson.

[4] "Bush costs prompt exodus to cities; Task force urged to stem Migration," Julia O'Malley and Kyle Hopkins, *Anchorage Daily News*, September 29, 2008, (see http://www.adn.com/front/story/541188.html).

Notably, *Prevention* magazine ranked Anchorage 8th best walking city of the 100 most populous cities in the U.S. in 2006, with the criterion that counted most being the percentage of people who regularly walked.[5] The March 2006 issue of *Bicycling* magazine ranked Anchorage among the 21 best bicycling cities in the U.S., giving it an honorable mention in the 200,000 to 500,000 category (winning cities were Madison, WI, Tucson, AZ, and Albuquerque, NM; Minneapolis, MN – a Non-Motorized Transportation Pilot Program community – also received an honorable mention).

In 2006, Anchorage issued its *Ten Year Plan on Obesity and Health*.[6] This plan contains a key goal (one of four goals), with several subgoals, consistent with increasing non-motorized transportation:

> **Goal 4**: Create a community environment that supports a more physically active way of life.
> **Subgoal 4.1**: Develop safe, convenient, and attractive sidewalks/pathways.
> **Subgoal 4.3**: Improve [the] off-road trail system to provide better area wide connectivity and linkages to major destinations and adjoining neighborhoods.
> **Subgoal 4.4**: Improve safety and maintenance of [the] pedestrian transportation system.
> **Subgoal 4.5**: Site public facilities, such as schools, parks, and public buildings in locations where they are readily accessible by walking, biking and/or public transit to the residents intended to be served.
> **Subgoal 4.6**: Modify the Municipality of Anchorage's land use regulations to encourage and facilitate compact mixed use and pedestrian friendly development, particularly in those areas so identified in the Municipality of Anchorage's Comprehensive Plan.

Further proving its interest in non-motorized transportation, this year several involved individuals formed an all-volunteer pro-bicycling organization, Bicycle Commuters of Anchorage, or BCA (see BCA's very impressive website: http://www.bicycleanchorage.org/). BCA works to improve conditions for bicycle transportation and encourage bicycle use in Anchorage. BCA sponsored several events this year to promote bicycle commuting, worked with the Alaska Injury Prevention Center on Public Service Announcements to prevent vehicle collisions with bicycles, and serves as a member of a state/local transportation advisory committee. BCA also assisted the Municipality of Anchorage in promoting Bike to Work Day which included 112 business teams with 918 registered riders, and promoted International Walk to School Day to the media.

Also in 2008, the Anchorage Metropolitan Planning Organization voted to increase spending on Transportation Enhancements from 10 percent of its money to 10-20 percent.

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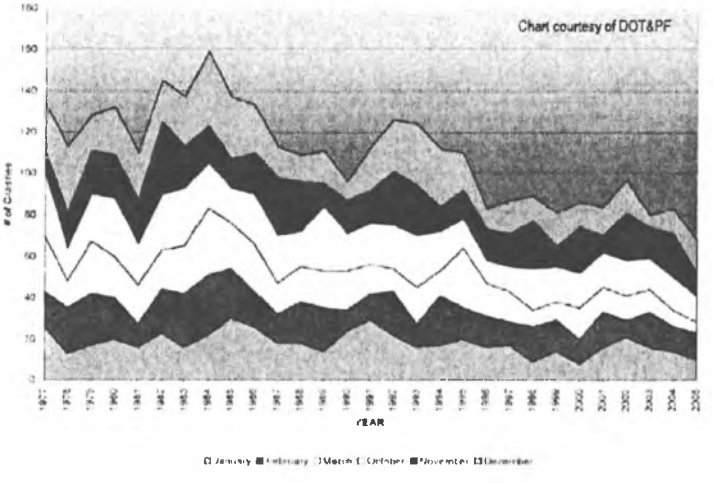
[5] See http://www.prevention.com/cda/article/100-best-walking-cities/1ba0d08f88803110VgnVCM20000012281eac____/fitness/walking/getting.started.

[6] See http://www.muni.org/iceimages/healthchp/Final%20MOA%20OF%20May%2010,%202006.pdf.

Anchorage has a world-class paved trail system of approximately 120 miles, used recreationally and for commuting. There are 458 miles of sidewalks (mostly in older neighborhoods), representing 13 percent of the total miles of road in the Anchorage bowl.[7] Approximately 75 percent of all intersection curbs with sidewalks have accessibility improvements for the disabled.[8] Anchorage's People Mover buses all have bicycle racks and, due to demand, the newest buses can carry three rather than two bicycles.

To ensure year-round walking in the region, it is critical for sidewalks to be cleared of snow. Over the past decade, Anchorage has increased its sidewalk snow clearing to 130 miles of walking facilities. Pedestrian-vehicle crashes in winter have trended downward as a result (see Figure 1, below[9]).

Figure 1
Pedestrian-Vehicle Crashes in Winter Months, Statewide, 1997 to 2005



To show its commitment to greenhouse gas emission reductions, Anchorage Mayor Mark Begich has signed onto the U.S. Conference of Mayors Climate Protection Agreement, which commits the city to reduce greenhouse gas emission to 7 percent below 1990 levels by 2012.

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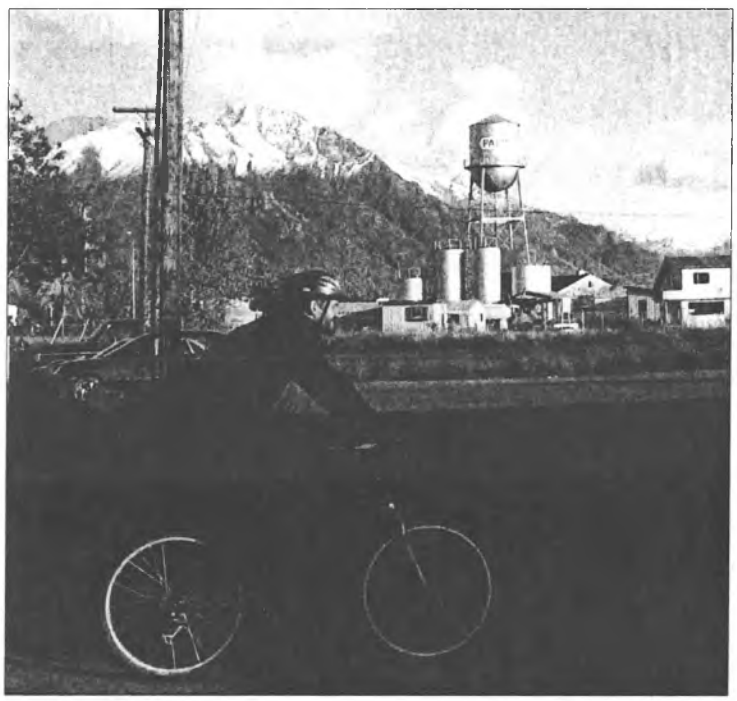
[7] *Anchorage Pedestrian Plan, making Anchorage a better, safer place to walk*, Anchorage Metropolitan Area Transportation Solutions, Traffic Department, Municipality of Anchorage, October 2007, p. 9 (see http://www.muni.org/icecimages/transplan/PedestrianPlan_Web.pdf). The smaller, more rural communities of Chugiak-Eagle River and Girdwood, all part of the Municipality of Anchorage, have even less sidewalk coverage.

[8] *Ibid.*, p. 10.

[9] *Anchorage Pedestrian Plan, op. cit.*, p. 16.

The Palmer and Wasilla area is much less developed and less populated than Anchorage. Within the Mat-Su Borough, there are over 2500 miles of documented trails, though most are backcountry trails which, in some cases, provide access to non-recreational destinations as well recreational opportunities. Backcountry trails in the Mat-Su Borough are mostly motorized as well. Additionally, there are approximately 90 miles of separated walking and bicycling paths within the Borough that have been constructed during the widening of highways and follow main roads such as the Old Glenn Highway, Palmer-Wasilla Highway, and the Parks Highway. Some shorter off-road paths near schools exist in Wasilla and Palmer, but they often do not connect to the main routes. Approximately one-fourth of the Borough's constructed separated paths are near or between the two communities of Palmer and Wasilla.



Bicycle commuter Whit Sheard near downtown Palmer on autumn day.

Challenges for the Campaign include a built environment in Anchorage, Palmer, Wasilla and the "core area" during recent decades that primarily supports motorized lifestyles. The region has a large number of vehicle-oriented commercial districts, office parks that require driving to lunch or errands, shopping centers that are isolated from neighborhoods, and a low percentage of streets with sidewalks.

Baseline Data Relevant to the Alaska Campaign for Active Transportation

As Alaska's largest community, there is considerably more baseline data about Anchorage than about Palmer and Wasilla. This section describes the available data most relevant to the Campaign.

In 2002, the Municipality of Anchorage conducted a survey which found that on a typical weekday in spring, walking trips represented about 5.7 percent of all trips by residents,[10] close to the national average of 6.9 percent. This figure does not include trips that require some walking, e.g., for travel to a bus stop. The survey also found that the median length

[10] *Ibid.*, p. 12.

of a walking trip in Anchorage was 6 minutes or approximately 0.3 miles.[11] Additionally, approximately 14 percent of students walked to school in Anchorage, similar to the national average.[12]

Around 220 pedestrian-vehicle crashes occur each year in Anchorage, a number that has been roughly stable from 1994-2004 despite growing traffic volumes.[13]

According to the Centers for Disease Control and Prevention, 61 percent of adults in Anchorage are overweight, with more than 23 percent qualifying as obese.[14] Among the Alaska Native community statewide, 68% are overweight and 31% qualify as obese.[15]

Status of Pedestrian and Bicycle Plans

As part of its Non-Motorized Transportation Plan, the Municipality of Anchorage published its Pedestrian Plan in October 2007 with the goal of establishing "a 20-year framework for improvements that will enhance the pedestrian environment and increase opportunities to choose walking as a mode of transportation."[16] The 220 page plan focuses on walking facilities adjacent to streets and walkways connecting housing areas to schools. The Pedestrian Plan's goals are as follows:[17]

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[11] *Ibid.*, p. 14.

[12] *Ibid.*, p. 13.

[13] *Ibid.*, p. 21. Data from the *Pedestrian and Bicycle Collision Report*, Alaska Department of Transportation and Public Facilities, 2005.

[14] Data are from the Municipality of Anchorage Ten Year Plan on Obesity and Health, May 10, 2006, prepared by the Mayor's Task Force on Obesity and Health.

[15] 2005 data. See http://www.hss.state.ak.us/dph/chronic/hsl/brfss/risks/obesity.htm.

[16] *Anchorage Pedestrian Plan, op. cit.*, p. 1.

[17] *Ibid.*, p. 5.

Anchorage Pedestrian Plan Goals

Overall Goal: Double the number of pedestrian trips made by Anchorage residents while simultaneously reducing the number of injuries from pedestrian-vehicle crashes.
Goal 1: Create a safer, more walkable city that will encourage year-round winter pedestrian activity and make walking a safer and more attractive activity.
Goal 2: Provide barrier-free mobility for all populations.
Goal 3: Reduce the number and severity of vehicle crashes involving pedestrians and bicyclists by raising public and law enforcement awareness of practices, rights, and responsibilities that promote pedestrian safety.
Goal 4: Improve community connectivity by providing safe, convenient, year-round pedestrian routes within and between neighborhoods, commercial centers, schools, and public facilities as well as between major employment centers and adjacent residential neighborhoods.
Goal 5: Review the relationship of street design to the design of adjacent land uses to consider needs of all users.
Goal 6: Encourage development patterns that increase and enhance pedestrian use.
Goal 7: Raise awareness of the important role of walking in promoting health and preventing disease.

Creation of new walking facilities in Anchorage will make it easier and safer to walk. These facilities will include curb ramps compliant with the Americans with Disabilities Act, new lighting (since children walk or bicycle in the dark for a majority of the school year), signage, traffic calming, removal of obstructions, crossing improvements, and construction of walkways to provide missing links. The Pedestrian Plan also contains a discussion of the federal Safe Routes to School program including obtaining funding from that program for projects associated with walking and/or biking to school.

The Pedestrian Plan includes a prioritized list of over 300 capital projects that will increase walkability. The total cost of pedestrian-related project improvements listed in the Anchorage Pedestrian Plan is $118.5 million[18] for more than 300 projects, however high-priority projects (ranked 8-10 of 10) total approximately $20 million. The Pedestrian Plan includes numerous Action Items covering additional analysis, public education, inter-governmental coordination, etc. to meet the Plan's seven goals.[19]

Municipality of Anchorage staff currently are working on the city's Bicycle Plan, with a projected completion date of spring 2009. The Anchorage Bicycle Plan will recommend improvements needed to create a network of bicycle routes that can be used for commuting. Suggested improvements will include signage, striping, as well as inclusion of bicycle lanes in road construction projects.

[18] *Ibid.*, p. 40.

[19] *Ibid.*, see Chapter 5, Recommendations, Policies, and Action Items.

Palmer, Wasilla, the "core area" and the Mat-Su Borough currently do not have pedestrian or bicycle plans. The Borough , however, does have a Parks, Recreation, and Open Space Plan[20] which identifies the need for separated walking and bicycle paths and is working on a "Green" Infrastructure plan for the "core area."

Benefits of a Successful Alaska Campaign for Active Transportation

When Anchorage, Palmer, Wasilla and the "core area" enact actions to promote increased walking and biking, there will be significant economic, safety, health, mobility, and community benefits. Economic benefits include a decreased need for road and vehicle maintenance (fewer potholes!) in a state with no funds dedicated to transportation, and a reduced need for new or expanded roads; as a result, federal taxpayers (who pay for most of Alaska's transportation needs) and vehicle owners who avoid repairs due to poor-quality road surfaces will benefit economically. Additionally, with gasoline and diesel prices at record or near-record levels, improved walkability and bikeability provides important economic – and frequently property value – benefits to residents. Car and truck travel increasingly is becoming unaffordable for low-income residents, so non-motorized transportation options are becoming not just desirable, but essential, to ensure resident mobility.

Safety benefits result from improved crossings in crash-prone intersections, better lighting, signage, striping, traffic calming, and improved driver education regarding pedestrian and bicycle travel. Health benefits include improved air quality resulting in better lung health, reduced obesity and, potentially, reduced incidence of diabetes. Mobility and community benefits derive from residents not needing to rely on motorized vehicles to get where they must go, thus providing an alternative, and redundant, means of transportation, as well as improved mobility for the disabled and those unable to drive. Additionally, the Campaign will emphasize connecting Anchorage's diverse and lower-income neighborhoods to the city's world-class paved trail system.

Because Anchorage is the largest community in the state with the most municipal staff, documents such as the city's Pedestrian and Bicycle Plans and their implementation will serve as models for smaller communities in Alaska to replicate. Thus, the Campaign would, in fact, benefit multiple additional communities throughout Alaska.

As shown in Figure 2 (next page), the Campaign proposes to divide the expected funding in the following manner: 80% to Anchorage and 20% to the Mat-Su Borough, a reasonable breakdown based on population.

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[20] "Parks, Recreation & Open Space Component of the Asset Management Plan," Matanuska-Susitna Borough Assembly Adopted, June 2001 (see http://www.matsugov.us/LandManagement/documents/ParksRecOpenSpaceFinal_001.pdf).

Federal Political Strategy

Anchorage, Palmer, Wasilla and the "core area" together represent approximately half the population of Alaska as well as a bi-partisan cross-section of the state (Anchorage is more liberal while the Mat-Su Borough is more conservative). Because these communities represent such a large and politically diverse portion of the state, combining them within the Campaign ensures that the state's federal representatives will pay attention.

As is well-known, Alaska's current federal delegation in both the Senate and the House has played a strong role in federal transportation law-making to date. Alaska's sole Congressman, Don Young, for example, headed the U.S. House of Representatives' Committee on Transportation and Infrastructure when SAFETEA-LU (named after his wife Lu) passed in 2005.

Should Senator Stevens or Congressman Young not return to the Senate or House in 2009, the Campaign is very confident that any likely successor (Anchorage Mayor Mark Begich in the Senate, a family friend of Congressman Oberstar who now heads the House Committee on Transportation and Infrastructure, and Anchorage's Ethan Berkowitz in the House) will support increased funding for active transportation. Both these candidates are strong advocates for sustainable communities, conservation, and addressing our nation's climate change challenges.

Figure 2: Alaska Campaign for Active Transportation Plan and Budget

Action Number	Action* and Date	Lead Organization	Approximate Cost
1	ANC – Construct high-priority projects from the Pedestrian Plan, including connections to transit and connections from neighborhoods to the city's paved trail system (2008-15)	Municipality of Anchorage	$20 million – for those projects ranking 8-10 on a 10 pt. scale in the Ped. Plan
2	ANC – Complete Bicycle Plan (2009)	Municipality of Anchorage	Will occur regardless
3	ANC – Become a Bicycle Friendly Community through the League of American Bicyclists (2011-12)	Municipality of Anchorage	$100,000
4	ANC – Construct high-priority projects from the Bicycle Plan, including connections to transit and connections from neighborhoods to the city's paved trail system (2010-15)	Municipality of Anchorage	$16 million
5	ANC – Web-based interactive route planning for the public (2011-12)	Municipality of Anchorage	$100,000
6	ANC – Targeted outreach to major employers like the federal and state governments, oil/gas companies, hospitals; encourage incentives to walk and bicycle (2010)	Municipality of Anchorage	$100,000
7	ANC – Provide matching grant incentives for bicycle racks and lockers (2010-15)	Municipality of Anchorage	$2 million
8	ANC – Purchase needed snow-plow equipment (2010)	Municipality of Anchorage	$1 million
9	ANC – Promote active transportation among Alaska Natives, including through Centers for Disease Control and Prevention-funded WISEWOMAN program of lifestyle intervention and through public service ads showing Natives walking and bicycling (2010-15)	Southcentral Foundation	$650,000
10	PAL, WAS – Develop Pedestrian and Bicycle plans (2010-2012)	Mat-Su Borough	$200,000
11	PAL, WAS – Provide matching grant incentives for bicycle racks and lockers (2010-2015)	Mat-Su Borough	$500,000
12	PAL, WAS – Implementation of Pedestrian and Bicycle plans, including connections to transit (2012-2015)	Mat-Su Borough	$9.3 million
13	ALL – Earned media and public service ads and announcements on walking and biking (2010-15)	Alaska Transportation Priorities Project	$50,000
14	ALL – Conduct events to educate the public on walking (e.g., International Walk to School Day) and biking (e.g., Bike to Work day/week) (2010-2015)	Multiple	Will occur regardless
15	ALL – Promote Safe Routes to School program (2010-15)	Alaska Transportation Priorities Project	Will occur regardless
16	ALL – Obtain additional funding to supplement the federal money including state/local contributions, Rasmuson, Southcentral and other foundations, Native corporation contributions, etc. (2010-15)	Multiple	In-kind contributions from involved organizations

* Action Abbreviations:
ANC – Anchorage, PAL – Palmer, WAS – Wasilla, ALL – All involved communities

Summary

Anchorage, Palmer, Wasilla and the "core area" between Palmer and Wasilla represent areas ripe for increased, non-motorized trips year-round. Anchorage has a completed, comprehensive Pedestrian Plan, is far along in development of its Bicycle Plan and – with adequate funding – will accelerate plan implementation. Palmer, Wasilla and the "core area" require pedestrian and bicycle plan development prior to plan implementation. The entire region, however, has receptive populations due to the outdoors-focus of many Alaskans and their ability to adapt to cold weather, and the extremely high price of motor fuel in Alaska. The Campaign will include a focus on shifting Alaska Native travel patterns to increased non-motorized transportation since Anchorage contains the largest Native population of any community in the state. Based on population, the Campaign expects to spend 80% of its funds in Anchorage and 20% of the funds in Palmer, Wasilla, and the "core area." Finally, the bi-partisan composition of the Campaign's communities helps ensure that the state's federal representatives will act to increase non-motorized transportation funding.

The Alaska Campaign for Active Transportation has a high likelihood of success. The benefits of a successful campaign include decreased road maintenance costs and reduced need for new roads and/or road expansions (the majority paid for using federal dollars), safer non-motorized travel, improved public health, less air and water pollution, and more vibrant neighborhoods and communities.

Acknowledgements
Primary author: Lois Epstein, P.E., Alaska Transportation Priorities Project
Key co-authors: Lori Schanche, P.L.A., Municipality of Anchorage; Pat Owens, Valley Mountain Bikers and Hikers

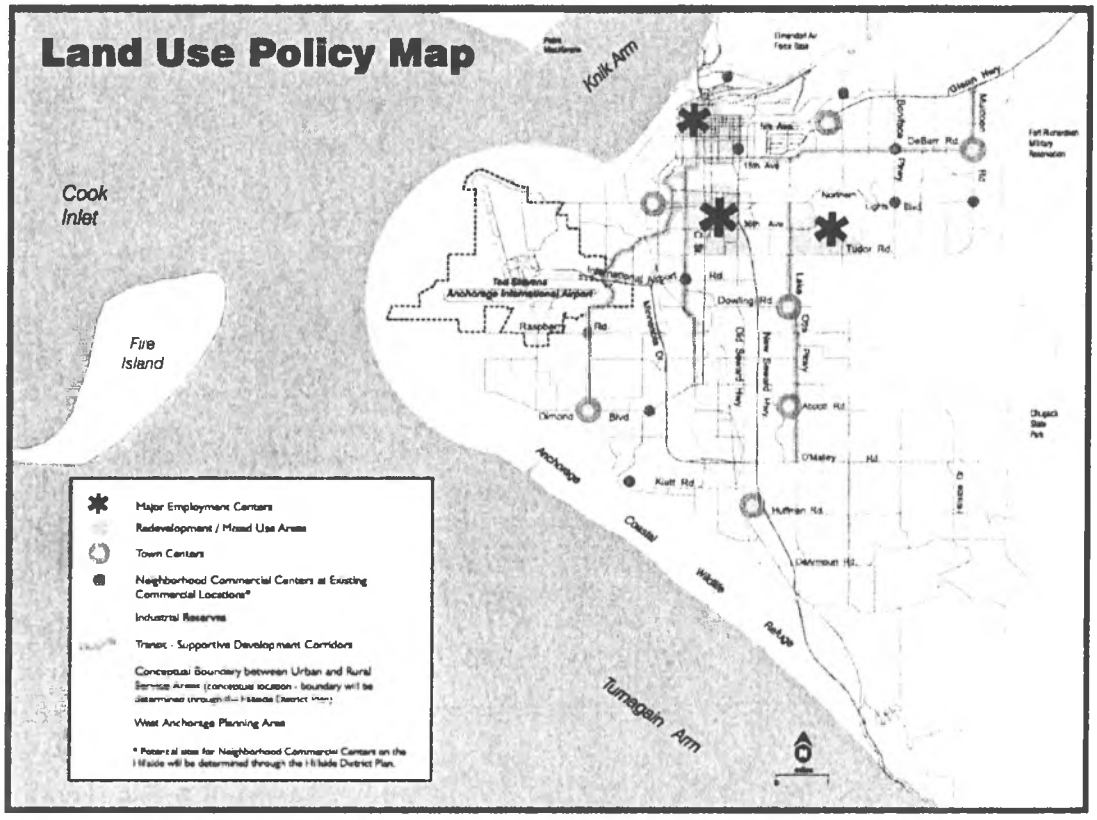
The authors greatly appreciate the assistance of: John Duffy, Mat-Su Borough; Becky Oberrecht, BBA, Southcentral Foundation; Diana Redwood, MS, MPH, Alaska Native Tribal Health Consortium (Alaska Native Epidemiology Center); Brian Litmans, Bicycle Commuters of Anchorage
Photo assistance: Tim Woody, Whit Sheard, Dr. Dave Werner

Appendix

A: Maps
B: Anchorage Assembly and Mat-Su Borough Resolutions, and Letters of Support [to be added]
C: Contacts

Appendix A

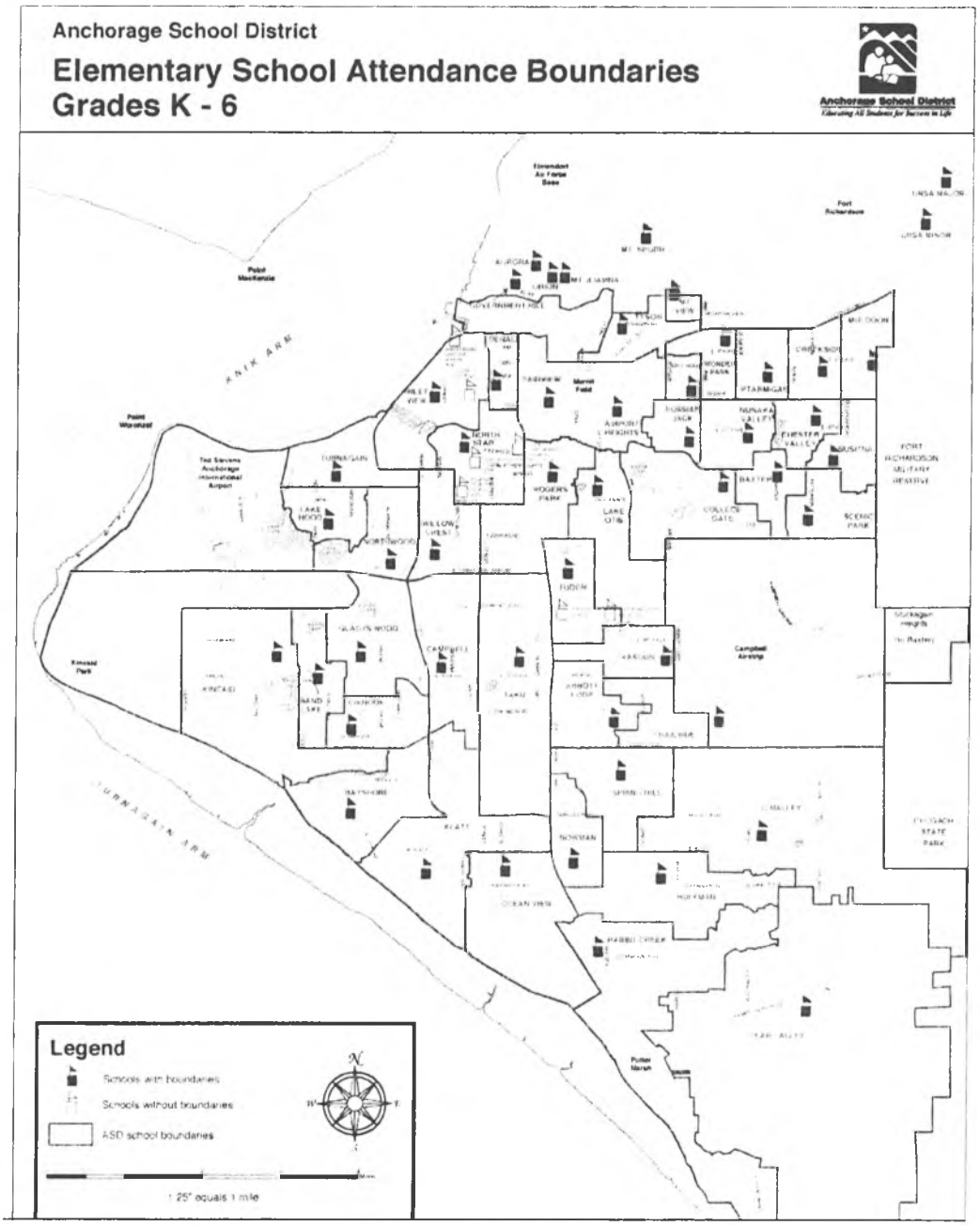
A-1: Municipality of Anchorage Land Use Map Showing Key Employment and Commercial Centers



Source: *Anchorage Pedestrian Plan, making Anchorage a better, safer place to walk*, Anchorage Metropolitan Area Transportation Solutions, Traffic Department, Municipality of Anchorage, October 2007, p. 34 (see http://www.muni.org/iceimages/transplan/PedestrianPlan_Web.pdf).

Appendix A

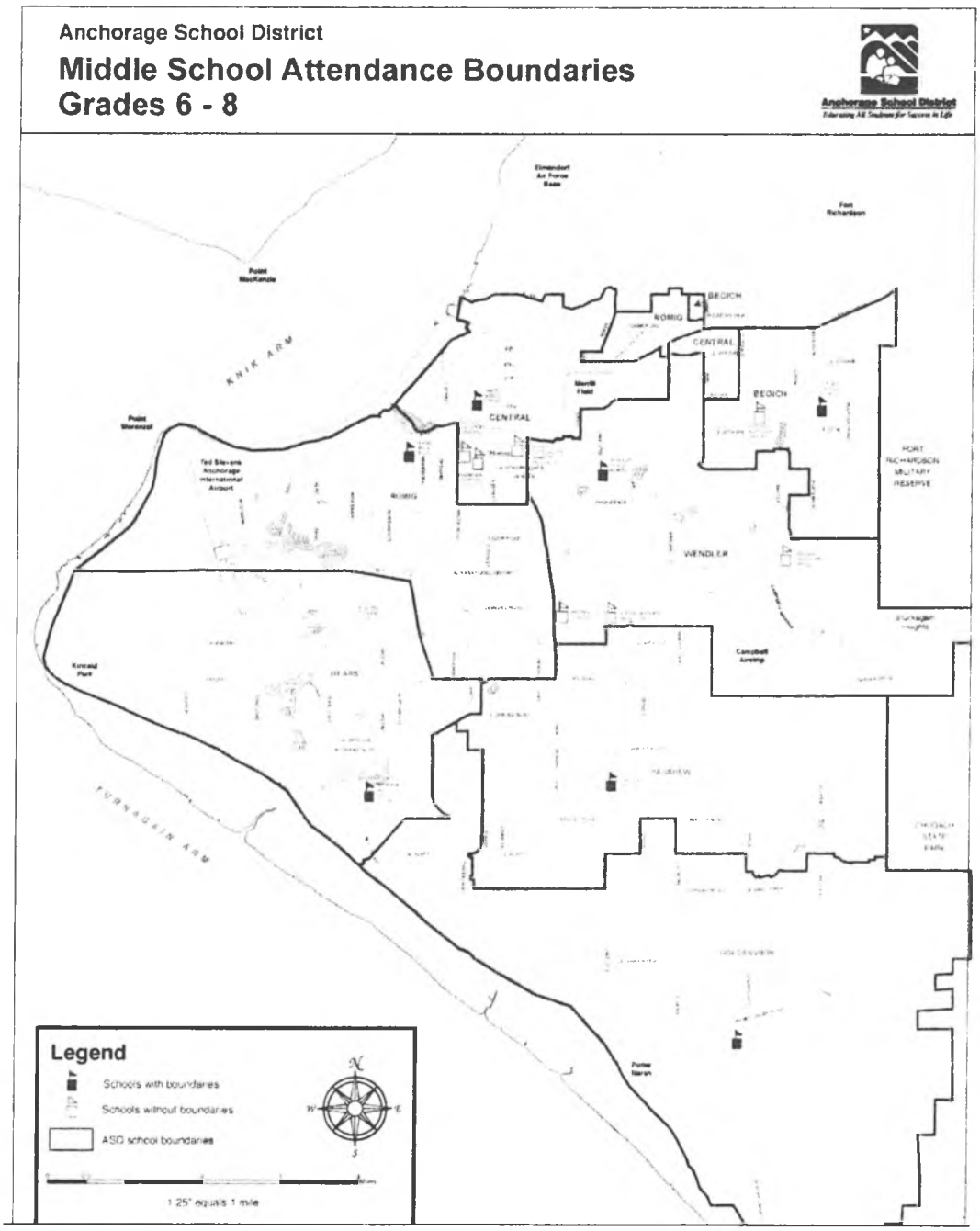
A-2: Municipality of Anchorage Elementary School Locations and Attendance Boundaries



Source: Municipality of Anchorage (see http://www.muni.org/iceimages/traffic/Walking_Route_Manual_0809.pdf, p. 4).

Appendix A

A-3: Municipality of Anchorage Middle School Locations and Attendance Boundaries



Source: Municipality of Anchorage (see http://www.muni.org/iceimages/traffic/Walking_Route_Manual_0809.pdf, p. 5).

Appendix A

A-4: Municipality of Anchorage Trails

Source: Municipality of Anchorage (see http://www.muni.org/iceimages/parks/TrailwatchMap.pdf).

Appendix B

Anchorage Assembly and Mat-Su Borough Resolutions, and Letters of Support
[to be added]

Appendix C

Key Contacts

1) Lois N. Epstein, P.E.
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308 G St., Suite 221
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2) Lori Schanche, P.L.A.
Non-Motorized Transportation Coordinator
Project Management and Engineering
Municipality of Anchorage
4700 Elmore Road
Anchorage, AK 99507
907 343-8368
SchancheLE@muni.org

3) Pat Owens
Valley Mountain Bikers and Hikers
P.O. Box 22
Sutton, AK 99674
907 745-7714
pato@mtaonline.net

Alaska State Legislature

Please enter into the record my testimony to the House Transportation
Committee name

Committee on HB 57 Bicycle Program, dated 3-10-2011
Bill/Subject

Hi

I am a bike commuter and a pleasure biker. I support more funds to make our roads safer for bikers. I support more funds to build more bike trails. Biking

is good for our health, for our society, and for our country.

Thanks

Signed: Michal Stryszak

Testifier

Representing (Optional)

2900 Wiley Post Ave. Anchorage, Ak. 99517
Address

michal_1939@yahoo.com
Phone number

Alaska State Legislature

Please enter into the record my testimony to the House Transportation
Committee name

Committee on HB 57 - Bicycle Program, dated 3-10-2011
Bill/Subject

I would like to urge support for the Bicycle Bill - HB - 57. It is important to encourage more sue of bicycles for commuting and general travel particularly in the urban centers.

I feel the bill should include language that promotes the use and education of motorists and cyclists to provide safe alternative transportation. The bill should allow Non-profits and municipalities to propose programs to increase bicycle use in the way that best fits their community. This may be a bike share program, education of safe use of bicycles, a voucher system, or any variation that fits the unique needs of the community. The bill should support grants for any program that increases bicycle use, educates motorists and bicyclists, or improves bicycle conditions.

Please enter this into the Testimony on March 10, 2011 as I will not be able to participate in person.

Signed: Eric Geisler
Testifier

Representing (Optional)

egeisler@BLM.com
Address

W-907-271-1985 C-509-220-4712
Phone number

Anchorage Metro Area Transportation Solutions

MUNICIPALITY OF ANCHORAGE
Traffic Department,
Transportation Planning Division
Non-Motorized Transportation Coordinator
Planning & Development Center, 4700 Elmore Road
P. O. Box 196650, Anchorage, AK 99519-6650
voice (907) 343-8368, facsimile (907) 249-7806
e-mail: schanchele@muni.org

To Whom It May Concern:

Please accept this letter as support for HB57. This bill will provide Alaskans access to bicycles and encourages bicycle use as an alternative mode of transportation by creating the Safe Bicycle Ridership grant program for municipalities and non-profits. The increased access to bicycles and knowledge of bicycle safety will give more Alaskans a choice to bicycle to work and school which is a legitimate response to high fuel costs in an unstable economy. The resounding choice of using a bicycle for transportation also promotes improved community health.

HB57 will allow municipalities and nonprofit organizations to apply for state funding to develop programs to encourage safe bicycle use. The *Anchorage Bicycle Plan, 2010* (http://www.muni.org/Departments/OCPD/Planning/AMATS/Pages/Non-MotorizedTransportationPlan.aspx) notes a few ideas in developing programs, from the League of American Bicyclist's Certified Instructor program, to opportunities for bicycle rentals. Anchorage also has an active bicycle club, the Bicycle Commuters of Anchorage, and the Municipality of Anchorage continues to work with this group and will likely apply for funding to increase bicycle safety.

Many people have already made the move to bicycle use for transportation, but adding programs to make things safer is of utmost importance.

I would be happy to provide any additional information you may need.

Sincerely,

Lori Schanche
Thu Feb 10 12:43:05 2011

Lori Schanche, PLA, ASLA
Non-Motorized Transportation Coordinator
Municipality of Anchorage
League Cycling Instructor#2876

Rebecca Rooney

From:	bicyclealaska@aol.com
Sent:	Tuesday, March 08, 2011 9:41 PM
To:	Rep. Peggy Wilson; Rep. Lance Pruitt; Rep. Eric Feige; Rep. Craig Johnson; Rep. Cathy Munoz; Rep. Max Gruenberg; Rep. Pete Petersen
Cc:	denny.dewitt@nfib.org
Subject:	House Transportation: Please Vote No on HB 57

FROM: Peter Roberts, Owner Downtown Bicycle Rental, Inc., Anchorage.
TO: Members of the House Transportation Committee
RE: HB 57, Bicycle Program

For the following reasons, I urge members of the House Transportation Committee to vote NO on HB 57 – "The Bike Bill."

The Undisputed Benefits of Bikes & Small Business

No thinking person can dispute the many benefits of bicycles. People who bike instead of drive improve their health and save gas. The community benefits because when there is one less car on the road, there is cleaner air, less traffic, and less wear and tear on expensive-to-maintain roads. When people bike more and drive less, everybody wins.

No thinking person can dispute the many benefits of small businesses. After investing their time and risking their money, entrepreneurs sometimes manage to earn a profit and make a living. The community benefits because when businesses compete, the quality of goods and services goes up, and prices go down. Businesses pay salaries and taxes. When businesses thrive, members of the community work more and ask their government for less. Everybody wins.

The High Cost of No Price

Cognizant of the many benefits of bicycles, Representatives Seaton and Gruenberg have introduced HB 57. The purpose of this bill is "to encourage the safe use of bicycles as a mode of transportation. . . ." *See* Sec. 1, Article 2. To that end, HB 57 asks that a "fund" be established from "appropriations by the legislature," "federal money" and "other sources" so that "municipalities and nonprofits" can fund the "purchase, maintenance, and repair of bicycles, bicycle helmets, bicycle facilities, and bicycle trailers by residents of the community where the grantee is located." *See* Sec 2 Article 1A.

While the goal of HB 57 is laudable, in towns that already have bike shops, passage will have the opposite of the intended effect. The statutory scheme proposed by this bill takes profits ***earned*** by small businesses and gives it to nonprofits and government agencies so the latter can give away the same products and services taxed businesses are trying to sell. Successful bike businesses will actually be subsidizing their own demise. Outsourcing to municipalities and nonprofits what private employers already provide will sabotage the tax base and put people out of work.

It is axiomatic that people will not buy what they can get down the street for free. As businesses go under and taxes dry up, government will either have to raise taxes on everyone else, go deeper into debt, cut other (core) government services, or reduce grants from the fund. When the race to the bottom finally ends, not only will no one be selling, renting or fixing bikes, the government will be out of money. While HB 57 targets only a certain line of products and services, if such a scheme were extrapolated to the rest of the economy, no thinking person can dispute what would happen: Blight.

Bikes Don't Commute, People Do

In the previous legislative session, Senator Seaton likened this bill's progenitor (HB 132 which thankfully died in House Finance) to the Energy Rebate Grant Program. As you know, that program reimburses homeowners up to $10,000 if they improve the energy efficiency of their home. At first blush, the comparison sounds apt, but if you think about it, that program and the one proposed by HB 57 are really very different.

The energy rebate program begins at the bottom and works up. The program imagined in the Bike Bill starts from the top and "works" down. One program reimburses citizens that buy products and services from businesses; the other program gives products and services to citizens that businesses are trying to sell. There are other differences. One program builds a tangible, permanent improvement that keeps people warm for less money; the other gives away a quickly depreciating vehicle with many moving parts. The hope for HB 57 is that it will enable utility bicycle use -commuting. But bikes are also used for recreation. Insulating a house is one thing, changing people's behavior is another. Bikes don't commute, people do. People must *want* to change.

Instead of spending precious tax dollars trying to fix people, the government should shift its focus and fix broken bike paths and make other tangible, permanent improvements that make bike commuting safer and more likely. When HB 132 was discussed by this committee two years ago, Kristi Wood, representing the Bicycle Commuters of Anchorage testified that the "[T]he number one excuse she hears from people who do not commute by bicycle is that they do not believe they have a safe route. . . . She emphasized the need for more bicycle lanes, and bicycle paths." (HB 132 Minutes at 2:48:39 PM. March 19, 2009.) Like HB 132, HB 57 puts the cart before the horse. This time around, I urge all members of the Transportation Committee to weigh-in on the bill's true merits (or lack of them) and vote no.
(03-23-2009, House Journal, 0546: Do pass (2): Gruenberg, Wilson. No recommendation (3): Johansen, Munoz, Doogan)

Cash for Clunkers/Bucks for Bikes

In defense of HB 57, some say there are people who would commute by bike if they afford one. Fair enough. Draft a closely-tailored bill that targets such a person. Food stamps help people eat. "Bike vouchers" can help people commute. The pool of people that currently qualify for home heating assistance or a free monthly bus pass would likely also qualify for a bike voucher. Voucher applicants could be required to first pass an online safe bike operation and/or basic bike maintenance test. Vouchers for commuter bikes could be redeemed by businesses in the community that are already positioned to meet each

individual's unique biking needs. Instead of creating a program that empowers a government agency, why not create a program that empowers people?

Two years ago, the federal government stimulated the auto industry with its "Cash for Clunkers" program. A better bike bill would emulate the model. It could be called "Bucks for Bikes." If government-stimulated demand for bikes and their maintenance exceeds supply, the imbalance will be remedied by a resident who risks their capital, invests their time and hires their neighbor to meet it. In other words, they will start a small business. Everybody wins.

Past Testimony to this Committee Acknowledged Unfair Competition by Nonprofits as a Legitimate Concern

In the last legislative session, when this committee heard public testimony on the previous edition of this bill, the administration sent two representatives from the Department of Transportation. Bob Laurie is the State Bicycle Pedestrian Coordinator. Jeff Ottesen is Director of Program Development." (No State gaming regulators were present.) The minutes from the meeting show two legislators and four members of the public acknowledged government-sponsored competition by a nonprofit as a legitimate concern. Nevertheless, supporters urged passage because the bill, like the current one instructs DOT to "develop regulations establishing criteria for issuing grants to municipalities and nonprofit organizations. . . ." This instruction kicks the can – a can filled with worms – down the road. Again. It is not credible to expect an agency to adopt regulations to remedy a well-known concern when the legislature declines to do it itself. After two years, the following statements could have and should have produced a better bill:

1:52:29 PM
REPRESENTATIVE JOHANSEN referred to page 1, line 14, of Version E which reads "by municipal residents". He asked if the program will only be allowed for municipal residents. He further asked how the program would be monitored in a community like Ketchikan that has 9,000 tourists who disembark from cruise ships in one day, who may also want to use bicycles. He inquired as to how the mechanics of the program would work if the program is limited to residents. He then asked specifically, "How are you going to tell or is that your intent for it just to be residents?"

REPRESENTATIVE SEATON answered that this program would be incorporated in a grant request from a municipality. "Another words, if a municipality came in and said we want to have a program for tourists, not a mode of transportation, but a visitor service." He explained that while HB 132 is intended to provide a mode of transportation to residents, nothing restricts a municipality from allowing others to use the bicycles. However, the intent of the bill is to provide a grant to communities so Alaskans will have an alternate mode of transportation to use instead of motor vehicles. He said, "That's what this bill is for, it's not for recreation, it's not meant to compete with a business that would be renting out bicycles to the cruise ships, if someone has a similar business." He added that HB 132 targets local residents. Additionally, he said he hopes the program can help address obesity rates by encouraging Alaska residents to get more exercise to improve their health.

2:15:01 PM
SUE ELY, Legislative & Communications Manager, Alaska Conservation Alliance (ACA), speaking on behalf of the ACA, offered support for HB 132. . . . "We are here to testify in favor of this bill and I think what I'd like to do is sing the praises of bicycles and talk about some of the barriers that I think this bill addresses." She suggested that the bill might include educating not just riders but also for motorists to better learn to interact with bicycle users. She mentioned bicycle lanes and street plowing are important to allow year round bicycle use. She said:
We want, like the bill sponsor said, we're not trying to get this out here for tourists. This isn't for joy rides. This is for people who don't have cars or don't want to use their car, or don't have appropriate transit or want to make a good choice for the environment. These people aren't going out there for joy rides.

2:29:02 PM
MATTHEW TURNER, Bicycle Friendly Sitka (BFS), speaking on behalf of BFS . . . . He expressed concern that the DOT&PF needs to put into place mechanisms to prevent competition with existing bicycle rental or repair shops. He said:
My concern is to make sure that there are assurances that whatever programs come about as a result of this bill are not competing with existing bicycle shops, either rental businesses or repair businesses. And so, I know there's some nuance there, because I hope that it's specific enough to prevent government sponsored competition but still loose enough in its regulations and writing that folks can respond innovatively with programs to get bicycles to those in need.
He said he hopes the focus is to get bicycles in hands of those who cannot afford to purchase a new one in a bicycle shop. He opined that the long-term goal is to have those people become consumers of for-profit organizations in the future.

2:34:42 PM
MS. WEST. . . . She pointed out that he was really glad to get people out on bikes. She stated that it is not about competition, but is about a healthy lifestyle and the "greenness" of riding bicycles.

2:39:32 PM
ROBERT SHIPLEY, Anchorage Trails and committee Coalition, speaking on behalf of the ATGC, offered ATGC's support for HB 132. . . . He reiterated prior testimony emphasizing that programs need to be directed to cyclists and drivers. . . . He further suggested that the bill should be amended to include support for outreach and education safety programs.

LOIS EPSTEIN, Engineer, and Director, Alaska Transportation Priorities Project (ATPP), stated the ATPP is a statewide coalition consisting of conservation organizations, businesses, individuals promoting sensible transportation systems in Alaska. . . .She suggested that HB 132 may need to be amended to clarify its focus on education grants as well as on bicycling infrastructure.

Conclusion

Singing the undisputed praises of bicycles is not relevant testimony. As is the case with most things that sound good on the surface, the devil is in the details. If this bill becomes law, it will not change the behavior of drivers; but it will change the behavior of people who patronize bike shops.

For all of the foregoing reasons, I urge the Transportation Committee to vote no on HB 57.

Respectfully submitted,

Peter Roberts
Owner
Downtown Bicycle Rental, Inc.
333 W. 4th Ave. , Anchorage, AK 99501
Tel: (907) 279-3334, Fax: 279-8338
bicyclealaska@aol.com
www.alaska-bike-rentals.com

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LAWYERS - LLC

MICHAEL L. LESSMEIER
GREGORY W. LESSMEIER
SHELDON E. WINTERS

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TELEPHONE: (907) 796-4999
FACSIMILE: (907) 796-4998
E-MAIL: l-w@gci.net

VIA HAND DELIVERY

February 16, 2011

The Honorable Paul Seaton
Alaska House of Representatives
State Capitol, Room 102
Juneau, AK 99801-1182

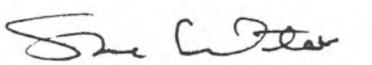
Re: State Farm Support for HB 57 – Bicycle Safety

Dear Representative Seaton:

State Farm strongly supports HB 57, authorizing municipalities and non-profit organizations to sponsor programs to encourage the safe use of bicycles, and allowing the Department of Transportation to administer state funds appropriated for that purpose. Anything the Legislature can do to improve safety in the use of bicycles is worthy of consideration and support. If there is any information we can provide to you in support of this effort, please let me know.

Sincerely,

LESSMEIER & WINTERS, LLC

By: 

Sheldon E. Winters
Lobbyist for State Farm Insurance Companies

SEW/lg
Seaton 02-16-11 letter of support

NFIB

The Voice of Small Business•

ALASKA

March 8, 2011

The Honorable Paul Seaton
State Capitol Building
Juneau, Alaska 99801-1182

RE: House Bill 57

Dear Representative Seaton,

On behalf of the National Federation of Independent Business/Alaska, I wish to respectfully share our opposition to House Bill 57. The National Federation of Independent Business is the largest small-business advocacy group in Alaska.

We appreciate your concern for encouraging the safe use of bicycles in Alaska. However, this bill establishes a grant program to compete with small businesses throughout Alaska. Making state funds available to municipalities and nonprofit agencies to acquire merchandise to directly compete with small businesses in Alaska is not an appropriate function of government.

Providing safety education and training is an important activity. However, creating unfair competition by subsidizing government and nonprofit agencies is detrimental to many small Alaskan businesses that provide jobs and services in our communities.

Thank you for your consideration of our concerns.

Sincerely yours,

Dennis L. DeWitt
Alaska State Director

Cc: NFIB/AK Leadership Council
House Transportation Committee

March 28, 2011

Alaska House of Representatives Transportation Committee
State Capitol, Room 17
Juneau, AK 99801

Dear Members of the House Transportation Committee:

Bicycle Commuters of Anchorage (BCA) thanks you for considering the following comments on HB 57, referred to as the Bicycle Program. BCA submits these comments on behalf of its members and all Anchorage bicyclists who seek a safer, accessible, and viable bicycle-friendly city and State. BCA is a non-profit organization that promotes bicycle use as a healthy, economical, environmentally-sound and fun means of transportation. As a non-profit organization that focuses heavily on safety education, as well as encouragement of bicycle use as a viable means of transportation, BCA fully supports efforts to further education of motorists and bicyclists and efforts that promote bicycle use. As a result, BCA completely supports the educational provisions of HB 57 and expresses general support for programs that encourage bicycle use.

The Benefits of Bicycling

As noted in the March 10, 2011 Transportation Committee hearing on HB 57, there are many compelling reasons to support bicycle transportation. Bicycling means less traffic congestion, less air pollution in urban environments and also alleviates our energy demands. Bicycling has numerous health benefits. It fights obesity, diabetes, heart disease, and reduces stress and the likelihood of depression. Bicycling also results in greater social capital, bringing families and communities closer together. These benefits are easy to achieve because forty percent of national trips are less than 2 miles. Trips of this distance made by car are easily replaced by bicycle. Bicycling also has tremendous economic benefits too. The cost of bicycling pales in comparison to commuting by car, making it an economical means of transportation for many. There's been no shortage of articles in the media about the growth in cycling as a response to rising energy costs and with rising gas prices, we can expect to see more people jumping on their bikes. Bicycling is also great for local businesses – greater bicycle use can create jobs and support independent businesses. Cities with improved bicycle infrastructure have seen rising home values and benefits to local businesses such as restaurants and shops. Educating motorists and bicyclists will lead to a safer environment. Along with programs that encourage bicycle use, Alaska will see increased bicycle use, which in turn will result in all the benefits enumerated above.

The Importance of Bicycle Infrastructure to Increase Bicycle Use.

Also as noted in the March 10, 2011 Transportation Committee hearing on HB 57, bicycle infrastructure plays a crucial role in creating bicycle-friendly cities (as well as making rural areas friendly to bicycle use). There are some basic assumptions that help demonstrate the importance

of bicycle infrastructure and how it will change people's decisions about how they get around town. First, people want to bike – especially in the summer. As Spring approaches, in Anchorage, we quickly see a dramatic increase in those out on their bikes. I have seen old and young, those fit and those trying to get in shape, recreational riders and commuters all out on their bikes. I have seen fathers and mothers with their children on bikes of their own or being pulled in a chariot or tag-along, bicycling to school in the morning. I've seen bicycle racks filled outside of offices downtown. It is clear that people enjoy bicycling by the smiles on their faces. How many folks have you seen smiling in their car as they deal with morning or afternoon rush hour in their car? Bicycling infrastructure leads to more and more bicyclists, in summer and winter.

The second assumption is that people are afraid of being hit. This is a not surprising. Those that do not bike tend to only hear stories from bicyclist about being hit by a car, or near encounters, or being yelled at, honked at or in some case run off the road. What those who don't bicycle miss is all of the positive outcomes from being on a bicycle. I rarely hear people tell stories of how wonderful their bike commute was, of how enjoyable it is to be outside, even in inclimate weather, of the ability to enjoy a little bit of nature when on the greenbelts, of the feeling of being refreshed and not stressed. BCA does not discount that there are dangers associated with bicycling. But there is also significant danger every time one gets in a car. However, because we live in an auto-centric culture, people don't think twice about driving to the store to pick up some milk, even if it may statistically be much more likely that they will end up in an accident driving rather than bicycling. Bicycling infrastructure is critical to making bicyclists feel safer.

The third assumption is that people who would like to bike prefer bike facilities and especially prefer being separated from motor vehicles. In some cases, bicyclists will go out of their way and take a longer route if it offers a safer more pleasant ride, such as a separated pathway or bike lane. However, absent such bicycle infrastructure they will take the most direct route even if it isn't the safest. This can lead to bicyclists being on roads which are not safe. However, while people prefer bike lanes and separated paths, if there are significant missing links they may not elect to ride at all. It has been shown that even if a bicyclist could be on bike lanes for 90% of their route, if there is a missing like that results in significant exposure to the bicyclist, they will not get on their bikes. As a result, a bike network can only be truly effective when it addresses entire routes. Bike infrastructure will only be effective if it is part of a bicycle network - connectivity is key for the bicyclist.

When it comes to bicycle use in most cities, people tend to fall into one of four categories. The first category, less than 1% of the city population (based on national averages), are strong and fearless. These bicyclists will ride regardless of how bicycle-friendly the city is. They are comfortable bicycling in just about any condition or scenario and their use is not hindered by lack of bicycle infrastructure. The second group, perhaps 5-6% of the city population, are "enthused and confident" bicyclists. This group enjoys bicycling but prefers bicycle transportation when safety concerns are addressed. Inclusion of infrastructure, such as bike lanes, makes bicycle transportation a viable option for this group. The third group, 60-70% of the

population is interested in bicycling but concerned. The final group is comprised of those who are not likely to ever get on a bicycle.

For bicycle programs to be effective, we must contemporaneously work to provide safe bicycling networks. Amongst the goals of increasing bicycle-use, it should be recognized that to substantially increase bicycle we must provide a bicycle transportation system that alleviates the concerns of the "interested but concerned" group. This would result in a dramatic increase in bicycle ridership. Further, this dramatic rise will see exponential growth because as numbers of bicyclists increase, safety increases too. The "safety in numbers" effect creates a positive feedback loop, which allows for ridership to grow and grow. Additionally, cities across the United States have found that bicycle-vehicle fatalities decrease when bicycle-ridership increases.

In addition to providing a program that supports bicycle education and support for programs that encourage bicycle use, one of the most effective way to get those that are interested but concerned, as well as those that are "enthused and confident" to utilize bicycle transportation more often is to install adequate bicycle transportation infrastructure and treatments. Inclusion of bicycle transportation infrastructure addresses safety concerns for many riders. Infrastructure improvements that provide a greater sense of security, such as separated bikeways like cycletracks, provide a means of transportation that the make those that are "interested but concerned" comfortable. Ultimately, if one is able to make mothers feel safe getting on their bikes with their children in tow, then that community has truly become bicycle-friendly.

So What is Bicycle-Friendly?

The degree to which a community is bicycle-friendly is assessed by the League of American Bicyclists based on how that community fares on the five Es: Engineering, Education, Encouragement, Enforcement, and Evaluation. Engineering, as discussed above, is critical to creating a bicycle-friendly community and getting people on bicycles. Good bicycling infrastructure is something few on this continent, and especially those in Alaska, have seen in their own city or town or are familiar with. It doesn't mean a "bike route" sign and a white stripe along the arterial. It doesn't mean a meandering trail shared with joggers, strollers, roller bladders, or cross-country skiers. Bicycle-friendly means a complete, continuous, interconnected network of named bicycle roads or "tracks," each marked and lit, each governed by traffic signs and signals of its own. It means a parallel network interlaced with the other urban grids: the transit grid on road or rail; the street grid for cars, trucks, and taxis; and the sidewalk grid for pedestrians. It means separation from those grids: to be useful for everyone from eight year olds to eighty year olds, bikeways on large roads must be physically curbed, fenced, or graded away from both traffic and walkers. On smaller, neighborhood streets, where bikes and cars do mingle, bicycle-friendly may mean calming traffic with speed bumps, circles, and curb bubbles. And as identified by the League of American Bicyclists, it means "Education" and "Encouragement." This bill supports these two of the five Es. Education of motorists and bicyclists is vital to improving the overall safety for bicyclists.

Partnering with the Business Community

BCA recognizes that to create a truly bicycle-friendly environment, it is important for cities and non-profit organizations to partner with the private sector. Any bike program must ensure that we are supporting local business, especially local bike businesses. BCA works closely with businesses to encourage bicycle use and intends to continue to foster such relationships with the business community.

Conclusion

BCA is very supportive of all efforts to further education and encouragement of bicycle-use. As a non-profit organization, BCA would be excited to provide further bicycle education. Last summer, BCA brought up League of American Bicyclists' Preston Tyree to train 12 people from Anchorage, Juneau and Cordova to become League-certified instructors. These 12 people are not certified to teach the League's Smart Cycling curriculum. Courses from 1 hour to 9 hours educate motorists and bicyclists about the rules of the road, how to share the road, and of course how to bicycle safely. The courses can be taught to children and adults. BCA is excited to launch this curriculum this summer. BCA also expresses general support for a program that encourages bicycle use. However, BCA recognizes the concerns of businesses like Anchorage's Downtown Bicycle Rental. Any encouragement program should strive to work cooperatively with local businesses. While handing a child a helmet is certainly an important thing, without any education and any effort to make the environment safer for bicycle use, the overall impact of such an effort is limited. Let there be no question that BCA supports a bill that would assist Municipalities and non-profits, such as BCA, with the ability to get helmets and bike lights to those in need. And we clearly support the bill as it supports our efforts to further educate motorists and bicyclists. This simple step by the Legislature will provide a resource that can improve safety for all users and is worthy of your consideration and support. If there is any more information BCA can provide in support of this bill, please let us know.

Sincerely,

Brian Litmans

Brian Litmans
President
Bicycle Commuters of Anchorage
info@bicycleanchorage.org

HB

62

<TARGET><BILL>HB 62</BILL><SUBJECT>HB
62</SUBJECT><COMM>HTRA27</COMM></TARGET>

CS FOR HOUSE BILL NO. 62(TRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE TRANSPORTATION COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES HOLMES AND HERRON, Johnson, Pruitt, Feige

A BILL

FOR AN ACT ENTITLED

"An Act relating to excluding motorcycles and motor-driven cycles from the passenger vehicle rental tax; and providing for an effective date."

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

*** Section 1.** AS 43.52.099(2) is amended to read:

(2) "passenger vehicle" means a motor vehicle as defined in AS 28.90.990 that is driven or moved on a highway or other public right-of-way in the state, but does not include

(A) a commercial motor vehicle as that term is defined in AS 28.90.990;

(B) emergency or fire equipment that is necessary to the preservation of life or property;

(C) a farm vehicle that is controlled and operated by a farmer, used to transport agricultural products, farm machinery, or farm supplies to or from that farmer's farm, not used in the operations of a common or contract

motor carrier, and used within 150 miles of the farmer's farm;

(D) a recreational vehicle;

(E) a taxicab;

(F) a rental truck; in this subparagraph, "rental truck" means a motor vehicle with a gross vehicle weight rating greater than 8,500 pounds that is designed, used, or maintained primarily for the transportation of personal property; [OR]

(G) a vehicle provided by an automobile dealer to a customer as replacement transportation during warranty, recall, or service contract repairs if the dealer does not receive compensation from the customer**; or**

(H) a motorcycle or a motor-driven cycle as those terms are defined in AS 28.90.990;

*** Sec. 2.** This Act takes effect immediately under AS 01.10.070(c).

Representative
Lindsey Holmes

Capitol Room 405
465-4919
465-2137 fax

M E M O R A N D U M

Date: 2 February 2011

To: Representative Peggy Wilson,
Chair, House Transportation Committee

From: Representative Lindsey Holmes

RE: Hearing Request for HB 62: Passenger Vehicle Rental Tax

I would like to respectfully request a hearing for House Bill 62 in the House Transportation Committee. If you have any questions about the bill, please feel free to contact me or Mike Coumbe (direct line: 465-4919) in my office.

Attached to this memo my staff has provided:

1) A copy of the bill in its current form
2) A sponsor statement for the bill
3) Recommended witnesses
    a. Barry Matteson, owner, House of Harley-Davidson, Anchorage
    b. Phil Freeman, owner, MotoQuest, Anchorage
4) Supporting letter from Barry Matteson
5) A copy of the current statute relating to passenger vehicle rental taxes as background information.

AMENDMENT

OFFERED IN THE HOUSE BY REPRESENTATIVE HOLMES

TO: HB 62

Page 1, line 2, following "**tax**":

Insert "**; and providing for an effective date**"

Page 2, following line 12:

Insert a new bill section to read:

"* **Sec. 2.** This Act takes effect immediately under AS 01.10.070(c)."

Representative Lindsey Holmes

Sponsor Statement

HB 62 – Passenger Vehicle Rental Tax

House Bill 62 will remove the 10% tax on motorcycle rentals. With our short summer and the economic benefits of independent tourism, the legislature should support this emerging industry.

Motorcycle tourism brings independent travelers to our small businesses and restaurants. While cruise ships ensure that large hotels are full, motorcycle travelers go off the beaten path, traveling to remote bed and breakfasts or staying in smaller hotels. In contrast to RV renters (who pay a smaller 3% rental tax), motorcycle riders are more likely to eat at restaurants, since it is difficult to cook a meal in one's motorcycle.

With a short rental season, plenty of challenges exist for Alaskan businesses that rent motorcycles. On top of the seven or eight winter months where rental income isn't earned, fleet storage adds to the cost of doing business in Alaska. These factors increase the price of rentals, making it difficult to draw in customers. Adding a 10% state tax makes renting motorcycles even more challenging for rental businesses.

Passing this legislation corrects the accidental inclusion of motorcycles to our existing rental vehicle tax. In 2003, the legislature passed a motor vehicle rental tax for rental cars. No talk of motorcycles was placed on the record at that time. Also illustrating that point, the Department of Revenue didn't even collect the tax until several years after the law became effective.

Please join me in supporting this legislation, to benefit independent tourism in Alaska.

The House of Harley-Davidson 4334 Spenard Road Anchorage Alaska 99517

February 1, 2011

Representative Lindsey Holmes
House of Representatives
State of Alaska

Dear Representative Holmes

Thank you for introducing HB62 to exclude motorcycles from the passenger vehicle rental tax law. As we discussed before, I believe the law was originally written without the consideration of motorcycle rentals. However, as it is written, it does not specifically exclude them.

We are going into our third year as a Harley-Davidson motorcycle rental operator in Alaska. Like most other things, it is "different in Alaska". We have only three months in which we take care of 90% of our rental customers. To do so, we need to maintain a fleet of 12 to 15 new Harley-Davidson motorcycles. Just to break even, we have to charge up to twice as much or more as rental dealers in the lower 48. When you consider depreciation, it is easy to see this is not a very lucrative part of our business.

There is a lot of demand for this rental program in Alaska. The biggest complaint of course, is the price, and we do lose a lot of potential rental days each season because of it. We had over 200 rental customers in 2010 – most from the lower 48. The motorcycle rental customers spend more time and money while traveling in Alaska than those who rent cars or motor homes. They are likely to stop more often and spend more nights in hotel/motel rooms and restaurants throughout the state.

We add two seasonal employees for 6-months each summer to maintain our rental business. We also incur additional payroll expenses for our core employees to get the bikes ready, ridden for 500 miles and serviced in time for the start of the season. We are just now being invoiced for and receiving our new fleet for the 2011 season. Of course, the interest charges start immediately.

Because of customer requests and the desire of the Harley-Davidson Motor Company to have a rental operator in Alaska, we have agreed to continue with the program. However, if we incur additional expenses, we will have to consider giving it up.

Thank you for your time and support.

Sincerely,

Barry Matteson
Owner

Chapter 43.52. TRANSPORTATION TAXES

Article 01. VEHICLE RENTAL TAXES

Sec. 43.52.010. Levy of passenger vehicle rental tax.

There is imposed an excise tax on the charge for the lease or rental of a passenger vehicle in this state if the lease or rental of the passenger vehicle does not exceed a period of 90 consecutive days.

Sec. 43.52.020. Rate of passenger vehicle rental tax.

The rate of the tax levied in AS 43.52.010 is 10 percent of the total fees and costs charged for the lease or rental of the passenger vehicle.

Sec. 43.52.030. Levy of recreational vehicle rental tax.

There is imposed an excise tax on the charge for the lease or rental of a recreational vehicle in this state if the lease or rental of the recreational vehicle does not exceed a period of 90 consecutive days.

Sec. 43.52.040. Rate of recreational vehicle rental tax.

The rate of the tax levied in AS 43.52.030 is three percent of the total fees and costs charged for the lease or rental of the recreational vehicle.

Sec. 43.52.050. Liability for payment of vehicle rental taxes.

(a) The taxes imposed by AS 43.52.010 - 43.52.099 shall be collected and paid to the department

(1) by the person who provides the leased or rented vehicle; and

(2) in the manner and at the times required by the department by regulation.

(b) The tax shall be stated as a separate item on the lease or rental contract or other document invoicing payment.

Sec. 43.52.060. Applicability of the tax.

The provisions of AS 43.52.010 - 43.52.099 apply to a passenger or recreational vehicle whether or not the vehicle is registered and licensed in this state.

Sec. 43.52.070. Relationship to municipal levies.

The taxes imposed by AS 43.52.010 - 43.52.099 are in addition to taxes that may be imposed on vehicle rentals by a municipality under AS 29.45.

Sec. 43.52.080. Administration of tax.

(a) The department shall administer the taxes imposed by this chapter and may adopt necessary regulations.

(b) The proceeds of the vehicle rental taxes imposed by AS 43.52.010 - 43.52.099 shall be deposited into a special vehicle rental tax account in the general fund.

(c) The legislature may appropriate the actual balance of the vehicle rental tax account for tourism development and marketing. This section is not intended to create a dedicated fund.

Sec. 43.52.090. Exemption.

The tax imposed in AS 43.52.010 - 43.52.099 does not apply to leases or rentals for official use to federal, state, or local government agencies or employees.

Sec. 43.52.099. Definitions.

In AS 43.52.010 - 43.52.099,

(1) "fees and costs" means all charges incurred by the renter before the tax imposed under AS 43.52.010 - 43.52.099 except

(A) fees from the sale of automobile liability insurance, loss damage waiver insurance, and personal accident insurance;

(B) parking tickets;

(C) sales or excise taxes;

(D) payment for damages to the vehicle during the rental period;

(E) concession fees paid to an airport;

(F) customer facility charges set by the commissioner of transportation and public facilities under AS 02.15.090 ; and

(G) customer facility maintenance charges set by the commissioner of transportation and public facilities under AS 02.15.090 ;

(2) "passenger vehicle" means a motor vehicle as defined in AS 28.90.990 that is driven or moved on a highway or other public right-of-way in the state, but does not include

(A) a commercial motor vehicle as that term is defined in AS 28.90.990;

(B) emergency or fire equipment that is necessary to the preservation of life or property;

(C) a farm vehicle that is controlled and operated by a farmer, used to transport agricultural products, farm machinery, or farm supplies to or from that farmer's farm, not used in the operations of a common or contract motor carrier, and used within 150 miles of the farmer's farm;

(D) a recreational vehicle;

(E) a taxicab;

(F) a rental truck; in this subparagraph, "rental truck" means a motor vehicle with a gross vehicle weight rating greater than 8,500 pounds that is designed, used, or maintained primarily for the transportation of personal property; or

(G) a vehicle provided by an automobile dealer to a customer as replacement transportation during warranty, recall, or service contract repairs if the dealer does not receive compensation from the customer;

(3) "recreational vehicle" means

(A) a motor vehicle or trailer for recreational dwelling purposes;

(B) a motor home or other vehicle with a motor home body style;

(C) a one-piece camper vehicle; and

(D) any other self-propelled vehicle with living quarters;

(4) "tax" means the excise tax levied under AS 43.52.010 - 43.52.099 on the charge made for the rental of a passenger or recreational vehicle;

(5) "vehicle" means a device in, upon, or by which a person or property may be transported or drawn upon or immediately over a highway or vehicular way or area; "vehicle" does not include

(A) devices used exclusively upon stationary rails or tracks;

(B) mobile homes; or

(C) watercraft.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: **HB 62**
() Publish Date

Identifier (file name): HB62-DOR-TAX-03-14-11
Title: Passenger Vehicle Rental Tax
Sponsor: Representatives Holmes
Requester: House Transportation Committee

Dept. Affected: Revenue
Appropriation: Taxation and Treasury
Allocation: Tax Division
OMB Component Number: 2476

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES 1004 GF		(12.0)	(12.0)	(12.0)	(12.0)	(12.0)	(12.0)

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other (please identify)							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

initial version

Prepared by: Johanna Bales, Deputy Director — Phone (907) 269-6628
Division: Tax Division — Date/Time 3/14/11; 11:15 am
Approved by: Ginger Blaisdell, Director Administrative Services Division — Date 3/14/11; 11:28am
Department of Revenue

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB 62

Analysis

Bill Language:
This bill would exempt motorcycles from the passenger vehicle rental tax.

Revenues:
The state receives approximately $12,000 each year in vehicle rental tax from the rental of motorcycles in the state. Revenue would drop by approximately $12,000 each fiscal year as a result of this legislation.

Expenditures:
The department can implement the provisions of this bil with existing resources.

HB

64

<TARGET><BILL>HB 64</BILL><SUBJECT>HB
64</SUBJECT><COMM>HTRA27</COMM></TARGET>

27-LS0327\I
Luckhaupt
3/14/11

CS FOR HOUSE BILL NO. 64( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES STOLTZE AND KELLER, Costello, Neuman

A BILL

FOR AN ACT ENTITLED

"An Act relating to permanent motor vehicle registration; and providing for an effective date."

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

*** Section 1.** AS 28.10.108(a) is amended to read:

(a) Except for a vehicle registered under AS 28.10.152 **or 28.10.155**, a vehicle required to be registered under this chapter shall be registered under the procedures set out in this section.

*** Sec. 2.** AS 28.10 is amended by adding a new section to read:

Sec. 28.10.155. Permanent motor vehicle registration. (a) The owner of a motor vehicle, other than a commercial motor vehicle, that is required to be registered under this chapter may elect to permanently register the motor vehicle in lieu of registration under AS 28.10.108 if the vehicle is at least eight years old. The permanent registration expires when the owner transfers or assigns the owner's title or interest in the vehicle. A permanent registration may not be renewed. On receiving the

proper application and fees, the department shall issue to the registered owner registration plates, tabs, and a permanent registration form.

(b) The fees for permanent registration must equal the fees that would be applicable if the motor vehicle were registered under AS 28.10.108, except that the permanent registration fee rate equals three times the rate established in AS 28.10.421, and the motor vehicle registration tax levied under AS 28.10.431, if any, equals three times the rate established in AS 28.10.431(b) or (j) or the rate established for permanent vehicle registration under AS 28.10.431(j). Except as provided in AS 28.10.423(b), the owner of a permanently registered motor vehicle is not required to pay other fees or taxes under this chapter.

*** Sec. 3.** AS 28.10.423 is amended by adding a new subsection to read:

(b) In addition to the permanent registration fee established in AS 28.10.155, a $2 fee is imposed on the owner of each permanently registered motor vehicle required to be inspected under an emission control program established in AS 46.14.400 or 46.14.510. That fee shall be collected biennially.

*** Sec. 4.** AS 28.10.431(j) is amended to read:

(j) A municipality that imposes a motor vehicle registration tax as described under (a) of this section may also**, by passage of an appropriate ordinance, (1)** increase the scheduled amount of tax described under (b) or (*l*) of this section**, or (2) establish a tax for a motor vehicle that is permanently registered under AS 28.10.155** [BY PASSAGE OF AN APPROPRIATE ORDINANCE]. A municipality that chooses to change the tax imposed under (b) or (*l*) of this section **or establishes a tax for permanently registered motor vehicles** shall file a written notice of the change with the department by January 1 of the year preceding the year in which the change in tax is to take effect. A municipality may not change the amount of the tax imposed under this section more than once every two years. The department may charge a municipality a one-time fee to cover the cost to the department of implementing a change under this subsection.

*** Sec. 5.** This Act takes effect January 1, 2014.

CS FOR HOUSE BILL NO. 64(TRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE TRANSPORTATION COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES STOLTZE AND KELLER, Costello, Neuman

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27-LS0327\B
Luckhaupt
2/28/11

CS FOR HOUSE BILL NO. 64( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

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(b) In addition to the permanent registration fee established in AS 28.10.155, a $2 fee is imposed on the owner of each permanently registered motor vehicle required to be inspected under an emission control program established in AS 46.14.400 or 46.14.510. That fee shall be collected biennially.

*** Sec. 4.** AS 28.10.431(j) is amended to read:

(j) A municipality that imposes a motor vehicle registration tax as described under (a) of this section may also**, by passage of an appropriate ordinance, (1)** increase the scheduled amount of tax described under (b) or (*l*) of this section**, or (2) establish a tax for a motor vehicle that is permanently registered under AS 28.10.155** [BY PASSAGE OF AN APPROPRIATE ORDINANCE]. A municipality that chooses to change the tax imposed under (b) or (*l*) of this section **or establishes a tax for permanently registered motor vehicles** shall file a written notice of the change with the department by January 1 of the year preceding the year in which the change in tax is to take effect. A municipality may not change the amount of the tax imposed under this section more than once every two years. The department may charge a municipality a one-time fee to cover the cost to the department of implementing a change under this subsection.

*** Sec. 5.** This Act takes effect January 1, 2012.

Model Year	Count	Total Registered 1900-2011	>8 years old 1900-2003	% of Vehicles
2011	4,798	558,556	355,214	
2010	18,021			
2009	19,626			
2008	29,762			
2007	31,611			
2006	33,292			
2005	33,868			
2004	32,364	**Total**	**% of Cars Eligible**	
2003	32,164	355,214	1.00	
2002	31,384	323,050	0.91	
2001	30,136	291,666	0.82	
2000	29,453	261,530	0.74	
1999	27,340	232,077	0.65	
1998	22,042	204,737	0.58	
1997	22,456	182,695	0.51	
1996	16,314	160,239	0.45	
1995	19,802	143,925	0.41	
1994	16,352	124,123	0.35	
1993	14,365	107,771	0.30	
1992	10,883	93,406	0.26	
1991	12,155	82,523	0.23	
1990	10,948	70,368	0.20	
1989	9,122	59,420	0.17	
1988	6,094	50,298	0.14	
1987	5,063	44,204	0.12	
1986	4,667	39,141	0.11	
1985	4,804	34,474	0.10	
1984	3,879	29,670	0.08	
1983	2,863	25,791	0.07	
1982	2,113	22,928	0.06	
1981	1,864	20,815	0.06	
1980	1,186	18,951	0.05	
1979	1,955	17,765	0.05	
1978	1,845	15,810	0.04	
1977	1,581	13,965	0.04	
1976	1,258	12,384	0.03	
1975	974	11,126	0.03	
1974	896	10,152	0.03	
1973	909	9,256	0.03	
1972	1,005	8,347	0.02	
1971	720	7,342	0.02	
1970	767	6,622	0.02	
1969	842	5,855	0.02	
1968	669	5,013	0.01	
1967	692	4,344	0.01	
1966	573	3,652	0.01	
1965	582	3,079	0.01	

1964	282	2,497	0.01
1963	249	2,215	0.01
1962	143	1,966	0.01
1961	93	1,823	0.01
1960	105	1,730	0.00
1959	126	1,625	0.00
1958	78	1,499	0.00
1957	186	1,421	0.00
1956	137	1,235	0.00
1955	149	1,098	0.00
1954	72	949	0.00
1953	98	877	0.00
1952	83	779	0.00
1951	87	696	0.00
1950	56	609	0.00
1949	62	553	0.00
1948	53	491	0.00
1947	39	438	0.00
1946	32	399	0.00
1945	3	367	0.00
1944	2	364	0.00
1943	7	362	0.00
1942	14	355	0.00
1941	19	341	0.00
1940	28	322	0.00
1939	17	294	0.00
1938	15	277	0.00
1937	29	262	0.00
1936	21	233	0.00
1935	6	212	0.00
1934	20	206	0.00
1933	16	186	0.00
1932	30	170	0.00
1931	29	140	0.00
1930	40	111	0.00
1929	25	71	0.00
1928	14	46	0.00
1927	8	32	0.00
1926	3	24	0.00
1925	6	21	0.00
1924	1	15	0.00
1923	7	14	0.00
1922	1	7	0.00
1920	1	6	0.00
1919	1	5	0.00
1916	1	4	0.00
1915	2	3	0.00
1900	1	1	0.00

Estimated Savings for DMV

House Bill 64

Eligible vehicles	Time for DMV to complete one transaction	Total time to complete (in minutes)	Total time in hours	Work days saved	1/2 vehicles register each year
355,214.00	3 minutes	1,065,642.00	17,760.70	2,368.09	1,184.05 Work Days

HB 64 will result in a savings to the operating budget for DMV. Based on the fiscal note and data provided by DMV, the number of work days needed to process vehicle registration will be reduced annually by 1,184. Or Approximately 5 full-time positions.

House Bill 10

Eligible Trailers	Time for transaction	Time to complete (Minutes)	Time in hours	Work days saved	1/2 trailers register each year
96,000.00	3 minutes	288,000.00	4,800.00	640.00	320.00 Work Days

HB 10 will result in a savings to the operating budget for DMV. Based on the DMV Fiscal note, the number of work days needed to process trailer registration annually will be reduced by 320. Or approximately 1.5 full-time positions.

1,504.05

Total time savings for DMV if both bills pass will be 1504 total work days, or approximately 6.5 full-time positions. An estimated savings of $500,000

Motor Vehicle Customer Service Reps	Total Hours worked	Total Work Days	Reduction of work days if both HB10 and HB64 become law	Percent of Savings in Staff Time
109	198,380.00	26,450.67	1,504.00	5.69%

Alaska State Legislature

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Representative Pete Petersen
Serving Northeast Anchorage and Muldoon

HTRA Subcommittee: March 11, 2011

1. **Sponsor's Changes Between HB64 and the CS –**
   These included the set fee at three times the registration rate, a set collection at three times the MVRT (unless the municipality sets a permanent registration amount), and a new section that allows municipalities to set a permanent MVRT once every two years. The subcommittee also recommends pushing back the effective date two years to allow municipalities to set a permanent MVRT under the guidelines of the new section 4.

2. **Discussion from State Affairs Hearing –**
   - **Budgeting** – The state and certain municipalities will see a significant increase in revenue the first two years of enactment, then a consistent decline every year after. How will the first two years of supplemental income be budgeted?
   - **I/M Testing** – People in I/M areas would still be required to get the emissions test. Currently verified when someone renews their registration, would there be a new enforcement procedure? This bill applies to older vehicles, and older vehicles are the ones more likely to fail the test. Also, the verification procedure on someone's vehicle that has a permanent registration and then moves into an I/M area?
   - **Differences from Montana Law –**

Montana	CSHB 64
Applies to vehicles at least 11 yrs old and charges 5x the registration rate; starts losing revenue when a vehicle hits 21 yrs old	Applies to vehicles at least 8 yrs old and charges 3x the registration rate; starts losing revenue when a vehicle hits 14 yrs old; 34 yrs is the mark where permanent registration becomes revenue neutral
Applies to "light vehicle[s]" (capacity of 1 ton or less)	Applies to all vehicles

Gives the county treasurer authority to still collect motor vehicle tax	Allows the municipalities to set a permanent MVRT

- **Motorcycles** – Under original version, motorcycles would have been charged more than is in current statute, but has been fixed with new language in the CS.
- **Safety** – People might be encouraged to drive a car longer than is safe to try and get their money's worth out of a permanent registration.
- **Registration** – Permanent registration is not transferable, but not readily enforceable. Could bring up liability issues between current/previous vehicle owners.
- **DMV Funding** – There is a possibility of dropping DMV revenues below their funding level. This would require the legislature to enact a new funding mechanism for the DMV as they are currently receipts based.
- **TAXCAP** – The MVRT falls under the "TaxCap" in the MOA. The first two years of bloated revenues would decrease property taxes significantly, but then the difference in revenues collected from year 2-3 would have to be made up, which could include the skyrocketing of property taxes for year 3, and beyond, with the significant decrease in collected revenues. Since the "TaxCap" is calculated annually based on municipality income and not spending, budgeting cannot fix this problem.

3. **Possible amendments were discussed –**
   - **Page 1, Line 12** – replaced "eight" with "fourteen" to push back eligibility date of vehicles to lessen revenue loss. Proposed, discussed, withdrawn for further discussion in HTRA.
   - **Page 2, Lines 5&6** – replaced "three" with "six" to increase permanent registration cost and lessen revenue loss. Proposed, discussed, withdrawn for further discussion in HTRA.
   - **Page 2, Line 29** – replaced "2012" with "2014" to allow municipalities to set a permanent MVRT under the proposed statute. Proposed, discussed, accepted, incorporated into new blank CS for HB64.

4. **HB10 –**

   Presented and discussed. Currently commercial trailers pay a one-time fee for permanent registration and this bill wants to offer that same opportunity to private citizens. Similar issues from HB 64 are brought up, but the revenue differences do not really compare, so the issues aren't as drastic. The sponsor recognized the need for adding the language from Section 4 of CSHB64 into HB10 to set up a mechanism to collect the MVRT in the case that HB10 passes before HB64.

ALASKA STATE LEGISLATURE

Co-Chair:
House Finance Committee

Chair:
House Finance Subcommittees for:
Department of Public Safety
Department of Law
Alaska Court System

Member:
Legislative Council
Committee on Committees
Legislative Budget & Audit (alt)
House Finance Sub-Committees for:
Governor's Office
Legislature
University of Alaska

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Sponsor Statement for House Bill 64 by Representative Bill Stoltze

The passage of House Bill 64 would establish a new type of registration available through the Division of Motor Vehicles allowing for the permanent registration of personal-use motor vehicles older than eight years old.

The proposed change to state statutes calls for the addition of a one-time $100 fee or five times the regular registration fee, whichever is the lesser, to register motor vehicles for personal-use as long as the registered owner continues to own the vehicle. It also allows for the continuation of the regular biennial registration, already existing in the statutes.

This change will make the DMV re-registration process more user-friendly to the owners of qualifying vehicles and lighten the work load for DMV employees by reducing the number of registrations processed, especially among older vehicles.

The increased charge for permanent registration ($100) will help offset some of the lost revenue within the Division of Motor Vehicles created by the new type of registration.

I appreciate your support in this important legislation.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: CSHB064\B
() Publish Date

Identifier (file name) CSHB064-DOA-DMV-03-14-11
Title: Permanent vehicle registration
Sponsor: Rep(s) Stoltze, Keller, Costello, Neuman
Requester: House Transportation

Dept. Affected: Administration
Appropriation: Division of Motor Vehicles
Allocation: Motor Vehicles
OMB Component Number: 2348

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services	57.2						
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**57.2**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES 1005 GF/PR	**3,550.0**		**4,120.0**	**(1,215.0)**	**(1,500.0)**	**(1,495.0)**	**(1,780.0)**

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF	57.2						
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other (please identify)							
TOTAL	**57.2**		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

This version differs from the previous version as follows:
1) DMV's estimate of the number of owners opting for permanent registration has decreased from 90% to 10% based on the changes in the CS.
2) The quantity of motorcycle owners opting for permanent registration became insignificant, so motorcycles were incorporated with all other vehicles.
3) Changes were made to the Performance Measures.
4) DMV revised the estimated number of transactions that are processed online, via mail, or by DMV partners from 75% to 89%.

Prepared by: Whitney Brewster. Director — Phone: 907-269-5574
Division: Motor Vehicles — Date/Time: 3/14/11 10:00 AM
Approved by: John Cramer. Deputy Commissioner — Date: 3/14/2011
Department of Administration

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. CSHB064\B

Analysis

Performance Measures

The Division of Motor Vehicles (DMV) expects this bill will have very little impact on its performance measures.

1) Approximately 89% of registration renewals are processed over the internet, via mail, or by DMV's business partners; only about 11% are processed at the counter in a DMV office. DMV estimates that a maximum of 1,400 newly-eligible vehicles will be placed under permanent registration each year. This would result in a work load reduction of approximately one-tenth of one percent.
2) DMV will still be required to collect the $2.00 I/M fee biennially on all vehicles requiring an emissions inspection.

Expenditures

The database for Division of Motor Vehicles (DMV) will need reprogramming to allow for permanent registration on non-commercial vehicles.

Estimated hours: 400
Cost per hour: $143
Total programming cost: 400 x $143 = $57,200.

Revenues

Motor Vehicle Registration Tax (MVRT): The DMV collects MVRT for 16 communities: Anchorage, Bethel, Bristol Bay Borough, Cordova, Dillingham, Juneau, Kenai Peninsula Borough, Ketchikan Gateway Borough, Kodiak Island Borough, Matanuska Susitna Borough, Nenana, Nome, Petersburg, Sitka, Unalaksa, and Whittier.

Eight percent of the MVRT collected is retained by the state as collection costs. Although the increase or decrease in revenues from the collection costs are indeterminate, the revenues will change proportionately with the registration fees.

Registration Fees:

Assumptions:

1) 355,000 vehicles will be eligible for permanent registration in 2012 (based on currently-registered vehicles). Half (177.5) will renew in 2012 and half will renew in 2013.
2) Approximately 28,400 vehicles will become eligible each year. This is an average of the number of currently registered vehicles with model years 2004-2010.
3) Only 10% of owners will elect for permanent registrations, based on the following :
   a)The biennial registration fee established in AS 28.10.421 is $100 for most of the vehicles eligible for permanent registration, making the fee for permanent registration $300.
   b) The largest quantity of vehicles in the state are in areas with the highest MVRT. Three times the MVRT for vehicles in Anchorage or the Matanuska Susitna Borough would be $210.
   c) An owner of an eligible vehicle would have to decide whether a vehicle that's already at least 8 years old will last 6 + years to justify the additional payment for permanent registration, which would be $340 in Matsu and Anchorage: permanent ($300 reg + $210 MVRT = $520) versus biennial ($100 reg + $70 MVRT = $170).
   d) Many owners of older vehicles are in the middle to lower income brackets; these owners are less likely to have the extra funds available to opt for permanent registration.
   e) It's very likely that a vehicle that is at least 8 years old will have a major component fail within the next six years. An owner who has the financial resources to pay the additional $340 for permanent registration would likely opt to replace the vehicle rather than repair it; consequently, DMV assumes few of those owners would opt for permanent registration.
4) All permanently registered vehicles will stay in service for the next 5 years and will not change ownership.

See Page 3 for calculations

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. CSHB064\B

Analysis Continued

Calculations

	2012	2013	2014	2015	2016	2017
2012: 177.5 current vehicles eligible for perm reg						
17.75 opt for perm reg (177.5 x 10%)						
Inc from perm reg (17.75 x $200)	3,550.0					
Loss in biennial fees (17.75 x $100)			(1,775.0)		(1,775.0)	
2013: 205.9 vehicles eligible for perm reg, including 28.4 newly eligible						
20.6 opt for perm reg (205.9 x 10%)						
Inc from perm reg (20.6 x $200)		4,120.0				
Loss in biennial fees (20.6 x $100)				(2,060.0)		(2,060.0)
2014: 28.4 newly eligible for perm reg						
2.8 opt for perm reg (28.4 x 10%)						
Inc from perm reg (2.8 x $200)			560.0			
Loss in biennial fees (2.8 x $100)					(280.0)	
2015: 28.4 newly eligible for perm reg						
2.8 opt for perm reg (28.4 x 10%)						
Inc from perm reg (2.8 x $200)				560.0		
Loss in biennial fees (2.8 x $100)						(280.0)
2016: 28.4 newly eligible for perm reg						
2.8 opt for perm reg (28.4 x 10%)						
Inc from perm reg (2.8 x $200)					560.0	
Loss in biennial fees (2.8 x $100)						
2017: 28.4 newly eligible for perm reg						
2.8 opt for perm reg (28.4 x 10%)						
Inc from perm reg (2.8 x $200)						560.0
Loss in biennial fees (2.8 x $100)						
Total Estimated Revenue Increase/(Decrease)	3,550.0	4,120.0	(1,215.0)	(1,500.0)	(1,495.0)	(1,780.0)

Number of registration notices sent out	410,000
% renewed	83%
Total renewed	340,300
Total Renewed at DMV offices	38,788
Percentage renewed online, via mail, and DMV partners	89%

Economic Impact

Once the initial vehicles with permanent registration go out of service, there would be an annual increase in revenues of approximately $280.0, assuming that 10% of owners opt for permanent registration. Since this won't happen until sometime after 2017, it's not possible to show this on the fiscal note.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **HB064A**
() Publish Date

Identifier (file name) HB064-DEC-AQ-02-04-11
Title Permanent Motor Vehicle Registration
Sponsor Representatives Stoltze, Keller
Requester House State Affairs Committee

Dept. Affected Environmental Conservat
Appropriation Environmental Health
Allocation Air Quality
OMB Component Number 2061

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services	95.4		60.4	60.4	60.4	60.4	60.4
Travel	0.0		0.0	0.0	0.0	0.0	0.0
Services	18.2		16.2	28.7	28.7	28.7	28.7
Commodities	0.0		7.5	0.0	0.0	0.0	0.0
Capital Outlay	0.0		0.0	0.0	0.0	0.0	0.0
Grants	0.0		0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0		0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	**113.6**	**0.0**	**84.1**	**89.1**	**89.1**	**89.1**	**89.1**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES							

FUND SOURCE	(Thousands of Dollars)						
1002 Federal Receipts	0.0		0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0		0.0	0.0	0.0	0.0	0.0
1004 GF	113.6		0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0		84.1	89.1	89.1	89.1	89.1
1037 GF/Mental Health	0.0		0.0	0.0	0.0	0.0	0.0
Other (please identify)	0.0		0.0	0.0	0.0	0.0	0.0
TOTAL	**113.6**	**0.0**	**84.1**	**89.1**	**89.1**	**89.1**	**89.1**

Estimate of any current year (FY2011) cost

POSITIONS							
Full-time	0.0		1.0	1.0	1.0	1.0	1.0
Part-time	0.0		0.0	0.0	0.0	0.0	0.0
Temporary	0.0		0.0	0.0	0.0	0.0	0.0

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version.

Prepared by Alice Edwards
Division Air Quality
Approved by Dan Easton
Deputy Commissioner

Phone (907) 465-5109
Date/Time 2/4/11 2:00 PM
Date 2/5/2011

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB 64

Analysis

Currently, compliance with local vehicle inspection and maintenance (I/M) programs occurs at the time of biennial vehicle registration. The elimination of that registration process will require the department to develop a stand alone system to notify vehicle owners of the I/M testing requirements and to monitor and track compliance. Additionally, the department will need to update the State's air quality plan.

This fiscal note reflects one new position that will be responsible for notifying over 4,000 vehicle owners monthly of their inspection requirements, checking to see inspections are done and referring violations to the local government.

The first year costs include development of the necessary changes to the program requirements and data systems.

Currently, the department is working with the Environmental Protection Agency on the suspension of the Anchorage I/M program. Suspension of the I/M program would eliminate these costs.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: HB064
() Publish Date

Identifier (file name) HB064-DOA-DMV-02-18-11
Title: Permanent non-commercial vehicle registration
Sponsor: Rep(s) STOLTZE, KELLER, Costello, Neuman
Requester: House Transportation

Dept. Affected: Administration
Appropriation: Division of Motor Vehicles
Allocation: Motor Vehicles
OMB Component Number: 2348

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services		57.2					
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**57.2**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES		**256.0**	**296.0**	**(15,684.0)**	**(18,194.0)**	**(18,204.0)**	**(20,714.0)**

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF		57.2					
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other (please identify)							
TOTAL	**0.0**	**57.2**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

This version differs from the previous version as follows:
1) The new version includes sections on Performance Measures and Economic Impact;
2) The previous version included vehicles with senior and/or military exemptions from registration fees;
3) There are some minor changes to the class codes used to determine vehicle quantities; and
4) The previous version listed the registration fee for motorcycles as $68 rather than the correct fee of $60.

Prepared by: Whitney Brewster — Phone: 907-269-5574
Division: Motor Vehicles — Date/Time: 2/18/11 4:00 PM
Approved by: John Cramer — Date: 2/18/2011
Department of Administration

(Revised 1 27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB064

Analysis

Performance Measures

The Division of Motor Vehicles (DMV) expects this bill will have very little impact on its performance measures.
1) DMV will still be required to collect the $2.00 I/M fee biennially on all vehicles requiring an emissions inspection.
2) Approximately 75% of registration renewals are processed over the internet, via mail, or by DMV's business partners; only about 25% are processed at the counter in a DMV office.
3) Registration renewals are the fastest transacations performed in DMV offices, taking 3-5 minutes each.

Expenditures

The database for Division of Motor Vehicles (DMV) will need reprogramming to allow for permanent registration on non-commercial vehicles.

Estimated hours: 400
Cost per hour: $143
Total programming cost: 400 x $143 = $57,200.

Revenues

Motor Vehicle Registration Tax (MVRT): The DMV collects MVRT for 16 communities: Anchorage, Bethel, Bristol Bay Borough, Cordova, Dillingham, Juneau, Kenai Peninsula Borough, Ketchikan Gateway Borough, Kodiak Island Borough, Matanuska Susitna Borough, Nenana, Nome, Petersburg, Sitka, Unalaksa, and Whittier.

Eight percent of the MVRT collected is retained by the state as collection costs. Although the increase or decrease in revenues from the collection costs are indeterminate, the revenues will change proportionately with the registration fees.

Registration Fees:

Assumptions:
1) 355,000 vehicles will be eligible for permanent registration in 2012 (based on currently-registered vehicles). Half (177.5) will renew in 2012 and half will renew in 2013.
Approximately 28,400 vehicles will become eligible each year. This is an average of the number of currently registered vehicles with model years 2004-2010.
2) All permanently registered vehicles will stay in service for the next 5 years and will not change ownership.
3) 90% of owners will elect for permanent registrations, based on the following :

a)The biennial registration fee established in AS 28.10.421 is $100 for 96% of the vehicles eligible for permanent registration. Since the permanent registration fee is the lesser of 5 times the $100 ($500) fee or $100 dollars, the registration fee would be $100, whether renewing for two years or permanently. The other 4% of registrations are for motorcyles with a $60 biennial registration. Although the $100 permanent registration fee is greater then the $60 biennial fee, assumption is that 90% will opt for permanent registration.

b) The maximum additional Motor Vehicle Registration Tax (MVRT) would be $16 for motorcycles ($ 4 MVRT x 5 = 20 less $4 = $16) and $64 ($16 MVRT x 5 = $80 less $16 = $64) for all other eligible vehicles. The registration fees that would have been paid at the next renewal would offset either of those one-time increases in MVRT.

c) The only benefit to retaining biennial registration would be for those who intend to sell their vehicle or move out of state within two years.

See Page 3 for calculations

Analysis Continued

Calculations

	2012	2013	2014	2015	2016	2017
4% of vehicles are motorcycles (M/C)						
96% - all others (Others)						
2012: 177.5 current vehicles eligible for perm reg						
159.8 opt for perm reg (177.5 x 90%)						
M/C -6.4 opt for perm reg (159.8 x 4%)						
Inc from perm reg ((6.4x$100)-(6.4x$60))	256.0					
Loss in biennial fees (6.4x$60)			(384.0)		(384.0)	
Others-153.4 opt for perm reg (159.8 x 96%)						
Loss in biennial fees (153.4x$100)			(15,340.0)		(15,340.0)	
2013: 205.9 vehicles eligible for perm reg, including 28.4 newly eligible						
185.3 opt for perm reg (205.9 x 90%)						
M/C -7.4 opt for perm reg (185.3 x 4%)						
Inc from perm reg ((7.4x$100)-(7.4x$60))		296.0				
Loss in biennial fees (7.4x$60)				(444.0)		(444.0)
Others-177.9 opt for perm reg (185.3 x 96%)						
Loss in biennial fees (177.9x$100)				(17,790.0)		(17,790.0)
2014: 28.4 newly eligible for perm reg						
25.6 opt for perm reg (28.4 x 90%)						
M/C -1.0 opt for perm reg (25.6 x 4%)						
Inc from perm reg ((1.0x$100)-(1.0x$60))			40.0			
Loss in biennial fees (1.0x$60)					(60.0)	
Others-24.6 opt for perm reg (25.6 x 96%)						
Loss in biennial fees (24.6x$100)					(2,460.0)	
2015: 28.4 newly eligible for perm reg						
25.6 opt for perm reg (28.4 x 90%)						
M/C -1.0 opt for perm reg (25.6 x 4%)						
Inc from perm reg ((1.0x$100)-(1.0x$60))				40.0		
Loss in biennial fees (1.0x$60)						(60.0)
Others-24.6 opt for perm reg (25.6 x 96%)						
Loss in biennial fees (24.6x$100)						(2,460.0)
2016: 28.4 newly eligible for perm reg						
25.6 opt for perm reg (28.4 x 90%)						
M/C -1.0 opt for perm reg (25.6 x 4%)						
Inc from perm reg ((1.0x$100)-(1.0x$60))					40.0	
2017: 28.4 newly eligible for perm reg						
25.6 opt for perm reg (28.4 x 90%)						
M/C -1.0 opt for perm reg (25.6 x 4%)						
Inc from perm reg ((1.0x$100)-(1.0x$60))						40.0
Total Estimated Revenue Increase/(Decrease)	256.0	296.0	(15,684.0)	(18,194.0)	(18,204.0)	(20,714.0)

Economic Impact

This bill will increase revenues by approximately $250.0 per year for the first two years; in subsequent years, the DMV estimates annual losses of $18 - $20 million. Those losses will decrease as the 355,000 vehicles initially eligible for permanent registration go out of service.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: HB064A (STA)
() Publish Date

Identifier (file name) HB064-STA-DOA-DMV-02-04-11
Title: Permanent non-commercial vehicle registration
Sponsor: Rep(s) STOLTZE, KELLER, Costello
Requester: H (STA)

Dept. Affected: Administration
Appropriation: Motor Vehicles
Allocation: Motor Vehicles
OMB Component Number: 2348

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services		57.2					
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**57.2**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES		**256.0**	**300.0**	**(19,644.2)**	**(23,191.6)**	**(23,197.2)**	**(26,745.5)**

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF		57.2					
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other (please identify)							
TOTAL	**0.0**	**57.2**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version

Prepared by: Whitney Brewster — Phone: 907-269-5574
Division: Motor Vehicles — Date/Time: 2/5/11 10:00 AM
Approved by: John Cramer — Date: 2/15/2011
Department of Administration

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB 64

Analysis

Expenditures

The database for Division of Motor Vehicles (DMV) will need reprogramming to allow for permanent registration on non-commercial vehicles.

Estimated hours: 400
Cost per hour: $143
Total programming cost: 400 x $143 = $57,200.

Revenues

Assumptions:

The biennial registration fee established in AS 28.10.421 is $100 for 96% of the vehicles eligible for permanent registration. Since the permanent registration fee is the lesser of 5 times the $100 ($500) fee or $100 dollars, the registration fee would be $100, whether renewing for two years or permanently. The other 4% of registrations are for motorcyles with a $68 biennial registration. Although the $100 permanent registration fee is greater then the $68 biennial fee, assumption is that 90% will opt for permanent registration.

The maximum additional Motor Vehicle Registration Tax (MVRT) would be $68 ($17 MVRT x 5 = $85 less $17 = $68). The registration fees that would have been paid at the next renewal would offset the $68 one-time increase in MVRT.

The only benefit to retaining biennial registration would be for those who intend to sell their vehicle or move out of state within two years; consequently , the assumption is that 90% of owners will elect for permanent registration.

Approximately 40,000 vehicles become eligible each year.

	2012	2013	2014	2015	2016	2017
2012: 221.6 eligible for perm reg						
199.4 opt perm reg(221.6x90%)						
Loss in biennial fees (199.4x$100x96%)			-19146.2		-19146.2	
8.0 motorcyle owners opt for perm reg (199.4x4%)						
Fee increase ((8.0x$100)-(8.0x$68))	256.0					
Loss in biennial fees(8.0x$68)			-544.0		-544.0	
2013: 261.6 eligible for perm reg, including 40.0 newly eligible						
235.4 opt for perm reg (261.6x90%)						
Loss in biennial fees (235.4x$100x96%)				-22598.4		-22598.4
9.4 motocycle owners opt for permanent reg (235.4x4%)						
Fee increase ((9.4x$100)-(9.4x$68))		300.0				
Loss in biennial fees (9.4x$68)				-639.2		-639.2
2014: 40 newly eligible for perm reg						
36.0 opt for perm reg (40.0x90%)						
Loss in biennial fees (36.0x$100x96%)					-3456.0	
1.4 opt opt perm reg for vehicles with $68 reg (36.0x4%)						
Fee Increase ((36.0x$100)-(36.0x$68)			46.0			
Loss in biennial fees (1.4x$68)					-97.9	

Analysis Continued

	2012	2013	2014	2015	2016	2017
2015: 40 newly eligible for perm reg						
36.0 opt for perm reg (40.0x90%)						
Loss in biennial fees (36.0x$100x96%)						-3456.0
1.4 motorclcle owners opt for perm reg)36.0x4%)						
Fee Increase ((36.0x$100)-(36.0x$68)				46.0		
Loss in biennial fees (1.4x$68)						-97.9
2016: 40 newly eligible for perm reg						
36.0 opt for perm reg (40.0x90%)						
1.4 motorcycle owners opt for perm reg (36.0x4%)						
Fee Increase ((36.0x$100)-(36.0x$68)					46.0	
2017: 40 newly eligible for perm reg						
36.0 opt for perm reg (40.0x90%)						
1.4 motorcycle owners opt for perm reg (36.0x4%)						
Fee Increase ((36.0x$100)-(36.0x$68)						46.0
TOTAL CHANGE IN REVENUES	256.0	300.0	-19644.2	-23191.6	-23197.2	-26745.5

The DMV collects Motor Vehicle Registration Tax (MVRT) for 16 communities: Anchorage, Bethel, Bristol Bay Borough, Cordova, Dillingham, Juneau, Kenai Peninsula Borough, Ketchikan Gateway Borough, Kodiak Island Borough, Matanuska Susitna Borough, Nenana, Nome, Petersburg, Sitka, Unalaksa, and Whittier.

Eight percent of the MVRT collected is retained by the state as collection costs. Although the increase or decrease in revenues from the collection costs are inderminate, the revenues will change proportionately with the registration fees.

Model Year	Count	**Total Registered 1900-2011**	> 8 years old 1900-2003	>11 years old 1900-2000	>15 years old 1900-1996	>18 years old 1900-1993
2011	4,798	558,556	355,214	261,530	160,239	107,771
2010	18,021					
2009	19,626					
2008	29,762					
2007	31,611					
2006	33,292					
2005	33,868					
2004	32,364					
2003	32,164					
2002	31,384					
2001	30,136					
2000	29,453					
1999	27,340					
1998	22,042					
1997	22,456					
1996	16,314					
1995	19,802					
1994	16,352					
1993	14,365					
1992	10,883					
1991	12,155					
1990	10,948					
1989	9,122					
1988	6,094					
1987	5,063					
1986	4,667					
1985	4,804					
1984	3,879					
1983	2,863					
1982	2,113					
1981	1,864					
1980	1,186					
1979	1,955					
1978	1,845					
1977	1,581					
1976	1,258					
1975	974					
1974	896					
1973	909					
1972	1,005					
1971	720					
1970	767					
1969	842					
1968	669					
1967	692					
1966	573					
1965	582					

1964	282					
1963	249					
1962	143					
1961	93					
1960	105					
1959	126					
1958	78					
1957	186					
1956	137					
1955	149					
1954	72					
1953	98					
1952	83					
1951	87					
1950	56					
1949	62					
1948	53					
1947	39					
1946	32					
1945	3					
1944	2					
1943	7					
1942	14					
1941	19					
1940	28					
1939	17					
1938	15					
1937	29					
1936	21					
1935	6					
1934	20					
1933	16					
1932	30					
1931	29					
1930	40					
1929	25					
1928	14					
1927	8					
1926	3					
1925	6					
1924	1					
1923	7					
1922	1					
1920	1					
1919	1					
1916	1					
1915	2					
1900	1					

HB 64 Class Codes

Class Code	Fee	HB 64?	Description
AA	$100	Y	UAA Passenger
AB	$100	Y	UAA Pickup
DC	$100	Y	Disabled Veteran Passenger (2nd Set)
DP	$100	Y	Disabled Veteran Pickup & Van (2nd Set)
D1	$100	Y	Disabled Veteran Passenger (No HCP Logo)(2nd Set)
D2	$100	Y	Disabled Veteran Pickup (No HCP Logo)(2nd Set)
FA	$100	Y	UAF Passenger
FB	$100	Y	UAF Pickup
HC	$100	Y	Handicapped Passenger (2nd Set)
HN	$60	Y	Handicapped Motorcycle (2nd Set)
HP	$100	Y	Handicapped Pickup & Van (2nd Set)
JA	$100	Y	UAS Passenger
JB	$100	Y	UAS Pickup
KA	$100	Y	Children's Trust - Passenger
KB	$100	Y	Children's Trust - Truck or Cargo Van
PA	$100	Y	PWS Passenger
PB	$100	Y	PWS Pickup
S1	$100	Y	Support our Troops - Passenger
S2	$100	Y	Support our Troops - Truck or Cargo Van
S3	$60	Y	Support our Troops - Motorcycle
S4	$30	Y	Support our Troops - Trailer
1A	$100	Y	Army Passenger
1B	$100	Y	Army Pickup
1C	$100	Y	Custom Collector Passenger
1D	$100	Y	Alaska Veteran Commemorative - Passenger (See Note)
10	$100	Y	Passenger Personalized
11	$100	Y	Passenger
16	$100	Y	Call Letter Passenger
2A	$100	Y	Navy Passenger
2B	$100	Y	Navy Pickup
2C	$60	Y	Custom Collector Motorcycle
2D	$100	Y	Alaska Veteran Commemorative - Truck / Van (See Note)
2J	$60	Y	Motorcycle - Vet Plates - Army
2K	$60	Y	Motorcycle - Vet Plates - Navy
2M	$60	Y	Motorcycle - Vet Plates - Marines
2N	$60	Y	Motorcycle - Vet Plates - Air Force
2Q	$60	Y	Motorcycle - Vet Plates - Coast Guard
20	$60	Y	Motorcycle Personalized
21	$60	Y	Motorcycle
3A	$100	Y	Marines Passenger
3B	$100	Y	Marines Pickup
4A	$100	Y	Air Force Passenger
4B	$100	Y	Air Force Pickup
4C	$100	Y	Custom Collector Pickup/Truck
40	$100	Y	Non-Commercial Pickup Personalized

HB 64 Class Codes

Class Code	Fee	HB 64?	Description
45	$100	Y	Non-Commercial Pickup and Van (Under 10,000)
46	$100	Y	Call Letter Pickup (No Equipment)
5A	$100	Y	Coast Guard Passenger
5B	$100	Y	Coast Guard Pickup
6A	$100	Y	National Guard Passenger
6B	$100	Y	National Guard Pickup
63	$100	Y	Historic Passenger Vehicle - Normal Use
64	$100	Y	Historic Truck or Cargo Van - Normal Use
65	$60	Y	Historic Motorcycle - Normal Use
7A	$100	Y	Purple Heart Passenger
7B	$100	Y	Purple Heart Pickup

Not included in vehicle counts

28	$88	N	Dealer Motorcycle (1st Set)
29	$50	N	Dealer Motorcycle (2nd Set)
17	$88	N	Dealer Plate (1st Set)
19	$50	N	Dealer Plate (2nd & Subsequent Sets)
2P	$10	N	Exempt Motorcycle (Charitable)
3P	$10	N	Exempt Non-Commercial Trailer (Charitable)
1P	$10	N	Exempt Passenger (Charitable)
4P	$10	N	Exempt Pickup/Truck (Charitable)
61	$68	N	Farm Plates
2G	$10	N	Government Exempt Motorcycle
1G	$10	N	Government Exempt Passenger
4G	$10	N	Government Exempt Pickup/Truck
1M	$10	N	Government Personalized Passenger
4M	$10	N	Government Personalized Pickup
38	$88	N	Transporter (1st Set) (this is a type of Dealer plate)
39	$50	N	Transporter (2nd & Subsequent Sets)

Montana Code pertaining to permanent motor vehicle registration

61-3-562. Permanent registration -- transfer of light vehicle ownership -- rules. (1) (a) The owner of a light vehicle 11 years old or older subject to the registration fee, as provided in 61-3-321(2), may permanently register the light vehicle upon payment of a $87.50 registration fee, the applicable registration and license fees under 61-3-412, if applicable, the administrative fee and the annual one-time-only donation fee for a generic specialty license plate under 61-3-480, and an amount equal to five times the local option motor vehicle tax or flat fee on vehicles under 61-3-537 and, as applicable, either:

(i) (A) the original fee and four times the renewal fee for personalized plates; or

(B) five times the renewal fees for personalized plates; or

(ii) if a new set of license plates is not being issued, an insurance verification fee of $5, which must be deposited in the account established under 61-6-158.

(b) The following series of license plates may not be used for purposes of permanent registration of a light vehicle:

(i) Montana national guard license plates issued under 61-3-458(2)(b);

(ii) reserve armed forces license plates issued under 61-3-458(2)(c);

(iii) amateur radio operator license plates issued under 61-3-422; and

(iv) collegiate license plates issued under 61-3-465.

(2) In addition to the fees described in subsection (1), an owner of a truck with a manufacturer's rated capacity of 1 ton or less that is permanently registered shall pay five times the applicable fees imposed under 61-10-201.

(3) The owner of a motor vehicle that is permanently registered under this section is not subject to additional registration fees or to other motor vehicle registration fees described in this section for as long as the owner owns the vehicle.

(4) The county treasurer shall once each month remit to the state the amounts collected under this section, other than the local option motor vehicle tax or flat fee, for the purposes of 61-3-321(2) and 61-10-201. The county treasurer shall retain the local option motor vehicle tax or flat fee.

(5) (a) The permanent registration of a light vehicle allowed by this section may not be transferred to a new owner. If the light vehicle is transferred to a new owner, the department shall cancel the light vehicle's permanent registration.

(b) Upon transfer of a light vehicle registered under this section to a new owner, the new owner shall apply for a certificate of title under 61-3-201 and 61-3-216 and register the light vehicle under 61-3-303.

History: En. Sec. 3, Ch. 515, L. 1999; amd. Sec. 18, Ch. 191, L. 2001; amd. Sec. 47, Ch. 257, L. 2001; amd. Sec. 7, Ch. 337, L. 2001; amd. Sec. 20, Ch. 13, Sp. L. August 2002; amd. Sec. 3, Ch. 143, L. 2003; amd. Sec. 16, Ch. 280, L. 2003; amd. Sec. 70, Ch. 477, L. 2003; amd. Sec. 9, Ch. 464, L. 2005; amd. Sec. 121, Ch. 542, L. 2005; amd. Sec. 98, Ch. 596, L. 2005; amd. Sec. 33, Ch. 329, L. 2007; amd. Sec. 4, Ch. 392, L. 2007; amd. Sec. 19, Ch. 413, L. 2009.

Tax Office	2010 Total
Anchorage	$ 5,334,694.20
Bethel	$ 61,928.00
Bristol Bay	$ 63,989.00
Cordova	$ 38,076.00
Dillingham	$ 28,637.00
Juneau	$ 517,145.00
Kenai	$ 1,478,524.00
Ketchikan	$ 221,384.00
Kodiak	$ 283,412.00
Mat-Su	$ 4,010,668.00
Nenana	$ 10,520.00
Nome	$ 42,236.00
Petersburg	$ 39,877.00
Sitka	$ 108,543.00
Unalaska	$ 48,723.00
Whittier	$ 4,045.00
Total	**$ 12,292,401.20**

Column B	**Total Motor Vehicle Registration Tax Collected**
Column C	**MVRT paid by vehicle under HB64 at time of registration**
Column D	**MVRT paid by vehicles not eligible under HB64**
Column E	**DMV's estimate of 28350 new vehicles eligible annually for HB64**
Column F	**Net Annual Gain of Loss of MVRT revenue**

Darrell Breese

From: Darrell Breese
Sent: Monday, February 21, 2011 3:01 PM
To: Rebecca Rooney
Subject: FW: HB 64 - Updated statistics and recommendations
Attachments: HB064_Vehicle Counts-Statewide.xls; HB064_Class Codes.xls

From: Oates, Stacy V (DOA) [mailto:stacy.oates@alaska.gov]
Sent: Friday, February 18, 2011 8:28 AM
To: Darrell Breese
Cc: Brewster, Whitney H (DOA)
Subject: HB 64 - Updated statistics and recommendations

Darrell,

Attached are:

- Revenue estimate, updated with the new total vehicle counts and the number newly-eligible vehicles for 2013-2017 (based on the average number of registered vehicles in model years 2004-2010)
- Vehicle Counts
- Class Codes used in the Vehicle Counts

Comments:

Class Codes – We did not include in the count the class codes for farm vehicles, dealers, charitable exempt, and government exempt. All but the dealer plate vehicles are exempt from MVRT, so the odds are high that the owners of the vehicles will opt for permanent registration. The MVRT municipalities shouldn't object since there would be no lost MVRT funds. Unless language is specifically put into the bill to exclude these vehicle, they will all be eligible. Currently, there are about 7,800 registered with these class codes.

Vehicle Counts – After discovering the big discrepancy in the number of vehicles reported to you in November versus the number in our fiscal note, our data processing manager has spent considerable time on the project to ensure the accuracy of the figures we are now providing to you. Some explanations for the variance between the fiscal note and the current number:

1. We thoroughly reviewed the class code list; some class codes were added, others deleted.
2. The fiscal note numbers included vehicles that have senior and/or military exemptions. This was missed because we were concentrating on the class codes; exempt vehicles don't have a separate class code. There are currently about 28,500 senior/military exempt vehicles registered in the state.
3. Our very antiquated mainframe system has been creating duplicate records when multiple transactions occur in the same year; e.g., if a registration is renewed in March and the title is transferred in October, this might show as two records. The system was developed in the early 1980's, and the problem we discovered yesterday is one of the many reasons we are in the process of converting to a modern system.

Suggested modifications to the bill:

1. Page 1, line 14 – delete the sentence, "A permanent registration may not be renewed."
2. Page 2, lines 5-6 – replace, "... the lesser of five times the rate... or $100..." with, " XXX times the rate." Removing the fixed dollar amount will be easier to program and make permanent registration encourage owners of motorcycles and charitable, government, and farm vehicles to opt for permanent registration.
3. Page 2, lines 7-8 – replace, "AS 28.10.431, if any, equals the lesser of five times the rate established in AS 28.10.431(b) or $100" with "AS 28.10.431, if any, equals XXX times the rate established in AS 28.10.431(b) or (j)." This would pick up the greater MVRT rates assessed by most of the communities that have elected a different fee schedule.
4. Eliminate Sec 3 – the requirement to collect the $2.00 I/M fee biennially defeats the entire purposes of the bill. Customers with permanent registration will still have to interact with DMV every two years, and the time and effort involved for DMV to collect the fee will be exactly the same as it would have been if there were not permanent registration.

Regards,
Stacy

Stacy Oates
DMV Administrative Officer
1300 W Benson Blvd Ste 400, Anchorage, AK 99503-3392
Ph: 907-269-3782 Fx: 907-333-8615 fax Stacy.Oates@Alaska.gov

ALASKA MUNICIPAL LEAGUE
Alaska Conference of Mayors

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February 22, 2011

Representative Peggy Wilson
House Transportation Committee
Juneau, Alaska 99811

RE: HB64: An Act relating to Permanent Motor Vehicle Registration and providing for an Effective Date.

Dear Representative Wilson,

The Alaska Municipal League would like to go on record as opposing HB64. While the intent of the bill may be a positive one, the implementation will negatively affect both the State and the municipalities of the State of Alaska that currently realize a tax revenue from vehicle registration fees.

The main purpose stated in the Sponsor Statement is to make the "DMV re-registration process more user-friendly to the owners of qualifying vehicles and lighten the work load for DMV employees."

This fee of $100 (or 5 times the regular registration fee, whichever is less) MAY realize increased revenues during the first year of implementation. However, each year after that, the State of Alaska and the participating municipalities will see revenue losses. It seems amazing to us that legislation would be introduced that would purposely decrease revenue to the State to improve a more "user-friendly process." To stand in line every two years or send in re-registration papers by mail is hardly one of those things that come up on most people's list of "things-most-dreaded." However, to continue to erode the tax base of municipalities, resulting in decreases in basic services, can negatively impact health and safety. This legislation affects approximately 63% of the cars currently on Alaska's roads. It is nearly impossible, however, to estimate the decrease, as each municipality does not necessarily have records that can easily be compiled.

One of the suggestions from the sponsor of the bill is that municipalities could bill for annual taxes. This would add an entirely new database and increased employees to municipal offices.

As supporters of HB 30 and SB37, we also feel that this loss of revenue to the State will severely impact the ability of the proposed Transportation Infrastructure Fund, as registration fees will be used as a potential funding source.

Again, we would request that HB64 not move beyond this committee due to the decreased revenues that will be realized by the State of Alaska and 16 of Alaska's largest communities.

Sincerely,

Kathie Wasserman

Kathie Wasserman
Executive Director

HB

95

<TARGET><BILL>HB 95</BILL><SUBJECT>HB
95</SUBJECT><COMM>HTRA27</COMM></TARGET>

Alaska State Legislature
House of Representatives
Representative Tammie Wilson

Interim
301 Santa Clause Lane
North Pole, AK 99705
(907) 488.0857 - Phone
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Session
State Capitol
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Fax - (907) 465.3884

Rep.Tammie.Wilson@legis.state.ak.us

MEMORANDUM

To: Rep. Peggy Wilson, Chair, House Transportation Committee

From: Rep. Tammie Wilson

Date: February 3, 2011
Re: Request for Hearing

Enclosed is House Bill 95—"An Act making failure by certain persons to wear a safety belt when operating certain motor vehicles a secondary violation."

Accompanying the bill is a sponsor statement and initial committee packet documents.

Please contact me if you have any questions or concerns.

Thank you for your consideration.

27-LS0323\A.1
Luckhaupt
3/17/11

AMENDMENT

OFFERED IN THE HOUSE BY REPRESENTATIVE HOLMES

TO: HB 62

Page 1, line 2, following "**tax**":

Insert "**; and providing for an effective date**"

Page 2, following line 12:

Insert a new bill section to read:

"*** Sec. 2.** This Act takes effect immediately under AS 01.10.070(c)."

Alaska State Legislature
House of Representatives
Representative Tammie Wilson

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Rep.Tammie.Wilson@legis.state.ak.us

Sponsor Statement

House Bill 95 –27th Legislature

House Bill 95 redefines the violation of failing to wear a seat belt, while driving, from a primary offense to a secondary offense.

This means that while wearing a seat belt remains state law, an officer may not use lack of seat belt use as an exclusive reason for pulling over a vehicle.

The secondary offense law was the *status quo* in Alaska for fifteen years.

HB 95 acknowledges that:

- Seat belt use is important and increased use, across the population, can be attained through other means.
- Police officer time and energy are important and, therefore, should be focused on substantive enforcement activity;
- The public is best served when Public Safety is concerned with caliber of driving instead of components that do not affect driving ability;
- Seatbelts, while a component of responsible driving, do not prevent accidents;
- The primary offense law is a violation of privacy; being pulled over for apparently failing to wear a seatbelt is an authority easily abused. It can be used as an excuse to stop a driver for any number of unrelated reasons.

As a way of respecting Alaskans' right to privacy, expectation to be treated as adults, and efficient use of law enforcement time and resources, HB 95 should be enacted.

I appreciate the committee's consideration for this bill and request your support.

HB 95 is introduced to emphasize efficiency in law enforcement activity with respect to traffic violations, and highlight several civil rights concerns related to the primary offense law.

Simply put, the sponsors maintain that wearing a seat belt is important, and should remain in law, but that expecting an officer to pull over a driver, on that basis alone, is unnecessary and a waste of a legitimate resource.

Moreover, as the current data shows, 18 states, across the political spectrum, have secondary offense laws exclusively. Of those states, a comparable percentage of drivers use seat belts. States have seen an increase of seat belt use with only a secondary offense enforced. A dramatic increase in usage, therefore, is due to factors other than issuing seatbelt citations.

If increased seat belt use is the goal, it can be accomplished through other means.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: HB095 \A
() Publish Date

Identifier (file name): HB095-LAW-CRIM-03-11-11
Title: An Act making failure by certain persons to wear a safety belt when operating certain motor vehicles a secondary violation.
Sponsor: REPRESENTATIVE(s) T. WILSON, GARDNER
Requester: (H) Transportation

Dept. Affected: Law
Appropriation: Criminal
Allocation: Criminal Justice Litigation
OMB Component Number: 2202

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES							

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other (please identify)							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version.

Prepared by: Eileen Donahue, Division Operations Manager — Phone 465-5427
Division: Administrative Services — Date/Time 3/11/11 4:30 PM
Approved by: John J. Burns, Attorney General — Date 3/11/2011
Department of Law

(Revised 1/27/2011 OMB)

FISCAL NOTE

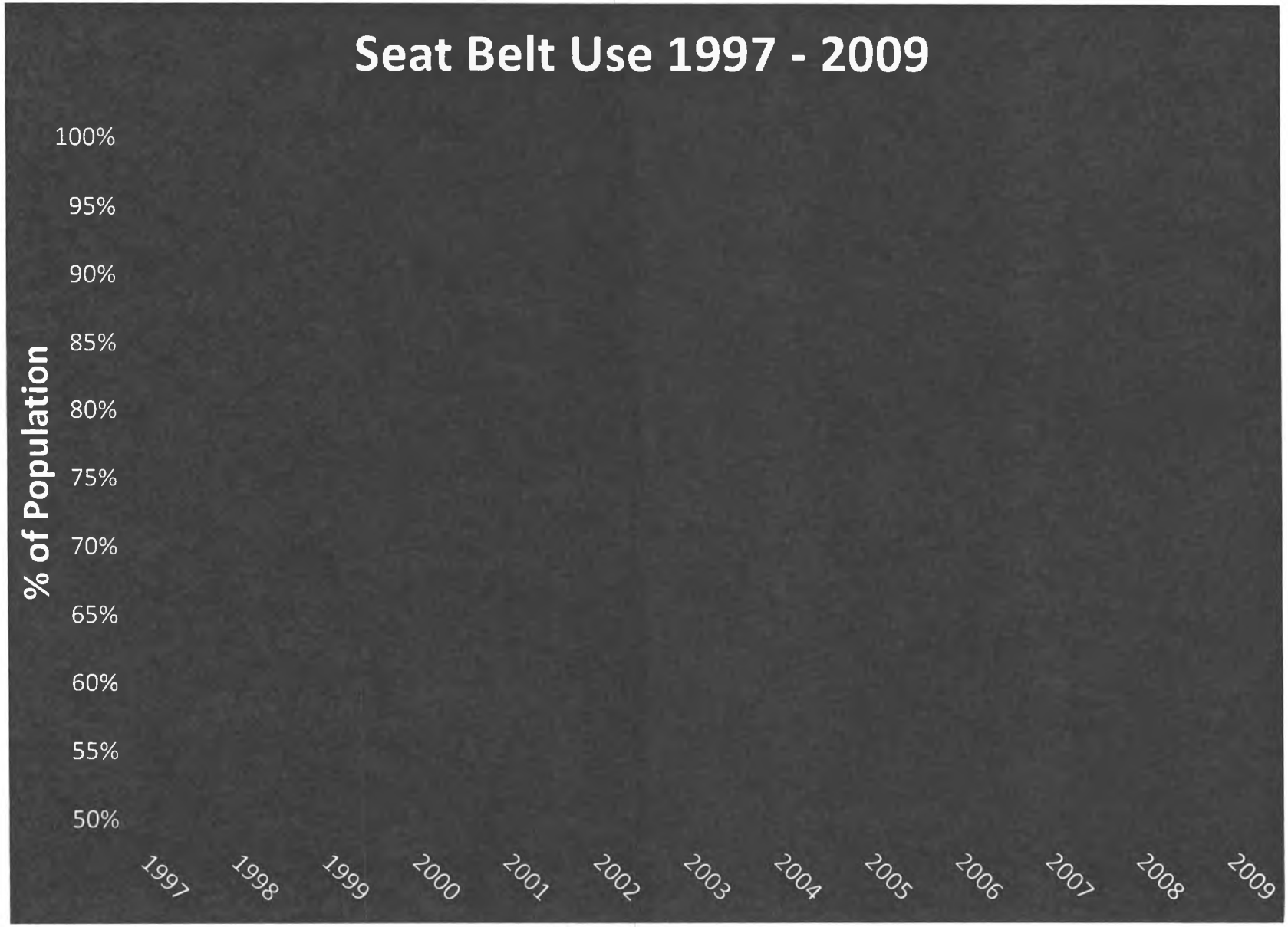
STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB 095 \A

Analysis

This bill provides that a law enforcement officer may not stop a vehicle for failure of a person 16 years of age or older to wear a seat belt while the vehicle is driving on a highway unless there is probable cause to stop the vehicle for violation of another law or ordinance.

This would have zero fiscal impact on the Department of Law.


Seat Belt Use 1997 - 2009
% of Population
100%
95%
90%
85%
80%
75%
70%
65%
60%
55%
50%
1997
1998
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009

AS 28.05.095. Use of Seat Belts and Child Safety Devices Required.

(a) Except as provided in (c) of this section, a person

(1) 16 years of age or older may not occupy a motor vehicle while being driven on a highway unless restrained by a safety belt; and

(2) may not drive a motor vehicle on a highway unless restrained by a safety belt.

(b) Except as provided in (c) of this section, a driver may not transport a child under the age of 16 in a motor vehicle unless the driver has provided the required safety device and properly secured each child as described in this subsection. If the child is less than four years of age, the child shall be properly secured in a child safety device meeting the standards of the United States Department of Transportation for a child safety device for infants. If the child is four but not yet 16 years of age, the child shall be properly secured in a child safety device approved for a child of that age and size by the United States Department of Transportation or in a safety belt, whichever is appropriate for the particular child.

(c) Subsections (a) and (b) of this section do not apply to

(1) passengers in a school bus, unless the school bus is required to be equipped with seat belts by the United States Department of Transportation, or an emergency vehicle;

(2) a vehicle operator acting in the course of employment delivering mail or newspapers from inside the vehicle to roadside mail or newspaper boxes;

(3) a person or class of persons exempted by regulation under AS 28.05.096;

(4) a person required to be restrained by safety belts under (a) or (b) of this section if the motor vehicle is not equipped with safety belts; or

(5) operators or passengers of motorcycles, motor-driven cycles, off-highway vehicles, electric personal mobility vehicles, snowmobiles, and similar vehicles not designed to be operated on a highway.

(d) A person may not remove a safety belt from a vehicle solely to be exempted under (c)(4) of this section.

(e) Notwithstanding any other provision of law, a peace officer may not stop or detain a motor vehicle to determine compliance with (a) of this section, or issue a citation for a violation of (a) of this section, unless the peace officer has probable cause to stop or detain the motor vehicle **other than for a violation of (a) of this section.**

~~(f) In a prosecution under (a) of this section, the prosecution must prove that the peace officer stopping or detaining the vehicle personally observed the violation of (a) of this section before stopping or detaining the vehicle or otherwise had probable cause to stop or detain the vehicle.~~

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March 16, 2011

The Honorable Peggy Wilson, Chair
House Transportation Committee
Alaska State Capitol, Room 408
Juneau, AK 99801-1182

RE: HB 95 (T. Wilson and Gardner)--Oppose

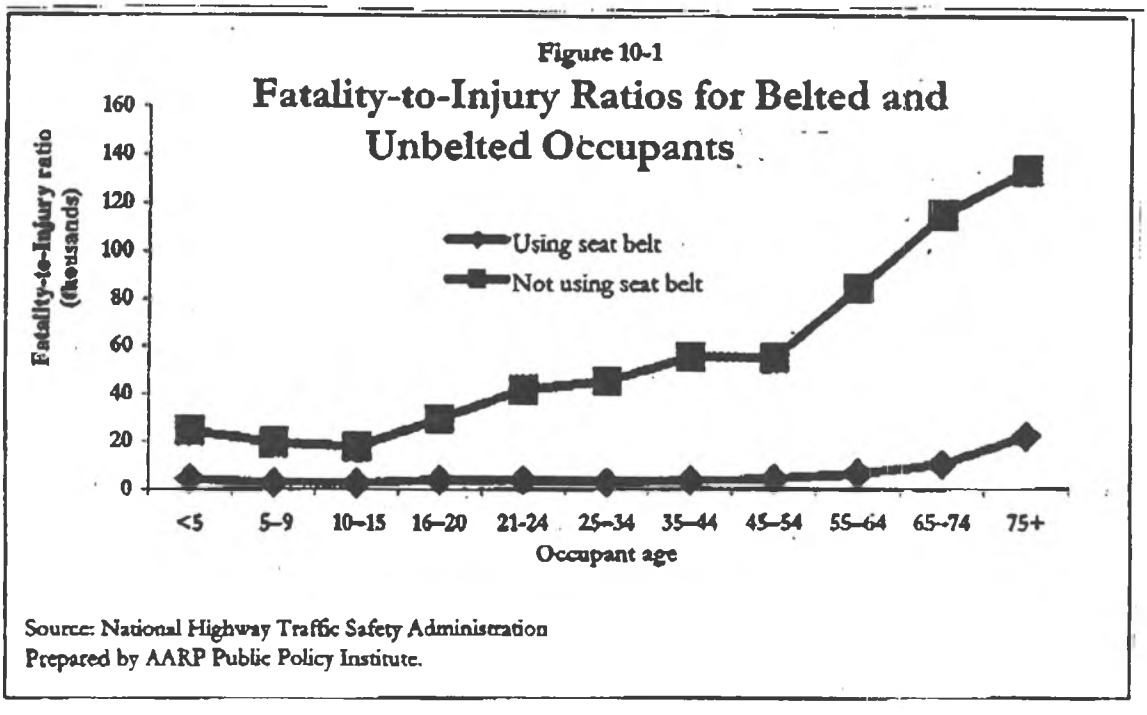
Dear Chair Wilson:

On behalf of the members of AARP in Alaska, we encourage you and your colleagues on the House Transportation Committee to oppose HB 95, authored by Representatives Tammie Wilson and Berta Gardner and co-sponsored by Representative Bill Stoltze.

HB 95 will make a seat belt violation a secondary offence instead of a primary offence.

AARP supported SB 87 in 2006 for several reasons.

In crashes of the same severity, older individuals are more likely to die than younger people. Increased seat belt use does reduce fatalities and the severity of injuries. Research from the National Highway Traffic Safety Administration shows a clear correlation between seat belt use and a reduced likelihood of crash fatalities for individuals 55 and over.



In addition, Alaska is eligible for significant additional federal funding under the SAFETEA-LU provisions developed under Congressman Don Young's Chairmanship because seat belt violations are a primary offence.

Safety belt usage in Alaska increased after the passage of SB 87 and is now a bit higher than the national average. States that have stronger seat belt laws have higher compliance, according to research done by the NHTSA.

It was estimated that passage of SB 87 annually saved Alaska:

- 7 lives
- 102 serious injuries
- $29 million in costs

The fatality rate of Alaska's traffic deaths in rural areas was more than twice that in urban locations.

Having seat belt violations as a primary offence is not a step toward a "nanny state." It is a step toward public safety and common sense.

Please do what you can to save Alaskan lives.

AARP requests a "Nay" vote on HB 95.

Should you have any questions about our position, please feel free to contact me (586-3637) or Patrick Luby, AARP Advocacy Director (907-762-3314).

Thank you for your consideration.

Sincerely,

Marie Darlin

Marie Darlin, Coordinator
AARP Capital City Task Force
415 Willoughby Avenue, Apt. 506
Juneau, AK 99801
586-3637 (voice)
463-3580 (fax)

CC: Vice-Chair Lance Pruitt
Representative Eric Feige
Representative Craig Johnson
Representative Max Gruenberg
Representative Pete Peterson
Representative Tammie Wilson
Representative Berta Gardner

Law Office of Robert John
P.O. Box 73570
Fairbanks, Alaska 99707
907-456-6056/907-456-6057 (fax)
Attorney for Steven Chase

IN THE SUPREME COURT OF THE STATE OF ALASKA

STEVEN CHASE,	)	
	)	
Petitioner,	)	Supreme Court No. S-14154
	)	
vs.	)	
	)	
STATE OF ALASKA,	)	
	)	
Respondent.	)	
	)	

Trial Court Case No. 4FA-07-02939 CR
Court of Appeals No. A-10433

PETITION FOR HEARING

VRA Certification
I certify that this document and its attachments do not contain (1) the name of a victim of a sexual offense listed in A.S. 12.61.140 or (2) a residence or business address or telephone number of a victim of or witness to any crime unless it is an address used to identify the place of the crime or it is an address or telephone number in a transcript of a court proceeding and disclosure of the information was ordered by the court.

PRAYER FOR REVIEW

Pursuant to Appellate Rule 302(a)(1), Steven Chase (Chase) hereby petitions the Alaska Supreme Court for hearing from the December 3, 2010 Opinion of the Alaska Court of Appeals which is published as Chase v. State, 243 P.3d 1014 (Alaska App. 2010).[1] Chase respectfully prays that the Alaska Supreme Court grant review.

STATEMENT OF FACTS

In addition to the facts set forth by the Court of Appeals, this Court should also consider the legislative history of the seatbelt-violation-seizure law, as well as the

[1] See Appendix 1.

available statistics on seatbelt usage and seatbelt-violation seizures in Alaska. This includes data before and after the law's passage.

The proponents of the law repeatedly contended that police would not use the primary-violation law as a basis for pulling more people over, that it would not be used as an enforcement issue of its own.[2] The proponents also contended that passage of the law would dramatically increase seatbelt usage from the stated 84 percent to 94 to 96 percent.[3] However, as it turns out, the proponents were wrong on both counts.

As to seatbelt usage statewide, it stands at 84.9 percent (according to data through 2008), rising in 2008 after dropping to 82.4 percent in 2007.[4] Any increase in seatbelt usage is logically not the result of the primary-violation law; rather, it appears that educational efforts over the years have resulted in a general uptrend in seatbelt usage since at least 1999.[5]

As to the police use of the law to seize Alaskans, the number of people who have had their privacy and liberty invaded by the police in the name of seatbelts has increased dramatically since the passage of the primary-violation law. For example, in this case Trooper Manns was paid overtime solely to peer and peep into people's vehicles for seatbelt violations and to then detain them therefor.[6] Another officer, Trooper Sands, has

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[2] See Appendix 2 at 3-9, 21-29.
[3] See Appendix 2 at 4-5, 26-27.
[4] See Appendix 2 at 36.
[5] See Appendix 2 at 35.
[6] See Appendix 2 at 61.

testified to the same, although he even more prolifically stops and detains people solely for seatbelt violations.[7]

Consistent with Trooper Sands are the actions of the City of Fairbanks Police Department since the primary-violation law went into effect. In 2005, Fairbanks Police (FPD) issued 226 seatbelt citations.[8] In 2006, that number skyrocketed to 1,113 and became the number one category for FPD traffic citations.[9] In 2007 and 2008 the numbers went down somewhat, to 788 at 467, respectively, but are still more than two to three times higher than prior to the passage of the primary-violation law.[10] Interestingly, the 2007 statistics show that two Traffic Enforcement Officers alone cited over 300 people, essentially comparable to the number of persons cited by Trooper Sands.[11]

This is echoed on a statewide basis. In 2005, the last year before the law's passage, approximately 3,600 Alaskans were cited for seatbelt violations.[12] By 2007, the first full year after the law's passage, that number had essentially tripled to more than 10,700 Alaskans seized in the name of seatbelts.[13] This is consistent with the candor of an Anchorage Police Officer who confessed to Representative Gardner that the police

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[7] See Appendix 2 at 15-19.
[8] See Appendix 2 at 41-42.
[9] See Appendix 2 at 43-44.
[10] See Appendix 2 at 45-46;
see also http://www.ci.fairbanks.ak.us/department/police/news.htm (2008 Annual Report at pages 15-16).
[11] See Appendix 2 at 46; compare Appendix 2 at 15-19.
[12] See Appendix 2 at 51.
[13] See Appendix 2 at 51.

would relish the law because it would allow them to do "something they love to do," engage in a "fishing"expedition.[14]

STATEMENT OF POINTS AND AUTHORITIES RELIED UPON FOR REVERSAL OF THE DECISION OF THE COURT OF APPEALS

Under Article I, §§14 And 22 Of The Alaska Constitution, It Is An Unreasonable Seizure For The Police To Stop An Individual Solely For Not Wearing A Seatbelt Or To Then Conduct A Full-Fledged Traffic Investigation.

In this Petition, Chase seeks to draw principled distinctions between categories of conduct to highlight those such as seatbelt violations where it is unreasonable to seize a person simply because their conduct may have been deemed illegal by the legislature.[15] This is especially so when one considers the "epidemic" number of seizures of citizens that have resulted from the police practices at issue in this case, an instance where the "potential for abuse" has "ripened into a reality."[16]

Lest we forget, the starting point in our constitutional analysis is that this case involves a warrantless seizure of Chase and thousands upon thousands of other Alaskans. As such, it is the State that bears the burden of demonstrating a pressing need for the seizure at issue and that the seizure is otherwise reasonable in scope and duration.[17]

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[14] See Appendix 2 at 6-7.
[15] Cf. State v. Day, 168 P.3d 1265, 1268 & fn.6. (Wash. 2007) (legislative labeling is neither binding nor determinative when the Court is determining the scope of constitutional protections).
[16] Atwater v. City of Lago Vista, 532 U.S. 318, 354 n.25 (2001).
[17] See Schraff v. State, 544 P.2d 834, 838 (Alaska 1975).

The Fourth Amendment protects "against unreasonable searches and seizures," including seizures that involve only a brief detention short of traditional arrest.[18] The essential purpose of the proscriptions of the Fourth Amendment is to impose a standard of "reasonableness" upon the exercise of discretion by government officials, including law enforcement agents, in order to safeguard the privacy and security of individuals against arbitrary invasions.[19] Thus, "the permissibility of a particular law enforcement practice is judged by balancing its intrusion on the individual's Fourth Amendment interests against its promotion of legitimate governmental interests."[20] Accordingly, as Professor LaFave observes, the nature of the conduct at issue is pertinent in determining whether a particular traffic stop is reasonable or not.[21]

As this Court long ago observed:

> The guiding criterion in resolving search and seizure issues is one of reasonableness in the constitutional sense. Concerning the problem of reasonableness, we said:
>
> > There seems to be no exact formula for the determination of reasonableness in connection with a search and seizure and so each case must be decided on its own facts and circumstances.[22]

When this Court then makes its reasonableness determination under Article I, §§14 and 22 of the Alaska Constitution, law enforcement practices are held to a stricter standard

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[18] U.S. Const. Amend. IV.; United States v. Brignoni-Ponce, 422 U.S. 873, 878 (1975).
[19] Delaware v. Prouse, 440 U.S. 648, 653-54 (1979).
[20] Id. at 654.
[21] See 4 Wayne R. LaFave, Search and Seizure, §9.3(a) at 364-65 (4th ed. 2004).
[22] Sleziak v. State, 454 P.2d 252, 256 (Alaska 1969) (quoting Ellison v. State, 383 P.2d 716, 719 (Alaska 1963)) (citation omitted).

than under the Fourth Amendment; thus, the people's protection from police intrusion is not swept away in the swollen tide of political emotion.[23]

Contrary to the Court of Appeals' conclusion,[24] this Court's reasonableness analysis in Coleman[25] and most recently in Miller[26] is applicable in cases where the police have probable cause -- at least where the purported probable cause involves at most a so-called traffic violation. As Coleman details, the investigative-stop exception to the warrant requirement derived from situations where a demonstratably dangerous situation may well exist or a crime of a serous nature has recently occurred, one whose occurrence would likely subject a person to arrest.[27]

The problem is that the safeguards of Coleman and its progeny are being nullified by legislative and administrative fiat as an ever-growing web of traffic regulations is claimed to justify the police seizure of persons whenever, as in Chase's case, there is probable cause to believe a violation has occurred. As the Court of Appeals has observed:

> In recent years[,] more Fourth Amendment battles have been fought about police activities incident to [investigative stops] for a traffic infraction, what courts call a "routine traffic stop," than in any other context. There is a reason why it is so, and it is not that police have taken an intense interest in such matters as burned-out taillights and unsignaled lane changes per se. Rather, the renewed interest of the police in traffic enforcement is attributable to a federally-sponsored initiative related to the war on drugs.[28]

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[23] See Coleman v. State, 553 P.2d 40, 46-47 (Alaska 1976).
[24] See Chase v. State, 243 P.3d 1014, 1018 (Alaska 2010).
[25] See Coleman, 553 P.2d at 43-47.
[26] See State v. Miller, 207 P.3d 541, 543-51 (Alaska 2009).
[27] See Coleman, 553 P.2d at 44-45.
[28] Brown v. State, 182 P.3d 624, 629 (Alaska App. 2008) (quoting 4 Wayne R. LaFave, Search and Seizure, §9.3 at 358-59)(emphasis in original)(brackets in Brown).

Because "the police have co-opted our traffic codes as a weapon to be used in the 'war on drugs,'"[29] the Court needs to apply the reasonableness test to implement principled restraints on police conduct so that persons are not seized where, as in Chase's case, "some technical or trivial offense produces the necessary excuse for a traffic stop."[30] The principles of Coleman, as they have evolved through Miller, provide such a basis.

In Miller, the Court first inquired into the nature of the conduct and the corresponding need for police intrusion amounting to a seizure.[31] In this inquiry, statistics matter. The Court placed great weight on domestic-violence data in reaching its decision in Miller.[32] If the Court then places equal weight on the evidence presented by Chase, the Court will see that the lynchpins of the legislation -- the arguments that caused the legislature to pass it -- are two false pretenses: (1) seizing people for seatbelt violations will instantly cause a dramatic rise in seatbelt usage; and (2) the police will not target seatbelt enforcement so as to pull over a host of citizens for seatbelt violations.

As to the first false pretense, the head of the matter, there is no evidence that seizing people for seatbelt violations has had any demonstrable effect on seatbelt usage. Rather, as noted in the Statement of Facts, supra: (1) seatbelt usage was trending upward since at least 1999; (2) the first year after passage of the law the usage more or less continued its trend; and (3) the next year seatbelt usage actually went down! Even assuming for the purposes of argument that seatbelt usage has increased marginally since

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[29] 4 Wayne R. LaFave, Search and Seizure, §9.3(a) at 361.
[30] Id., §9.3 at 359.
[31] See Miller, 207 P.3d at 544-47.
[32] See id. at 545-46.

then, that is only consistent with the historical trend and in any event has no demonstrable connection to the law or to the misrepresentations made to secure its passage.

As to the second false pretense, the tail that wags the dog, there has been a shocking increase, essentially a tripling of seatbelt tickets so that more than 10,000 Alaskans each year are being subjected to police seizure over a seatbelt. And the reason for the increase is obvious, Chase's case being a prime example. Police are being paid federally funded overtime solely to roam our streets with the single purpose of locating seatbelt violators to seize -- the first hook in a fishing expedition to snag citizens by casting into their privacy.

In their own regard, seatbelt violations are sui generis in the world of traffic enforcement. Being sans seatbelt is not akin to speeding or weaving or some other form of driving that would indicate a danger is present or imminently threatened. Nor is a seatbelt violation akin to an equipment violation that would pose a danger itself or of which the driver may be unaware and would need to be alerted.

In Miller, the Court secondly inquired into how immediate the investigative stop was to the alleged conduct.[33] As in Miller, here "the alleged crime was quite immediate to the investigative stop."[34]

The third inquiry the Court undertook in Miller involved ascertaining the strength of the officer's knowledge that illegal conduct had occurred.[35] The majority of the Court

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[33] See id. at 547.
[34] Id.
[35] See id. at 547-49.

in Miller deemed that the officer had reasonable suspicion.[36] The officer in Chase's case did have stronger knowledge, probable cause.[37]

The fourth and final factor into which the Court inquired in Miller was the intrusiveness of the police conduct.[38] The Court first determined that the officer had no non-intrusive means of addressing the situation short of a seizure.[39] The Court then determined that after commencing an investigative stop, the officer had properly confined the scope and duration of the seizure.[40]

In contrast to Miller, there were numerous non-intrusive or shorter-duration alternatives to the seizure that occurred in Chase's case. For example: (1) the officer could have used a bullhorn or otherwise signaled to Chase that Chase should wear his seatbelt; (2) the State could send a ticket to the registered owner of the vehicle based on its license plate, ala a parking ticket or a photo-red-light ticket or photo-speeding ticket; or (3) the officer could have stopped Chase and simply told Chase to put on his seatbelt. Accordingly, the stop of Chase violates the fundamental principles that an investigative stop must employ the least-intrusive means and must be limited in its duration.[41] As with any exception to the warrant requirement, an investigative stop "must be no broader or more intrusive than necessary to fairly effect the governmental purpose which serves as

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[36] See id. at 549.
[37] See Chase, 243 P.3d at 1018.
[38] See id. at 547, 549.
[39] See id. at 547.
[40] See id. at 549.
[41] See Brown, 182 P.2d at 625, 627-28.

its justification."[42]

In sum, when Chase's case is compared to Miller, the four factors come out in Chase's favor. Only one factor is more favorable to the State -- the existence of probable cause versus reasonable suspicion. The time factor is the same in each case. However, first and fourth factors -- the seriousness of the purported conduct being investigated and the intrusiveness of the investigation -- weigh heavily in Chase's favor. In short, there was no practical necessity for the seizure of Chase which occurred in this case. The Court should accordingly hold that it is an illegal seizure for the police to conduct an investigative stop solely for a seatbelt violation and that even if the stop of Chase were legal at its inception, the stop became an illegal seizure once the officer went beyond informing Chase to wear his seatbelt.[43]

STATEMENT OF CONCRETE REASONS WHY THE ISSUES HAVE IMPORTANCE BEYOND THIS CASE AND REQUIRE DECISION BY THIS COURT

As to the intrusiveness and duration of the police contact with Chase, the decision of the Court of Appeals appears to conflict with its own decision in Brown, supra, and with this Court's decision in Reeves, supra, as well as with this Court's standards for evaluating investigative stops as first enunciated in Coleman, supra, and as applied most recently in Miller, supra. To those extents, the Court should grant review under Appellate Rule 304(a).

Even in the absence of any conflict, the Court of Appeals has decided an important

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[42] Reeves v. State, 599 P.2d 727, 735 (Alaska 1979).
[43] See Miller, 207 P.3d at 549-51.

question of Alaska constitutional law which has not previously been decided by this Court. The question is whether the Coleman/Miller balancing test for evaluating investigative stops applies to so-called traffic violations or whether instead probable cause to believe that any purported traffic violation has occurred allows the police to effect a seizure regardless of the nature of the violation.

As best articulated by Professor LaFave, the co-opting of the traffic codes by the police is a matter of grave constitutional concern. Perhaps Alaska's seatbelt law is the foremost example, based not only upon the vast number of persons subjected to the corresponding seizures, but also based upon a process where (under false pretenses) the police secure passage of the seatbelt law, which secures for the police federal funding, under which officers are being paid overtime solely to seize what is by now tens of thousands of Alaskans. For these reasons, the Court should grant review under Appellate Rule 304(b).

CONCLUSION

For the reasons stated, the Court should grant the Petition for Hearing. Steven Chase respectfully prays that the Court so order.

DATED this ____ day of February, 2011.

LAW OFFICE OF ROBERT JOHN

_____

ROBERT JOHN
Alaska Bar No. 8911069
Attorney for Steven Chase

Certificate of Typeface and Point Size

The above Petition For Hearing is printed in 13-point (proportionately spaced) Times New Roman.

_____
ROBERT JOHN

Certificate of Service
I hereby certify that a true copy of
the above document was mailed to:
Ann B. Black
Assistant Attorney General
310 K Street, Suite 308
Anchorage, AK 99501
this ___ day of February, 2011.

_____

INDEX OF APPENDICES

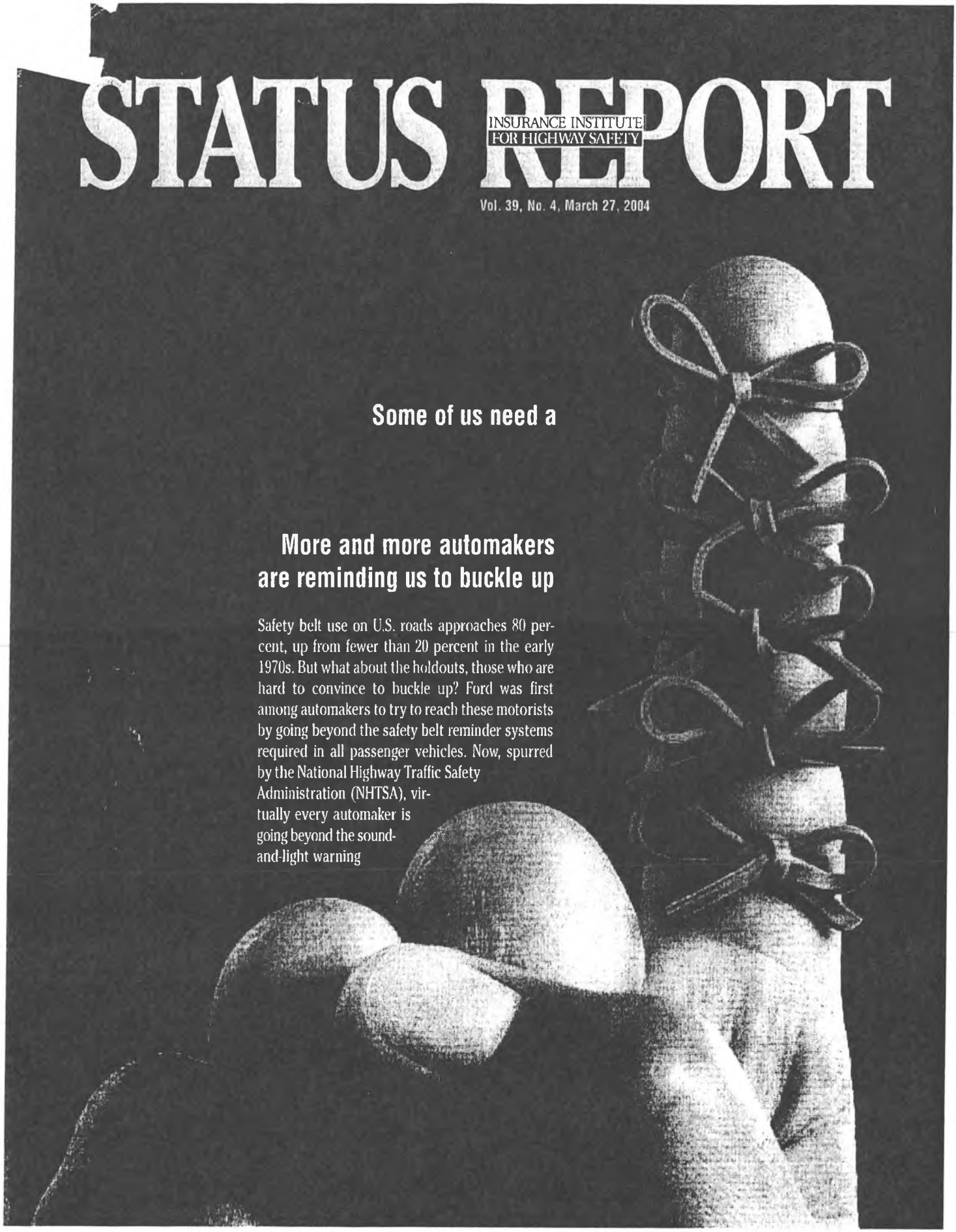
Appendix 1 — Chase v. State, 243 P.3d 1014 (Alaska App. 2010) [9 Pages]

Appendix 2 — Portions Of The Excerpt Of Record In The Alaska Court Of Appeals [61 Pages]

STATUS REPORT

INSURANCE INSTITUTE FOR HIGHWAY SAFETY

Vol. 39, No. 4, March 27, 2004



Some of us need a

More and more automakers are reminding us to buckle up

Safety belt use on U.S. roads approaches 80 percent, up from fewer than 20 percent in the early 1970s. But what about the holdouts, those who are hard to convince to buckle up? Ford was first among automakers to try to reach these motorists by going beyond the safety belt reminder systems required in all passenger vehicles. Now, spurred by the National Highway Traffic Safety Administration (NHTSA), virtually every automaker is going beyond the sound-and-light warning

that's required if a driver's safety belt isn't fastened. This warning is brief. NHTSA isn't allowed to require any sound persisting longer than eight seconds.

"It's easy to ignore such a brief warning," says Institute chief scientist Allan Williams, "and under current federal law it isn't possible for NHTSA to require longer warnings that might prove more effective."

But automakers may install any kind of reminder they want. The first voluntary system, a chime-and-light sequence that persists in intervals for up to five minutes if a driver doesn't buckle up, was introduced in 2000 model Fords.

"Call it benevolent nagging. The chime Ford uses isn't unpleasant, and it keeps on reminding you for five minutes. When we evaluated this system we found it produces a modest but important increase in belt use," Williams says (see *Status Report*, Feb. 9, 2002; on the web at www.highwaysafety.org).

Based in part on the Institute's evaluation of Ford's reminder system, NHTSA Administrator Jeffrey Runge urged all automakers in February 2002 to "consider voluntarily adding inexpensive, but effective, buckle up reminder systems" and to do so "as quickly as possible." Now reminders are in most 2004 model passenger vehicles.

All reminders aren't alike: There's variation among automakers in terms of the kinds of belt reminders they're using and how many models they're equipping. Audi, Ford, Hyundai, Porsche, and Volkswagen say they're putting reminders with intermittent lights and chimes in all 2004 passenger vehicles. Other manufacturers report lesser percentages. The loudness, urgency, sequence, and duration of the lights and chimes vary somewhat. General Motors adds a text message instructing drivers to buckle up.

Less elaborate reminders are in Infiniti, Lexus, Nissan, Saab, Scion, and Toyota models (except Toyota Prius). A light stays on, but no chime persists beyond eight seconds (the Prius does have a persistent chime).

In contrast, enhanced reminders aren't in any Hummers or models made by Isuzu, Land Rover, Mini, Mercedes, Subaru, or Volvo.

"Lights-only reminders haven't been evaluated yet, but the systems with audible warnings are almost certainly going to be more effective because a repeating chime or other sound is harder to ignore," Williams says.

Idea of enhanced reminders isn't new: In the early 1970s when only about 20 percent of drivers were buckling up, NHTSA tried several approaches to improve the situation. First there was a mandatory 60-second buzzer light in cars without automatic restraints (virtually no cars back then had such restraints). Starting with 1974 models, cars without automatic restraints couldn't be started if front-seat occupants weren't belted.

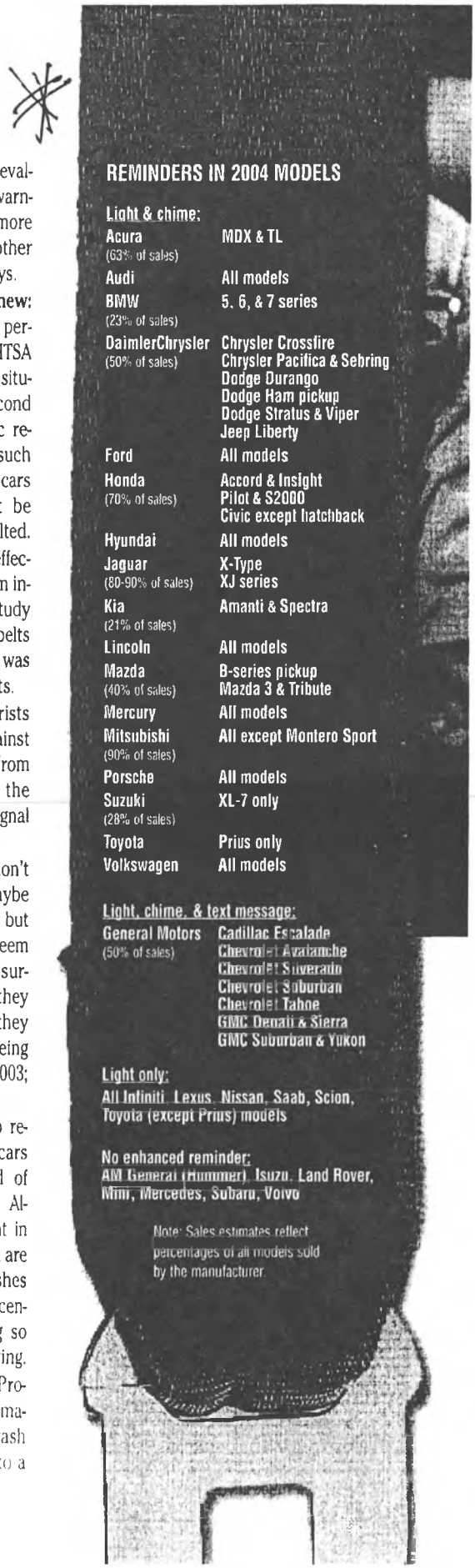
The buzzer-light reminder wasn't effective, Institute research found, but ignition interlocks did work. A separate Institute study found 59 percent of drivers using their belts in cars with interlocks, while the use rate was only 28 percent in cars with buzzer lights.

The problem was that many motorists didn't like interlocks. Public outcry against them led Congress to prohibit NHTSA from requiring them. Congress also told the agency it couldn't require any audible signal exceeding eight seconds.

"Nowadays motorists apparently don't object so much to being reminded. Maybe interlocks still wouldn't be accepted, but reminders of the type Ford pioneered seem to be okay," Williams says. The Institute surveyed Ford owners, most of whom said they like their reminders. Almost half said they buckle up more often because they're being reminded (see *Status Report*, June 16, 2003; on the web at www.highwaysafety.org).

Belt reminders in Europe, too: No requirement forces automakers to equip cars in the European Union with any kind of reminder (Sweden does require them). Although belt use rates exceed 90 percent in many European countries, reminders still are needed because use rates in serious crashes are lower. And now there's a powerful incentive to install reminders because doing so can boost a vehicle's consumer safety rating.

The European New Car Assessment Program rates passenger vehicles based primarily on performance in front and side crash tests. Since 2002 points may be added to a



REMINDERS IN 2004 MODELS

Light & chime:

Acura (63% of sales)	MDX & TL
Audi	All models
BMW (23% of sales)	5, 6, & 7 series
DaimlerChrysler (50% of sales)	Chrysler Crossfire Chrysler Pacifica & Sebring Dodge Durango Dodge Ram pickup Dodge Stratus & Viper Jeep Liberty
Ford	All models
Honda (70% of sales)	Accord & Insight Pilot & S2000 Civic except hatchback
Hyundai	All models
Jaguar (80-90% of sales)	X-Type XJ series
Kia (21% of sales)	Amanti & Spectra
Lincoln	All models
Mazda (40% of sales)	B-series pickup Mazda 3 & Tribute
Mercury	All models
Mitsubishi (90% of sales)	All except Montero Sport
Porsche	All models
Suzuki (28% of sales)	XL-7 only
Toyota	Prius only
Volkswagen	All models

Light, chime, & text message:

General Motors (50% of sales)	Cadillac Escalade Chevrolet Avalanche Chevrolet Silverado Chevrolet Suburban Chevrolet Tahoe GMC Denali & Sierra GMC Suburban & Yukon

Light only:
Infiniti, Lexus, Nissan, Saab, Scion, Toyota (except Prius) models

No enhanced reminder:
AM General (Hummer), Isuzu, Land Rover, Mini, Mercedes, Subaru, Volvo

Note: Sales estimates reflect percentages of all models sold by the manufacturer.

SAFETY BELT REMINDER SYSTEMS

(continued from p.1) up and they're especially effective among motorists who say they do use belts but not all the time.

A new Institute study indicates that reminders boosted belt use among Honda drivers from 84 to 90 percent. The use rate went up among both men and women and in various kinds of passenger vehicles — cars, minivans, and SUVs. Only 6 percent of the unbuckled drivers who encountered the reminder systems reported ignoring the annoyance.

Results are especially impressive among drivers who reported that they they usually but not always buckle up. Eighty-one percent of the people in this group said they buckled up the last time they encountered the belt reminder.

The findings confirm the results of a previous Institute study of the effectiveness of reminders in Ford vehicles. These systems boosted belt use from 71 to 76 percent in 2000-02 vehicles, compared with earlier models of the same Fords without reminders (see *Status Report*, Feb. 9, 2002; on the web at iihs.org).

"Boosting belt use by 5 or 6 percentage points might not sound like a lot but, remember, these are the hard-to-convince motorists, and what the reminders are doing is convincing them to buckle up more often. The idea is to turn them into full-time belt users," says Susan Ferguson, Institute senior vice president for research.

Ford was first to equip vehicles with extended reminders, beginning with some 2000 models. In 2006 most models have some kind of reminder system, but not all of them are as intrusive as the Ford and Honda systems (see facing page).

Reminders go beyond what's required: These systems exceed the federal government's modest requirement of a reminder that lasts 4 to 8 seconds. The reminders in Fords persist in intervals for up to 5 minutes if drivers don't buckle up, and those in Honda vehicles are even more persistent. There's an intermittent flashing light, sometimes including a "fasten seat belt" message, plus a chime that lasts for at least 9 minutes. Most 2004 and all later Hondas have such reminders.

Despite the potential annoyance, an overwhelming 89 percent of drivers of Hondas with reminders said they like having the systems in their vehicles. Eighty-eight percent said they would want one in their next vehicle.

"These findings are important because, while the purpose is to annoy drivers into buckling up, it wouldn't be beneficial to overdo it and alienate people enough so they want to disable their reminder systems. The goal is benevolent nagging — just enough to accomplish the purpose," Ferguson says.

Why reminders are needed: The US belt use rate has topped 80 percent for two straight years, up from less than 20 percent in the early 1980s and about 60 percent as late as 1994 (see *Status Report*, Jan. 11, 2003; on the web at iihs.org). The gains during the 1980-90s resulted largely from enacting and enforcing belt use laws in every state except New Hampshire.

"What the reminders do is complement the laws and enforcement programs," Ferguson explains. "They help convince motorists to comply with the belt laws, and they give motorists an incentive to do so because buckling up is the easiest way to stop the annoying lights and chimes."

What if all vehicles had reminders similar to those in Hondas? Ferguson estimates that at least 730 passenger vehicle driver deaths could have been prevented in 2004 if all vehicles had been equipped with reminders that increased belt use by 6 percentage points.

Researchers studying the Honda systems surveyed belt use among drivers of 2004-06 model cars, minivans, and SUVs with reminders, comparing use rates in these vehicles with rates in 2002-04 Hondas without reminders. The observations were conducted at Honda dealerships in the Philadelphia area during the fall of 2005 when vehicles were brought in for service. Mail-in surveys also were distributed to drivers of vehicles with reminders, and 62 percent of these drivers replied.

For a copy of "Effectiveness and driver acceptance of the Honda belt reminder system" by S. Ferguson et al., write: Publications, Insurance Institute for Highway Safety, 1005 North Glebe Road, Arlington, VA 22201, or email publications@iihs.org.

The following graph shows the trend line of seat belt use in Alaska from 1999 – 2010.

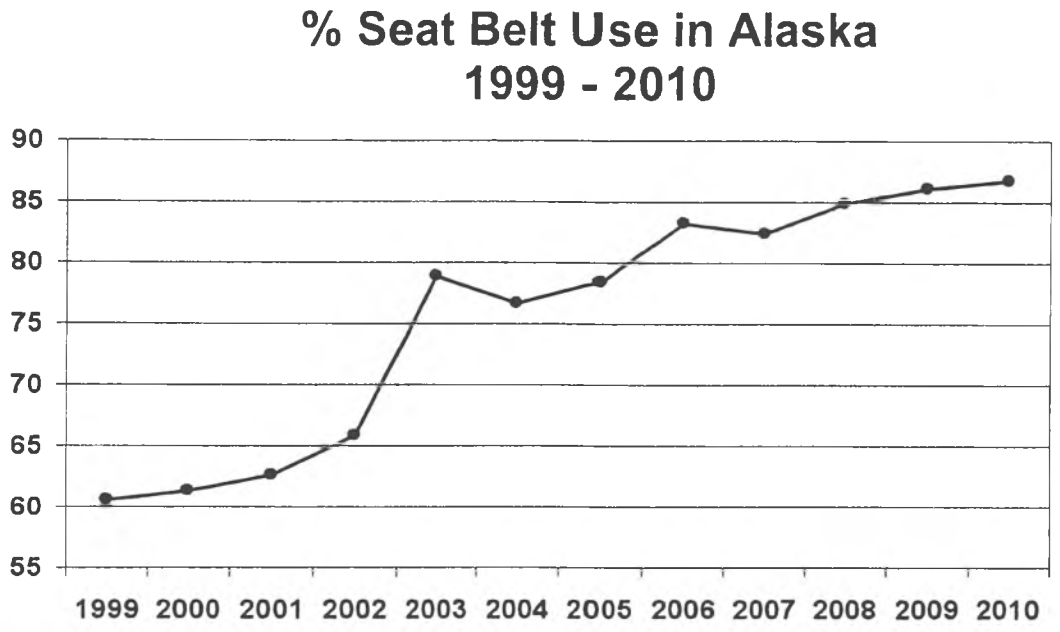


Table 1 shows the percent of drivers, passengers, and combined occupants who were wearing seat belts and the change across study years (weighted).

Table 1: Seat belt Use in Alaska, 2004-2010

		2010	2009	2008	2007	2006	2005	2004
All Vehicles	Share of Drivers Belted	.874	0.866	0.859	0.828	0.834	0.785	0.772
	Share of Passengers Belted	.846	0.841	0.812	0.810	0.825	0.779	0.750
	Share of Occupants Belted	**.868**	**0.861**	0.849	0.824	0.832	0.784	0.767
Cars	Share of Drivers Belted	.879	0.888	0.878	0.856	0.842	0.797	0.798
	Share of Passengers Belted	.852	0.854	0.801	0.828	0.829	0.777	0.756
	Share of Occupants Belted	**.873**	**0.882**	**0.862**	**0.850**	**0.840**	0.793	0.789
Vans	Share of Drivers Belted	.899	0.874	0.898	0.859	0.887	0.838	0.810
	Share of Passengers Belted	.869	0.879	0.864	0.841	0.881	0.837	0.800
	Share of Occupants Belted	**.892**	**0.876**	**0.889**	**0.854**	**0.885**	0.838	0.808
SUVs	Share of Drivers Belted	.898	0.883	0.883	0.854	0.869	0.827	0.812
	Share of Passengers Belted	.876	0.858	0.844	0.834	0.853	0.830	0.786
	Share of Occupants Belted	**.894**	**0.879**	**0.874**	**0.850**	**0.865**	0.827	0.806
Trucks	Share of Drivers Belted	.830	0.813	0.792	0.753	0.770	0.716	0.689
	Share of Passengers Belted	.789	0.782	0.764	0.742	0.761	0.706	0.685
	Share of Occupants Belted	**.822**	**0.806**	**0.787**	**0.750**	**0.768**	0.714	0.689

In Alaska, 80 percent of drivers and 76 percent of passengers were wearing seatbelts. The share of occupants wearing seatbelts was 79 percent. This is an increase of 13 percent above that observed in 2002. The rate for occupants of cars was higher than that for trucks. Eighty-two percent of car occupants compares with 70 percent of truck occupants.

Table 1 shows the percent of drivers, passengers, and occupants who were wearing seatbelts. Data cover 1997 to 2003.

Table 1: Seatbelt Use in Alaska, 1997-2003

		2003	2002	2001	2000	1999	1998	1997
All Vehicles	Share of Drivers Belted	0.797	0.663	0.634	0.615	0.609	0.613	0.604
	Share of Passengers Belted	0.762	0.643	0.602	0.607	0.599	0.601	0.572
	Share of Occupants Belted	0.789	0.658	0.626	0.613	0.606	0.610	0.596
Cars	Share of Drivers Belted	0.826	0.700	0.675	0.656	0.652	0.653	na
	Share of Passengers Belted	0.790	0.664	0.625	0.646	0.631	0.632	na
	Share of Occupants Belted	0.818	0.691	0.662	0.654	0.646	0.648	na
Trucks	Share of Drivers Belted	0.707	0.556	0.518	0.490	0.478	0.513	na
	Share of Passengers Belted	0.670	0.568	0.528	0.474	0.489	0.509	na
	Share of Occupants Belted	0.699	0.558	0.520	0.487	0.481	0.512	na

According to federal guidelines, the reliability of survey results should be expressed as the ratio between the standard error and the percent of the target population observed to wear seatbelts. This ratio, termed the relative standard error, should be less than or equal to five percent. Using SPSS statistical software, we calculated a standard error of .00258. The relative standard error for the percent of occupants who are belted is .0033.

There were 126 motorcycles in the sample. Sixty-six percent of drivers were wearing helmets. The number of motorcycles is too small to use in more detailed analysis and still be confident in the reliability of the results.

We noted in our survey when children were outboard passengers. Area wide, 75 percent of children were wearing seatbelts. This is an increase of 22 percent over 2002. In Anchorage, 78 percent of children were wearing seatbelts. The number of children in our samples from other areas is too small to use in more detailed analysis. Statewide, we observed 519 children riding as outboard passengers.

It is important to note that survey results reflect restraint use by the driver and outboard passenger in a probability sample of vehicles drawn from the most populated areas of Alaska. Included in this area are the Municipality of Anchorage, the Matanuska-Susitna Borough, the Juneau Borough, the Kenai Peninsula Borough, and the Fairbanks North Star Borough.

Table 2 presents the share of drivers, passengers, and occupants who were wearing seatbelts by region. The table presents data from 1997 through 2003.

IMPLEMENTATION OF ALASKA'S PRIMARY SEAT BELT LAW
MAY 2006

ALASKA SEAT BELT FACTS

- May 1989: Alaska State Legislature passes a law requiring seat belt use by all occupants in a motor vehicle. Failure to wear a seat belt for anyone over 16 years of age is a secondary traffic violation.
- January 2006: Alaska State Legislature amends the seat belt law making it a primary traffic violation.
- January 31, 2006: Alaska Governor Frank Murkowski signs the primary seat belt bill into law.
- May 1, 2006: Alaska's primary seat belt law goes into effect.
- Primary seat belt law permits a law enforcement officer to stop a vehicle and issue a citation for a seatbelt violation even if it was the only violation observed.

ALASKA'S PRIMARY SEAT BELT LAW

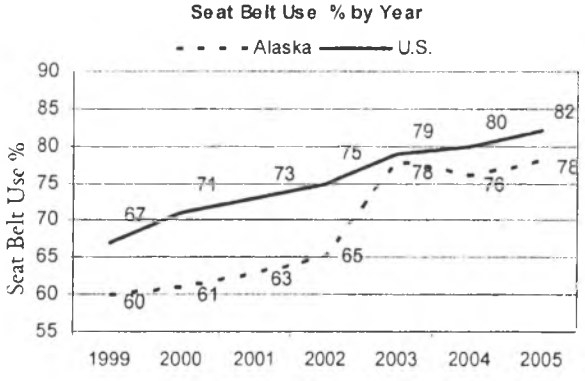
WHAT IT IS...

- It is a way to save an estimated seven lives, 102 serious injuries and $29 million annually in Alaska. Nearly 75% of the costs of motor vehicle crashes are borne by people not involved through increased taxes, insurance premiums, medical, and legal costs.
- It is a no-cost way to increase seat belt use by Alaska's citizens. Use of seat belts is an effective and proven method to prevent death and injuries in motor vehicle crashes.
- It is a way to protect our families and friends from being killed or injured when an unbelted occupant is thrown around a vehicle following a collision.
- It is a way to decrease the fatality rate in Alaska. States with primary seat belt laws have consistently lower fatality collision rates than those states with secondary seat belt laws.

- *Motor vehicle crashes are the leading cause of death for Americans ages 3 –33. (Centers for Disease Control & Prevention)*
- *In 2004, 55% of Alaskans killed in motor vehicle crashes were not wearing a seat belt. Seat belts reduce the risk of death in a crash by 50%. (National Highway Traffic Safety Administration)*

WHAT IT IS NOT...

- It is not an infringement on personal rights. We live in a society where we all pay for the cost to treat individuals in need of medical care including those injured who were not wearing a seat belt. As citizens, we have the right not to pay for preventable death and injuries caused by those who choose not to buckle up.
- It is not a revenue-generating public policy. Law enforcement does not receive a direct benefit from seat belt citations and fines.
- It is not a quota program to get law enforcement officers to write more tickets. There is no place for quotas in professional policing.
- It is not a way for law enforcement officers to use the violation as a pretext to stop citizens to gain entry to their vehicles. There is no place in professional policing for biased policing. In states with primary seat belt laws, research has shown no evidence that seat belt enforcement has been used as a tool for biased policing.



Alaska trails the national average for seat belt use. Enactment of a primary seat belt law in other states has resulted in increased belt use rates of 7% to 9%.

WHAT CAN THE PUBLIC EXPECT BEGINNING MAY 1, 2006?

- A coordinated, statewide effort to boost compliance with the seat belt law. Law enforcement will be compassionate, consistent and fair when enforcing the law with the goal of changing the behavior of those citizens who do not buckle up.
- A public education campaign regarding the importance of buckling up and the strict enforcement of the seat belt law.
- An increase in seat belt citations. In other states, the increase in citations issued lasts four to six months following enactment of a primary seatbelt law.
- The beginning of a trend showing a decrease in death and injuries on Alaska's roads and highways.

http://www.dps.state.ak.us/pio/releases/resources/Brochures/AK%20Primary%20Seat%20Belt%20Position%20Paper.pdf

State	Type of law	Date of first law	Who is covered	Base fine before fees	Usage[3]
New Hampshire	No law	No law	None	None	69.2%
Alabama	Primary Enforcement	July 18, 1991	Age 15+ in front seats	$25	86.1%
Alaska	Primary Enforcement	September 12, 1990	Age 16+ in all seats	$15 ($25 actual)	84.9%
Arkansas	Primary Enforcement	July 15, 1991	Age 15+ in front seats	$25	70.4%
California	Primary Enforcement	January 1, 1986	Age 16+ in all seats	$20 ($88 actual) $50 second offense ($190 actual)[4]	95.7%
Connecticut	Primary Enforcement	January 1, 1986	Age 7+ in front seats	$92	88.0%
Delaware	Primary Enforcement	January 1, 1992	Age 16+ in all seats	$25	91.3%
District of Columbia	Primary Enforcement	December 12, 1985	Age 16+ in all seats	$50[2]	90.0%
Florida	Primary Enforcement	July 1, 1986	6+ years in front seat; 6 through 17 years in all seats	$30	81.7%
Georgia	Primary Enforcement	September 1, 1988	Age 6-17 in all seats; Age 18+ in front seats	$15	89.6%
Hawaii	Primary Enforcement	December 16, 1985	Age 8-17 in all seats; Age 18+ in front seat	$45 ($92 actual)	97.0%
Illinois	Primary Enforcement	January 1, 1988	Age 16+ in front seats	$25 ($60 actual or $95 if choosing traffic school)	90.5%
Indiana	Primary Enforcement	July 1, 1987	Age 16+ in all seats	$25	91.2%
Iowa	Primary Enforcement	July 1, 1986	Age 11+ in front seats	$25	92.9%
Kansas	Primary Enforcement	July 1, 1986	Age 14-17 in all seats; age 18+ in front seat	$30	77.4%
Kentucky	Primary Enforcement	July 15, 1994	More than 40 in. tall in all seats	$25	73.3%
Louisiana	Primary Enforcement	July 1, 1986	Age 13+ in front seats	$25	75.5%
				$70 1st offence,	

Maine	Primary Enforcement	December 26, 1995	Age 18+ in all seats	$160 second up to $310 for a 3rd offense	83.0%
Maryland	Primary Enforcement	July 1, 1986	Age 16+ in front seats	$25	93.3%
Michigan	Primary Enforcement	July 1, 1985	Age 4+ in front seats; Age 4-15 in all seats	$25	97.2%
Minnesota	Primary Enforcement	August 1, 1986	All in front seats; Age 3-10 in all seats	$25	86.7%
Mississippi	Primary Enforcement	July 1, 1994	Age 4-7 in all seats; Age 8+ in front seat	$25	71.3%
New Jersey	Primary Enforcement	March 1, 1985	Age 18+ in front seat[5]; age 8-17 in all seats	$50 per person	91.8%
New Mexico	Primary Enforcement	January 1, 1986	Age 18+ in all seats	$25[2]	91.1%
New York	Primary Enforcement	December 1, 1984	Age 16+ in front seats	$50 ($135 Actual after surcharges)[5]	89.1%
Oklahoma	Primary Enforcement	February 1, 1987	Age 13+ in front seats	$20	84.3%
Oregon	Primary Enforcement	December 7, 1990	Age 16+ in all seats	$90	96.3%
South Carolina	Primary Enforcement	July 1, 1989	Age 6+ in all seats	$25	79.0%
Tennessee	Primary Enforcement	April 21, 1986	Age 16+ in front seats	$50	81.5%
Texas	Primary Enforcement	September 1, 1985	Age 8+ in all seats	$200	91.2%
Washington	Primary Enforcement	June 11, 1986	Age 16+ in all seats	$124	96.5%
Wisconsin	Primary Enforcement	December 1, 1987	Age 8+ in all seats	$10	74.2%
North Carolina	Primary Enforcement[1]	October 1, 1985	Age 16+ in all seats	$25	89.8%
Arizona	Secondary Enforcement	January 1, 1991	Age 5+ in front seats; Age 5-15 in all seats	$10 ($37.20 actual)	79.9%
Idaho	Secondary Enforcement	July 1, 1986	Age 7+ in all seats	$10 ($51.50 actual)	76.9%
Massachusetts	Secondary Enforcement	February 1, 1994	Age 11+ in all seats	$25	66.8%
Missouri	Secondary Enforcement	September 28, 1985	Age 16+ in front seats	$10	75.8%

Montana	Secondary Enforcement	October 1, 1987	Age 6+ in all seats	$20	79.3%
Nebraska	Secondary Enforcement	January 1, 1993	Age 18+ in all seats	$25	82.6%
Nevada	Secondary Enforcement	July 1, 1987	Age 6+ in all seats	$25	90.9%
North Dakota	Secondary Enforcement	July 14, 1994	Age 18+ in front seats	$20 (actual $100.50)	81.6%
Ohio	Secondary Enforcement	May 6, 1986	Age 15+ in front seat; 4-14 in all seats	$30	82.7%
Pennsylvania	Secondary Enforcement	November 23, 1987	Age 8+ in front seats	$10	85.1%
Rhode Island	Secondary Enforcement	June 18, 1991	Age 13+ in all seats	$75	72.0%
South Dakota	Secondary Enforcement	January 1, 1995	Age 18+ in front seats	$20	71.8%
Utah	Secondary Enforcement	April 28, 1986	Age 16+ in all seats	$45	86.0%
Vermont	Secondary Enforcement	January 1, 1994	Age 16+ in all seats	$25	87.3%
West Virginia	Secondary Enforcement	September 1, 1993	Age 8+ in front seats; 8-17 in all seats	$25	89.5%
Wyoming	Secondary Enforcement	June 8, 1989	Age 9+ in all seats	$25	68.6%
Virginia	Secondary Enforcement [4]	January 1, 1988	Age 16+ in front seats[6]	$25	80.6%
Colorado	Secondary Enforcement; Primary for children	July 1, 1987	All front seats; under 16 all seats	$71	81.7%

Rebecca Rooney

Put in Packet

From: Bob Kallio [bob.kallio@gmail.com]
Sent: Tuesday, March 22, 2011 6:23 AM
To: Rep. Peggy Wilson
Subject: HR B95

It is ironic that yesterday in Rep. Tammie Wilson's district, three young people in one vehicle and 1 older person in another were involved in a fatal car crash. The three young people were not wearing seat belts and the older man in a pickup was. A young woman and young man in the one car were not wearing seat belts and both were pronounced dead at the scene. Seat belts do save lives. Hopefully HR B 95 will be left in committee and never heard of again.

HB 102

<TARGET><BILL>HB 102</BILL><SUBJECT>HB 102</SUBJECT><COMM>HTRA27</COMM></TARGET>

Sean Parnell
Governor
P.O. Box 110001
Juneau, AK 99811-0001
www.gov.state.ak.us

STATE OF ALASKA
OFFICE OF THE GOVERNOR

Sharon Leighow
Press Secretary
907.269.7450
cell: 907.240.7943
sharon.leighow@alaska.gov

FOR IMMEDIATE RELEASE **No. 10-005**

Governor Parnell Calls for Two-Year Motor Fuel Tax Suspension

January 12, 2010, Juneau, Alaska – Governor Sean Parnell today transmitted legislation to suspend the motor fuel tax for two years. The suspension would apply to gasoline, diesel, marine fuel and aviation fuel.

"Alaskans continue to pay some of the highest fuel prices in the nation," Governor Parnell said. "We need to ease the burden placed on our residents while we work to find long-term solutions to the high energy costs across our state."

The tax was suspended as part of an energy assistance bill in 2008, when Alaskans faced ballooning costs for both transportation and home heating fuels. The suspension lapsed in September 2009.

A copy of the bill and transmittal letters are available at:
http://www.gov.state.ak.us/pdf/MotorFuelTaxLetter_Jan8-2010.pdf

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PO Box 110001
Juneau, Alaska 99811-0001
907-465-3500
fax: 907-465-3532

Governor Sean Parnell
STATE OF ALASKA

550 West 7th Avenue #1700
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907-269-7450
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www.gov.alaska.gov
Governor@alaska.gov

January 14, 2011

The Honorable Mike Chenault
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Chenault,

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill suspending the State motor fuel tax. In an effort to provide immediate, individual tax relief, I am proposing that the State motor fuel tax be suspended for a period of 24 months.

The actual amount of money saved by Alaskans will vary depending on the type of fuel being purchased; however, most consumers should save eight cents per gallon when fueling their vehicle, boat, or plane. Since many Alaskan communities face the highest energy costs in the nation, this relief is urgently needed. While suspending the motor fuel tax would provide a temporary reduction in the cost of motor fuel, action is necessary for long term solutions to high energy costs.

I urge your prompt and favorable action on the bill.

Sincerely,

Sean Parnell
Governor

Enclosure

State of Alaska

Department of Revenue

Administrative Services Division

SEAN PARNELL, GOVERNOR
333 Willoughby Avenue, 11th Floor
P.O. Box 110400
Juneau, Alaska 99811-0405
Phone: (907) 465-2300
Fax: (907) 465-2394

January 20, 2011

The Honorable Peggy Wilson
House Transportation Committee
Alaska State Legislature
State Capitol
Juneau, AK 99801

Dear Representative Wilson:

House Bill 102 was read across the floor on January 18, 2011 and transmitted to the House Transportation Committee for consideration. I respectfully request a hearing to be scheduled at your earliest convenience for the motor fuel tax suspension to be discussed.

This bill requests that the motor fuel tax be suspended for a period of two years beginning July 1, 2011. Alaskans are facing increased food, fuel and other living costs and the financial burden for many families is difficult to manage. The actual amount of money saved by suspending the fuel tax would vary depending on the type of fuel purchased; however, most consumers should save eight cents per gallon when filling up their vehicles.

If the Committee requires any additional information, please contact me.

Sincerely,

VBlaisdell

Ginger Blaisdell
Director

State of Alaska

Department of Revenue

Administrative Services Division

SEAN PARNELL, GOVERNOR
333 Willoughby Avenue, 11th Floor
P.O. Box 110400
Juneau, Alaska 99811-0405
Phone: (907) 465-2300
Fax: (907) 465-2394

January 20, 2011

The Honorable Peggy Wilson
House Transportation Committee
Alaska State Legislature
State Capitol
Juneau, AK 99801

HB102 Suspension of Motor Fuel Tax
By Request of the Governor

SECTION ANALYSIS

Section 1: Suspension of the Motor Fuel Tax.

(a) Suspends collection of the motor fuel tax imposed under AS 43.40.010 for two years beginning July 1, 2011 ending June 30, 2013.
(b) Requires motor fuel distributors to report the amount of motor fuel sold or transferred in the state to the Department of Revenue and provides for a penalty of up to $5,000 for failure to report.
(c) The Department of Revenue would be able to immediately draft regulations to implement the suspension.

Section 2: Repealer. Repeals Section 1(a) (the tax suspension) on June 30, 2013.

Section 3: Effective Date. Provides for an immediate effective date.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 102
(H) Publish Date: 1/18/11

Identifier (file name): LL1989-DOR-TAX-1-14-11
Title: Motor Fuel Tax Suspension
Sponsor: Rules Committee
Requester: By Request of the Governor

Dept. Affected: Revenue
Appropriation: Taxation and Treasury
Allocation: Tax Division
OMB Component Number: 2476

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES	**0.0**	**(35,567.0)**	**(38,800.0)**	**(3,233.0)**			

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

fiscal note version 1

Prepared by: Johanna Bales, Deputy Director
Phone: (907) 269-6628
Division: Tax Division
Date/Time: 1/14/11; 10:43am
Approved by: Ginger Blaisdell, Director Administrative Services Division
Department of Revenue
Date: 1/14/11; 10:43am

FISCAL NOTE #1

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB 102

Analysis

Bill Language:
This bill would suspend the motor fuel tax for 24 months starting on July 1, 2011 through June 30, 2013. Although the statutes state that the legislature may appropriate the revenue from motor fuel tax for specific purposes, including highway construction and maintenance and water and harbor facilities, all motor fuel tax receipts are paid into the General Fund. Current law also provides that sixty percent of taxes collected on aviation fuel sales at municipal airports are shared with the respective municipalities. Unless a specific appropriation is made to those municipalities through this or other legislation, municipalities would not receive revenue sharing for the period in which the fuel tax is suspended. Motor fuel distributors will continue to be required to provide information showing the amount of motor fuel used in the state so the Department can provide reports to the Federal Highway Administration and ensure Alaska does not lose federal highway funding as a result of the suspension.

Revenues:
Information from fuel tax collections is provided below. FY 2008, FY 2009 and FY 2010 are actual collections and shared tax amounts from motor fuel tax. FY 2011 and FY 2012 are forecasts.

	Tax Collections	Shared Aviation Tax
FY 2008 (actual)	$42,000,000	$148,000
FY 2009 (actual)	$10,100,000	$144,000
FY 2010 (actual)	$28,800,000	$130,566
FY 2011 (forecast)	$38,500,000	$140,000
FY 2012 (forecast)	$38,800,000	$140,000

It is important to note that the motor fuel tax was previously suspended during the period September 1, 2008 through August 31, 2009. Actual amounts collected in FY 2009 and FY 2010 reflect that suspension. Although the tax was suspended, there was a special appropriation to municipalities to ensure they received the amount of shared tax revenue from aviation fuel sales that they would have received had the fuel tax not been suspended. The reduction in revenue shown for FY 2012 and FY 2013 on the first page of this fiscal note would be further reduced by the municipal revenue share identified in the table above for FY 2012 and FY 2013 if a similar appropriation is made during this suspension period.

Under current law, motor fuel tax collected in a particular month is required to be remitted to the Department of Revenue by the end of the following month. Since the effective date of this legislation is July 1, 2011, taxpayers will be required to remit motor fuel tax for motor fuel sales made in June 2011 by July 31, 2011. Therefore, we expect to collect one month of revenue in FY 2012. There will be no revenue collected in FY 2013 and in FY 2014 revenue will be reduced by one month of activity to account for the suspension of the tax through June 2013.

Expenditures:
Department of Revenue can administer the provisions of this bill utilizing existing resources. There will be no reduction in expenditures as the Department will continue to process tax returns and report to the Federal Highway Administration.

revenue back $ when by higher gas prices
effect of other legis.

Lose of revenue
+ revenue sharing to muni airports

No letters of support or opposition yet

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: HB 102
(H) Publish Date: 1/18/11

Identifier (file name): 1989-DOT&PF-CO-1-10-11
Title: Suspend Motor Fuel Tax
Sponsor: Rules
Requester: Governor

Dept. Affected: DOT&PF&PF
Appropriation: Admin and Support
Allocation: Commissioner's Office
OMB Component Number: 530

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES							
CHANGE IN REVENUES							

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2011) cost _____

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

Not applicable - initial version

Prepared by: Mary Siroky, Legislative Liaison
Division: DOT&PF&PF
Phone: 465-4772
Date/Time: 1/10/11 1:17pm

Approved by: Marc Luiken, Commissioner
DOT&PF&PF
Date: 1/10/2011

(Revised 12/29/2010 OMB)

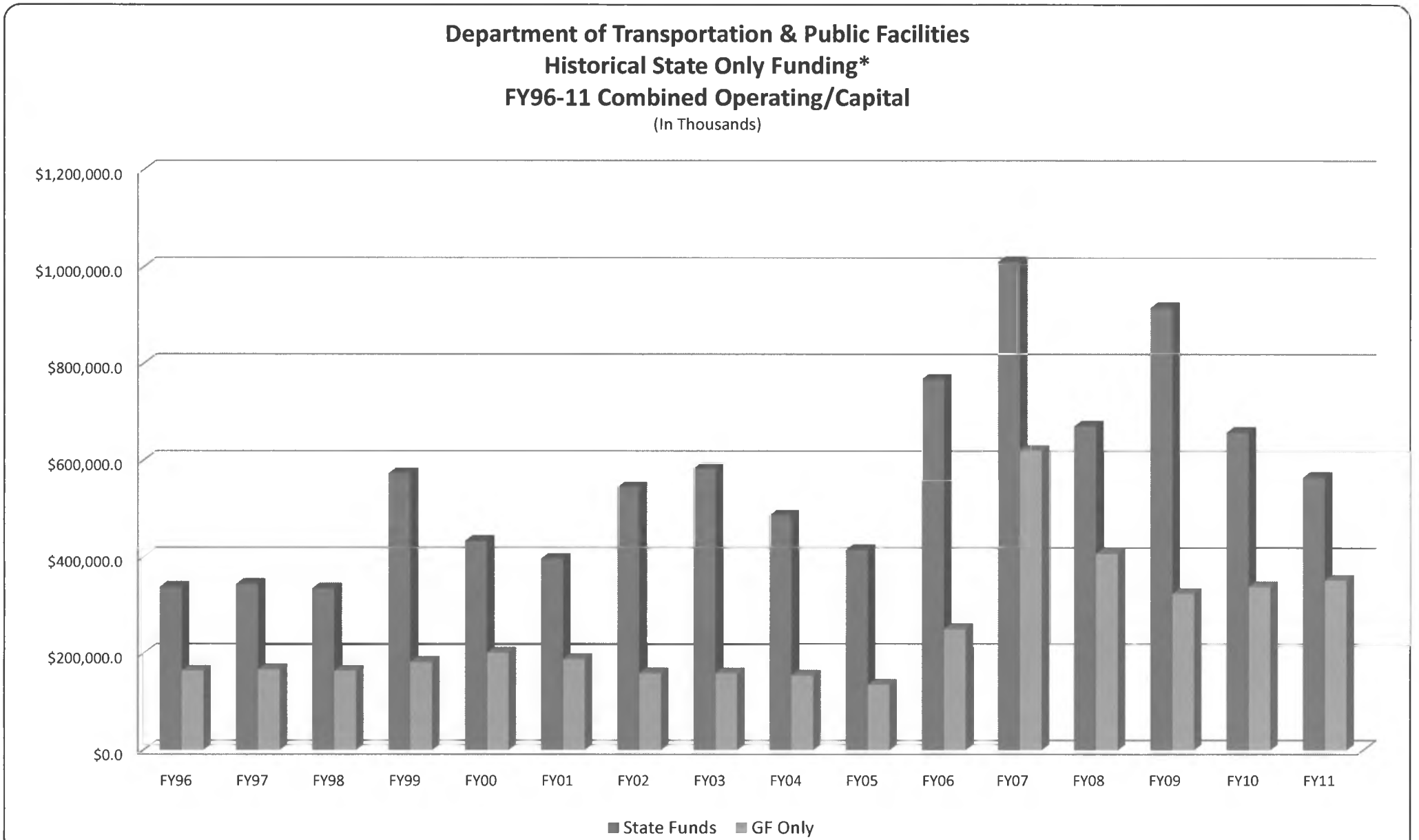
FISCAL NOTE #2

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB 102

Analysis

There is no fiscal impact to the department


Department of Transportation & Public Facilities
Historical State Only Funding*
FY96-11 Combined Operating/Capital
(In Thousands)
$1,200,000.0
$1,000,000.0
$800,000.0
$600,000.0
$400,000.0
$200,000.0
$0.0
FY96
FY97
FY98
FY99
FY00
FY01
FY02
FY03
FY04
FY05
FY06
FY07
FY08
FY09
FY10
FY11
State Funds
GF Only

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
OFFICE OF THE COMMISSIONER

SEAN PARNELL, GOVERNOR

☐ Anchorage Office: 4111 Aviation Avenue
☐ Juneau Office: 3132 Channel Drive

P.O. Box 112500
JUNEAU, ALASKA 99811-2500

PHONE: (907) 465-3901
FAX: (907) 586-8365
WEB: dot.state.ak.us

February 24, 2012

The Honorable Peggy Wilson, Chair
House Transportation Committee
Alaska State Legislature
State Capitol
Juneau, AK 99811

Dear Representative Wilson:

House Bill 102 was read across the floor on January 18, 2011 and transmitted to the House Transportation Committee for consideration. I respectfully request a hearing to be scheduled at your earliest convenience for the motor fuel tax suspension to be discussed.

Although this bill requests that the motor fuel tax be suspended for a period of two years beginning July 1, 2011 and ending June 30, 2012, we would seek to amend the bill to begin July 1, 2012 and end June 30, 2013. Alaskans are faced with some of the highest costs for fuel in the nation and the financial burden, especially to families in the rural areas, is tremendous. Any relief the state can give to its citizens should be considered a benefit.

The amount saved will vary from person to person depending on the type and amount of fuel utilized but the typical individual would see a savings of 8 cents per gallon of gas when filling up their automobile.

Attached in order are the following:

1. Governor's letter of transmittal
2. Most recent version of HB 102
3. Fiscal notes
4. Sectional analysis
5. Additional documents

If the Committee seeks additional information, please do not hesitate to contact me.

Sincerely,

Marc Luiken
Commissioner

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
OFFICE OF THE COMMISSIONER

SEAN PARNELL, GOVERNOR

☐ Anchorage Office: 4111 Aviation Avenue
☐ Juneau Office: 3132 Channel Drive

P.O. Box 112500
JUNEAU, ALASKA 99811-2500

PHONE: (907) 465-3901
FAX: (907) 586-8365
WEB: dot.state.ak.us

February 23, 2011

The Honorable Peggy Wilson, Chair
House Transportation Committee
Alaska State Legislature
State Capitol
Juneau, AK 99811

HB102 suspension of Motor Fuel Tax
By Request of the Governor

SECTION ANALYSIS

Section 1: Suspension of the Motor Fuel Tax

(a) Suspends collection of the motor fuel tax imposed under AS 43.40.010 for two years beginning July 1, 2011 ending June 30, 2013.

(b) Requires motor fuel distributors to report the amount of motor fuel sold or transferred in the state to the Department of Revenue and provides for a penalty of up to $5,000 for failure to report.

(c) The Department of Revenue would be able to immediately draft regulations to implement the suspension.

Section 2: Repealer. Repeals Section 1(a) (the tax suspension) on June 30, 2013

Section 3: Effective Date. Provides for an immediate effective date.

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
OFFICE OF THE COMMISSIONER

SEAN PARNELL, GOVERNOR

☐ Anchorage Office: 4111 Aviation Avenue
☐ Juneau Office: 3132 Channel Drive

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WEB: dot.state.ak.us

HB 102 / SB 41
Suspending Motor Fuel Tax

Highlights

Thank you for your interest in the Governor's legislation regarding suspending Alaska's motor fuel tax for the next two years. The tax suspension is one of many efforts this administration is putting forward to improve the economic health of Alaskans. The motor fuel tax suspension will provide immediate tax relief to nearly every citizen in every community across the state.

The actual amount of money saved by Alaskans will vary depending on the type of fuel being purchased; for example, consumers should save eight cents per gallon when fueling their vehicles, five cents per gallon for marine fuel and 4.7 cents per gallon for aviation fuel.

Many Alaskan communities face the highest energy costs in the nation. Motor fuel tax relief is one step in our effort to improve Alaska's daily living expenses. While suspending the motor fuel tax would provide a temporary reduction in the cost of motor fuel, additional efforts are being introduced for long term solutions to high energy costs.

- Leave more money in Alaskan's pockets
- One dollar is circulated 5 – 8 times in Alaska's economy
- Alaskans will save $35-40 million each year of the suspension

FAQ's:

Will suspending the motor fuel tax impact Alaska's federal highway funding?
Suspending the motor fuel tax will not impact Alaska's federal highway funding. The taxes go into the general fund. There is no dedicated fund to highways. Motor fuel tax dollars are just as likely to be spent on a capital project for a building or for any of the hundreds of expenditure types that come out of the state general fund.

- Alaskans do invest funds in transportation

  FY11 Operating budget is $327.9 GF over half of the total operating budget of $585.5

  FY11 Capital Budget $62.0 GF and an additional $54.6 in GF match

  FY12 Operating budget is $328.5 total operating is $585.4

  FY12 Capital budget is $36.9 with an additional $65.1 in match
- On average since 2000, we have spent $240 million annually between the Departments of Transportation and Commerce on transportation. That's roughly $400 per person. Gas prices would have to be $32 per gallon to fund Alaskans transportation program if it was funded solely

through gas taxes. Last year we spent $360 million and have 691,000 people so it was $521 per person.

- The federal government still receives gas taxes
- There is no federal requirement that states must collect a gas tax to support transportation

Will the consumer see the savings at the pump?
Studies from MIT indicate that most of the savings from gas tax suspensions are passed onto the consumer. When Alaska suspended the gas tax in 2008 there was a roughly 8 cent a gallon decrease in gasoline prices in Anchorage the day the tax was suspended. We cannot verify perfectly that every cent of the tax suspension was passed onto consumers but the one thing that is certain is that Alaskan consumers will pay nearly $35-$40 million dollars in taxes that are not necessary to collect at this time.

- The 2008 motor fuel tax suspension showed great success as motor fuel prices at the pump dropped by eight cents almost immediately when the suspension went into effect. On the same account, motor fuel prices increased by eight cents immediately after the suspension ended.

How will this tax suspension actually help Alaska's economy?
Certain sectors of our economy tend to benefit more from gas tax suspensions. Alaska's largest private employer, the fishing industry will benefit significantly from the tax suspension. Trucking and airline companies that pay the tax and the consumers that buy the goods those entities deliver will also benefit. Long distance commuters will also see higher than average savings.

Will Congress retaliate against Alaska for a gas tax suspension?
Unlikely. Several states that suspended their gas tax before the passage of SAFETEA-LU in 2005 actually saw an increase of federal highway aid funds of roughly 20-30% from previous levels. Presumably, state tax policy is a matter of state's rights that Congress will respect.

Bullet points:

- Alaska has the second highest retail price of gasoline in the country.

- The $35-$40 million that would have been raised by the tax would go back into people's pockets and generate more in their local economies – spending on groceries, clothing, or other necessities with a multiplier of 5-8.

- Suspension for only two years – it has been suspended before and was reinstituted.

- Currently tax revenues go into the general fund and can be expended on anything.

- Alaska puts a lot of General Fund money into transportation infrastructure. An average of $4,000 per person. 80 times more than what they spend at the pump in current fuel tax. Gas would cost $32 per gallon if we taxed Alaskans at the pump to pay for just the state portion of the transportation program.

- The average person would see a direct $58 in personal relief and more when you consider the decrease in the cost of goods and travel. ($35 million/600,000 people) Money in the hands of an individual has a multiplier effect in the marketplace – 5-8 times. So $35 million in the hands of small businesses and individuals could boost our economy to have an impact of $175-$280 million dollars.

NFIB

The Voice of Small Business®

ALASKA

January 31, 2011

The Honorable Sean Parnell
Governor of Alaska
State Capitol Building
Juneau, Alaska 99801-1182

Dear Governor Parnell:

RE: Senate Bill 41 and House Bill 102

On behalf of the National Federation of Independent Business/Alaska, I wish to respectfully share our support for Senate Bill 41 and House Bill 102 that suspend the motor fuel tax for two years. The National Federation of Independent Business is the largest small-business advocacy group in Alaska.

The cost of fuel is a significant cost for many small businesses. The fuel tax suspension will help many of that business in these very difficult economic times.

Sincerely yours,

Dennis L. DeWitt
Alaska State Director

Cc: NFIB/AK Leadership Council

National Federation of Independent Business – ALASKA
P. O. Box 34761•Juneau, AK 99803-4761•907 723 6667•www.NFIB.com

Alaska Airlines®

February 4, 2011

The Honorable Sean Parnell
Governor, State of Alaska
P.O. Box 110001
Juneau, AK 99811-0001

Dear Governor Parnell:

Alaska Airlines would like to lend its support for the passage of Senate Bill 41 (SB 41). We believe passage of this bill will have a substantive impact on the financial well being of not only our industry but also the aviation infrastructure throughout the state.

As you know Governor, our state is extremely dependent on air transportation. The health of our industry has already been adversely impacted by the economic downturn and, with forecasts continuing to feature escalation of oil and fuel prices, there is a rightful concern for the future. This situation is of particular concern with regional carrier markets in rural sectors of the state.

Adoption of this bill will also encourage a strong international airport system. Consideration of added frequencies, new routes and even additional competition may prove possible. The Fairbanks and Anchorage international airports play a vital role in the overall health of our industry, and this initiative can help insure they stay competitive on the national and worldwide stage.

Please let me know of any help Alaska Airlines may provide to assist in the passage of SB 41.

Sincerely,

W. L. MacKay/bb

William L. MacKay
Sr. Vice President – Public & Government Affairs

Cc: Marc A. Luiken, Commissioner, Alaska DOT & PF
Steven Hatter, Deputy Commissioner, Alaska DOT & PF – Aviation
Kim Hutchinson, Trust Consultants

PRINCESS

March 15, 2012

The Honorable Governor Sean Parnell
Alaska State Capitol Building
PO Box 110001
Juneau, AK 99811-0001

RE: Support for Senate Bill 41 / House Bill 102

Dear Governor Parnell:

Holland America/Princess – Alaska Land Operations manages properties, motor coaches, and railcars throughout Alaska. We provide the experience of a lifetime for visitors coming to Alaska via cruise ship on either Princess Cruises or Holland America Line. In doing so, we are a large part of the tourism equation and economic health of Alaska.

We are supportive of your legislation to suspend Alaska's motor fuel tax for the next two years and urge the Alaska Legislature to not only provide relief to its citizens, but contribute to the economic recovery of the state through the passage of SB 41/HB 102. These bills do both.

Like many business owners in Alaska, we are concerned by the high cost of operations. Many of the small businesses we rely on, such as tour operators, vendors and retailers, are especially concerned by high fuel prices.

The tourism business relies on Alaska staying competitive, and that includes business's ability to keep costs down while providing unique experiences. And in Alaska, most of those experiences require driving or flying epic distances.

The impact on individual Alaskans is just as great. As an employer of more than 3,300 people during the height of the summer season, we are very aware of the cost of fuel to the state's individual consumers.

Thank you for your time and consideration,

Bruce Bustamante
VP, Community & Public Affairs
Holland America/Princess – Alaska Land Operations

601 West 5th Avenue, Suite 501
Anchorage, Alaska 99501
Fax 907 550 7783
www.princess.com

Alaska Airlines®

March 12, 2012

The Honorable Sean Parnell
Governor, State of Alaska
P.O. Box 110001
Juneau, AK 99811-0001

Dear Governor Parnell:

Alaska Airlines would like to lend its support for the passage of House Bill 102 (HB 102). We believe passage of this bill will have a substantive impact on the financial well being of not only our industry but also the aviation infrastructure throughout the state.

Our state is extremely dependent on air transportation, and with the escalating prices of fuel, there is rightful concern for the future. This is particularly true with regional carrier markets in rural sectors of the state.

As an employer of close to 1,700 within the State, we are also aware of the impact gasoline prices have on Alaska residents. Any help passed on to consumers can only help the economy as a whole.

Please let me know of any help Alaska Airlines may provide to assist in the passage of HB 102.

Sincerely,

Marilyn F. Romano
Regional Vice-President – Alaska

Cc: Marc A. Luiken, Commissioner, Alaska DOT & PF
Steven Hatter, Deputy Commissioner, Alaska DOT & PF – Aviation
Kim Hutchinson, Trust Consultants

CIRI ALASKA TOURISM

March 13, 2012

The Honorable Sean Parnell, Governor
State of Alaska
PO Box 110001
Juneau, AK 99811-0001

Sent via email: Sean.Parnell@alaska.gov

Dear Governor Parnell:

CIRI Alaska Tourism Corporation (CATC) strongly supports the passage of House Bill (HB 102). The passage of this legislation will benefit tourism in a critical time of need.

The margins for success in marine, aviation and highway businesses that depend on discretionary tourism dollars are increasingly thin. While many tourists understand rising energy costs, there is a limit to what they are willing to pay in the form of surcharges to keep companies semi-whole. There are a number of businesses who depend on the success of our operations in order to sustain their own.

In the peak of the tourist season, CATC creates over 400 jobs in Alaska. This legislation is beneficial to workers statewide, and will stimulate an additional layer of discretionary spending on local goods and services.

CIRI Alaska Tourism Corporation stands ready to assist you in the passage of House Bill 102.

Best Regards,

Paul Landis
President and Chief Operating Officer
CIRI Alaska Tourism Corporation

Compass/Opinion
Word Count 412
March 7, 2012

Would You Like to Save $40?

By Marc Luiken
Department of Transportation and Public Facilities Commissioner

If you had an extra $40 for every person in your household, what would you do with it? Save it? Spend it? A little of both? Governor Parnell is proposing a suspension of the 8-cent per gallon gas tax for two years in order to give Alaskans a break off a truly regressive tax.

By regressive, I mean that it hits some of the lowest-income citizens, those who can least afford it. There's no break on the tax based on income level or ability to pay. As of this writing, the average price for a regular gallon of gas in Alaska was hovering at $4.18 while the rest of the country was paying an average of $3.75.

Fuel taxes hit Alaskans doubly hard – not only at the gas pump but on all of our goods that are delivered by plane, ship or truck. Merchants add this cost onto the price of products we buy.

Senate Bill 41 and House Bill 102 offer relief from marine and aviation fuel taxes as well, similar to the one-year suspension Governor Palin initiated in 2008. The Attorney General's office noted that when enacted, there was an immediate drop in prices at the pump.

There has been bipartisan support for the suspension. While some have said it doesn't go far enough, many recognize that any tax relief is good for Alaska because that $42 million would be re-injected back into the economy, where it would multiply five to seven times, stimulating the economy in much the same way Permanent Fund Dividends or Native corporation shareholder checks do when they are issued.

$42 million works out to about $40/person, which may not seem like much to some but to many households, particularly our rural families, it is a lot. Multiply that by an average family of four and you have $160 savings. Add in the lower aviation costs and lower cost of shipped goods, and you are making a positive impact on people's pocketbooks.

I've heard some say that Congress will give us less money for transportation if we enact a tax break. They said the same thing when we instituted the Permanent Fund Dividend, but it didn't change the formula. Several states have lowered their gas taxes and it didn't change their state's share of federal funding either.

Let's give Alaskans a break by suspending the motor fuel tax for two years. It is good for Alaska. I ask your support of HB 102 and SB 41.

ALASKA AIR CARRIERS ASSOCIATION
2301 Merrill Field Drive, Suite A-3
Anchorage, Alaska 99501
907-277-0071 907-277-0072 fax

Board of Directors 2010 - 2011

Jerry Rock, President
JANSSEN CONTRACTING CO.

Susan Hoshaw, Vice President
EVERTS AIR ALASKA

Mike Morgan, Secretary
WARBELOW'S AIR VENTURES

Danny Seybert, Treasurer
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ALASKA AIRLINES

David Karp
NORTHERN AIR CARGO

Brien Salazar
TAQUAN AIR

Mike Stedman
WINGS AIRWAYS

Bob Yerex
MAX-VIZ, INC.

C. Joy Journeay
Executive Director
ALASKA AIR CARRIERS ASSOCIATION

3 February 2011

The Honorable Sean Parnell
Alaska State Capitol Building
P.O. Box 110001
Juneau, AK 99811-0001

RE: Support for Senate Bill SB 41

Dear Governor Parnell:

The Alaska Air Carriers Association (AACA) represents the interests of Alaska's aviation businesses before regulatory agencies, federal, state and local governments. Our members meet the needs of rural Alaskans and the traveling public by providing scheduled commuter travel, on-demand air charter, emergency medical evacuation, flight seeing, pilot training, aircraft maintenance, parts sales, fuel sales, storage, rental, and airline servicing.

The cost of fuel for flight operations is usually the greatest expense borne by aviation companies providing a lifeline to communities in Alaska. Because 82 percent of the communities in Alaska are only reached by air, the citizens in those communities ultimately pay the fuel taxes levied on aviation jet fuel in Alaska.

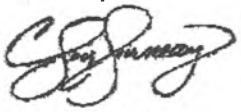
In addition, the geographic footprint in Alaska is roughly 1500 miles by 2700 miles, resulting in a flight area of over 3 million square miles. The long range aviation support required across this expansive State results in the consumption of large volumes of jet fuel.

Alaska's population ships 39 times more freight per person than those in the Lower 48. They travel by air eight times more often than other rural areas in the Western U.S. Coupling the frequency of travel with the largest aviation system in the U.S. results in our citizens paying a correspondingly larger portion in fuels taxes than may appear to be true at first glance.

The Alaska Air Carriers Association is committed to providing air transportation to the citizens of Alaska, and is committed to helping protect those citizens from undue burden. We urge the Alaska Senate to consider the benefits of Senate Bill SB 41 and to embrace this relief for the citizens and businesses of Alaska.

Thank you for considering this request.

Sincerely



C. Joy Journeay, Executive Director

cc: Representative Peggy Wilson
(via email: Representative_Peggy_Wilson@legis.state.ak.us)
Representative Cathy Munoz
(via email: Representative_Cathy_Munoz@legis.state.ak.us)
Representative Max Gruenberg
(via email: Representative_Peggy_Wilson@legis.state.ak.us)
Representative Eric Feige
(via email: Representative_Eric_Feige@legis.state.ak.us)
Representative Craig Johnson
(via email: Representative_Craig_Johnson@legis.state.ak.us)
Representative Lance Pruitt
(via email: Representative_Lance_Pruitt@legis.state.ak.us)
Representative Pete Petersen
(via email: Representative_Pete_Petersen@legis.state.ak.us)

HB 115

<TARGET><BILL>HB 115</BILL><SUBJECT>HB 115</SUBJECT><COMM>HTRA27</COMM></TARGET>

Alaska House of Representatives
Representative Craig Johnson
House Rules Chairman

Session Contact
State Capitol Room 216
Juneau AK, 99801
Phone: 907-465-4993
Fax: 907-465-3872

Interim Contact
716 W. 4th Ave. Suite 640
Anchorage AK, 99501-2133
Phone: 907-269-0200
Fax: 907-269-0204

MEMORANDUM

TO: Representative Peggy Wilson, Chair
House Transportation Committee

FROM: Representative Craig Johnson, Chair
House Rules Committee

DATE: April 12, 2011

SUBJECT: Scheduling Request for HB 115 – Walter J. Hickel Expressway

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I respectfully request that HB 115 "An Act designating a portion of Minnesota Drive in Anchorage the Walter J. Hickel Expressway" be considered for scheduling in your committee at your earliest convenience.

Attached is a copy of the original bill, the sponsor statement and backup documents.

If you have any questions or need additional information, feel free to contact me or my staff, Erin Shine, at 465-4993.

Thank you for your consideration of this request.

Alaska House of Representatives
Representative Craig Johnson
House Rules Chairman

Session Contact
State Capitol Room 216
Juneau AK, 99801
Phone: 907-465-4993
Fax: 907-465-3872

Interim Contact
716 W. 4th Ave. Suite 640
Anchorage AK, 99501-2133
Phone: 907-269-0200
Fax: 907-269-0204

Sponsor Statement for House Bill 115

Naming Walter J. Hickel Expressway

Walter J. Hickel served as the Governor of Alaska twice, served with distinction as U.S. Secretary of the Interior, and led and inspired the development of the State of Alaska and the Circumpolar Arctic Region throughout his long and distinguished career. In Governor Hickel's many elected and public roles he successfully pushed to open Prudhoe Bay to oil development and oversaw the permitting process for the Trans Alaska Pipeline among many other accomplishments.

HB 115 designates concurrently naming a portion of Minnesota Drive and O'Malley Road in Anchorage the Walter J. Hickel Expressway from 15th Avenue to the New Seward Highway. This section of highway is 7.5 miles long and by concurrently naming this section of highway there will be no need for any household or business to change their addresses.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: **HB115**
() Publish Date

HB115-DOT-CRDC-3-18-11
Title: Hickel Expressway Desgination
Dept. Affected: DOT&PF
Appropriation: Highways and Aviation
Allocation: Central Region Highways & Aviation
Sponsor: Rep. Craig Johnson
Requester: H TRA
OMB Component Number: 564

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Contractual							
Supplies	30.0	30.0					
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	**30.0**	**30.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CAPITAL EXPENDITURES	**30,0**	**30.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CHANGE IN REVENUES							

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF	30.0	30.0					
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	**30.0**	**30.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

Prepared by: Brenda Hewitt — Phone: 465-4772
Division: Commissioner's Office — Date/Time: 3/18/11 8:00 AM
Approved by: Mark Luiken, Commissioner — Date: 3/21/2011 1:13pm

(Revised 12/29/2010 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB115

Analysis

House Bill 115 would designate a portion of Minnesota Drive in Anchorage from 15th Avenue to the New Seward Highway to be named the Walter J. Hickel Expressway.

To adequately cover all entrances and exit ramps and the North and South signs would require manufacture and installation into concrete bases of two large, potentially 114" x 42", signs on each end for $5,000 each.

Eight smaller 42" x 36" notices for each direction internally $20,000 is recommended by the department.

Internal locations: C St, Dimond/100th on ramps, Raspberry Rd, and International Airport Road.

2 large signs @ $5000/ea	$10,000
8 smaller signs @ $2,500/ea	$20,000
Total	$30,000

Ermalee Hickel
1905 Loussac Drive
Anchorage, AK 99507

April 6, 2011

Representative Craig Johnson
State Capital Room 216
Juneau, AK 99801

Dear Craig,

I read about your bill, HB 115, which honors my late husband by concurrently naming Minnesota Boulevard it be the Walter J. Hickel Expressway. Wally would be honored.

Wally drove this road practically every day; from the time it was a pioneer road out of downtown. It connects Alaskans with many places he helped build – beginning near the Hotel Captain Cook that he started in 1964, passing Alaska's first modern shopping center, The Northern Lights Center, built in 1959, and going by the Turnagain, Spenard, and Campbell Lake neighborhoods he helped develop from the early 1950's forward. It also passes the trails stemming from Westchester Lagoon, which he walked frequently.or strapped on shoeshoes.

I write not to seek any aggrandizement for Wally or our family, but simply to say we are touched. Wally always thought of Alaska as pioneering country, and trails that became roads, and roads that became highways symbolize the progress he stood for. As Governor and Secretary of Interior, he also stood for keeping our roads scenic, and this road has beautiful views, parks and open spaces Alaskans treasure.

Sincerely,

Ermalee Hickel

Ermalee Hickel

Lieutenant Governor Mead Treadwell
STATE OF ALASKA

April 7, 2011

The Honorable Craig Johnson
Alaska State House
State Capitol, Room 216
Juneau, AK 99801

Dear Representative Johnson,

As one who had the privilege of working with the late Governor Wally Hickel in business, politics, government and civic life since 1974, I was very happy to learn about your HB 115. It is a fine idea to concurrently name Minnesota Boulevard as the Walter J. Hickel Expressway in honor of the late Governor.

I can think of no better road to bear Wally Hickel's name. Governor Hickel always relished the beautiful views along that route, particularly frequenting what is now the Coastal Trail to walk or snowshoe. This road runs through much of the Anchorage life and infrastructure that Wally helped build: from the neighborhoods along Campbell Lake, Spenard, and Turnagain that he worked to develop from the 1950's on, to the Northern Lights Center of 1959 (the first modern shopping center in Alaska), and the downtown Hotel Captain Cook that he started in 1964.

This christening is a fitting tribute to the man who believed roads could be beautiful and enhance the environment. It reflects the progress we have made from the early days of rutted trails to the sophisticated transportation systems of today, while protecting the beauty of the surrounding land and views.

Thank you for sponsoring this legislation. Please let me know how I can support this honor an extraordinary leader and of one of Alaska's great pioneers.

Sincerely,

Mead Treadwell
Lieutenant Governor

Juneau Office: Post Office Box 110015 • Juneau, Alaska 99811 • 907.465-3520 voice • 907-465-5400 fax
Anchorage Office: 550 West 7th Avenue, Suite 1700 • Anchorage, Alaska 99501 • 907.269.7460 voice • 907-269-0263 fax
lt.governor@alaska.gov • www.ltgov.alaska.gov

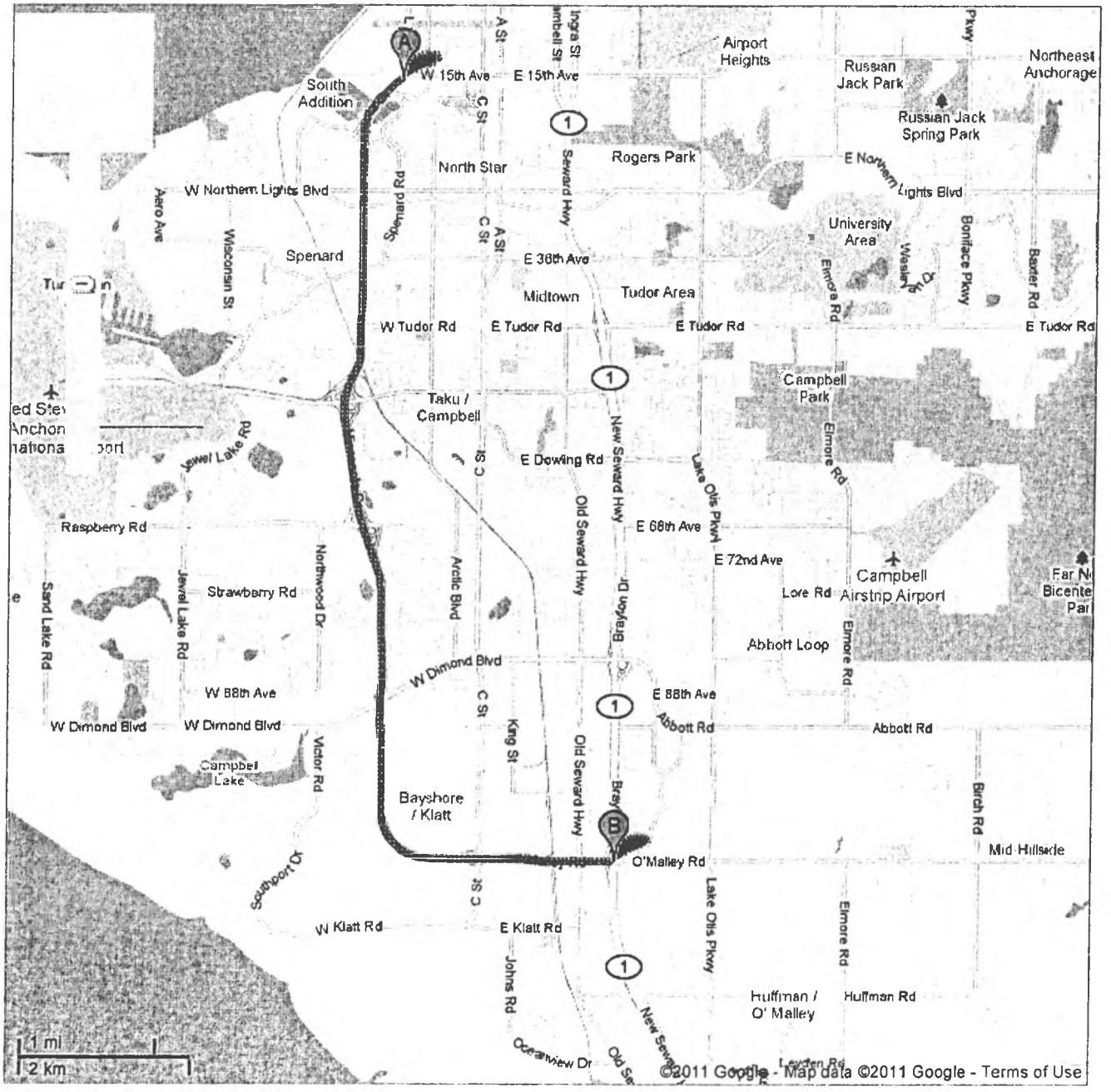
Google maps

Directions to O'Malley Rd
7.5 mi – about 11 mins

You can enter notes here.

Save trees. Go green!
Download Google Maps on your phone at google.com/gmm

Save trees. Go green!
Download Google Maps on your phone at **google.com/gmm**



Minnesota Dr & W 15th Ave, Anchorage, AK 99501

1.	Head **southwest** on **Minnesota Dr S/Spenard Thru-Way** Continue to follow Minnesota Dr S About 9 mins	go 6.3 mi total 6.3 mi
2.	Continue onto **O'Malley Rd** About 2 mins	go 1.2 mi total 7.5 mi

O'Malley Rd

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

Map data ©2011 Google

Directions weren't right? Please find your route on maps.google.com and click "Report a problem" at the bottom left.

Resolution of the
Alaska Republican Party

State Central Committee

By Kirk Wickersham
District 25

Whereas Walter J. Hickel was elected Governor of Alaska twice, served with distinction as U.S. Secretary of the Interior, and led and inspired the development of the State of Alaska and the Circumpolar Arctic Region throughout his long and distinguished career,

Resolved that the Alaska Republican Party supports the renaming of (1) Minnesota Drive from 15th Ave. to O'Malley Rd. and (2) O'Malley Rd from Minnesota Dr. to the Old Seward Highway, all within the Municipality of Anchorage, to the **Walter J. Hickel Expressway.**

Adopted this 28th Day of August, 2010.

_____
Chairman

_____
Secretary

The Secretary will transmit a copy of this Resolution to the Governor of Alaska, the Speaker of the Alaska House of Representatives and the President of the Alaska Senate.

/docs/citations/1995/HICKELWJ.049.doc (8 hits)

* HONORING *
* GOVERNOR WALTER J. HICKEL *

The Nineteenth Alaska Legislature honors and thanks Governor Walter J. Hickel for his leadership, vision, statesmanship, and service.

Over the past half century, Governor Hickel has shown that one person with a vision and purpose can make a difference. As a private citizen, businessman, governor, leader, and visionary, Governor Hickel has inspired Alaskans to excel.

In his capacity as Alaska's governor from December 1990 to December 1994, Governor Hickel provided leadership and direction to:

Settle the Exxon Valdez oil spill civil and criminal litigation;

Assert Alaska's state's rights through a series of landmark lawsuits challenging the federal government;

Settle the 16-year-old Mental Health Lands Trust dispute by reconstituting the trust with lands and cash;

Pursue and settle back oil tax and royalty cases totaling nearly $4 billion with Alaska's largest taxpayers;

Select the final 23 million acres of the 104 million acres of state land promised in the Statehood Act;

Establish the community development quota program to get a share of the rich Bering Sea fisheries to the residents of Western Alaska; and

Provide $100 million in rural sanitation projects.

For these, and many other initiatives beneficial to Alaskans, we thank Governor Hickel.

After choosing not to run again and leaving office in December, Governor Hickel has gone on to another arena of public service as secretary-general of the Northern Forum. In that capacity, he will continue to represent the interest of Alaska in the Arctic world.

The Nineteenth Alaska Legislature recognizes Walter J. Hickel as a man of vision and wishes he and his wife Ermalee continued success.

March 9, 1995

Senators Leman, Phillips, Pearce, Salo, Taylor, Torgerson, Green, Halford, Miller, Sharp, Rieger, Frank; Representatives Martin, Phillips, Austerman, Brice, Brown, Bunde, B. Davis, G. Davis, Foster, Grussendorf, Hanley, Ivan, James, Kohring, Kott, Kubina, Mackie, MacLean, Masek, Mulder, Navarre, Nicholia, Ogan, Parnell, Porter, Rokeberg, Sanders, Therriault, Toohey, Vezey, Williams, Willis

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dtSearch 7.62 (x64) (7804)

HB

128

<TARGET><BILL>HB 128</BILL><SUBJECT>HB
128</SUBJECT><COMM>HTRA27</COMM></TARGET>

ALASKA STATE LEGISLATURE

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Representative Berta Gardner
House District 24

February 24, 2011

SPONSOR STATEMENT
House Bill 128

"An Act relating to prohibiting the use of cellular telephones by minors when driving a motor vehicle; and providing for an effective date."

Our automobile insurance rates illustrate the well-established fact that younger and less experience drivers have more vehicle accidents than older drivers. Today, a growing body of evidence shows that use of cell phones increases risk of accident for all drivers, but especially for younger ones.

Each year, Alaska sees an increase in the number of motor vehicle accidents involving the use of cellular phones by drivers. Between 2002 and 2008 there were 399 traffic accidents involving cell phones in Alaska. The largest group, about 36 percent, involved drivers between 16 and 20 years old, although they make up only about 7.4% of Alaskan drivers.

Additionally, people between 16 and 24 are the most frequent cell phone users.

Other statistics show:

- 16 and 17 year old drivers have the highest fatality rate in car crashes.
- Motor vehicle crashes are number 1 cause of death among teenagers.
- Motor vehicle crashes are the number 2 cause of injuries requiring hospitalization among 15 to 24 year olds in Alaska.
- The under-20 age group has the greatest proportion of distracted drivers involved in fatal crashes.

The National Highway Traffic Safety Administration (NHTSA) has gathered data that nearly 25% of all vehicle accidents directly involve the use of cell phones. By limiting a minor's use of a cell phone while driving, we can make our roads safer for everyone.

Please join me in supporting House Bill 128 to make our roads safer.

Number of Motor Vehicle Crashes Involving Cell Phone Use, By Age of Driver Using Cell Phone, Alaska 2002-2008

Age of Driver using Cell Phone	2002	2003	2004	2005	2006	2007	2008	TOTAL Crashes
under 10								0
10-15			1					1
16-20	17	20	22	24	16	18	25	142
21-25	8	9	8	6	12	9	13	65
26-30	7	5	6	8	5	5	7	43
31-35	9	7	6	6	2	1	6	37
36-40	7	3	6	3	7	3	5	34
41-45	4	6	3	6	4	3	1	27
46-50	3	7	6	5	1	2	2	26
51-55		1	1	1		2	1	6
56-60	1		2	1		1	2	7
61-65		1		1				2
66-70	1			1		1		3
71-75	1							1
76-80							1	1
81+					1			1
Unknown	1					1	1	3
TOTAL	59	59	61	62	48	46	64	399

Source: State of Alaska, DOT&PF, Highway Analysis System (HAS)

Number of Injuries in Motor Vehicle Crashes Involving Cell Phone Use, Alaska 2002-2008

	Occupants not Injured	Minor Injuries	Major Injuries	Fatalities	TOTAL Occupants
2002	132	30	6	0	168
2003	140	39	1	0	180
2004	121	32	6	0	159
2005	109	32	3	0	144
2006	94	38	3	0	135
2007	79	29	1	0	109
2008	115	38	0	1	154
TOTAL	790	238	20	1	1049

Source: State of Alaska, DOT&PF, Highway Analysis System (HAS)

Number of Motor Vehicle Crashes Involving Cell phone Use, Alaska 2002-2008

	Property Damage Only	Minor Injury	Major Injury	Fatal	TOTAL Crashes
2002	38	16	5	0	59
2003	34	24	1	0	59
2004	33	22	6	0	61
2005	38	21	3	0	62
2006	24	21	3	0	48
2007	22	23	1	0	46
2008	35	28	0	1	64
TOTAL	224	155	19	1	399

Source: State of Alaska, DOT&PF, Highway Analysis System (HAS)

VALID LICENSED DRIVERS
2009
Compiled February 2010

CLASS	AGE	FEMALE	MALE	TOTAL
C/CDL	14			
	15			
	16			
	17			
	18			
	19		1	1
	20	1		1
	21	2		2
	22	3	7	10
	23	7	10	17
	24	12	11	23
	25-29	78	77	155
	30-34	62	97	159
	35-39	46	94	140
	40-44	43	78	121
	45-49	52	89	141
	50-54	57	108	165
	55-59	55	85	140
	60-64	24	59	83
	65-69	11	39	50
	70-74	6	14	20
	75+		9	9
SUBTOTALS		459	778	1,237

CLASS	AGE	FEMALE	MALE	TOTAL
C/CDL M1	14			
	15			
	16			
	17			
	18			
	19			
	20			
	21			
	22			
	23		1	1
	24		1	1
	25-29	4	12	16
	30-34	1	18	19
	35-39	2	23	25
	40-44	3	18	21
	45-49	4	29	33
	50-54	7	30	37
	55-59	6	24	30
	60-64		14	14
	65-69	1	8	9
	70-74	1	3	4
	75+			
SUBTOTALS		29	181	210

CLASS	AGE	FEMALE	MALE	TOTAL
D	14			
	15			
	16	1,381	1,409	2,790
	17	2,467	2,568	5,035
	18	3,347	3,563	6,910
	19	4,111	4,406	8,517
	20	4,295	4,696	8,991
	21	4,358	4,709	9,067
	22	4,685	4,837	9,522
	23	4,770	4,938	9,708
	24	5,265	5,250	10,515
	25-29	25,452	24,399	49,851
	30-34	22,099	19,552	41,651
	35-39	21,102	17,769	38,871
	40-44	20,502	17,314	37,816
	45-49	23,316	18,670	41,986
	50-54	23,717	18,536	42,253
	55-59	20,650	17,327	37,977
	60-64	14,776	13,826	28,602
	65-69	9,329	9,278	18,607
	70-74	5,343	5,588	10,931
	75+	6,492	7,192	13,684
SUBTOTALS		227,457	205,827	433,284

CLASS	AGE	FEMALE	MALE	TOTAL
D M1	14			
	15			
	16	1	16	17
	17	7	36	43
	18	13	79	92
	19	17	118	135
	20	34	154	188
	21	62	197	259
	22	43	279	322
	23	71	324	395
	24	82	395	477
	25-29	515	2,400	2,915
	30-34	548	2,538	3,086
	35-39	618	2,918	3,536
	40-44	760	3,092	3,852
	45-49	958	3,735	4,693
	50-54	1,015	3,954	4,969
	55-59	744	3,675	4,419
	60-64	408	2,364	2,772
	65-69	152	1,259	1,411
	70-74	60	549	609
	75+	57	380	437
SUBTOTALS		6,165	28,462	34,627

Aggressive Driving
Bicycles
Child Safety
Distracted Driving
Driver Education
- Teen Drivers
- Senior Drivers
Enforcement & Justice Services
Impaired Driving
Motorcycles
Occupant Protection
Pedestrians
Research & Evaluation
School Buses

Teen Drivers

A Comprehensive Approach to Teen Driver Safety

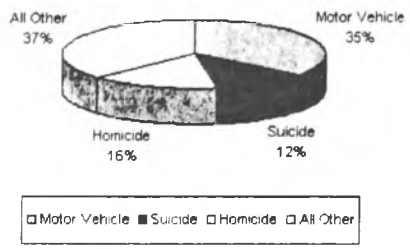
A MESSAGE TO ALL TEEN DRIVERS:
Keep your hands on the wheel, your eyes on the road, and both (hands and eyes) away from your cell phone while driving.

NHTSA has developed a multi-tiered strategy to prevent motor vehicle-related deaths and injuries among teen drivers: increasing seat belt use, implementing graduated driver licensing, reducing teens' access to alcohol, and parental responsibility.

Leading Cause of Death for Teens

The heart of NHTSA's mission is keeping families safe on America's roadways. Young drivers, ages 15- to 20-years old, are especially vulnerable to death and injury on our roadways traffic crashes are the leading cause of death for teenagers in America. Mile for mile, teenagers are involved in three times as many fatal crashes as all other drivers.

Leading Causes of Death for Teens



We Know the Causes

Research shows which factors contribute to teen related crashes, deaths and injuries. Teen crashes are frequently combined with speed, drinking and driving, not wearing seat belts, distracted driving (cell phone use, loud music, other teen passengers, etc.), drowsy driving, nighttime driving, and other drug use aggravate this problem.

The Objective of this Site

We've designed this site to provide you with the fundamental resources and information you will need to help promote what research clearly shows reduces teen crashes:

- [illegible]
- [illegible]
- [illegible]

Parents and Teens
Set the Standards
Parental Responsibility Toolkit
Additional Resources
Seat Belt Use
Earned media materials
Creative materials
TV / radio spots
Graduated Driver Licencing
The GDL System
Driver Education
Youth Access to Alcohol
Earned media materials
Creative materials
TV / radio spots
Additional Resources
Priority program areas
Teen safety statistics
Studies & reports
Glossary
Points of contact

Table 2.300
Leading Causes of Non-Fatal Injury Requiring Hospitalization, by Age Group, 2000-2004

	Age Groups										
Rank	<1	1-4	5-9	10-14	15-24	25-34	35-44	45-54	55-64	65+	All Ages
1					Suicide/ Attempt 1176	Suicide/ Attempt 657					
2	Assault 32		Bicycle 87	ATV 138	MV Traffic Occupant 797		Suicide/ Attempt 664	MV Traffic Occupant 357	MV Traffic Occupant 197	MV Traffic Occupant 231	Suicide/ Attempt 3106
3	Swallowing Object 17	Burn 57	Falls / Playground 79	Suicide/ Attempt 135		MV Traffic Occupant 439	MV Traffic Occupant 458	Suicide/ Attempt 340	Suicide/ Attempt 92	Water Transport 40	
4	Burn 14	Swallowing Object 48	MV Traffic Occupant 60	Bicycle 127	Assault 513	Assault 368	Assault 404	Assault 247	Cut 42	Suicide/ Attempt 36	Assault 1662
5		Pedestrian 39	Pedestrian 39		ATV 245	Snowmachine 167	Cut 134	Cut 95	Snowmachine 41	Pedestrian 26	Snowmachine 762
6	MV Traffic Occupant 12	MV Traffic Occupant 30	ATV 27	MV Traffic Occupant 76	Snowmachine 243	Cut 119	Snowmachine 120	Snowmachine 84	Water Transport 38	ATV 25 Snowmachine 25	ATV 729
7	Suffocation 10	Dogbite 29	Dogbite 23	Snowmachine 67	Sports 193	ATV 99	ATV 94	Pedestrian 72	ATV 35		Cut 614
8		Suffocation 24	Sports 20		Cut 131	Sports 81	Sports 87	Bicycle 71		Assault 20 Cut 20 Fire/Flame 20	Bicycle 559
9		Fall/ Playground 20	Cut 17	Cut 37		Bicycle 58	Pedestrian 76		Assault 32	Animal 18	Sports 558
10		Cut 18	Burn 13	Pedestrian 33	Bicycle 97	Pedestrian 51	Bicycle 75	ATV 59	Pedestrian 30	Burn 14 Frostbite/ Hypothermia 14	Pedestrian 422

Source: Walden, Stephanie. (2007). Personal communication, re: 2000-2004 hospital-admitted injuries (3/16/07) From: Alaska Trauma Registry, Sec. Injury Prevention and EMS D... Public Health, Alaska DHSS.

Note: Rates are per 100,000 Population.

For further information: http://www.hss.state.ak.us/dph/ipems/injury_prevention/default.htm

INSURANCE INSTITUTE FOR HIGHWAY SAFETY **News Release | July 12, 2005**

1st evidence of effects of cell phone use on injury crashes: crash risk is four times higher when driver is using a hand-held cell phone

ARLINGTON, VA — Common sense as well as experience tell us that handling and dialing cell phones while driving compromise safety, and evidence is accumulating that phone conversations also increase crash risk. New Institute research quantifies the added risk — drivers using phones are four times as likely to get into crashes serious enough to injure themselves. The increased risk was estimated by comparing phone use within 10 minutes before an actual crash occurred with use by the same driver during the prior week. Subjects were drivers treated in hospital emergency rooms for injuries suffered in crashes from April 2002 to July 2004.

The study, "Role of cellular phones in motor vehicle crashes resulting in hospital attendance" by S. McEvoy et al. is published in the *British Medical Journal*, available at bmj.com.

"The main finding of a fourfold increase in injury crash risk was consistent across groups of drivers," says Anne McCartt, Institute vice president for research and an author of the study. "Male and female drivers experienced about the same increase in risk from using a phone. So did drivers older and younger than 30 and drivers using hand-held and hands-free phones."

Weather wasn't a factor in the crashes, almost 75 percent of which occurred in clear conditions. Eighty-nine percent of the crashes involved other vehicles. More than half of the injured drivers reported that their crashes occurred within 10 minutes of the start of the trip.

The study was conducted in the Western Australian city of Perth. The Institute first tried to conduct this research in the United States, but US phone companies were unwilling to make customers' billing records available, even with permission from the drivers. Phone records could be obtained in Australia, and the researchers got a high rate of cooperation among drivers who had been in crashes.

Another reason for conducting the study in Australia was to estimate crash risk in a jurisdiction where hand-held phone use is banned. It has been illegal while driving in Western Australia since July 2001. Still one-third of the drivers said their calls had been placed on hand-held phones.

Hands-free versus hand-held: The results suggest that banning hand-held phone use won't necessarily enhance safety if drivers simply switch to hands-free phones. Injury crash risk didn't differ from one type of reported phone use to the other.

"This isn't intuitive. You'd think using a hands-free phone would be less distracting, so it wouldn't increase crash risk as much as using a hand-held phone. But we found that either phone type increased the risk," McCartt says. "This could be because the so-called hands-free phones that are in common use today aren't really hands-free. We didn't have sufficient data to compare the different types of hands-free phones, such as those that are fully voice activated."

Evidence of risk is mounting: The findings of the Institute study, based on the experience of about 500 drivers, are consistent with 1997 research that showed phone use was associated with a fourfold increase in the risk of a property damage crash. This Canadian study also used cell phone billing records to establish the increase in risk. The Institute's new study is the second to use phone records and the first to estimate whether and how much phone use increases the risk of an injury crash.

Taken together, the two studies confirm that the distractions associated with phone use contribute significantly to crashes. Other studies have been published about cell phone use while driving, but most have been small-scale and have involved simulated or instrumented driving, not the actual experience of drivers on the road. When researchers have tried to assess the effects of phone use on real-world crashes, they usually have relied on police reports for information. But such reports aren't reliable because, without witnesses, police cannot determine whether a crash-involved driver was using a phone.

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PRESS IMAGES

A student talks on a hands-free cell phone while operating a high-tech driving simulator. The simulator was used during a University of Utah study that found motorists who talk on cell phones while driving are as impaired as drunken drivers with blood-alcohol levels at the legal limit of 0.08 percent.

Photo Credit: Jim Moulin

Click to view...

DRIVERS ON CELL PHONES ARE AS BAD AS DRUNKS

UTAH PSYCHOLOGISTS WARN AGAINST CELL PHONE USE WHILE DRIVING

6

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Share Media Contacts

June 29, 2006 -- Three years after the preliminary results first were presented at a scientific meeting and drew wide attention, University of Utah psychologists have published a study showing that motorists who talk on handheld or hands-free cellular phones are as impaired as drunken drivers.

"We found that people are as impaired when they drive and talk on a cell phone as they are when they drive intoxicated at the legal blood-alcohol limit" of 0.08 percent, which is the minimum level that defines illegal drunken driving in most U.S. states, says study co-author Frank Drews, an assistant professor of psychology. "If legislators really want to address driver distraction, then they should consider outlawing cell phone use while driving."

Psychology Professor David Strayer, the study's lead author, adds: "Just like you put yourself and other people at risk when you drive drunk, you put yourself and others at risk when you use a cell phone and drive. The level of impairment is very similar."

"Clearly the safest course of action is to not use a cell phone while driving," concludes the study by Strayer, Drews and Dennis Crouch, a research associate professor of pharmacology and toxicology. The study was set for publication June 29 in the summer 2006 issue of *Human Factors: The Journal of the Human Factors and Ergonomics Society*.

The study reinforced earlier research by Strayer and Drews showing that hands-free cell phones are just as distracting as handheld cell phones because the conversation itself – not just manipulation of a handheld phone – distracts drivers from road conditions.

Human Factors Editor Nancy J. Cooke praised the study: "Although we all have our suspicions about the dangers of cell phone use while driving, human factors research on driver safety helps us move beyond mere suspicions to scientific observations of driver behavior."

The study first gained public notice after Strayer presented preliminary results in July 2003 in Park City, Utah, during the Second International Driving Symposium on Human Factors in Driver Assessment, Training and Vehicle Design. It took until now for the study to be completed, undergo review by other researchers and finally be published.

Key Findings: Different Driving Styles, Similar Impairment

Each of the study"s 40 participants "drove" a PatrolSim driving simulator four times: once each while undistracted, using a handheld cell phone, using a hands-free cell phone and while intoxicated to the 0.08 percent blood-alcohol level after drinking vodka and orange juice. Participants followed a simulated pace car that braked intermittently.

Both handheld and hands-free cell phones impaired driving, with no significant difference in the degree of impairment. That "calls into question driving regulations that prohibited handheld cell phones and permit hands-free cell phones," the researchers write.

The study found that compared with undistracted drivers:

- Motorists who talked on either handheld or hands-free cell phones drove slightly slower, were 9 percent slower to hit the brakes, displayed 24 percent more variation in following distance as their attention switched between driving and conversing, were 19 percent slower to resume normal speed after braking and were more likely to crash. Three study participants rear-ended the pace car. All were talking on cell phones. None were drunk.

- Drivers drunk at the 0.08 percent blood-alcohol level drove a bit more slowly than both undistracted drivers and drivers using cell phones, yet more aggressively. They followed the pace car more closely, were twice as likely to brake only four seconds before a collision would have occurred, and hit their brakes with 23 percent more force. "Neither accident rates, nor reaction times to vehicles braking in front of the participant, nor recovery of lost speed following braking differed significantly" from undistracted drivers, the researchers write.

"Impairments associated with using a cell phone while driving can be as profound as those associated with driving while drunk," they conclude.

Are Drunken Drivers Really Less Accident-Prone than Cell Phone Users?

Drews says the lack of accidents among the study's drunken drivers was surprising. He and Strayer speculate that because simulated drives were conducted during mornings, participants who got drunk were well-rested and in the "up" phase of intoxication. In reality, 80 percent of all fatal alcohol-related accidents occur between 6 p.m. and 6 a.m. when drunken drivers tend to be fatigued. Average blood-alcohol levels in those accidents are twice 0.08 percent. Forty percent of the roughly 42,000 annual U.S. traffic fatalities involve alcohol.

While none of the study's intoxicated drivers crashed, their hard, late braking is "predictive of increased accident rates over the long run," the researchers wrote.

One statistical analysis of the new and previous Utah studies showed cell phone users were 5.36 times more likely to get in an accident than undistracted drivers. Other studies have shown the risk is about the same as for drivers with a 0.08 blood-alcohol level.

Strayer says he expects criticism "suggesting that we are trivializing drunken-driving impairment, but it is anything but the case. We don't think people should drive while drunk, nor should they talk on their cell phone while driving."

Drews says he and Strayer compared the impairment of motorists using cell phones to drivers with a 0.08 percent blood-alcohol level because they wanted to determine if the risk of driving while phoning was comparable to the drunken driving risk considered unacceptable.

"This study does not mean people should start driving drunk," says Drews. "It means that driving while talking on a cell phone is as bad as or maybe worse than driving drunk, which is completely unacceptable and cannot be tolerated by society."

University of Utah Cell Phone Research

Previous research by Strayer, Drews and colleagues include:

- A 2001 study showing that hands-free cell phones are just as distracting as handheld cell phones.
- A 2003 study showing that the reason is "inattention blindness," in which motorists look directly at road conditions but don't really see them because they are distracted by a cell phone conversation. And such drivers aren't aware they are impaired.
- A 2005 study suggesting that when teenagers and young adults talk on cell phones while driving, their reaction times are as slow as those of elderly drivers.

The University of Utah psychologists conducted the alcohol study because a 1997 study by other researchers evaluated the cell phone records of 699 people involved in motor vehicle accidents and found one-fourth of them had used their phone in the 10 minutes before their accident – a four-fold increase in accidents compared with undistracted motorists.

Those researchers speculated there was a comparable risk from drunken driving and cell phone use while driving. So Strayer and Drews conducted a controlled laboratory study.

The study included 25 men and 15 women ages 22 to 34 who were social drinkers (three to five drinks per week) recruited via newspaper advertisements. Two-thirds used a cell phone while driving. Each participant was paid $100 for 10 hours in the study.

The driving simulator has a steering wheel, dashboard instruments and brake and gas pedals from a Ford Crown Victoria sedan. The driver is surrounded by three screens showing freeway scenes. Each simulated daylight freeway drive lasted 15 minutes. The pace car intermittently braked to mimic stop-and-go traffic. Drivers who fail to hit their brakes eventually rear-end the pace car. Other simulated vehicles occasionally passed in the left lane, giving the impression of steady traffic flow.

Each study participant drove the simulator during three sessions – undistracted, drunk or talking to a research assistant on a cell phone – each on a different day.

The simulator recorded driving speed, following distance, braking time and how long it would take to collide with the pace car if brakes were not used.

The study was funded by a $25,000 grant from the Federal Aviation Administration – which is interested in impaired attention among pilots – and by Strayer's and Drews' salaries. The Utah Highway Patrol loaned the researchers a device to measure blood-alcohol levels.

Driving while Distracted: A Growing Problem

The researchers cited figures from the Cellular Telecommunications Industry Association indicating that more than 100 million U.S. motorists use cell phones while driving. The National Highway Transportation Safety Administration estimates that at any given moment during daylight hours, 8 percent of all drivers are talking on a cell phone.

"Fortunately, the percentage of drunk drivers at any time is much lower," Drews says. "So it means the risk of talking on a cell phone and driving is probably much higher than driving intoxicated because more people are talking on cell phones while driving than are driving drunk." The main reason there are not more accidents is that "92 percent of drivers are not on a cell phone and are compensating for drivers on cell phones," he adds.

Cell phone use is far from the only distraction for motorists. The researchers cite talking to passengers, eating, drinking, lighting cigarettes, applying makeup and listening to the radio as the "old standards" of driver distraction.

"However, over the last decade many new electronic devices have been developed, and they are making their way into the vehicle," the researchers write. "Drivers can now surf the Internet, send and receive e-mail or faxes, communicate via a cellular device and even watch television. There is good reason to believe that some of these new multitasking activities may be substantially more distracting than the old standards because they are more cognitively engaging and because they are performed over longer periods of time."

News media may obtain a copy of the study by emailing leesiegel@ucomm.utah.edu or, starting June 29, by going to http://hfes.org and clicking on "What's New"

Other studies by Strayer and colleagues on cell phones and driving may be downloaded from: http://www.psych.utah.edu/AppliedCognitionLab/

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Cellphone laws

January 2011

A jurisdiction-wide ban on driving while talking on a hand-held cellphone is in place in 9 states (California, Connecticut, Delaware, Maryland, New Jersey, New York, Oregon, Utah, and Washington) and the District of Columbia. Utah has named the offense careless driving. Under the Utah law, no one commits an offense when speaking on a cellphone unless they are also committing some other moving violation other than speeding.

Local jurisdictions may or may not need specific state statutory authority to ban cellphones or text messaging. Several of the many localities that have enacted restrictions on cellphone use include: Oahu, HI; Chicago, IL; Brookline, MA; Detroit, MI; Santa Fe, NM; Brooklyn, North Olmstead, and Walton Hills, OH; Conshohocken, Lebanon, and West Conshohocken, PA; Waupaca County, WI; and Cheyenne, WY.

The use of all cellphones while driving a school bus is prohibited in 19 states and the District of Columbia.

The use of all cellphones by novice drivers is restricted in 28 states and the District of Columbia.

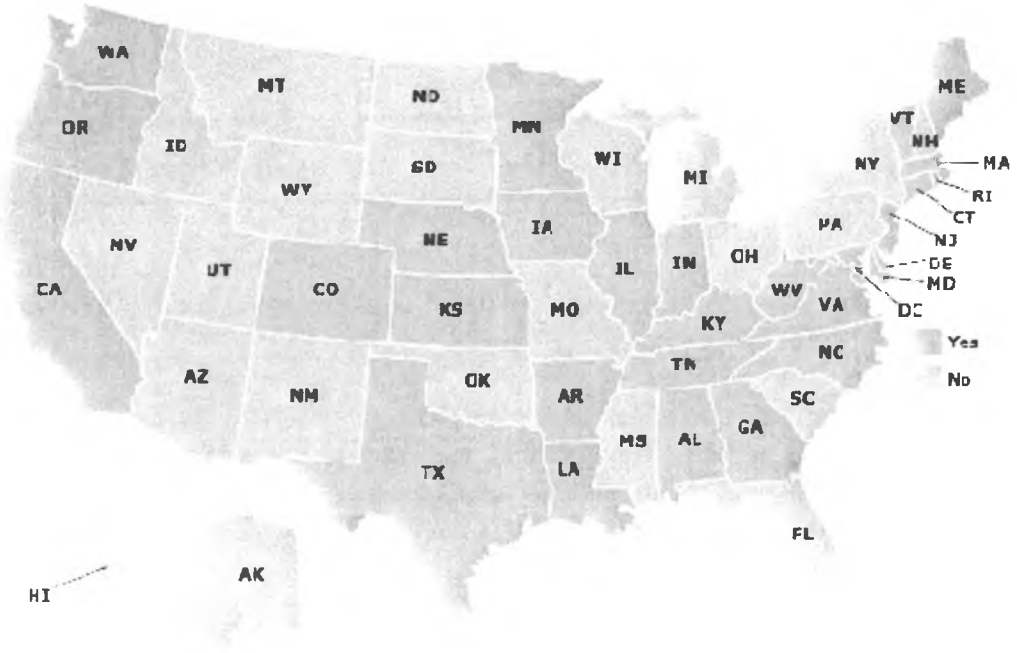
Text messaging is banned for all drivers in 30 states and the District of Columbia. In addition, novice drivers are banned from texting in 8 states (Alabama, Indiana, Maine, Mississippi, Missouri, Oklahoma, Texas, and West Virginia) and school bus drivers are banned from text messaging in 2 states (Oklahoma and Texas).

The table below shows the states that have cellphone laws, whether they specifically ban text messaging, and whether they are enforced as primary or secondary laws. Under secondary laws, an officer must have some other reason to stop a vehicle before citing a driver for using a cellphone. Laws without this restriction are called primary.

Table Map: hand-held bans Map: young driver bans Map: bus driver bans Map: texting bans

Map of bans specific to young drivers and all cellphones

(hover over the map for more detail)



[1]In Louisiana, all learner's permit holders, irrespective of age, and all intermediate license holders are prohibited from driving while using a hand-held cellphone and all drivers younger than 18 are prohibited from using any cellphone. Effective April 1, 2010 all drivers, irrespective of age, issued a first driver's license will be prohibited from using a cellphone for one year. The cellphone ban is secondary for novice drivers age 18 and older.

[2]In Oklahoma, learner's permit and intermediate license holders are banned from using a hand-held electronic device while operating a motor vehicle for non-life-threatening emergency purposes.

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Cell Phone Use and Texting While Driving Laws

Updated August 30, 2010

A-C | D-H | I-L | M | N | O-R | S-U | V-W

STATES	HAND-HELD BAN	ALL CELL PHONE BAN	TEXTING BAN	ENFORCEMENT	CRASH DATA COLLECTION
Alabama	No	No	No	Not applicable	
Alaska	No	No	All drivers	Primary	Yes
Arizona	No	School bus drivers	No	Primary	
Arkansas	No	School bus drivers, drivers younger than 18	School bus drivers, all drivers	Primary for texting by all drivers and cell phone use by school bus drivers; secondary for cell phone use by young drivers	Yes
California	All drivers	School and transit bus drivers and drivers younger than 18	All drivers	Primary	Yes
Colorado	No	Drivers younger than 18	All drivers	Primary	Yes
Connecticut	All drivers	Learner's permit holders, drivers younger than 18, and school bus drivers	All drivers	Primary	
Delaware	All drivers (effective 01/02/11)	Learner's permit and intermediate license holders and school bus drivers	All drivers (effective 01/02/11)	Primary	Yes
District of Columbia	All drivers	School bus drivers and learner's permit holders	All drivers	Primary	Yes
Florida	No	No	No	Not applicable	Yes
Georgia	Drivers younger than 18 (effective 07/01/10)	School bus drivers	All drivers (effective 07/01/10)	Primary	Yes
Hawaii	No	No	No	Not applicable	
Idaho	No	No	No	Not applicable	

	and school speed zones	19, drivers younger than 19, and school bus drivers			
Indiana	No	Drivers under the age of 18.	Drivers under the age of 18.	Primary	Yes
Iowa	No	Learner's permit and intermediate license holders	All drivers	Secondary	Yes
Kansas	No	Learner's permit and intermediate license holders	All drivers (effective 07/01/10)	Primary	Yes
Kentucky	No	Drivers younger than 18 (effective 07/13/10), School Bus Drivers.	All drivers (effective 07/13/10)	Primary (effective 07/13/10)	Yes
Louisiana	No	School bus drivers, learner's permit and intermediate license holders, drivers under age 18	All drivers	Primary	Yes
Maine**	No	Learner's permit and intermediate license holders	Learner's permit and intermediate license holders	Primary	Yes
Maryland	All drivers (effective 10/01/10), School Bus Drivers.	Learner's permit and intermediate license holders	All drivers	Primary for texting	Yes
Massachusetts	Local option	School bus drivers, passenger bus drivers, drivers younger than 18 (effective 09/30/10)	All drivers (effective 09/30/10	Primary	Yes
Michigan	Local option	No	All drivers (effective 07/01/10)	Primary (effective 07/01/10)	Yes
Minnesota	No	School bus drivers, learner's permit holders, and provisional license holders during the first 12 months after licensing	All drivers	Primary	Yes
Mississippi	No	No	Learner's permit holders and intermediate license holders	Primary	Yes
Missouri	No	No	Drivers 21 years of age or younger	Primary	
Montana	No	No	No	Not applicable	Yes
Nebraska	No	[illegible]	[illegible]	Secondary	Yes

		holders younger than 18	All drivers		
Nevada	No	No	No	Not applicable	Yes
New Hampshire	No	No	All drivers	Primary	
New Jersey	All drivers	School bus drivers, and learner's permit and intermediate license holders	All drivers	Primary	Yes
New Mexico	Local option	No	No	Not applicable	Yes
New York	All drivers	No	All drivers	Secondary	Yes
North Carolina	No	Drivers younger than 18 and school bus drivers	All drivers	Primary	
North Dakota	No	No	No	Not applicable	Yes
Ohio	Local option	No	No	Not applicable	
Oklahoma	Learner's permit and intermediate license holders, school bus drivers and public transit drivers (effective 11/01/10)	School Bus Drivers and Public Transit Drivers (effective 11/01/10).	Learner's permit holders, intermediate license holders, school bus drivers and public transit drivers (effective 11/01/10)	Primary	Yes
Oregon	All drivers	Drivers younger than 18	All drivers	Primary	Yes
Pennsylvania	Local option	No	No	Not applicable	Yes
Rhode Island	No	School bus drivers and drivers younger than 18	All drivers	Primary	Yes
South Carolina	No	No	No	Not applicable	Yes***
South Dakota	No	No	No	Not applicable	Yes
Tennessee	No	School bus drivers, and learner's permit and intermediate license holders	All drivers	Primary	Yes
Texas	Drivers in school crossing zones	Bus drivers when a passenger 17 and younger is present; intermediate license holders for first 12 months	Bus drivers when a passenger 17 and younger is present; intermediate license holders for first 12 months, drivers in school crossing zones	Primary	Yes
Utah	See [illegible]	No	All drivers	Primary for texting; secondary for [illegible] and text	Yes

Vermont	No	Drivers younger than 18 shall not use any portable electronic device while driving.	All drivers	Primary	
Virgin Islands	Yes				Yes
Virginia	No	Drivers younger than 18 and school bus drivers	All drivers	Secondary; primary for school bus drivers	Yes
Washington	All drivers	No	All drivers	Primary	Yes
West Virginia	No	Drivers younger than 18 who hold either a learner's permit or an intermediate license	Drivers younger than 18 who hold either a learner's permit or an intermediate license	Primary	
Wisconsin	No	No	All drivers (effective 12/01/10)	Primary (effective 12/01/10)	
Wyoming	No	No	All drivers	Primary	Yes
Total	All drivers: 8 states and District of Columbia.	School Bus drivers: 18 states and District of Columbia. Teen drivers: 28 states and District of Columbia.	All Drivers: 30 stats and District of Columbia.	Primary for all drivers texting: 27.	36 and U.S. Virgin Islands and District of Columbia.

Source: AAA, Insurance Institute for Highway Safety, NCSL 2010.
Governor's Highway Safety Association

* Utah considers speaking on a cell phone, without a hands-free device, to be an offense only if a driver is also committing some other moving violation (other than speeding).
** Maine has a law that makes driving while distracted a traffic infraction. 29-A M.R.S.A. Sec. 2117.
*** Listed as a part of contributing factors

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It's high time to ban use of cell phones while driving

PAUL JENKINS
COMMENT
(02/12/11 17:10:49)

A power outage knocked out the traffic light at a busy downtown intersection, turning it automatically into a four-way stop, and rush-hour traffic was stacking up.

Inching the motorcycle into the intersection, I sensed something moving to my left and braked. A woman yakking on a cell phone blew by me at speed in a huge SUV, missing me by inches. She never looked. She never slowed down.

Until that second, I was ambivalent about people using cell phones while driving. Oh, people need them, I thought. Mostly, it was none of my business. No more. People who drive and talk on cell phones may be the nicest people in the world, but they are, nonetheless, killers -- yeah, killers -- just looking for a place to happen.

They think they are great drivers. Most are not. A University of Utah study concludes only about 2.5 percent of us can simultaneously talk on a cell phone -- even a hands-free phone -- and drive safely. For most, performance suffers. Braking time increases by 20 percent. Following distances increase by nearly a third. "The deterioration in performance was comparable to the impairment seen in drunken drivers," the study's authors conclude.

The study says cell phone- distracted drivers kill at least 2,600 people and injure 330,000 every year in this nation -- and distracted drivers are worse than drunken drivers with blood-alcohol levels above 0.08.

A Virginia Tech Transportation Institute study in 2009 showed that even dialing a cell phone while driving increases the risk of a crash by 2.8 times; talking on a cell phone while driving, 1.3 times; and, reaching for a cell phone, 1.4 times.

Alaska is behind the national curve. At least nine states and Washington, D.C., already bar drivers from using handheld cell phones while behind the wheel. Novice drivers in 28 states -- not including Alaska -- and Washington, D.C., cannot use cell phones while driving.

It is estimated that of the 80 million or so cell phone users in the United States, more than 800,000 of them are texting -- a no-no in Alaska and 30 other states -- or using a handheld cell phone every day to talk while driving. That should terrify us all.

Five Alaska House members are giving the stink eye to cell phone use while driving. The proverbial snowball has a better chance. Using the devices while driving has a huge constituency. The arguments against banning them are legion -- and often silly. It's a government intrusion, proponents claim, or a socialist plot. It's needed for work. Don't punish me for a wreck I have not had, they say. I need to check on the kids. I can talk on the phone and drive. It goes on ad infinitum.

Cathy Munoz, R-Juneau, and Bob Herron, D-Bethel, joined in House Bill 22 to ban cell phone use while driving, but exempt hands-free cell use.

Anchorage Democrat Berta Gardner, in House Bill 128, would ban cell phone use by drivers younger than 18. A Pew Research study found that 40 percent of teen-agers interviewed said they were in a car when the driver used a cell phone in a way that endangered themselves or others.

Max Gruenberg, D-Anchorage, in House Bill 68, would ban cell use while driving but also exempt hands-free. Anchorage Democrat Mike Doogan, in House Bill 35, would flatly ban all cell phone use while driving.

They are on the right track. Like it or not, driving on our highways is a privilege. The state gets to set the rules. It is not safe to drink and drive -- even though we all know people who can pull it off -- and it is not allowed. It is not safe to drive backwards down the Seward Highway with your lights out at night just because you may think you can -- and it is not allowed. Highway safety rules generally are designed to keep us from killing ourselves or somebody else. They are, for most of us, supposed to help protect us from jerks.

A ban on handheld cell phone use while driving is reasonable while waiting for more research on hands-free phones. Surely, if we need to find out what's for dinner or how the kids are, we can simply pull over or, for now, use a hands-free phone.

You need only feel wind from a speeding SUV in an intersection to get my point.

Paul Jenkins is editor of the AnchorageDailyPlanet.com.

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Making our World Safer

February 14, 2011

Representative Berta Gardner
State Capitol Building
Room 424
Juneau, AK 99801

Dear Representative Gardner,

The National Safety Council is pleased to express support for HB 128, legislation that would prohibit drivers under age 18 from using a cell phone behind the wheel. This law will go a long way in protecting young, inexperienced drivers – and others on Alaska's roadways – from preventable crashes.

For teens, using cell phones while driving presents a deadly combination of driving inexperience and high risk behavior. Motor vehicle crashes are the number one killer of teens, and inexperience is a leading factor in teen crashes. Learning to drive safely is an important skill that requires maximum focus. Cell phone use while driving is a high risk act for any driver, but it is particularly dangerous for inexperienced drivers.

Enacting this law would bring Alaska in line with 28 other states who have this law already. While HB 128 would be a secondary law, HB 128 still helps protect Alaskans from the dangerous effects of novice drivers distracted by cell phones. We support you in passage of this bill and will be pleased to express our support to other Alaska legislators.

Sincerely,

Janet Froetscher
President & CEO

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VIA HAND DELIVERY

February 16, 2011

The Honorable Berta Gardner
Alaska House of Representatives
State Capitol, Room 424
Juneau, Alaska 99801-1182

Re: State Farm Support for HB 128 - Ban on Cell Phone Use by Minors While Driving

Dear Representative Gardner:

State Farm strongly supports a ban on cell phone use by minors while driving. There is no doubt this bill will in fact immediately begin to save lives and prevent injuries. Drivers between the ages 16 - 19 are four times more likely to be involved in a crash as other drivers. One in five of all auto deaths is attributed to teen driving. The leading causes of teen accidents include inexperience and distraction. A recent Research Report by the Children's Hospital of Philadelphia and State Farm determined that 9 out of 10 teenagers reported teen use of cell phones while driving was common, and 7 out of 10 said they have observed teens driving while being emotionally upset using a cell phone. That same survey indicated legal prohibitions and restrictions were the top motivations teens said would keep them from using a cell phone while driving.

As the insurance industry representative on the Alaska Highway Safety Improvement Program, State Farm thanks you for sponsoring this bill. Through an alliance with Children's Hospital of Philadelphia, State Farm has access to a wealth of information and resources should you or other members of the Legislature desire. If we can provide you any information or assistance, please let me know.

Sincerely,

Sheldon E. Winters
Lobbyist for State Farm Insurance Companies

SEW/lg
Gardner 02-16-11 letter of support.wpd

ALASKA STATE LEGISLATURE

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Representative Berta Gardner

House District 24

February 7, 2012

SPONSOR STATEMENT
HB 128

"An Act relating to prohibiting the use of cellular telephones by minors when driving a motor vehicle; and providing for an effective date."

Our automobile insurance rates illustrate the well-established fact that younger and less experience drivers have more vehicle accidents than older drivers. Today, a growing body of evidence shows that use of cell phones increases risk of accident for all drivers, but especially for younger ones.

Each year, Alaska sees an increase in the number of motor vehicle accidents involving the use of cellular phones by drivers. Between 2002 and 2008 there were 399 traffic accidents involving cell phones in Alaska. The largest group, about 36 percent, involved drivers between 16 and 20 years old, although they make up only about 7.4% of Alaskan drivers.

Additionally, people between 16 and 24 are the most frequent cell phone users. While drivers age 21 or older with cell phones are about equally likely to use their cell phones for outgoing calls as they are to take incoming calls, cell phone-using drivers age 16-20 are more likely to use their cell phones to take incoming calls than they are to make outgoing calls while driving.

Other statistics show:

- 16 and 17 year old drivers have the highest fatality rate in car crashes.
- For the 16-to-20 age group, the crash fatality rate in 2004 was nearly twice as high as other age groups
- Motor vehicle crashes are number 1 cause of death among teenagers

The National Highway Traffic Safety Administration (NHTSA) has gathered data that nearly 25% of all vehicle accidents directly involve the use of cell phones. By limiting a minor's use of a cell phone while driving, we can make our roads safer for everyone.

Please join me in supporting House Bill 15 to make our roads safer. If you have any questions, please contact my staff Noah Hanson at 465-4068 or Noah_Hanson@legis.state.ak.us.

Science of Safe Driving Among Adolescents

Special Supplement to *Injury Prevention*

June 20, 2006

Teen Driver Facts

- Traffic crashes occur disproportionately among newly driving young adults with one in four crash fatalities in the US involving 16 to 24 year olds (FARS)[1].

- The crash fatality rate (crash fatalities/100,000 population) is highest for 16 to 17 year olds – with the first six months after licensure the most dangerous – and remains high through age 24[2].

- For the 16-to-20 age group, the crash fatality rate in 2004 was nearly twice as high as other age groups: 27deaths/100,000 population for 16 to 20 year olds, as compared with 15 for 25 to 34 year olds and 11 for those 55 to 64 and 18 for those 74 years and older[3].

- Approximately two-thirds (63 percent) of teen (13 to 19 year olds) passenger deaths occur when other teenagers are driving. Child passengers (under age 16 years) driven by teenaged (16 to 19 year olds) drivers have three times the risk of injury in a crash than children driven by adults. Overall, 9 percent of child fatalities occur with a driver under age 19[4, 5].

- US research demonstrates that the "overwhelming majority" of crashes involving teen drivers were due to failure to employ safe operating practices and failure to recognize the inherent risk rather than "thrill seeking" or deliberate risk-taking[6].

---

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Distributed By Representative Gardner

Age of Driver	Number of All Crashes	Percentage	Crashes with Driver Using Cell Phone	Percentage
21-25	2779	11.6%	8	13.6%
31-35	2125	8.8%	9	15.3%
41-45	2257	9.4%	4	6.8%
51-55	1459	6.1%	0	0.0%
61-65	558	2.3%	0	0.0%
71-75	268	1.1%	1	1.7%
81+	102	0.4%	0	0.0%
Total	24051		59	

Age of Driver	Number of All Crashes	Percentage	Crashes with Driver Using Cell Phone	Percentage
21-25	3126	13.3%	9	15.3%
31-35	2280	9.7%	7	11.9%
41-45	2320	9.9%	6	10.2%
51-55	1666	7.1%	1	1.7%
61-65	620	2.6%	1	1.7%
71-75	298	1.3%	0	0.0%
81+	139	0.6%	0	0.0%
Total	23441		59	

Age of Driver	Number of All Crashes	Percentage	Crashes with Driver Using Cell Phone	Percentage
21-25	3302	12.6%	8	13.1%
31-35	2216	8.4%	6	9.8%
41-45	2439	9.3%	3	4.9%
51-55	1726	6.6%	1	1.6%
61-65	735	2.8%	0	0.0%
71-75	288	1.1%	0	0.0%
81+	121	0.5%	0	0.0%
Total	26243		61	

Age of Driver	Number of All Crashes	Percentage	Crashes with Driver Using Cell Phone	Percentage
21-25	3015	12.8%	6	9.7%
31-35	1872	8.0%	6	9.7%
41-45	2026	8.6%	6	9.7%
51-55	1566	6.7%	1	1.6%
61-65	689	2.9%	1	1.6%
71-75	256	1.1%	0	0.0%
81+	92	0.4%	0	0.0%
Total	23487		62	

Age of Driver	Number of All Crashes	Percentage	Crashes with Driver Using Cell Phone	Percentage
21-25	2769	13.0%	12	25.0%
31-35	1703	8.0%	2	4.2%
41-45	1769	8.3%	4	8.3%
51-55	1491	7.0%	0	0.0%
61-65	638	3.0%	0	0.0%
71-75	238	1.1%	0	0.0%
81+	113	0.5%	1	2.1%
Total	21240		48	

Age of Driver	Number of All Crashes	Percentage	Crashes with Driver Using Cell Phone	Percentage
21-25	2400	12.9%	9	19.6%
31-35	1392	7.5%	1	2.2%
41-45	1460	7.9%	3	6.5%
51-55	1491	8.0%	2	4.3%
61-65	600	3.2%	0	0.0%
71-75	247	1.3%	0	0.0%
81+	97	0.5%	0	0.0%
Total	18574		46	

Age of Driver	Number of All Crashes	Percentage	Crashes with Driver Using Cell Phone	Percentage
21-25	2756	13.5%	12	18.8%
31-35	1489	7.3%	6	9.4%
41-45	1542	7.6%	1	1.6%
51-55	1541	7.6%	0	0.0%
61-65	699	3.4%	0	0.0%
71-75	247	1.2%	0	0.0%
81+	111	0.5%	1	1.6%
Total	20387		64	

Age of Driver	Number of All Crashes	Percentage	Crashes with Driver Using Cell Phone	Percentage
21-25	2977	13.1%	11	25.6%
31-35	1773	7.8%	5	11.6%
41-45	1657	7.3%	3	7.0%
51-55	1679	7.4%	1	2.3%
61-65	827	3.6%	2	4.7%
71-75	316	1.4%	0	0.0%
81+	160	0.7%	0	0.0%
Total	22675		43	

180098	28794	16.0%
442	150	33.9%

JuneauEmpire.com

State considers cell phone ban

Bill would prohibit virtually all phone use for all Alaska drivers

Sunday, February 07, 2010

Story last updated at 2/7/2010 - 5:02 am

State considers cell phone ban
Bill would prohibit virtually all phone use for all Alaska drivers

By Jeremy Hsieh | The Associated Press

Lawmakers in the nation's most inaccessible state capital are considering the most aggressive statewide ban in the United States on the use of cell phones while driving.

Six states and Washington, D.C., ban handheld cell phone use while driving and 21 states and D.C. ban all cell phone use for novice drivers, according to the Governors Highway Safety Association. But the bill sponsored by Alaska state Rep. Mike Doogan, D-Anchorage, would ban virtually all cell phone use for all drivers.

"We haven't endorsed that approach as an association, but it's clearly where the debate is going," said Jonathan Adkins, a spokesman for the Governors Safety group based in D.C. "The hang up is convincing the public. It's probably too bold of a step for some people."

Doogan introduced his stringent bill this year after Rep. Berta Gardner, a fellow Anchorage Democrat, proposed specifically banning use of cell phones by drivers under 18. Both bills would make driving while using a cell phone an infraction punishable by a fine of up to $300 and points toward suspension or revocation of a driver's license.

It would be a primary offense under Doogan's version, meaning law enforcement could make a stop and ticket a driver specifically to enforce the rule. Gardner's version makes it a secondary offense, meaning some other violation must trigger the stop.

The only exception in Doogan's bill is for emergency calls. Neither bill makes exceptions for handsfree cell phone use. Both sponsors cite research that indicates the main risk comes from the brain drain that comes with the act of communicating, rather than the physical act of holding a phone. A study from the University of Utah found that cell phone use, whether handheld or handsfree, can cause driver reaction delays comparable to the legal limit of alcohol.

Out of 78,145 traffic accidents in Alaska from 2002 to 2007, 335 - less than half a percent - were cell phone-related, according to state Department of Transportation and Public Facilities spokesman Roger Wetherell. More than a third of the cell phone-related accidents are attributable to drivers age 16 to 20.

Amber Burton, 22, of Valdez, said it's natural for her to answer her phone while she drives.

"I think I have more issues with changing a CD or picking up something that dropped than using

a phone," she said.

She only has a 3-mile commute to work ("Everything's relatively close in Valdez," she says) but thinks a ban is a good idea.

"I probably would feel safer. Even though I'm probably one of those people" that scares other drivers, she said. "Just because I'm comfortable with it, doesn't mean everyone else is."

Part of Rick Burchell's job as a partner and instructor of AA Drivers Educational School Inc. in Anchorage is teaching his students to watch out for distracted drivers, especially cell phone users.

National cell phone-specific accident data is unavailable, though the ratio of "distracted drivers" in fatal crashes is on the rise, from 8 percent in 2004 to 11 percent in 2008, according to data compiled by the National Highway Traffic Safety Administration.

Meanwhile, an insurance industry study released Friday by the Highway Loss Data Institute found that state laws banning the use of handheld devices to make calls or send text messages while driving have not resulted in fewer vehicle crashes. It examined insurance claims from crashes before and after such bans took effect in California, New York, Connecticut and Washington, D.C.

Driving instructor Burchell sees merit in both bills, but admits he's slightly off-task when he's driving because of his own phone use, albeit through a handsfree system. Part of Burchell's rationale for limiting the risk through a handsfree system rather than abstaining entirely stems from parallels he sees with the safety fight decades ago against radios in cars. Like cell phones, radios introduced new distractions, but neither technology is going away, he said.

When Burchell's son, now 18, got his license, Burchell made him agree to never answer his phone behind the wheel.

"And then - all the kids think this is really despicable - dad made calls to the cell phone to make sure he wasn't answering," Burchell said. "He knew that his automobile would be lost forever if he picked up the phone."

Gardner said she'd like a ban for all drivers, but that the teens approach would meet less opposition. However, Gardner doesn't expect a hearing to be scheduled in the House Finance Committee, where her bill has sat since March despite a zero budget-impact statement from the Department of Public Safety.

"For all intents and purposes, the bill is dead," Gardner said.

That hasn't discouraged Doogan.

"I don't worry about that," he said, noting co-sponsor Peggy Wilson's role as chair of the House Transportation Committee, where his bill is awaiting a hearing date. Wilson is a Republican from Wrangell.

Key lawmakers in gatekeeper roles beyond Wilson's committee have declined to comment or said they don't know what the prospects are for Doogan's bill.

Alaska's big three cell phone service providers have different views on the proposal. AT&T supports restricting phone use by teen drivers, except in emergencies, said spokesman Kerry Hibbs. It recently launched an education campaign on the dangers of texting while driving.

Alaska Communications Systems advocates for laws requiring drivers to use handsfree devices, said spokeswoman Heather Cavanaugh.

And General Communication Inc., Alaska's largest telecommunications company, is neutral on the bills, but is generally opposed to legislation that curbs customer choice on handsets, said spokesman Curtiss Clifton.

The effort follows a state ban on drivers texting and watching videos that took effect in 2008 and a national ban on texting for truck and bus drivers that took effect Jan. 26.

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By Jeremy Hsieh | **The Associated Press**

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March 13, 2009

The Honorable Berta Gardner
Alaska State Capitol, Room 424
Juneau, Alaska 99801

Dear Representative Gardner:

We are pleased to offer the National Safety Council's support of HB15, an Act prohibiting the use of cellular telephones by minors while driving a motor vehicle, to be considered by the Alaska Legislature during its 2009 session.

The National Safety Council applauds the Alaska Legislature for considering HB15. This Act's prohibition of cellular telephone use by teens while driving in Alaska would be a major step toward improving the safety of its citizens. As "novice" drivers, teens lack driving experience and tend to ignore risks; consequently, they are proportionately involved in twice as many fatal crashes as drivers 35-74 years of age. This is why the NSC and many other transportation safety leaders advocate that Graduated Driver Licensing (GDL) laws include a ban on teen driver cell phone and text messaging use while driving. At present sixteen states have a similar provision in their teen driver licensing law.

It is estimated that 80% of preventable motor vehicle crashes are caused in part by some form of driver inattention. Scientific research has determined that talking on a cell phone increases a driver's risk of a crash by four times. One study has reported that text messaging while driving increased the odds of a crash by six times. We invite the Alaska legislature to consider further action restricting the use of cell phones for all drivers and offer you the following links to scientifically reliable information for your reference should you wish to consider such action.
http://www.nsc.org/resources/issues/factsheet.aspx
http://www.nsc.org/resources/issues/distracteddriving.aspx

The National Safety Council is a non-profit organization that saves lives at work, at home, in communities and on the roads through leadership, research, education and advocacy. During the last forty years, the NSC has trained over sixty million drivers in defensive driving techniques. Please contact John Ulczycki, NSC's Group Vice President for Research, Communications, and Advocacy (john.ulczycki@nsc.org or 630-775-2160) if we may offer further assistance.

Sincerely,

Janet Froetscher

Janet Froetscher
President & CEO

1025 Connecticut Avenue, N.W., Suite 1200 • Washington D.C. 20036-5405 •202-293-2270 • 202-293-0032 fax
Headquarters 1121 Spring Lake Drive• Itasca, IL 60143 • 630.285.1121 • 630.2851315 fax •www.nsc.org

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Pres. First City Chapter
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Pres. Gold Medal Chapter

February 17, 2009

Representative Berta Gardner
House of Representatives
State Capitol
Juneau AK 99801-1182

Dear Representative Gardner:

On behalf of the Alaska Peace Officers Association (APOA), I would like to thank you for introducing HB 15, an act prohibiting the use of cellular telephones by minors when driving a motor vehicle; and providing for an effective date.

The APOA State Board's Legislative Committee recently reviewed this proposed legislation and unanimously decided to offer conditional support of this bill. We'd ask that it be amended to include all drivers and not be restricted to just minors. There is now empirical data showing that cell phone conversations (whether handheld or not) put the driver and other motorists at significant risk. A number of other states have now passed legislation outlawing the practice for all drivers, regardless of age.

We thank you for addressing this issue and urge you to consider expanding the bill to include all drivers. Please contact the APOA office in Anchorage at 277-0515, if there is anything our organization can do to assist in the passage of this bill.

Sincerely,

Angella Long
State President

Allstate
You're in good hands.

Elizabeth Moceri
Regional Counsel
Northwest Region

February 7, 2012

Berta Gardner
House of Representatives
State Capitol, Room
Juneau, AK 99801-1182

Dear Rep. Gardner:

Thank you for your support of HB 128. Allstate applauds your efforts to keep our teens and all of us safe by removing distractions from the road.

Mounting research indicates – and common sense supports – that that the use of cell phones while driving, especially among young drivers, is highly dangerous. A study published in the British Medical Journal found that cell phone use while driving resulted in a four-fold increase in crashes. Young drivers not only have the least experience but drivers between ages 16 and 24 also display the highest rates of cell phone use while driving, according to a study by the National Highway Traffic Safety Administration (NHTSA).

In 2005, The Allstate Foundation conducted a national survey of teen driving attitudes and behaviors. In the survey, 56 percent of teens said they make and answer cell phone calls while driving, and 13 percent write and/or read text messages. With 12.5 million teen drivers in the U.S., that's 1.62 million drivers writing and/or reading text messages while operating their vehicle.

This is truly an issue where you can make a lifesaving difference for families in Alaska. We look forward to the opportunity to work with you.

Sincerely,

Elizabeth Moceri
Regional Counsel

Allstate Insurance Company
18911 North Creek Parkway, Suite 301, Bothell, WA 98011 425-489-5399 emoce@allstate.com

Q&As: Cellphones, texting, and driving

February 2011

More information on cellphones

Hide all answers

1 | How many people use cellphones?

Cellphone use in the United States has grown quickly during the past decade. There were about 293 million wireless cellphone subscribers as of June 2010, according to CTIA – The Wireless Association, an industry trade group.[1] That's up 51 percent from 194 million in June 2005 and 3 times the 97 million wireless subscribers in June 2000. Minutes of use have surged to about 2.3 trillion in June 2010 from 195 billion in June 2000.

2 | Do drivers frequently use phones behind the wheel?

Yes, though it's hard to determine accurately just how many drivers use phones. Combining observational and self-reported data on phone use, the federal government estimated that drivers using phones nearly tripled during 2000-08, from 4 to 11 percent, and then declined to 9 percent in 2009. Federal observational data indicate that 5 percent of drivers in 2009 were talking on hand-held phones at any moment during the day. This means about 672,000 passenger vehicles on the road at any moment during the day were driven by people talking on hand-held phones.[2]

A 2009 Institute telephone survey of 1,219 drivers 18 and older indicates phone use may be somewhat lower than government estimates. Drivers on average reported spending about an hour in the car each day, with about 4 minutes of that time on the phone. This translates into roughly 7 percent of time behind the wheel on the phone.[3] The discrepancy between the two estimates may be a result of drivers in the Institute survey understating how much phoning while driving they do because the practice has negative connotations. It also could reflect different methodologies. Government researchers observed hand-held phone use among drivers waiting at intersections during the daytime, then adjusted this for self-reported hands-free use. The Institute's survey estimates self-reported driver phone use on all kinds of roads during all hours.

3 | Who is most likely to talk on a cellphone while driving?

Young drivers ages 16-24 are more likely than other drivers to talk on hand-held cellphones according to daytime observational surveys of drivers the federal government conducted nationwide in 2009. Eight percent of drivers ages 16-24 were observed talking on hand-held phones, compared with 5 percent of those ages 25-69 and 1 percent of drivers 70 and older.[2] In the Institute's 2009 survey of drivers' self-reported phone use, people younger than 30 spent 16 percent of driving time on the phone, compared with 7 percent for drivers 30-59 years old, and just 2.5 percent for drivers 60 and older.[4]

Men in the Institute's survey reported spending slightly more time on the phone than women (7 percent versus 6 percent). This differs from the government's and other observations that female drivers use cellphones more. Drivers reported using phones more on weekdays and during afternoons and evenings. Use rates were 8 percent during these times.[3] This is in line with government observations that use is higher on weekdays.[2]

4 | Does using a cellphone while driving increase crash risk?

Yes. Two controlled studies link talking on a cellphone directly to increased crash risk. A 2005 Institute study of drivers in Western Australia found cellphone users four times as likely to get into crashes serious enough to injure themselves.[5] The study used cellphone billing records to verify phone use of crash-involved drivers. Increased risk was similar for males and females, drivers younger than 30 and those 30 and older, and hands-free and hand-held phones. The findings were consistent with 1997 research that showed phone use among Canadian drivers was associated with a fourfold increase in the risk of a property damage crash. The Canadian study also used cellphone billing records to verify phone use of drivers.[6]

5 | How many crashes have been caused by drivers using cellphones?

The federal government estimates that in 2009, 5,474 people were killed and an additional 448,000 were injured in motor vehicle crashes that were reported by police to have involved distracted driving. The government estimates that 18 percent of these deaths and 5 percent of these injuries involved cellphones.[7] However, these estimates are imprecise and likely underestimate distraction's role in crashes, as many police reports don't have information on distracting events. Police crash reports aren't a reliable way to count cellphone-related collisions because drivers often don't volunteer that they were on the phone.

It is possible to estimate the expected number of crashes linked to phoning while driving. An Institute analysis suggests this practice could account for 22 percent of all crashes, or about 1.3 million in 2008, based on how much phoning while driving motorists admitted to researchers and the estimated risk of driver phone use.[3] However, there is a disconnect between estimated crashes and real-world data, which indicate that crashes have been holding steady in recent years, even as cellphone use in general and driver use of phones in particular have proliferated.

About 5.5 million police-reported motor vehicle crashes occurred during 2009, the latest year for which federal data are available. This count doesn't differ much from the approximately 6 million crashes recorded annually during the early 1990s, when cellphones started getting popular, and it is lower than the 6.4 million crashes in 2000, when federal researchers began documenting the increase in phone use while driving.

An increase in cellphone-related crashes isn't showing up in insurance claims either. An analysis by the Highway Loss Data Institute indicates that the frequency of insurance claims for crash damage filed under collision coverage during 1998-2008 hasn't increased, even though driver phone use has escalated.[8]

A 2006 Virginia Tech Transportation Institute study used video cameras to monitor drivers in about 100 vehicles for about a year. Four percent of crashes or near-crashes were attributable to talking on a cellphone, researchers estimated.[9]

6 | Are hands-free cellphones safer?

No, at least not after the conversation begins. Two studies of crashes using cellphone billing records to verify phone use found about a fourfold increase in crash risk with conversing on both hands-free and hand-held phones.[5,6] The studies were unable to estimate crash risk from different types of hands-free devices. They also were unable to determine whether there was any benefit associated with hands-free devices while placing the call. Experimental research using driving simulators indicates that phone conversation tasks, whether using hand-held or hands-free devices, affect some measures of driving performance.[10,11] Hands-free phones may eliminate some of the physical distraction of handling phones, but the cognitive distraction from phone conversations remains.

7 | How does cellphone use affect driving performance?

An Institute review of more than 120 cellphone studies, about half of which were experimental studies using driving simulators or vehicles instrumented with video cameras, sensors, and other equipment, found that nearly all reported that some measures of driver performance were affected by the cognitive distractions associated with cellphone tasks.[11] Phone conversation tasks typically increased reaction times and travel speeds and increased lane deviations and steering wheel movements. Statistical analyses that aggregated the results of 33 studies and 23 studies, respectively, reported similar findings.[10,12] Some studies have found that older drivers' performance is more affected by cellphone tasks, particularly their reaction time. Few studies included drivers younger than 18, and evidence is mixed on the effects of phone use for teenage drivers compared with adult drivers. Findings also are mixed on whether driving performance while talking on a cellphone improves with practice. Some simulator studies suggest that the negative impact of phone use on driving performance may lessen with experience.[13,14] Other simulator research has found no change in performance with practice.[15]

Using functional magnetic resonance imaging, researchers at Carnegie Mellon University found a 37 percent reduction in brain activity associated with driving when research subjects listened via a headset to spoken sentences that they judged as true or false while steering in a driving simulator. Researchers concluded that listening and processing information from a phone conversation can draw mental

resources away from driving, worsening driving performance, even when drivers are not holding or dialing a phone.[16]

Further evidence comes from a few studies of small samples of people observed during their everyday driving. One study included drivers of 100 vehicles instrumented with video cameras and other monitoring technologies. Only a few serious crashes occurred, but researchers calculated the odds of being in a near-crash or crash were 2.8 times higher when dialing a hand-held phone than when phones weren't being used. The odds of a near-crash or crash were 1.3 times higher when talking on a hand-held phone, although this was not statistically significant. But because drivers spend more time talking on a hand-held phone than dialing, the percentage of crashes and near-crashes estimated to be attributable to talking and dialing on hand-held phones were both about 4 percent.[9]

8 | Do bans on hand-held phones work to reduce driver phone use?

Institute research has documented that all-driver bans on hand-held phoning can have large and lasting effects on phone use. In November 2001, New York became the first state to implement a universal ban on hand-held cellphones. Observed driver hand-held cellphone use declined by an estimated 47 percent immediately after the ban. Use then began going back up, but when measured more than 7 years after the ban, use was 24 percent lower than would have been expected without the ban. Soon after a ban was passed in the District of Columbia in 2004, observed driver hand-held phone use dropped by 41 percent. Nearly five years after the ban, the rate of phone use was 43 percent lower than would have been expected without a ban. Connecticut's ban took effect in 2005. Observed hand-held phone use declined an estimated 76 percent immediately after a ban; more than 3 years later, use was 65 percent lower than would be expected without a ban.[17]

In the Institute's telephone survey of cellphone use, drivers in states with hand-held bans were less likely to say they talk on phones while driving. Forty-four percent of drivers in states with bans reported they don't use phones when driving, compared with 30 percent in states without such laws. The percent of drivers who talk on phones and always talk hands-free was 22 in states with all-driver bans on hand-held phones, and 13 in states without all-driver bans.[4]

9 | Do hand-held phone bans reduce crashes?

There is no evidence so far that banning hand-held phone use reduces crashes, even though Institute research demonstrates that bans on hand-held phoning while driving can have big and long-term effects in curbing phone use. A 2009 analysis by the Highway Loss Data Institute found that hand-held bans had no effect on insurance claims. Researchers compared claims for crash damage in 4 jurisdictions before and after hand-held phone use bans, finding steady claim rates before and after laws went into effect.[8]

Many drivers still use hand-held phones where use is banned, and others may simply switch to hands-free phones. Given that crash risk increases substantially with drivers' use of either hand-held or hands-free phones, bans on hand-held cellphones won't eliminate the problem entirely. Laws prohibiting hands-free phones are difficult to enforce, plus drivers may be unfamiliar with restrictions in their state. In the Institute telephone survey, 18 percent of drivers in states with a universal ban on hand-held phone use either believed there was no law or were unsure. The proportion was even higher (48 percent) among drivers in states with a universal texting ban. Many drivers don't believe police pay much attention to them. Only 29 percent of drivers in states with universal hand-held phone bans who knew about the bans and 22 percent of drivers in states with universal texting bans who were aware of the restrictions felt they were strongly enforced.[4]

10 | How common are bans on hand-held cellphones and texting?

Bans are widespread in other countries and are becoming more common in the U.S. Nine states (California, Connecticut, Delaware, Maryland, New Jersey, New York, Oregon, Utah, and Washington) and the District of Columbia have enacted laws that ban drivers of all ages from using hand-held cellphones.

More common in the US are laws that restrict young drivers from using any type of cellphone. Teenage drivers in 28 states and the District of Columbia have such laws. School bus drivers in 19 states and the District of Columbia are restricted from using all cellphones while driving a bus.

In Australia, drivers in Victoria and Tasmania are banned from using all phones, except ones secured in a commercially designed holder fixed to the vehicle that can be operated without touching any part of the phone.

Text messaging is banned for all drivers in 30 states and the District of Columbia. In addition, novice drivers are banned from texting in 8 states (Alabama, Indiana, Maine, Mississippi, Missouri, Oklahoma, Texas, and West Virginia), and school bus drivers are banned from text messaging in 2 states (Oklahoma and Texas).

Cellphone laws in the US

11 | Why do more laws cover only teenage drivers?

Cellphone bans for young drivers are becoming more common amid concerns about the role distractions play in teenagers' elevated crash risk. Distractions of any type are a common factor in crashes of newly licensed 16-year-old drivers.[18] Some research also shows teenage drivers tend to use cellphones and other emerging technologies more than adult drivers.[19] States increasingly have graduated licensing laws that place restrictions on newly licensed drivers, e.g., limiting nighttime driving and the number of passengers a novice driver can carry. Cellphone bans are being added to those restrictions.

See Q&A: Teenagers — graduated driver licensing

More about the licensing law in your state, or any state

12 | Do teenagers comply with cellphone bans?

Young drivers often ignore cellphone restrictions, according to an Institute study of North Carolina's cellphone ban for young beginning drivers. The state bans the use of any telecommunications device by drivers younger than 18 under its graduated licensing system. Observed cellphone use by teenagers leaving high schools in the afternoon changed little from 1-2 months before to 5 months after the restriction took effect on Dec. 1, 2006.[20] About 11 percent of teenage drivers were seen using phones before the law. That percentage rose slightly to 12 percent in the postlaw survey. Cellphone use remained steady at about 13 percent at comparison sites in South Carolina, which doesn't restrict teenage drivers' phone use. When observed postlaw, less than 1 percent of teenage drivers in North Carolina were using hands-free phones. About 2 percent were observed dialing or texting and about 9 percent were holding a phone to their ear.

The study coupled driver observations with telephone surveys of North Carolina parents and their teenagers. In postlaw surveys, about two-thirds of teenagers said they knew about their state's law, compared with 39 percent of parents. Three-quarters of teenagers and 95 percent of parents said they approved of the law. The proportion of teenagers who reported using phones while driving declined somewhat following the law. However, of those who owned a phone and admitted to ever talking on the phone while driving, about half admitted they used their phones, if they had driven, on the day prior to the interview. There was no evidence of focused enforcement or publicity of the law. Only 22 percent of teenagers and 13 percent of parents believed the ban was being enforced fairly often or a lot.[20]

13 | Is cellphone use more distracting to drivers than other tasks?

Evidence is mixed. For example, some experimental studies found that phone conversations are more disruptive than conversations with passengers or adjusting a radio.[11] However, two statistical analyses combining the results of multiple experimental studies found similar decrements in reaction time for conversation tasks with passengers and with hand-held or hands-free phones.[10,12] Two studies reported that talking on cellphones or having a 0.08 percent blood alcohol concentration (BAC) — the legal threshold for impairment — has a comparable effect on some simulated driving tasks.[21,22] However, the risks associated with alcohol impairment accumulate over the entire duration of a trip, whereas the risks of cellphone use generally apply for only a portion of a trip. In addition, crash risk increases substantially at very high BACs, and the implications of the experimental studies for drivers in their own vehicles is unknown.

14 | Is texting while driving a problem?

Texting in general is on the increase. Annualized text messages soared to about 1.8 trillion in June 2010 from 57 billion in June 2005.[1] Many people report that they text while driving. A 2009 Institute survey found that 13 percent of drivers of all ages have texted while driving, and this jumps to 43 percent among 18-24-year-old drivers.[4] Similar results were found in other studies.[23,24]

There hasn't been a lot of research on the safety effects of texting and driving, but three studies of young drivers using driving simulators all found that receiving, and especially sending, text messages impeded drivers' reaction times and lane-keeping ability.[25,26,27] In a study involving large trucks instrumented with video cameras and other monitoring technology, the odds of a traffic conflict, lane drift, near-crash, or crash were 23 times higher when a truck driver was texting. A limitation is that less than 1 percent of the incidents involved crashes; most were lane drifts or other driver errors. It's unknown how such incidents relate to actual crashes. It also is unclear whether the results generalize to passenger vehicle drivers.[28]

15 | Do drivers comply with text messaging bans?

So far it appears that drivers, especially young adults, largely shrug off texting bans. An Institute study found that among 18-24 year-olds — the group most likely to text — 45 percent reported texting while driving in states that bar the practice, just shy of the 48 percent of drivers who reported texting in states without bans.[4] Among drivers 25-29, 40 percent reported texting in states with bans, compared with 55 percent in states without bans.

Many drivers are unclear about the laws in their state. Forty-eight percent of drivers in states with universal texting bans believed there was no law or were unsure. Plus, only 22 percent of drivers who were aware of the restrictions felt they were strongly enforced.[4]

16 | Do bans on driver text messaging reduce crashes?

Not according to research by the Highway Loss Data Institute. A 2010 study examined insurance claims filed for damage to vehicles before and after driver texting bans were enacted in four states. There was no reduction in claim rates relative to comparison states. Rather, there was a significant increase of 7-9 percent in the frequency of claims in 3 of the 4 study states. Increases in the frequency of claims also were found for rated drivers 25 and younger in these 3 states.[29]

17 | Can technology be used to prevent crashes caused by distracted driving?

Automakers are rolling out crash avoidance systems that warn drivers when they are not paying attention. Some systems may intervene if the system judges that a crash is imminent. Systems like lane -departure warning and forward-collision warning promise to prevent many kinds of distracted driving crashes, not just those that result from cellphone use (see *Status Report*, April 17, 2008). But this isn't a quick fix. Most new vehicles don't have crash avoidance features, and it will take some time before the systems are in wide use as newer vehicles supplant older ones. Plus, the effects of these technologies on real-world crashes have not yet been established.

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INSURANCE INSTITUTE
FOR HIGHWAY SAFETY

NEWS RELEASE

July 12, 2005

1ST EVIDENCE OF EFFECTS OF CELL PHONE USE ON INJURY CRASHES:

CRASH RISK IS FOUR TIMES HIGHER WHEN DRIVER IS USING A HAND-HELD CELL PHONE

ARLINGTON, VA — Common sense as well as experience tell us that handling and dialing cell phones while driving compromise safety, and evidence is accumulating that phone conversations also increase crash risk. New Institute research quantifies the added risk — drivers using phones are four times as likely to get into crashes serious enough to injure themselves. The increased risk was estimated by comparing phone use within 10 minutes before an actual crash occurred with use by the same driver during the prior week. Subjects were drivers treated in hospital emergency rooms for injuries suffered in crashes from April 2002 to July 2004.

The study, "Role of cellular phones in motor vehicle crashes resulting in hospital attendance" by S. McEvoy et al. is published in the *British Medical Journal*, available at bmj.com.

"The main finding of a fourfold increase in injury crash risk was consistent across groups of drivers," says Anne McCartt, Institute vice president for research and an author of the study. "Male and female drivers experienced about the same increase in risk from using a phone. So did drivers older and younger than 30 and drivers using hand-held and hands-free phones."

Weather wasn't a factor in the crashes, almost 75 percent of which occurred in clear conditions. Eighty-nine percent of the crashes involved other vehicles. More than half of the injured drivers reported that their crashes occurred within 10 minutes of the start of the trip.

— MORE —

1005 N. GLEBE RD. ARLINGTON, VA 22201 TEL. 703/247-1500 FAX 703/247-1588 www.iihs.org

The study was conducted in the Western Australian city of Perth. The Institute first tried to conduct this research in the United States, but U.S. phone companies were unwilling to make customers' billing records available, even with permission from the drivers. Phone records could be obtained in Australia, and the researchers got a high rate of cooperation among drivers who had been in crashes.

Another reason for conducting the study in Australia was to estimate crash risk in a jurisdiction where hand-held phone use is banned. It has been illegal while driving in Western Australia since July 2001. Still one-third of the drivers said their calls had been placed on hand-held phones.

Hands-free versus hand-held: The results suggest that banning hand-held phone use won't necessarily enhance safety if drivers simply switch to hands-free phones. Injury crash risk didn't differ from one type of reported phone use to the other.

"This isn't intuitive. You'd think using a hands-free phone would be less distracting, so it wouldn't increase crash risk as much as using a hand-held phone. But we found that either phone type increased the risk," McCartt says. "This could be because the so-called hands-free phones that are in common use today aren't really hands-free. We didn't have sufficient data to compare the different types of hands-free phones, such as those that are fully voice activated."

Evidence of risk is mounting: The findings of the Institute study, based on the experience of about 500 drivers, are consistent with 1997 research that showed phone use was associated with a fourfold increase in the risk of a property damage crash. This Canadian study also used cell phone billing records to establish the increase in risk. The Institute's new study is the second to use phone records and the first to estimate whether and how much phone use increases the risk of an injury crash.

— MORE —

Taken together, the two studies confirm that the distractions associated with phone use contribute significantly to crashes. Other studies have been published about cell phone use while driving, but most have been small-scale and have involved simulated or instrumented driving, not the actual experience of drivers on the road. When researchers have tried to assess the effects of phone use on real-world crashes, they usually have relied on police reports for information. But such reports aren't reliable because, without witnesses, police cannot determine whether a crash-involved driver was using a phone.

End of 3-page news release on cell phone risk while driving

For more information go to www.iihs.org

ALASKA STATE LEGISLATURE

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Representative Berta Gardner

House District 24

To: Representative Peggy Wilson
House Transportation Committee, Chair

From: Representative Berta Gardner

Date: January 23, 2012

Re: Hearing Request for HB 128

I am respectfully requesting that Committee Substitute for House Bill 128, "An Act relating to prohibiting the use of cellular telephones by minors when driving a motor vehicle; and providing for an effective date" be scheduled for a hearing in the House State Affairs Committee at your earliest convenience.

During a minor's first years of driving, it is crucial for them to develop safe and responsible driving habits. Studies have shown that the highest accident and mortality rate for vehicle accidents are among teenagers. Between 2002 and 2006, 16 to 20 year olds had 289 accidents involving cell phones on Alaskan roads. This makes up one-third of all crashes involving cell phones. By limiting minors' opportunity to use a cellular phone while driving, Alaska can see a decline in the numbers of accidents and fatalities.

Included in this packet:

- HB 128
- Sponsor Statement
- Backup Information
- Letters of Support

If necessary, other backup will be forthcoming. Please contact my staffer Noah Hanson at 465-4068 or Noah_Hanson@legis.state.ak.us with any questions.

ALASKA STATE LEGISLATURE

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Representative Berta Gardner

House District 24

January 23, 2012

SPONSOR STATEMENT
HB 128

"An Act relating to prohibiting the use of cellular telephones by minors when driving a motor vehicle; and providing for an effective date."

Our automobile insurance rates illustrate the well-established fact that younger and less experience drivers have more vehicle accidents than older drivers. Today, a growing body of evidence shows that use of cell phones increases risk of accident for all drivers, but especially for younger ones.

Each year, Alaska sees an increase in the number of motor vehicle accidents involving the use of cellular phones by drivers. Between 2002 and 2008 there were 399 traffic accidents involving cell phones in Alaska. The largest group, about 36 percent, involved drivers between 16 and 20 years old, although they make up only about 7.4% of Alaskan drivers.

Additionally, people between 16 and 24 are the most frequent cell phone users. While drivers age 21 or older with cell phones are about equally likely to use their cell phones for outgoing calls as they are to take incoming calls, cell phone-using drivers age 16-20 are more likely to use their cell phones to take incoming calls than they are to make outgoing calls while driving.

Other statistics show:

- 16 and 17 year old drivers have the highest fatality rate in car crashes.
- For the 16-to-20 age group, the crash fatality rate in 2004 was nearly twice as high as other age groups
- Motor vehicle crashes are number 1 cause of death among teenagers

The National Highway Traffic Safety Administration (NHTSA) has gathered data that nearly 25% of all vehicle accidents directly involve the use of cell phones. By limiting a minor's use of a cell phone while driving, we can make our roads safer for everyone.

Please join me in supporting House Bill 15 to make our roads safer. If you have any questions, please contact my staff Noah Hanson at 465-4068 or Noah_Hanson@legis.state.ak.us.

Anchorage Police Department employees Association

500 W International Airport Rd.
P.O. Box 230330
Anchorage, Alaska 99523
Phone (907) 561-7500
www.apdea.net

January 24, 2012

Members of the Alaska State Legislature:

The Anchorage Police Department Employees Association (APDEA) represents over 500 rank and file employees of the Anchorage Police Department. As President of the APDEA, I am writing in support of HB 128, which would ban the use of cell phones by minors operating a motor vehicle.

APDEA members see firsthand the fatalities, injury, and property damage resulting from vehicular cell phone use by minors. Minors not only have the highest crash rates of any drivers, they are also involved in a disproportionate number of fatal accidents. When you add to the mix that minors are the most frequent cell phone users, a dangerous combination is created.

There is now a huge body of research on cell phones and driving. Studies both in this country and from places such as Canada and Australia consistently show that talking on cell phones quadruples a driver's chances of being involved in an accident. A recent study in Utah demonstrated that individuals talking on cell phones performed about as well at driving as individuals with a blood alcohol level of .08 percent. Major corporations and other large organizations have become so concerned about safety and liability that they banned on-road use of cell phones by their employees during work hours. The Harvard Center for Risk Analysis estimates that 2,600 deaths and 12,000 serious injuries occur each year in highway crashes caused by cell phone use.

Inexperienced drivers using cell phones only heightens the risk. APDEA members would love to never again respond to a serious accident involving a teenage driver talking on a cell phone. HB 128 would help achieve that goal.

Sincerely,

Derek Hsieh
President
APDEA

HB 131

<TARGET><BILL>HB 131</BILL><SUBJECT>HB 131</SUBJECT><COMM>HTRA27</COMM></TARGET>

CS FOR HOUSE BILL NO. 131(TRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE TRANSPORTATION COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES MUÑOZ, Tuck

A BILL

FOR AN ACT ENTITLED

"An Act establishing the Alaska Community and Public Transportation Advisory Board and relating to a long-range community and public transportation plan; and providing for an effective date."

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

* **Section 1.** AS 44.42 is amended by adding new sections to article 1 to read:

Sec. 44.42.085. Comprehensive long-range community and public transportation plan. (a) The commissioner, in consultation with the Alaska Community and Public Transportation Advisory Board, shall

(1) prepare a comprehensive long-range plan for the development and improvement of coordinated community and public transportation; and

(2) revise and update the plan at intervals determined by the commissioner.

(b) The department shall submit the comprehensive long-range plan and revisions and updates of the plan to the governor and the legislature.

Sec. 44.42.090. Alaska Community and Public Transportation Advisory Board. (a) The Alaska Community and Public Transportation Advisory Board is established in the Department of Transportation and Public Facilities.

(b) The board consists of 13 members. Each member shall be a resident of the state. The board is composed of the following members:

(1) the commissioner of transportation and public facilities or the commissioner's designee;

(2) the commissioner of the health and social services or the commissioner's designee;

(3) the commissioner of labor and workforce development or the commissioner's designee;

(4) the chair of the board of trustees of the Alaska Mental Health Trust Authority or the chair's designee;

(5) the state co-chair of the Denali Commission established under P.L. 105-277, 42 U.S.C. 3121 note, or the state co-chair's designee;

(6) three members with expertise in the transportation needs of senior citizens, persons with disabilities or special circumstances, individuals of low income, or transit-dependent individuals;

(7) one member who represents municipalities that operate modes of public transportation;

(8) one member who represents nonprofit organizations that operate modes of public transportation;

(9) one member who represents transportation providers that receive federal funding available to Indian tribes, including financing provided under 23 U.S.C. 204(j) and 49 U.S.C. 5311(c); and

(10) two members of the public at large.

(c) The members described in (b)(6) - (10) of this section shall be appointed by the governor, and the governor shall provide for appropriate geographic distribution of members to the extent possible.

(d) The members of the board listed in (b)(6) - (10) of this section serve staggered three-year terms. If a vacancy arises on the board, the governor shall, within

30 days after the vacancy arises, appoint a person to serve the balance of the unexpired term. A person appointed to fill the balance of an unexpired term shall serve on the board from the date of appointment until the expiration of the term.

(e) Board members serve at the pleasure of the governor. In addition, a majority of the membership of the board may petition the governor to remove a member listed in (b)(6) - (10) of this section if that member misses more than two meetings in a calendar year, or is otherwise unable to serve, and has not been previously excused.

(f) The members of the board shall select a chair and a vice-chair from among the members of the board each year. The vice-chair presides over meetings in the absence of the chair. A majority of the members of the board constitutes a quorum. A vacancy in the board does not impair the right of a quorum to exercise all the powers and perform all the duties of the board.

(g) The board shall meet at least three times each year. Meetings may be called by the chair or by a majority of the members of the board. At least one meeting each year must be attended by the board members in person, but all other meetings may be conducted by teleconference. All meetings are open to the public unless an executive session is called based on the criteria in AS 44.62.310(b).

(h) Members of the board do not receive a salary but are entitled to per diem and travel expenses authorized for boards and commissions under AS 39.20.180.

(i) The Department of Law shall provide all legal services for the board.

(j) The department shall provide staff for the board.

Sec. 44.42.095. Powers, duties, and functions of the Alaska Community and Transportation Advisory Board. (a) The Alaska Community and Transportation Advisory Board may issue reports and recommendations and shall, in cooperation with the department, prepare and submit to the department and the governor for review a strategic plan that includes the mission, objectives, initiatives, and performance goals for coordinated community and public transportation in the state.

(b) The board shall analyze community and public transportation services in the state and make recommendations for improved agency coordination and combining of services to achieve cost savings in the funding and delivery of

community and public transportation services. The board shall assess the community and public transportation needs of Alaskans and recommend means for the removal of barriers that prevent coordination of services to meet those needs.

(c) The board shall annually review funding available

(1) to state, federal, and local government agencies and private entities that administer or support community and public transportation services and recommend to the governor and the legislature changes to improve effective use of that funding; and

(2) from federal sources for the expenses of the board and report that information to the governor, the chairs of the senate and house finance committees, and the chairs of the senate and house transportation committees.

(d) The board may establish volunteer regional or local advisory committees. The purpose of the advisory committees is to provide recommendations to the board to address concerns of the regions and local areas of the advisory committee members.

(e) The board may receive information from the department as the board considers necessary to carry out its duties.

* **Sec. 2.** AS 44.42.085(a), as enacted by sec. 1 of this Act, is amended to read:

(a) The commissioner [, IN CONSULTATION WITH THE ALASKA COMMUNITY AND PUBLIC TRANSPORTATION ADVISORY BOARD,] shall

(1) prepare a comprehensive long-range plan for the development and improvement of coordinated community and public transportation; and

(2) revise and update the plan at intervals determined by the commissioner.

* **Sec. 3.** AS 44.42.090 and 44.42.095 are repealed December 31, 2016.

* **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to read:

INITIAL APPOINTMENT OF MEMBERS OF THE ALASKA COMMUNITY AND PUBLIC TRANSPORTATION ADVISORY BOARD. (a) Notwithstanding AS 44.42.090(d), added by sec. 1 of this Act, and AS 39.05.055, members described in AS 44.42.090(b)(6) - (10) who are appointed initially to the Alaska Community and Public Transportation Advisory Board shall be appointed by the governor to terms as follows:

(1) two members shall serve one-year terms;

(2) three members shall serve two-year terms; and

(3) three members shall serve three-year terms.

(b) The governor may designate a member of the Governor's Coordinated Transportation Task Force, created by Administrative Order No. 254, who is serving as a task force member on the day before the effective date of this Act, as a member of the initial Alaska Community and Public Transportation Advisory Board under (a) of this section if the member meets the requirements in AS 44.42.090, added by sec. 1 of this Act. Nothing in this subsection prevents the governor from appointing members to the board who do not serve on the Governor's Coordinated Transportation Task Force.

* **Sec. 5.** Section 2 of this Act takes effect January 1, 2017.

* **Sec. 6.** Except as provided in sec. 5 of this Act, this Act takes effect immediately under AS 01.10.070(c).

REPRESENTATIVE CATHY MUÑOZ

HB131: Community & Transportation Advisory Board

House Bill 131 creates a Community and Transportation Advisory Board which will assist in the development and procedural recommendations for existing programs of state, federal and local agencies that provide community-based transportation services. Public and community transportation is integral in connecting communities, supporting development and serving our most vulnerable constituents.

The designation of this board is a recommendation from the Governor's Coordinated Transportation Task Force which was released in the February 2010 Recommendations Report. The board will continue efforts to address public and community transportation and help fill the gap in transportation for individuals who require more specialized travel – senior citizens, low income individuals, persons with disabilities, and those who are transit-dependent.

The board will consist of 13 members from departments within state and local governments, Denali Commission, Alaska Mental Health Trust Authority, non-profits, and those with expertise in transportation needs for senior citizens, persons with disabilities, and transit-dependent individuals. This broad range of membership will facilitate communication and strategies that will benefit communities of all sizes.

HB131 has support from the Alaska Mobility Coalition, the Governor's Council on Disabilities and Special Education, Advisory Board on Alcoholism and Drug Abuse, the Alaska Commission on Aging, Alaska Mental Health Trust Authority, Alaska Brain Injury Network, and the Alaska Suicide Prevention Council.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

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FAX (907) 465-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM February 2, 2011

SUBJECT: Sectional summary of HB 131 (Work Order No. 27-LS0418\M)

TO: Representative Cathy Muñoz
Attn: Kendra Kloster

FROM: Brian J. Kane BJK
Legislative Counsel

You have requested a sectional summary of HB 131, a bill establishing the Alaska Community and Public Transportation Advisory Board and relating to a long-range community and public transportation plan.

Please note that a sectional summary of a bill is not an authoritative interpretation of a bill. The bill itself is the best statement of its contents.

Section 1 of the bill requires the commissioner to prepare and revise a long-range plan for community and public transportation and consult with the Alaska Community and Public Transportation Advisory Board in drafting the plan. It also establishes the advisory board and lists the powers and duties of the board.

Section 2 of the bill makes a change to conform with the December 31, 2016, sunset date of the advisory board.

Section 3 of the bill sunsets the advisory board on December 31, 2016.

Section 4 of the bill relates to the initial appointment of members of the advisory board.

Sections 5 and 6 of the bill state effective dates for the bill.

BJK:ljw
11-064.ljw

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **HB 131**
() Publish Date

HB131-DOT-PD-3-11-11
Title Community and Public Transportation Advisory Board
Sponsor REP MUNOZ, TUCK
Requester (H) TRA

Dept. Affected DOT&PF
Appropriation Administration and Support
Allocation Program Development
OMB Component Number 2796

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CAPITAL EXPENDITURES		**110.0**	**110.0**	**110.0**	**110.0**	**110.0**	**110.0**
CHANGE IN REVENUES							

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts		90.0	90.0	90.0	90.0	90.0	90.0
1003 GF Match		10.0	10.0	10.0	10.0	10.0	10.0
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health		10.0	10.0	10.0	10.0	10.0	10.0
Other (please identify)							
TOTAL	**0.0**	**110.0**	**110.0**	**110.0**	**110.0**	**110.0**	**110.0**

Estimate of any current year (FY2011) cost 110.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial version

Prepared by Jeff Ottesen, Director Phone 465-6971

Division	Program Development	Date/Time	3/11/11 10:00 AM
Approved by	Marc Luiken	Date	3/11/11 5:50pm
	Commissioner		

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB 131

Analysis

HB 131 establishes a Community and Public Transportation Advisory Board and the requirement for DOT&PF to maintain a long-range community and public transportation plan. The bill increases the size of the Community and Public Transportation Advisory Board by one member to a total of 13 members. Agency representatives include Transportation, Health and Social Services, Labor, the Alaska Mental Health Trust Authority and the Denali Commission. Eight members are from the public representing various constituencies.

Expenses would be similar to current support for the Governor's Coordinated Transportation Task Force. Federal receipts (Federal Transit Administration) for program planning (with state match) augmented by Alaska Mental Health Trust funds in the Department's capital budget support a facilitator contract. The contract covers planning , three meetings, monthly conference calls, reports and travel reimbursement for non-agency members of the board. State and federal agency members of the board cover travel expenses from their operating budgets.

DOT&PF expenses (capital): $110,000 annually (fed receipts 90K, state match $10K, Mental Health-GF $10K)

Travel cost assumptions

Airfare	$500
Lodging	$300
Per diem	$120
Ground trans	$100
TOTAL	$1,020

Annual costs	# of trips	cost/trip	Total
Department representative	3	$1,020	$3,060
Non agency members (8)	24	$1,020	$24,480
Facilitator Contract			$82,460
Total annual cost			$110,000

Alaska State Legislature

Representative Peggy Wilson
House District 2
Putting Alaska's Families First

FAX TRANSMITTAL SHEET

TO: Leg Legal FAX# 2021

DATE: 3-22-11 FROM: R. Rooney

SUBJECT: 27-LS0418\M

Total Pages (including cover sheet)_____

Please provide CSHB131(GRA) final with the following changes.

Thanks
Becky
4858

This transmittal may be a confidential communication or otherwise privileged information. If you are not the intended recipient, you are hereby notified that you have received this transmittal in error; any review, dissemination, distribution or copying of this transmittal is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone at (907) 465-3824. Please destroy this fax cover and all its attachments.

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June-Dec, Wrangell: PO Box 109 • Wrangell, AK 99929 • *ph:* (907) 874-3088 • *fax:* (907) 874-3055
Rep.Peggy.Wilson@legis.state.ak.us • http://www.akrepublicans.org/wilson/ • 1-800-686-3824

AMENDMENT #1 by Gruenberg

OFFERED IN THE HOUSE TRANSPORTATION COMMITTEE

TO: HB 131

Page 3, line 7, following "year":

Insert ", or is otherwise unable to serve,"

Passed

27-LS0418\M.1
Kane
3/15/11

AMENDMENT #2

OFFERED IN THE HOUSE BY REPRESENTATIVE GRUENBERG

TO: HB 131

Passed

Page 4, line 3, following "available":

Insert "(1)"

Page 4, line 6, following "funding":

Insert "; and

(2) from federal sources for the expenses of the board and report that information to the governor, the chairs of the senate and house finance committees and the chairs of the senate and house transportation committees"

The Trust
The Alaska Mental Health Trust Authority

Alaskan Seniors Living Longer Growing Stronger
from the Alaska Commission on Aging

Statewide Suicide Prevention Council

brain injury network

Advisory Board on Alcoholism and Drug Abuse
abada

Governor's Council on Disabilities and Special Education

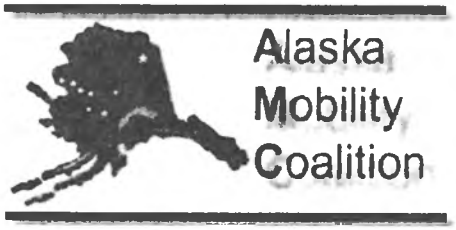
amhb
Alaska Mental Health Board

Coordinated Transportation for Alaskans

Working with the Alaska Mobility Coalition (AMC), the Governor's Council on Disabilities and Special Education, Alaska Mental Health Board, Advisory Board on Alcoholism and Drug Abuse and the Alaska Commission on Aging, in collaboration with the Alaska Mental Health Trust Authority, the Alaska Brain Injury Network and the Alaska Suicide Prevention Council, have identified as two of their joint priorities, the creation of legislation addressing the role of public and community transportation in Alaska and the establishment of a permanent Coordinated Transportation Commission. The partner boards also support the creation of a statewide fund for public and community transportation in Alaska. Following are overviews of these priorities:

Creation of legislation identifying 1) the role of public and community transportation in Alaska and 2) establishing a permanent commission to address public and community transportation in Alaska. Alaska does not have enabling statutes within state law that define the state's role in public and community transportation. This role should be defined and developed to serve all public and community transportation users – including Alaskans with disabilities. Additionally, in July 2010, Governor Parnell signed an administrative order reestablishing a statewide task force on public and community transportation in Alaska that has a sunset provision (January 2012). The AMC and the partner boards believe a permanent commission will be needed to address the ongoing transportation needs of Alaskans across the state.

Creation of a statewide fund for public and community transportation in Alaska. Alaska is one of only three states that does not provide operating support for public transportation. Therefore, in Alaska, the burden shifts to local governments, tribal governments, and non-profits to partner with the federal government to provide these services. In some cases, transit agencies have had to turn down federal money because they did not have the match funds available. This has had an impact on all users of public transportation, particularly in tough economic times when bus fares have increased and hours of service have been cut back. The boards support requesting $3 million dollars to partner with local transit systems, with a match requirement (in kind or cash) for transit systems to participate in the program.



Achieving mobility through community appropriate transportation services

3705 Arctic Blvd #1777
Anchorage, AK 99503.
907-240-2702

February 15, 2011

Representative Cathy Munoz
State Capitol Room 403
Juneau AK, 99801

Dear Representative Munoz:

On behalf of the Alaska Mobility Coalition (AMC), we strongly support HB 131 (Alaska Community and Public Transportation Advisory Board).

The AMC is a private, non-profit membership organization that represents and advocates for public and community transportation in Alaska. The AMC has ninety seven members across the state from Bethel to Prince of Wales Island. The AMC membership provides over seven million rides annually for Alaskans to get to work, school, shopping trips, recreational opportunities and medical appointments. For more information on the AMC, I have linked information from our website for your review (http://www.alaskamobility.org)

In the fall of 2008, former Governor Sarah Palin signed an administrative order creating the Governor's Coordinated Transportation Task Force. I have linked copy of the final report for your review. (http://www.dot.state.ak.us/stwdplng/cttf/docs/CTTF_recommendations_report_signed_021101.pdf) The Governor task force recommended and we agree, that there needs to be a permanent voice at the state level to make state agencies to work together to share information and resources on coordinated transportation in Alaska.

Thank you for your efforts in supporting transit in Alaska. I look forward to working with you and the Alaska legislature on your legislation during the current session.

Sincerely,

David M. Levy
Executive Director

Alaska Governor's Coordinated Transportation Task Force

Operational Guidelines
Reference: Administrative Order No. 254
ADOPTED: DECEMBER 16, 2010

1.0 Purpose

The provision and integration of cost-effective, community-based transportation services to persons with special needs or special circumstances, such as homeless youth, is an important government function. The purpose of Administrative Order No. 254 re-establishing the Governor's Coordinated Transportation Task Force is to complete the assessment of this function and determine measures to provide these services in a cost-efficient and effective manner.

Through coordination, collaboration, and research, the Task Force will deliver a report to the Governor outlining recommendations concerning the duties set out in the Order.

2.0 Coordinated Transportation Task Force Participants

The Governor's Coordinated Transportation Task Force shall serve as the advisory committee to the Governor to develop policy and procedural recommendations for existing programs of State, federal, and local agencies that provide or coordinate community-based transportation services in communities in this state for persons with special needs or special circumstances. These programs are administered primarily through the Department of Transportation and Public Facilities, the Department of Health and Social Services, the Department of Education and Early Development, the Department of Labor and Workforce Development, the Department of Commerce, Community, and Economic Development, the Department of Military and Veterans' Affairs, the Alaska Commission on Aging, the Governor's Council on Disabilities and Special Education, the Alaska Mental Health Board, the Advisory Board on Alcoholism and Drug Abuse, the Alaska Mental Health Trust Authority, the Alaska Housing Finance Corporation, and other agencies.

2.A. Composition and Representation

The Task Force consists of nine voting members, as follows:

- The commissioner of the Department of Transportation and Public Facilities, or the commissioner's designee;
- The commissioner of the Department of Health and Social Services, or the commissioner's designee;
- The commissioner of the Department of Labor and Workforce Development, or the commissioner's designee;

- The commissioner of the Department of Commerce, Community and Economic Development, or the commissioner's designee;
- The commissioner of the Department of Education and Early Development, or the commissioner's designee;
- The commissioner of the Department of Military and Veterans' Affairs, or the commissioner's designee;
- The chair of the board of trustees of the Alaska Mental Health Trust Authority, or the chair's designee
- Five members, as follows:
    - Three of whom have expertise in the transportation needs of the following populations:
        - Senior citizens;
        - Persons with disabilities;
        - Low-income individuals;
        - Transit-dependent individuals;
    - Two of whom represent the following:
        - Municipalities;
        - Transportation providers that receive federal funding available to Indian tribes, including funds provided under 23 U.S.C. 204(j) and 49 U.S.C. 5311(c).

2.B. Ex officios

Additionally, the commissioner of the Department of Transportation and Public Facilities shall invite the following agencies to name an advisor to the task force as a non-voting member:

- The United States Department of Health and Human Services;
- The Federal Transit Administration of the United States Department of Transportation;
- The United States Department of Veterans Affairs;
- A representative of the Anchorage School District or a school district within the state.

2.C. Chair

The Governor shall designate the chair of the Task Force from among the voting members.

The Task Force shall elect, by a 50 percent majority vote, a vice chair to support the chair in fulfilling his/her responsibilities.

2.D. Subcommittees

The Task Force may establish working subcommittees as it considers appropriate. Subcommittees may include individuals who are not members of the Task Force.

3.0 Duties

The task force shall perform the following duties:

1. Gather detailed information on:

    a. customer bases served;
    b. the manner and type of service provided;
    c. the costs for each program; and
    d. the range of financing available to State, federal, and local government agencies and private entities that administer or support community-based transportation services for persons with special needs or special circumstances;

2. Analyze and make recommendations to determine improved ways agencies and private entities can coordinate and combine services to achieve cost savings in the state's largest city, Anchorage, and in other communities as the task force's resources permit;

3. Perform a needs assessment to quantify transportation demands for persons with special needs or special circumstances, and recommend the removal of barriers that prevent coordination of these services to meet those demands;

4. Generate a draft coordinated transportation action plan that articulates a shared statewide vision for human service public transportation and formulates the recommendations of the first report into outcome-based strategies;

5. Review existing federal-aid programs related to urban, rural, and tribal transit services in the state and propose recommended strategies for the Administration to pursue as part of the re-authorization of the new federal surface transportation program;

6. Recommend specific strategies to implement the urban, rural, and tribal elements of the new federal surface transportation program;

7. Propose draft legislation or other strategies that support the coordinated infrastructure use of State, federal, and local resources;

8. Propose changes in federal statutes and regulations that would allow for federal transportation activities and funding to be coordinated with the efforts of State, local, and private organizations;

9. Prepare and issue a final report, including recommendations, concerning the duties set out in this Order.

4.0 Meetings

4.A. The Task Force will conduct four face-to-face meetings and eight conference calls from its inception through the delivery of the Report to the Governor on December 3, 2011.

4.B. The Task Force may use teleconferencing or other electronic means to the extent practicable in order to gain the widest public participation at minimum cost.

4.C. Meetings of the Task Force shall be conducted, and notice of regular meetings provided, in accordance with AS 44.52.310 and 44.62.312 (open meetings of governmental bodies).

4.D. The Task Force seeks 100 percent participation of its voting members at all meetings, and recognizes that given scheduling realities, there may be instances where that level of participation is not possible.

5.0 Level of Effort

5.A. Task Force members will conscientiously represent the agency and/or stakeholder perspective they are designated to represent from a state-wide level.

5.B. Task Force members will work together and independently between meetings to fulfill duties and accomplish goals.

5.C. Task Force members are working as volunteers and have regular busy jobs and commitments. Still, an appointment to the Task Force is a commitment to fulfill the group's responsibility. In the event a Task Force member finds him/herself unable to commit the time required to complete the work or infuse the deliberation with agency/constituent specific information and perspective, the member should advise the chair accordingly and work with the commissioner and/or Governor's office to secure the appointment of a member who will be able to fulfill their respective Task Force responsibility.

6.0 Principles of Meeting Conduct

The following principles of meeting conduct are expected of all Task Force members.

- Everyone's participation is encouraged, welcomed and expected.
- Members will deliberately and conscientiously represent the perspective they are designated to represent on the Task Force from a statewide perspective.
- Members will diligently listen to others, seeking to understand all perspectives.
- Members will work collaboratively.

- Members will be solutions oriented.
- Members will be respectful of all individuals as participants at all times.
- Members will follow-up on assignments.
- Members will come to meetings and conference calls prepared to participate and honor time constraints.
- Members will practice productive participation and listening skills during meetings and conference calls, avoiding: interruptions, monopolizing conversations, side conversations, cell phones and sending e-mails.
- Task Force meetings and conference calls are open to all individuals who are interested in participating in a listening capacity.

6.0 Staff Support

6.A. The Manager of the Statewide Transportation Plan and Transit Program at the Department of Transportation and Public Facilities operates as the Task Force project coordinator.

6.B. The Department of Transportation and Public Facilities contracts with a facilitation professional to support the Task Force, provide for the equitable participation of all participants, develop agendas, design discussion processes, provide meeting documentation, coordinate subcommittee efforts, and prepare the draft report on the group's behalf.

The facilitator shall produce a meeting summary within 5 working days of a meeting which summarizes the meeting process, participation, discussion themes, outcomes and action items.

The facilitator shall distribute draft meeting agendas no less than two weeks prior to a meeting [that agenda may continue to be refined up to the meeting date].

7.0 Quorum Requirement

A majority of appointed voting members of the Task Force constitutes a quorum for conducting business. Participation by teleconference will be provided for upon the request of any member and that participation contributes to the quorum count.

8.0 Alternates

There shall be no alternates with full group privileges unless specifically designated so by the Governor. Bringing in counterparts to listen to the discussion at any given time is allowed and acceptable. Only the formal delegates will have a "vote" in the process.

9.0 Decision-Making

All decisions will be made by consensus to the extent practical. Consensus is a process whereby all inputs have been acknowledged and considered in the process. The outcome is one that each individual on the Task Force supports. In the event that a member cannot support the outcome of the Task Force process, a minority opinion may be expressed to articulate the reason for that concern.

10.0 Reporting

By December 3, 2011, the Task Force will deliver a report to the Governor, signed by all of the Task Force member representatives, which articulates the Task Force.

11.0 Reimbursements

Task Force members do not receive compensation as a member of the Task Force. Members of the Task Force who are not State, federal, or local government employees are entitled to per diem and travel expenses in the same manner permitted for members of State boards and commissions. Per diem and travel expenses for a member of the Task Force who is a representative of a government agency are the responsibility of that agency.

Task Force members will make their own travel arrangements as far as advance as possible of a specific meeting date.

11.0 Public Input

The Task Force will provide at least 30 minutes at each meeting for public comment on their deliberations. That number may be divided by the number of individuals who wish to speak. All interested individuals are also encouraged to provide their comments in writing.

To listen in on conference calls, individuals can sign up with the Program Coordinator no less than two working days prior to the meeting. The Program Coordinator will arrange for and communicate the contact information for a Legislative Information Office location in their area from which they can listen to the call.

Governor's Coordinated Transportation Task Force

Recommendations Report

February 11, 2010

February 11, 2010

Governor Sean Parnell
State of Alaska
P.O. Box 110001
Juneau, AK 99811-0001

Dear Governor Parnell:

The Governor's Coordinated Transportation Task Force (CTTF), tasked under Administrative Order 243 to "facilitate and enhance the coordination and integration of community-based public transportation services for the benefit of persons with special needs," is pleased to present this Recommendations Report to the State for consideration and implementation.

Coordination is the efficient and effective use of transportation resources for getting people to important destinations, such as jobs and medical appointments. Coordination requires the active engagement and commitment of transit providers, human service agencies, private institutions, businesses, volunteers and political leaders to broaden transportation options by way of modes, routes, and providers and to ensure the connectivity between them.

This Recommendation Report presents a process to achieve a coordinated human service public transportation culture as well as a structure to sustain it, all for the purpose of ensuring that people with special needs in Alaska receive effective and efficient transportation services.

The CTTF members participating in this process endorse this approach, support the legislative changes it proposes, and commit to its implementation, as demonstrated by the member signatures included in Appendix A.

On behalf of the CTTF, I thank you for this opportunity to serve the State through this important collaborative effort.

Sincerely,

Jeff Ottesen, CTTF Chair
Director, Division of Program Development
Department of Transportation and Public Facilities

Coordinated Transportation Task Force

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Representative of Senior Citizens
Senior Citizens of Kodiak
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Representative of Transportation Providers that Received Federal Funding Available to Indian Tribes
Sitka Tribe of Alaska
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Division of Senior and Disabilities Services
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Anchorage, AK

Vacant
Military and Veteran's Affairs, Commissioner's Designee
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Fort Richardson, AK 99505-5800

Glenn Miller
Representative of Municipal Transportation Departments
Fairbanks North Star Borough
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Fairbanks, AK 99709

Andra Nations
Representative of People with Disabilities
Statewide Independent Living Council
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Coordinated Transportation Task Force Chair
Department of Transportation and Public Facilities, Commissioner's Designee
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Anchorage, AK 99503

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Department of Labor and Workforce Development, Commissioner's Designee
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Juneau, AK 99801

Ex Officios

Marcia Hoffman-Devoe, LSCW
U.S. Department of Veterans Affairs
Alaska VA Healthcare System and Regional Office
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Seattle, WA 98174-1002

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U.S. Department of Health and Human Services, Alaska Area Native Health Service
4141 Ambassador Dr.
Anchorage, AK 99508

Thank You

The Governor's Coordinated Transportation Task Force would like to thank the many individuals who participated, provided information, listened, and made comments and suggestions throughout the CTTF's study, deliberations and recommendations development process. Some of these involved stakeholders who gave of their time and experience to inform this process include:

Bethel Senior Center
Jewellee Bell, Department of Administration
Michael Black, Department of Commerce, Community and Economic Development
Jason Burke, State ADA Coordinator
Tara Callear, Fairbanks Metropolitan Area Transportation System
Kim Champney, REACH, Inc.
John Cramer, Chief of Staff, Lieutenant Governor's Office
Art Delane, Access Alaska
James Farrington, Department of Education and Early Development
Kathy Fitzgerald, Developmental Disabilities Committee
Donna Gardino, Fairbanks Metropolitan Area Transportation System
Edward Graff, Fairbanks North Star Borough
Rebecca Greenberg, Palmer Senior Citizens Center
William Herman, Alaska Mental Health Trust Authority
Jody Karcz, People Mover
John Kern, Capital Transit
David Leone, Fairbanks North Star Borough
David Levy, Alaska Mobility Coalition
Lucas Lind, Alaska Mental Health Trust Authority
Laura Manley, NAMI-Juneau
Joan O'Keefe, Southeast Alaska Independent Living
Participants in Alaska Community Transportation Conference, 2009
Barb Singleton, Community Transportation Association of America
Connie Sipe, Center for Community
Rebecca Traylor, Fairbanks North Star Borough Public Transit Advisory Council; Access Alaska
Melissa Wills-Markigraf, Salcha's Neighborly Organization
Rick and Juanita Webb, Wallbusters
Jerry L. Woods, Tanama Chiefs Conference Transportation

Contents

Executive Summary	**vii**
Introduction	**1**
Transportation for People with Special Needs	**6**
Value of Coordination	**18**
Recommendations	**20**

Tables

Table 1: Persons with special needs by population	**6**

Graphs

Graph 1: Coordination across entities leverage resources, eliminates duplication of effort, Fills gaps	**9**
Graph 2: Nationwide funding for all U.S. Transit Systems	**10**

Maps

Map 1: Alaska's State Highways	**7**

Appendices

Appendix A: CTTF Signature Page	**27**
Appendix B: Administrative Order 243	**29**
Appendix C: Alaska State Agency Human service Transportation	**33**
Appendix D: CTTF Draft Operational-level Recommendations	**35**
Appendix E: Administrative Order 252	**37**
References and Resources	**39**
Letters of Support	**41**

Executive Summary

With the signing of Administrative Order 243 on October 14, 2008 the Governor's Coordinated Transportation Task Force (CTTF) was officially assigned the responsibility to study and make recommendations on how the State can coordinate the provision of "cost-effective, community-based transportation services to persons with special needs." Administrative Order 252 extended the duration of the CTTF's work through April 2010.

The Community Transportation Association of America describes coordination as the efficient and effective use of transportation resources for getting people to important destinations, such as jobs and medical appointments. Coordination requires the active engagement and commitment of transit providers, human service agencies, private institutions, businesses, volunteers and political leaders to broaden transportation options by way of modes, routes, and providers and to ensure the connectivity between them.

Human service public transportation takes on its own unique meaning in Alaska. Alaska's population features one of the fastest growing senior populations in the country, as well as more veterans per capita than almost any other state. Furthermore, more than 150,000 people live off Alaska's limited state highway network. Clearly, effective and efficient human service public transportation services are challenging – and essential. This dynamic is further complicated when transportation in distant locations may require dog sled, boat or air taxi from which to access a commercial airplane or bus.

Dollars are short. An Alaska Municipal League study shows that even the most aggressive options to fund Alaska's transportation need are not adequate. The AML study did not address public transportation options.

Funding for human service public transportation services is limited and complex. A number of different federal funding sources come to Alaska state agencies and tribes to support transportation services for people with special needs. Each of these programs is accompanied with its different purposes and requirements, even though they may be serving similar sets of people. State agencies and tribes must work across systems in order to leverage those dollars for the maximum benefit.

Accessing Federal Transit Administration dollars that support public transportation options for people with special needs can be challenging for communities and particularly so in these tough economic times. Federal grants to support capital needs (vehicles, preventative maintenance and infrastructure) require a state or local match of 10-20 percent of the total allocation. Federal funding programs for operational support (maintenance, fuel, etc.) require a 50 percent match.

Communities seeking to match federal funds must reach into the same revenue sources that compete for education, police, fire, library and park services. In most communities, a ready source of revenue sufficient to meet the need and secure a match is difficult to come by, leaving operating funds for public and human service transportation systems in short supply.

To respond to the task to "coordinate and share transportation resources," through "improved interagency planning at the state level," the CTTF worked methodically through each of the duties it was assigned. During 2009 the CTTF held five (5) face-to-face meetings and eight (8) teleconference calls with webinars to pursue their study and generate this Recommendations Report. They shared and studied programmatic materials, toured human service public transportation facilities, met and talked with people with special needs and sought broader public input.

All CTTF meetings were open and provided opportunities for public comment. The Department of Transportation and Public Facilities maintained a website on the group's behalf, and the Alaska Mobility Coalition provided links to the same. The website provided access to CTTF materials and products. Furthermore, the group presented and in a workshop format shared and collected input on the draft recommendations at the statewide Alaska Community Transportation Conference held in Anchorage on October 27-29, 2009. The draft report was released for official public comment on November 23, 2009.

This Recommendation Report presents a process to achieve a coordinated human service public transportation culture as well as a structure to sustain it, all for the purpose of ensuring that people with special needs in Alaska receive effective and efficient transportation services.

Recommendation – Short Term

The CTTF has identified a body of work that still needs to be accomplished prior to the official adoption of the formal Recommendations outlined in this Report. In order to address that need, and to secure an infrastructure for "improved interagency planning at the state level" which can help deliver "cost-effective, community-based transportation services to persons with special needs," the CTTF recommends that the Governor:

Reconstitute the Coordinated Transportation Task Force though July 31, 2011, tasking it with the specific responsibilities to:

1. Scope, size and if feasible, implement a needs assessment to most accurately quantify the transportation demand for people with special needs and inform coordination efforts.
2. Generate a draft Coordinated Transportation Action Plan which articulates a shared, statewide vision for human service public transportation and formulates the recommendations of this report into outcome-based strategies. This Action Plan will comprise the body of work to be undertaken by the Coordinated Transportation Commission described in the long-term Recommendation I.A below.
3. Prepare draft legislation that supports the coordinated infrastructure recommended within this Report to ensure the sustained coordination of the state's resources.

The membership of the reconstituted CTTF is proposed to include those perspectives included on the existing group, with the addition of a three critically important perspectives for a total of 12 members. Specifically, the membership is proposed to include the following continuing members:

- The Commissioner of the Department of Transportation and Public Facilities, or the commissioner's designee; that person will serve as chair;
- The Commissioner of Department of Health and Social Services, or the commissioner's designee;
- The Commissioner of the Department of Labor and Workforce Development, or the commissioner's designee
- The Commissioner of Military and Veteran's Affairs, or designee
- A representative who has expertise in the transportation needs of senior citizens and can offer that perspective;
- A representative who has expertise in the transportation needs of persons with disabilities and can offer that perspective;
- A representative who has expertise in the transportation needs of low-income individuals and can offer that perspective;
- A representative of municipalities and can offer that perspective;
- A representative of transportation providers that receive federal funding available to American Indian and Alaska Native Tribes.

Three additional members proposed for the Reconstituted CTTF support important populations and play key roles in coordination of interagency efforts to ensure the effective provision of transportation services for people with special needs. They include:

- The Commissioner of the Department of Commerce, Community, and Economic Development, or the commissioner's designee;
- The Commissioner of the Department of Education and Early Development, or the commissioner's designee;
- The chair of the Board of Trustees of the Alaska Mental Health Trust Authority, or the chair's designee;

The reconstituted CTTF will be responsible for presenting and delivering its products to the Governor on or before July 31, 2011.

Recommendations – Long Term

The CTTF recommends that :

I. The State of Alaska enact a statute that establishes, enables and requires coordination of community-based transportation services that utilize state and federal grant funding. The statute would:

   A. Establish a Governor-appointed Coordinated Transportation Commission, composed of a broad cross-section of agencies with responsibility for transportation, related human services, and advocates for special populations. The Commission would be established for a four-year period, with a review at that juncture to determine whether to continue or to sunset the Commission. This would be accompanied by a funding commitment that will not negatively impact the existing limited funding for public transportation activities throughout the state. The Commission would:

- Oversee, implement, assess and periodically update the Coordinated Transportation Action Plan generated by the reconstituted CTTF, which brings to fruition the recommendations generated in this report..

- Continue to identify, coordinate and leverage collective state agency resources so that they are most efficiently and effectively providing transportation services to persons with special needs

- Continue to identify and address barriers to coordination in addition to those identified and addressed in this report as the coordinated system evolves and matures.

- Advocate for a uniform budgeting structure that tracks and reports transportation expenditures on state clients.

  State agency tracking and reporting on transportation expenditures is essential to effective, measurable coordination and leveraging state resources. Such data collected, updated, used and shared will meet federal accounting requirements, facilitate coordination and help best leverage state resources. State-funded expenditures on human service public transportation identified through this tracking mechanism can be used as match money to increase the availability of federal funding for transportation.

- Develop and establish performance measures that identify entities that receive any type of public funding and measure coordination efforts through a statewide data base.

  Performance measures need to specifically address and evaluate the effectiveness of coordinating and providing transportation services for people with special needs, which are measures that would look quantifiably different and possibly in addition to standard transit measurements typically used today. Emerging legislation from Congress is establishing performance measurements as a new requirement of virtually every federally funded program. This recommendation also recognizes that measuring performance will be a new requirement for many agencies.

- Articulate issues of policy and decision-making criteria associated with coordination plan implementation.

- Develop a minimum taxicab standard for state-owned facilities such as airports and ferries to ensure those with disabilities are not overlooked.

  State-owned ferry or airport terminals are a major destination for taxi businesses. To ensure those with disabilities are not overlooked, generate accessibility standards or regulations for taxicab businesses serving state-owned facilities, which includes a provision for permitted use of designated pickup and drop off zones. Alternate strategies include a recommendation for local government taxi codes that establish minimum capacity for accessible taxicabs and establish a basic standard in state law.

- Identify and address barriers to coordination associated with vehicle insurance, including cost, joint coverage, policy writing, and the sharing of publicly funded transportation vehicle assets.

- Prepare an annual report to the State Legislature that summarizes the status of coordinated transportation within the state and make recommendations as appropriate.

B. Authorize the Department of Transportation and Public Facilities to manage the matching program for Federal Transit Administration and state transit funds according to criteria established by the Commission.

C. Ensure local entities have statutory authority to prepare local Human service Public Transportation Coordinated Plans.

D. Require applicants for federal or state transit funds to respond to priorities established in their local Human service Public Transportation Coordinated Plan.

II. Make specific state funds available to support operational expenses for human service public transportation projects and providers (which in turn can be identified as match for additional federal funds) during its annual appropriation process. Part of the Commission's responsibility would be to establish programmatic areas and measureable outcomes for funding recipients in order to demonstrate and ensure the benefits of the investment in human service public transportation.

III. Enrich and enhance the human service public transportation coordination planning processes by revising and updating coordination planning guidance documents and providing increased technical assistance. The support and guidance is intended to be directly responsive to helping identify local needs and build local awareness and capacity. The assistance program would:

A. Generate increased awareness and understanding about the range of funding opportunities available to support human service public transportation coordinated planning;

B. Help foster the engagement of a variety of stakeholders and specifically local human service agencies in the planning process in order to best identify individualized local needs and how to meet them;

C. Outline and encourage meaningful and innovative coordination opportunities, including providing a list of best practices (i.e. coordination respective to winter maintenance, school districts, vehicle use and sharing vehicles, etc.);

D. Capitalize on existing data collection resources including the National Transit Database and the Alaska Public Transportation Management System database to expand inputs to support performance measure initiatives, identify coordination partners and leverage and resources;

E. Communicate and support the utilization of mobility management practices (using a single point of contact to take calls on a local and regional level to coordinate the provision of services for the client) and securing mobility managers; and

F. Provide technical assistance for the coordination planning and funding application processes.

IV. Conduct a statewide assessment of Alaskans with special needs to better understand the population's needs even while recognizing that the population and needs are changing. This data will serve as a tool for the Commission to direct and assess its Coordinated Transportation Action Plan, as well as inform and support local coordination planning efforts. The data requires ongoing attention and is recommended to be updated every four years. Through the process of conducting local coordinated planning, additional and increasingly specific local needs will be identified to further inform the assessment data.

Additional Operational Level Recommendations

The CTTF also generated a set of "operational-level recommendations" in response to their task to develop mechanisms and incentives to support coordinated efforts and effectively meet needs. The CTTF will incorporate the study, development and public input of those recommendations into the Coordinated Transportation Action Plan.

The CTTF Recommendations acknowledge and work to address the needs and influences of the various programmatic levels—federal, tribal, state and local—that influence and support human service public transportation efforts. They present a strategy to address what we know, seek out what we don't know, track cost and coordination efforts to ensure effective outcomes, and generate an infrastructure that supports coordination. Implementing these recommendations will grow and sustain a culture designed to efficiently and effectively provide transportation services for people with special needs.

JEDC Juneau Economic Development Council

RESOLUTION of the Board of Directors in support of State of Alaska House Bill 131

"An Act establishing the Alaska Community and Public Transportation Advisory Board and relating to a long-range community and public transportation plan; and providing for an effective date."

Resolution 03-11

WHEREAS, JEDC has provided leadership for completion of the City and Borough of Juneau's (CBJ's) coordinated transportation plan.

WHEREAS, the Governor's Coordinated Transpiration Task Force recommended there should be a permanent authority at the state level to ensure state agencies work together to share information and resources on coordinated transportation in Alaska.

WHEREAS, coordination of transportation plans among state and local governments and other organizations providing transportation services is likely to be a requirement for federal transportation funding.

WHEREAS, the availability of public transportation is a key requirement for maintaining an adequate workforce for service jobs.

WHEREAS, House Bill 131 is a legislative priority for the Alaska Mobility Coalition, the Governor's Council on Disabilities and Special Education, Advisory Board on Alcoholism and Drug Abuse, the Alaska Commission on Aging, Alaska Mental health Trust Authority, Alaska Brain Injury Network and the Alaska Suicide Prevention Council.

NOW, THEREFORE, BE IT RESOLVED THAT:

On this 15th day of March 2011, the Board of Directors of the Juneau Economic Development Council hereby authorizes JEDC to issue appropriate letters of support for House Bill 131.

K. J. Fredeen
Board President

3-17-2011
Date

B. Schoonmaker
Board Secretary

3.17.2011
Date

JEDC Juneau Economic Development Council

JEDC.org
612 West Willoughby Ave.
Suite A
Juneau, AK 99801
Phone 907-523-2300
Fax 907-463-3929

March 15, 2011

Honorable Cathy Munoz
State Capitol Room 403
Juneau AK, 99801

Dear Representative Munoz:

While the Juneau Economic Development Council (JEDC) enthusiastically supports HB 131 and appreciates your leadership in developing statewide coordinated transportation planning, we are concerned the Advisory Board composition proposed in HB 131 has too few members which actually operate public transportation systems.

In FY10, Juneau residents and visitors took 1.23 million trips on the local Capital Transit bus system. This represents 3,380 rides per day, and a 22 percent increase over FY2002. The Capital City Transit system is currently working at capacity.

JEDC strongly suggests HB 131 be amended be add one additional municipality to the membership of the Alaska Community and Public Transportation Advisory Board.

Sincerely,

Kurt Fredriksson
Board Chair

Brian Holst
Executive Director

Cc: Senator Dennis Egan
Representative Beth Kerttula

JEDC Juneau Economic Development Council

JEDC.org
612 West Willoughby Ave.
Suite A
Juneau, AK 99801
Phone 907-523-2300
Fax 907-463-3929

March 15, 2011

Honorable Cathy Munoz
State Capitol Room 403
Juneau AK, 99801

Dear Representative Munoz:

The Juneau Economic Development Council (JEDC) enthusiastically supports HB 131 that will found a permanent Alaska Community and Public Transportation Advisory Board.

Public transportation provides positive economic impacts in small communities. A 2010 study entitled "The Economic Effects of Bus Transit in Small Cities" showed that the presence of bus transit significantly lowers unemployment rates, lowers growth in family assistance and food stamp payments, and increases population and employment. These findings suggest transit increases low-income individuals' ability to get and maintain jobs.

JEDC staff conducted executive interviews with ten of Juneau's larger private employers to ask how public transportation issues impacted business operations in regards to their employees. Six of these organizations, including Wal-Mart, Home Depot, Fred Meyers, Warehouse Demo Services (an employer at Costco), Goldbelt Hotel, and Safeway reported a significant number of their employees use the bus. Public transit use estimates among employees in these organizations ranged from 30% to 75%.

Combined, these organizations have more than 350 employees using public transportation to get to work. Generally the business operations of these establishments, along with the work schedules of their employees, are highly impacted by public transit schedules and bus stop locations. These and other businesses, rely on public transportation to be successful in our community.

Our recent work with the City and Borough of Juneau, Southeast Alaska Independent Living, REACH, Southeast Senior Services and the Alaska Mobility Coalition to develop a coordinated transportation plan for Juneau has demonstrated that a collaborative, integrated effort to coordinate transportation resources is in the best interests of our state and its citizens.

Sincerely,

Kurt Fredriksson
Board Chair

Brian Holst
Executive Director

Cc: Senator Dennis Egan
Representative Beth Kerttula

STATE OF ALASKA

DEPT. OF HEALTH & SOCIAL SERVICES

Alaska Commission on Aging

SEAN PARNELL, GOVERNOR

P.O. BOX 110693
JUNEAU, ALASKA 99811-0693
PHONE: (907) 465-3250
FAX: (907) 465-1398

March 16, 2011

The Honorable Peggy Wilson, Chair
House Transportation Committee
Alaska State Capitol, Room 408
Juneau, AK 99801-1182

Subject: Support for HB 131, Alaska Community and Public Transportation Advisory Board

Dear Chair Wilson:

The Alaska Commission on Aging (ACoA) is pleased to offer our support of HB 131 that would establish a *permanent* Governor-appointed Coordinated Transportation Commission to address the ongoing community transportation needs of all Alaskans, specifically older Alaskans and Alaskans with physical and cognitive disabilities. This advisory board would be responsible for developing a long-range coordinated transportation plan that would include participating in policy-making decisions related to mobility of seniors and people with disabilities, identifying barriers related to community transportation, encouraging regional transportation planning to maximize limited resources and improving efficiencies, and providing assistance with coordinating resources to improve transportation services for people with special needs.

Transportation is one of the top needs consistently identified in statewide surveys of senior needs, including the elder-senior community forums and a statewide senior survey recently conducted by ACoA to determine priority concerns of older Alaskans. Seniors identified transportation not only as a barrier to accessing health care services but also as a factor leading to social isolation that prevents seniors from taking part in community life.

With the graying of Alaska's population, there will be an increasing number of older Alaskans who depend on reliable, safe, and accessible mobility options to take them to medical appointments, work, and volunteer placements, to the senior center for lunch, shopping and other purposes. Community transportation is a life-line for seniors and people with disabilities to ensure a health quality of life. Planning for effective transportation and efficient use of resources that serves all Alaskans is an investment in our future.

Thank you for your consideration and support of HB 131. Please contact Denise Daniello, ACoA's executive director (465-4879 or denise.daniello@alaska.gov) should you require additional information about our position.

Sincerely,

Sharon Howerton-Clark
Chair, Alaska Commission on Aging

Sincerely,

Denise Daniello
ACoA Executive Director

Cc: Vice-Chair Lance Pruitt
Representative Eric Feige
Representative Craig Johnson
Representative Max Gruenberg
Representative Pete Peterson
Representative Cathy Muñoz

PUBLIC TRANSIT SYSTEMS IN ALASKA

CENTRAL REGION

Anchorage

Municipality of Anchorage
People Mover, Anchor Rides
Jody Karcz, Transit Director
3650 A East Tudor Road
Anchorage, AK. 99507-1252
(907) 343-8402
karczjm@ci.anchorage.ak.us

Kenai Peninsula

Central Area Rural Transit System
CARTS
Jennifer Beckmann, Executive Director
P.O. Box 993
Soldotna, AK. 99669
(907) 262-6345
carts@alaska.net

Kodiak
Senior Citizens of Kodiak, Inc
KATS
Pat Branson, Executive Director
302 Erskine
Kodiak, AK. 99615
(907) 486-6181
scokinc@ak.net

Matanuska-Susitna
Mat-Su Community Transit
MASCOT
P.O. Box 871590
Wasilla, AK. 99687
(907) 376-5006
mascot@mtaonline.net

Bethel
City of Bethel
Betty Twitchell, Transit Manager
P.O. Box 1388
Bethel, AK. 99559
(907) 543-3039
jsargent@cityofbethel.net

Glacier Valley Transit System
Girdwood Transportation, LLC
Brett Bitner, Transit Manager
P.O. Box 249
Girdwood, AK 99587
(907) 382-9908
bbitner@glaciervalleytransit.com

NORTHERN REGION

Fairbanks
Fairbanks North Star Borough
MACS, Van Tran
David Leone, Transit Manager
3175 Peger Road
Fairbanks, AK. 99707-1267
(907) 459-1196
dleone@co.fairbanks.ak.us

Current as of March 22, 2011

PUBLIC TRANSIT SYSTEMS IN ALASKA, cont'd

SOUTHEAST REGION

Juneau, Douglas
City and Borough of Juneau
Capital Transit
John Kern, Transit Superintendent
10099 Bentwood Place
Juneau, AK. 99801
(907) 789-6903
John_kern@ci.juneau.ak.us

Inter-Island Ferry Authority
Bruce Jones, General Manager
P.O. Box 495
Craig, AK. 99921-0495
(907) 826-4849, ext. 26
bjones@interislandferry.com

Ketchikan
Ketchikan Gateway Borough
The Bus
Kyan Reeve, Transit Manager
344 Front Street
Ketchikan, AK. 99901
(907) 228-6675, ext 175
kyanr@borough.ketchikan.ak.us

Sitka
Center for Community
Community Rides
Connie Sipe, Executive Director
700 Katlian Street, Suite B
Sitka, AK 99835
(907)747-6960
csipe@cfc.org

Catholic Community Service
Marianne Mills, Program Director
419 Sixth Street
Juneau, AK. 99801
(907) 463-6154
marianne.mills@ccsjuneau.org
Complementary Paratransit Provider
Juneau, Ketchikan, Sitka

A

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
OFFICE OF THE COMMISSIONER

SEAN PARNELL, GOVERNOR

☐ Anchorage Office: 4111 Aviation Avenue
☐ Juneau Office: 3132 Channel Drive

P.O. Box 112500
JUNEAU, ALASKA 99811-2500

PHONE: (907) 465-3901
FAX: (907) 586-8365
WEB: dot.state.ak.us

March 9, 2011

Mr. Gary Olson
Alaska Moose Federation
3320 Windlass Circle
Anchorage, AK 99516

Dear Mr. Olson:

This letter is in response to several communications you have sent regarding your wish that Alaska DOT&PF continue to award funds to your non-profit agency for highway safety work related to moose-vehicle crashes. While we all share a common interest in the implementation of strategies and programs that can lead to reduced injuries and fatalities on our highways, many of the ideas and programs for which you seek funding, are simply not eligible for the funding types we administer. In a few instances, where such work is eligible, there are tight rules and requirements that your agency must work within if the Alaska Moose Federation (AMF) is to be successful in securing any future funding.

Our highway safety funding comes primarily from two distinct federal agencies and each applies their unique laws, rules and requirements to the process. Further, state laws also apply, and these too limit how we are allowed to administer the funds in question. Since safety programs are always resource limited, the overriding objective of each funding source is to "save the most lives and prevent the most injuries", based on measurable data both prior to and after award.

I will briefly describe these two federal funding sources and the most significant rules of each:

- NHTSA funded programs: NHTSA funds are provided in several categories, but the greatest majority of NHTSA funds are targeted to issues such as impaired driving, occupant protection and data improvement; none of which fit the programs you are seeking to fund. NHTSA funds are generally used for enforcement and education, and not for engineering or physical improvements. These safety funds must implement activities in support of national goals that also reflect data-related factors documented with measured statistics by the state highway safety planning process. NHTSA funds are grant eligible under state law (meaning no public bidding process is required), but traffic fatality and injury data is required to show there is a significant problem.

  I understand NHTSA has some carry-over issues with some of the prior grants or grant applications that were requested by your agency. These include:

  - insufficient documentation of matching funds, and possible double counting of matching funds;
  - work performed outside a public right-of-way, which is not eligible;

- mixing services (which may be eligible) with overhead costs such as insurance or rent (which are not eligible except as an overhead cost factor, based on audit);
- requests for reimbursement for a mix of eligible and ineligible services (such as vehicle use costs for work unrelated to a NHTSA program); and,
- other concerns such as insufficient documentation of requested costs.

Until such time as these issues are resolved to the satisfaction of NHTSA representatives, further funding to the AMF from these sources will be even more difficult.

- FHWA Funded HSIP Program: The federal Highway Safety Improvement Program (HSIP) is dedicated to engineered road safety improvements that result in reducing fatal and major injury crashes and to improving highway safety in the most cost-effective manner possible. Projects you have requested such as a full-time facilitator, and the lobbying of another state agency to change their regulations regarding wildlife feeding, and animal carcass removal, are simply not eligible for funding under this program.

  Generally, HSIP projects are identified by the number and severity of crashes and ranked by analyzing the benefit cost of specific safety-related improvements using estimated accident reduction factors and improvement costs. If a sophisticated benefit-cost analysis ranks projects, such as your proposed brush cutting, below other projects competing for funds then your project could only be funded as a last resort after all higher ranked projects are addressed.

  Moreover, HSIP funding is not grant eligible under state procurement laws; this means that any work performed must be performed directly by Alaska DOT&PF or other eligible local public agency, or administered as a public procurement relying on contractors that meet state requirements (bonding, insurance) and win the work based on a qualified low bid.

A third federally funded highway safety program, under the auspices of the Commercial Motor Vehicle Safety Administration is not relevant to the work you hope to accomplish, thus I have not included it in our description of possible funding programs.

In February, we will resume the Alaska Strategic Highway Safety Plan that you participated in during the initial 2007 planning effort. This effort is a data-driven process to assess the strategies and programs that are likely to have the greatest impact on saving lives and reducing injuries from crashes. I would encourage you to participate and to propose strategies that are directed to this purpose. Planting ?

I would also encourage you to seek training in how grant agencies administer grant funds, especially those from federal sources. Organizations such as the Foraker Group (http://www.forakergroup.org) offer grant mentoring training just for Alaska non-profits. One advantage of such training is it keeps you abreast of the rapidly changing grant environment. Federal oversight and demands on agencies that administer federally sourced grants, including this department, have gotten much stricter in recent years. In turn, we must apply these tighter rules to the governments and non-profits that we support.

Thank you for your interest in Alaska DOT&PF funded safety programs. We applaud your concern for highway safety and wish you and your agency the best in your future efforts.

Sincerely,

Marc Luiken
Commissioner

cc: Jeff Ottesen, Director, Division of Program Development, DOT&PF
Roger Healy, Chief Engineer/Director, Division of Design and Engineering Services, DOT&PF
Dan Breeden, Director, Div. of Measurement Standards & Commercial Vehicle Enf., DOT&PF
Cindy Cashen, Administrator, Alaska Highway Safety Office, DOT&PF

AARP Alaska
3601 C Street
Suite 1420
Anchorage, AK 99503

T 1-866-227-7447
F 907-341-2270
TTY 1-877-434-7598
www.aarp.org/ak

March 14, 2011

The Honorable Peggy Wilson, Chair
House Transportation Committee
Alaska State Capitol, Room 408
Juneau, AK 99801-1182

RE: HB 131 (Munoz)--Support

Dear Chair Wilson:

On behalf of the members of AARP in Alaska, we encourage you and your colleagues on the House Transportation Committee to support HB 131, authored by your Committee colleague Representative Cathy Munoz and co-sponsored by Representative Chris Tuck.

HB 131 will establish an Alaska Community and Public Transportation Advisory Board which will have the opportunity to participate in long-range transportation planning.

From AARP's perspective, we would expect that the Advisory Board, among its other duties, would

- Consider the effects of transportation planning and land-use decisions on the mobility of older Alaskans and people with disabilities
- Coordinate planning and programming activities to ensure that regional priorities are reflected in fiscally constrained state transportation plans
- Examine the benefits of public transportation service improvements before undertaking major road-building projects; and
- Actively promote the public participation of consumers, including older people, in transportation planning decisions on such issues as routing services, placing and designing highways and roads, transportation demand management, and investing in and deploying intelligent transportation systems.

With the aging of Alaska's population, we will have an increasing number of older Alaskans for whom mobility will be a critical "peace of mind" issue. Planning for effective transportation that works for Alaskans of all ages and abilities is important now and will only become more important in the future.

AARP requests an "AYE" vote on HB 131.

Should you have any questions about our position, please feel free to contact me (586-3637) or Patrick Luby, AARP Advocacy Director (907-762-3314).

Thank you for your consideration.

Sincerely,

Marie Darlin

Marie Darlin, Coordinator
AARP Capital City Task Force
415 Willoughby Avenue, Apt. 506
Juneau, AK 99801
586-3637 (voice)
463-3580 (fax)

CC: Vice-Chair Lance Pruitt
Representative Eric Feige
Representative Craig Johnson
Representative Max Gruenberg
Representative Pete Peterson
Representative Cathy Munoz

HB 157

<TARGET><BILL>HB 157</BILL><SUBJECT>HB 157</SUBJECT><COMM>HTRA27</COMM></TARGET>

Representative Scott Jiu Wo Kawasaki

Alaska State Legislature District 9 Fairbanks

Sponsor Statement for HB 157
Let There Be Light On Alaska Roads Bill

House Bill 157 addresses a key goal of the Alaska Highway Safety Office's Strategic Highway Safety Plan. The plan recommends changing state law to require car and truck headlight use at all times. Research shows a decrease in traffic accidents where daytime running lights are used. The Alaska Highway Safety Office has determined enforcements of the headlight law could decrease head-on collisions by five to 15 percent.

The effectiveness of "headlights on" laws can be seen in Alaska on the Seward Highway. In the mid-1990s, signs were installed along the highway from Anchorage to Seward requiring motor vehicles to have headlights on at all times. The Department of Public Safety and the Department of Transportation acknowledge the effectiveness of the headlight usage with instructional signs in saving lives. According to the Department of Transportation, there was a marked decrease in the number of crashes along the Seward Highway.

Similar results have been seen in other countries located in Polar Regions like Alaska. In Sweden, which has similar climate conditions to Alaska, studies have found that the requirement to use headlights at all times reduced crash rates by 20 percent in urban areas and 17 percent in rural areas in winter months.

House Bill 157 will increase the safety on Alaska's roadways by making all vehicles easier to see while traveling, especially during Alaska's long periods of dusk and dawn. Please join me in supporting House Bill 157 and help make Alaska a safer place to drive.

Alaska Department of Transportation & Public Facilities/ Alaska Highway Safety Office

Headlights

Headlights on the Alaska Highway.
Photo by Joanna Reed, Alaska DOT&PF.

One of 47 signs installed in 2011 within four Safety Corridors.
Photo by Brendan Dougherty, Alaska DOT&PF.

Headlights are ON.
Photo by Joanna Reed, Alaska DOT&PF.

Headlights are a low-cost method to reduce crashes by increasing vehicle conspicuity and making it easier to detect approaching vehicles from farther away. Nearly all published reports indicate the use of headlights reduce multiple-vehicle daytime crashes, including studies conducted in Scandinavia, Canada, and the United States. Available studies document crash reductions of 5% to 15% due to the use of daytime headlight use.

If you don't have driving running lights, then manually turn on your headlights, if you want to perform one of the easiest tasks to prevent a traffic crash. And the light bell will sound as a reminder to turn them off in some vehicles.

Why use headlights in Alaska?

For the same reason that northern countries as Canada Finland Sweden Norway Iceland Denmark: to prevent head-on collisions. In our hemisphere, during both summer and winter greater judgment is required because:

- the twilight period is quite long
- the shadows produced by low sun angles in the summer often reduce visibility of vehicles
- vehicles take on a grey tint and become camouflaged against the surrounding grey-tinted sky, mountains, buildings and roads.
- deep shadows can make a car nearly invisible even on the brightest days of the year

What is the law in Alaska?

Motorists in Alaska must drive with headlights on where a roadway is posted to do so.

13 AAC 04.010. When lights are required

(a) Every vehicle traveling on a highway or other vehicular way or area within the state must illuminate lights
(1) between one half hour after sunset and one half hour before sunrise; or
(2) at any other time when, because of insufficient light or other atmospheric conditions, persons or vehicles on the highway are not clearly discernible at a distance of 1000 feet.
(b) Stop lights, turn signals, and other signaling devices must be illuminated as required by this chapter.
(c) Every vehicle traveling on a highway or vehicular way or area must illuminate lights when traveling on any roadway that is posted with signs requiring the use of headlights.
(d) For the purposes of (c) of this section, lights include low intensity headlights and daytime running lamp devices that meet the standards in 49 C.F.R. 571 (revised as of August 29, 1996), if the headlights are not otherwise required under (a)(1) or (2) of this section.

What is Alaska doing to prevent head-on collisions?

During the summer of 2011, the Department of Transportation and Public Facilities, in consultation with the Department of Public Safety, installed headlight signs along the four designated safety corridors based upon the 2010 Safety Corridor Audit. The Sterling, the Seward, the Parks and the Knik-Goose Bay Roads all have signs along their designated corridors. The purpose is to maximize lives saved at the least public cost on the existing roadway, until such time as significant permanent and lasting road improvements can be made. Centerline rumble strips were installed in Safety Corridors in 2010 in order to reduce head-on collisions by one-quarter or greater, as is often the result in other states.

It is the responsibility of the State of Alaska and all drivers to take as many actions as possible to prevent deaths and major injuries on our highways. In the case of Safety Corridors, the State of Alaska is taking our highest volume, highest risk roadways and increasing the requirement for us all in order to reduce risk and save lives for all residents and visitors.

The State of Alaska is actively engaged in the headlights issue; describing the requirement in media and anywhere signs are posted the Alaska State Troopers are stopping and educating motorists, and if appropriate, writing a $60.00 2-point citation.

Will DRLs shorten headlamp bulb life or lower fuel economy?

Running vehicle lights in the daytime does not significantly shorten bulb life. Systems like those on General Motors cars that use high beams are designed to operate at half their normal power during daylight hours, thereby conserving energy and reducing the effect on a vehicle's fuel economy. The National Highway Traffic Safety Administration (NHTSA) estimates that only a fraction of a mile per gallon will be lost, depending on the type of system used. GM estimates the cost to be about $3 per year for the average driver.

Are motorcycles required to have DRLs?

Federal law does not require motorcycles to have DRLs, but some states, like Alaska, require motorcyclists to ride with their headlights on at all hours. Since 1979 most manufacturers have equipped their cycles with automatic-on headlamps.

Publications

NHTSA - An Assessment of the Crash-Reducing Effectiveness of Passenger Vehicle Daytime Running Lamps (DRLs) 259KB

NHTSA - Drivers' Perceptions of Headlight Glare From Oncoming And Following Vehicles 333KB

Department of Transportation & Public Facilities
PO Box 112500
3132 Channel Drive
Juneau, Alaska 99811-2500
Phone: 907-465-3900 || 907-586-8365 (FAX)
State of Alaska © 2011 Webmaster

Safety Topics

» DEC / DRE
» Distracted Driving
» Fatality Analysis Reporting System (FARS)
» Headlights
» LEL - Law Enforcement Liaisons
» Low Speed Vehicles
» Media Campaigns
» Mock Crashes
» Moose Safety
» Motorcycle Safety
» Occupant Protection
» REDDI
» Red Light Running
» Safe Communities
» DUI Information & Impaired Driving
› State DUI Driver Information
›Impaired Driving
» Safety Corridor
› Safety Corridor
› Safety Corridor Maps
» Senior Driving in Alaska

Mindy ONeall

From: Don and Carol Callahan <caltec@mosquitonet.com>
Sent: Sunday, January 22, 2012 9:23 PM
To: Sen. Joe Paskvan; Sen. Joe Thomas
Cc: Rep. David Guttenberg; Rep. Scott Kawasaki; Rep. Tammie Wilson; Rep. Bob Miller
Subject: Driving Safety Bill

Driving in Fairbanks and environs in the ice fog and with limited hours of daylight and cars that are white or silver or shades of gray I think a law that required headlights and tail lights (not just those obnoxious "driving lights or fog lights") be required 24-7 from 1 November until March 1.

Respectfully submitted,

Don Callahan

And following distance requirement should be on the 4 second rule not the 2 second or 3 second...

Tyler Spaan

om: Marie Wagner <dmea@netzero.net>
Sent: Thursday, October 27, 2011 3:28 PM
To: Rep. Scott Kawasaki
Subject: Seward Hiway Safety

Hello Rep. Kawaskai ,

We have lived in Seward, Whittier & Anchorage and have driven the highway for over 30 years. The recent focus on highway safety prompted us to develop a method to both remind and encourage motorists to observe the "headlights on" in the safety corridor and also raise revenue for other highway safety projects.

As one of the authors of the HB 181 requiring headlight use, I know this is an important issue for you too.

I've briefly discussed this proposal with Chief Schofield and Mayor Lunceford of Whittier. Of course, they are both deeply concerned about making the Seward highway as safe as possible.

Please take a moment to look at our website and then I'd like to get your comments.

Thanks,

Marie Wagner, Project Managner
PhotoSolutions
-703-8890
info@PhotoSolutions.info

www.PhotoSolutions.info
Helping to make our highways safer

Tyler Spaan

[illegible]om: elke2144@ptialaska.net
Sent: Wednesday, January 25, 2012 10:44 AM
To: Sen. Joe Thomas; Rep. Scott Kawasaki; Rep. David Guttenberg
Subject: Headlights

Hello Sirs; we've all seen them, the people who don't seem smart enough to turn their headlights on when they are in the fog, blowing snow, have the sun to their back etc. The object is to be seen not to see! I would like to see the State spend some money to make some Public Service announcements to explain why you should turn your headlights on AT ALL TIMES. We have them to tell you to keep back from road equipment (duh!). We have them to tell you to burn dry wood (duh!). I would like to see something like posters in DMV with a car with lights in the fog/snow and without lights. a spot showing the same on TV. A spot on the radio stations," put your head lights on dummy." It would go a long way in lowering my blood pressure.

While I'm here, how about NOT lowering the taxes on the oil companies! I'm paying $4.00 a gallon for heating oil, on a fixed income.. The oil companies are making record profits. If the Gov. was serious about long term investment he would leave the oil in the ground and it will accrue in value.. wages and benefits for working for the oil companies have been reduced by at least 25%. IF the oil companies want to leave, don't let the door hit them in the ass on the way out!!!!
Thank you for your service!
Terrence Koltak
[illegible]B 282
[illegible]ester ak 99725

Mindy ONeall

From: Don and Carol Callahan <caltec@mosquitonet.com>
Sent: Sunday, January 22, 2012 9:23 PM
To: Sen. Joe Paskvan; Sen. Joe Thomas
Cc: Rep. David Guttenberg; Rep. Scott Kawasaki; Rep. Tammie Wilson; Rep. Bob Miller
Subject: Driving Safety Bill

Driving in Fairbanks and environs in the ice fog and with limited hours of daylight and cars that are white or silver or shades of gray I think a law that required headlights and tail lights (not just those obnoxious "driving lights or fog lights") be required 24-7 from 1 November until March 1.

Respectfully submitted,

Don Callahan

And following distance requirement should be on the 4 second rule not the 2 second or 3 second...

Rep. Scott Kawasaki

From: joelkol <joelkol@yahoo.com>
Sent: Tuesday, February 14, 2012 11:03 PM
To: Tyler Spaan
Subject: For headlights

I was so excited to see this being addressed, a small thing that can make a huge difference. I lived off the seward highway many years ago where headlights are required at all times and noted a signicifant difference in visibility after relocating here. I would love to see this enacted as I use my headlights at all times because of that past experience.

Thank you for the opportunity to write my support.

Joseph Hogan

Sent from my Samsung Galaxy Tab

Rep. Scott Kawasaki

From: sue cole <scoleak@gmail.com>
Sent: Tuesday, February 14, 2012 7:01 PM
To: Tyler Spaan
Subject: use of headlight on all vehicles

As a former driving instructor and examiner for the State of Alaska and the Teamsters, I have often observed vehicles that would not otherwise be visible if they hadn't had their headlights/tailights on. I completely support this action.

Also, it doesn't matter what type of day or what the weather is, you just have a better chance of other people seeing you if your lights are on.

Teresa Sue Cole
420 Eureka Avenue
Fairbanks, AK 99701
registered democrat

Rep. Scott Kawasaki

om: Marcella Hill <aksally2324@gmail.com>
nt: Tuesday, February 14, 2012 6:29 PM
o: Tyler Spaan
ubject: HB 157

As an AARP Safe Driving for the past 14 years in Alaska, I have seen the dire need for all motor vehicles to have their lights on while in motion. Judging distances and speed of oncomming traffic in low light as in snow, fog, and rain is very important in aiding drivers in making the right quick decisions. As Alaska's population of older drivers increase, it is imperative to have our roadways as safe as possible. The main way is to have headlights on when driving.

Marcella D. Hill
1548 Westwood Way
Fairbanks, 99709

Tyler Spaan

From: Nancy Kuhn <motherchukar@gmail.com>
Sent: Tuesday, February 14, 2012 4:19 PM
To: Tyler Spaan
Subject: can you see me yet?

Turn on your headlites so I can see you. Black cars and trucks on black roads with minimal light leads to deaths that are needless. Give me a chance to know you are either coming at me or are in the lane ahead of me, please. All vehicles, bicycles , snow machines and off road vehicles included, need to be outfitted with headlights that work and there should be a penalty for dirving without them turned on or burned out. Safety first.

Vote YES for HB 157 "Act relating to the use of headlights when operating a motor vehicle."

Tyler Spaan

From: Gretchen Murphy <gretmurphy@gmail.com>
Sent: Tuesday, February 14, 2012 4:23 PM
To: Tyler Spaan
Subject: lights on!!

Driving in our town means the sun shining at low angles which can impede vision or it means driving in the dark. Often I pass cars coming towards me on Chena Pump Road that do not have their headlights on. I do not see them until they are within a very short distance of me. Headlights need to be on at all times for our safety. They are not just for the convenience of the vehicle's driver; they are more important for other drivers to see that vehicle.

Gretchen Murphy
3504 Kreb Drive
Fairbanks, AK 99709

--

Gretchen Murphy
State Math Content Coach
907-479-8224
907-799-6138 (GCI cell for travel only)

research on school teachers shows that good instruction requires the ability to make complex decisions about how curriculum can be used to provoke and develop student reasoning. --a math ed researcher
t took a researcher to tell us this.

Tyler Spaan

om: Don and Carol Callahan <caltec@mosquitonet.com>
Sent: Tuesday, February 14, 2012 6:36 PM
To: Tyler Spaan
Subject: Headlight use during winter period

I wrote to a # of legislators about the lack of head and tail lights illuminated on vehicles on the road during the winter months.

I believe that it should be mandatory to have head and tail lights on any time operating a motor vehicle during the winter months from November 1 until March 1 in Alaska.

I keep them on all year around.

Don Callahan
Fairbanks
907-388-1658

Tyler Spaan

From: Ron Arnold <aefse@gci.net>
Sent: Tuesday, February 14, 2012 8:49 PM
To: Tyler Spaan
Subject: HR 157

Honorable Tyler Spaan,
I wish to state my approval of making safer driving with headlights on at all time in Alaska. I commend you for taking this step for many people will be critical of you and say we don't need more government yet government is needed when it comes to safety of its citizens. It is unfortunate that we are not onboard with safety of our citizens when it comes to health care, how we use our resources in Alaska and the manufactured energy crisis the state is in due to cow towing or our representatives to the lobbyist and not the citizens of the great state of Alaska.
What bills will you present to address these issues of fairness and safety for citizens of Alaska?
Have a day of success,
Ron Arnold

Alaska Yukon River Expedition
PO Box 74512
Fairbanks, Alaska 99707
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ayre@gci.net
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There is no understanding when fear is greater than love

Tyler Spaan

From: Maureen Knutsen <maureen.knutsen@gmail.com>
Sent: Tuesday, February 14, 2012 9:33 PM
To: Tyler Spaan
Subject: HB 157

I am writing to express my support for HB 157. Driving with headlights is not a hardship and I concur that this will improve safety in many conditions.

Thank you for considering my comment.

Maureen Knutsen
P.O. Box 134
Naknek, AK 99633

Tyler Spaan

From: D. Robbins <drobbins.r@gmail.com>
Sent: Tuesday, February 14, 2012 11:08 PM
To: Tyler Spaan
Subject: Driving with lights on

I think it is a good safety measure to drive with lights on.

I do not myself have a vehicle so I'm not sure my thoughts should count.

Sincerely,

Doris Robbins

--
Doris Robbins

(907) 374-0597
1281 Overhill Dr.
Fairbanks AK 99709-6753
drobbins.r@gmail.com

Natural Soaps Soothing to the Skin
www.alaskasoaps.com

Tyler Spaan

From: Jeanine Griek <jeaninegriek@gmail.com>
Sent: Wednesday, February 15, 2012 10:49 AM
To: Tyler Spaan
Subject: Hb157

I support hb157. There have been too many times that I have seen dangerous situations on the roads because people don't have their headlights on, even when there is thick icefog!

Jeanine Griek
Fairbanks

Sent from my iPhone

Tyler Spaan

m: Janet Halvarson <halvar@alaska.net>
Sent: Wednesday, February 15, 2012 10:11 AM
To: Tyler Spaan
Subject: Daytime headlight use

I fully support the use of headlights on the roads of Alaska and always have. Go for it.
Stan Halvarson, Fairbanks

Tyler Spaan

From: Bob Thomas <bobt38@acsalaska.net>
Sent: Tuesday, February 14, 2012 7:05 PM
To: Tyler Spaan
Subject: headlight safety

I do NOT support HB-257 as a law - If all vehicles were equipped with auto lights would be one thing - but they aren't and - especially in Alaska - we're all going to forget - except for the professional drivers - and they do not need a law to use this safety measure. It's laws like this that drive up the cost of government. Good intentions - but ..... the cost of paying law enforcers to stop, warn, and perhaps tickets and court and collection is just too much to ask of the taxpayers. (Remember, we have a lot of cops and judges on the road or bench BUT for each of these we have two or three in retirement mode for which we still pay retirement.) Oh and by the way I'm a retired Alaskan traffic engineer. Bob Thomas

Tyler Spaan

From: Tim Berg <deadman@alaska.net>
Sent: Tuesday, February 14, 2012 7:16 PM
To: Tyler Spaan
Subject: HB 157

Dear Tyler:

Please pass along to my House Rep. Kawasaki; my extreme displeasure, of hearing that the legislator is wasting their time on a bill that they will surely claim is for the good of the citizens! The decision to use head lights, should not be the job of Government! Other than what is currently required!

Sincerely

Tim Berg
Fairbanks Alaska

Tyler Spaan

From: Pitzer, Ezra S SSgt USAF ANG 168 MXS/MXMTC <ezra.pitzer@ang.af.mil>
Sent: Wednesday, February 15, 2012 6:40 AM
To: Tyler Spaan

Dear Tyler:

Please pass along to my House Rep. Kawasaki; my extreme displeasure, of hearing that the legislator is wasting their time on a bill that they will surely claim is for the good of the citizens! The decision to use head lights, should not be the job of Government! Other than what is currently required!

Sincerely

EZRA PITZER,

NORTH POLE ALASKA

Tyler Spaan

From: Jim Pound
Sent: Thursday, February 09, 2012 12:02 PM
To: Rep. Scott Kawasaki; Mindy ONeall
Subject: FW: HB 181 26th Legis.

Follow Up Flag: Follow up
Flag Status: Flagged

I am passing this along for your information on HB 157.

Jim

From: Craig Breshears [mailto:ak-craig@clearwire.net]
Sent: Thursday, February 09, 2012 8:44 AM
To: Jim Pound
Subject: RE: HB 181 26th Legis.

Thanks for the reply Jim.

I think the bill has merits and could possible reduce risks for motorists unfortunately for motorcyclists I think it may have dire consequences. As you know motorcyclist are taught to utilize the entire lane broken up into three distinct areas, right-middle-left. Since motorcycles are already required to use headlights at all times I feel that with all roadway users utilizing their headlamps that motorcyclists may be lost in depth perception. Oncoming passing traffic may see the larger vehicle behind us and simply see our headlamp as one of the vehicles miss judging their passing distance. Head on collisions for motorcycles are rarely anything but deadly. If this legislation appears to be able to pass I would like the opportunity to talk with you about additional language or a separate bill that could put motorcycles back on solid ground.

Craig "Blue" Breshears
Media Chair
AMSAC
Alaska Motorcycle Safety Advisory Committee
(907) 230-9205
http://www.dot.state.ak.us/stwdplng/hwysafety/motorcycle_safety.shtml
Got advice on motorcycle safety??? I'm all ears!!!

From: Jim Pound [mailto:Jim_Pound@legis.state.ak.us]
Sent: Thursday, February 09, 2012 7:55 AM
To: Blue
Subject: RE: HB 181 26th Legis.

Sorry for the delay. It has been a mess this year. Anyway the bill is now HB 157. It was re-introduced last year but has yet to be heard in Committee. Here is the basic information.

27th Legislature(2011-2012)

U.S. Department
of Transportation

National Highway
Traffic Safety
Administration

NHTSA
People Saving People
http://www.nhtsa.dot.gov

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October 2003

Technical Report

DRIVERS' PERCEPTIONS OF HEADLIGHT GLARE FROM ONCOMING AND FOLLOWING VEHICLES

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15. Supplementary Notes

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16. Abstract

Recently, U.S. drivers have been expressing concern over the discomfort and reduced visibility that they experience from headlight glare from other vehicles. Drivers have focused their concern on the relatively new high intensity discharge lights, high mounted lights, and various auxiliary lights. In order to better understand this glare problem, the National Highway Traffic Safety Administration collected data on drivers' perception of glare from a representative sample of U.S. drivers. The survey was conducted through Omnibus Survey of the Bureau of Transportation Statistics. The present study is based on the information (data) collected on two types of glare: glare from oncoming and following vehicles.

The survey data were analyzed to find out how U.S. drivers perceive the two types of glare and if glare perception is associated with respondents' age and gender. Contingency analysis was conducted to establish these associations. The statistics showed that a sizeable number of respondents feel that glare was 'disturbing'. The percent frequency distributions were used to better understand the age and gender profiles of drivers who felt disturbed by the nighttime glare. It was found that the age group 35 to 44 had the highest percentage of night drivers as well as among those who felt glare 'disturbing'. In addition, female respondents of this age group were more of the opinion that the glare from oncoming and following vehicles was 'disturbing' as compared with other age groups of their own gender or even of the opposite gender.

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TABLE OF CONTENTS

SECTION/SUBSECTION		PAGE No.
EXECUTIVE SUMMARY		ii
1.	Introduction and background	1
2.	Overview of the Omnibus survey	1
3.	Objective of the study and methodology	2
4.	Selection of variables for statistical analysis	2
5.	Overall glare ratings of survey respondents	2
6.	Association between glare perception and respondents' age and gender	3
7.	Age-wise distribution of respondents with the rating 'disturbing'	4
8.	Gender-wise distribution of respondents with the rating 'disturbing'	6
9.	Male-female comparison in the subpopulations of night-driving and glare-disturbed respondents	7
	9.1 Male and female night-driving respondents over age groups	7
	9.2. Male and female glare-disturbed respondents over age groups	8
10.	Temporal profiles of glare ratings	9
11.	Summary and conclusions	10
12.	References	11
13.	Appendix A. Tables: Bivariate frequency distributions: Age vs. Rating and Sex vs. Rating for oncoming and following glare	12

EXECUTIVE SUMMARY

Background and objectives

In recent years, an increasing number of drivers have complained to the National Highway Traffic Safety Administration (NHTSA) about headlight glare. A number of comments concerned objections to glare from fog lamps and high-mounted headlights on trucks and SUVs. The comments from the public to the NHTSA Docket 01-8885 helped to identify many of the glare concerns of the U.S. driving population. The large number of glare complaints demonstrated the extent to which the public was concerned with the glare from other vehicles. The number of comments was larger than those that NHTSA received on other safety concerns. However, the docket comments may not provide a true assessment of the glare concern of the driving population.

High intensity of headlights may extend the visibility of objects ahead, but it may also increase the discomfort that glare of the headlights may cause to drivers of other vehicles. Glare can also reduce visibility distances by reducing object contrast or causing drivers to avert their eyes from the roadway to avoid discomfort. The challenge for headlight designers and regulators is to maintain an appropriate balance between glare and visibility. While empirical research is often necessary to quantify these tradeoffs, such research can only study a small number of drivers under a limited set of real world conditions. This limits the extent to which findings can be generalized to the entire population of drivers as well as to real world driving conditions.

To help put the docket comments on glare into perspective, NHTSA asked the Bureau of Transportation Statistics (BTS) to include several questions pertinent to this issue in a series of nationwide telephone surveys titled 'Omnibus Survey'. These surveys were conducted monthly (January to December, 2002) with a new sample of subjects each month. However, the questions concerning glare were asked only during the first six months: January to June 2002. The questions pertaining to drivers' perceptions of glare from *oncoming* and *following* vehicles is the subject of this study.

Based on the survey, the primary objective of this study was to obtain a nationally representative assessment of drivers' perceptions of glare. Additionally, the objective was to confirm if drivers' perceptions of glare are associated with their age and gender and bring out the differences that might exist due to gender and age of the respondent.

Data and methodology

The analyses conducted in this study are based on the 'Omnibus Survey' data that consists of drivers' perceptions of glare expressed as: 'not noticeable', 'barely noticeable', 'noticeable but acceptable', 'disturbing', or 'crash or near miss' due to two types of glare: glare from oncoming and following vehicles.

Descriptive statistics were used to study variations with respect to glare perceptions that exist among drivers due to age and gender. Contingency analysis was used to test hypotheses related to the possible associations between glare ratings and age and gender. Bivariate distributions: Age x Glare perception and Gender x Glare perception were used to obtain a better idea about the glare perception.

Results and conclusions

The results show that for the majority of respondents (about 54%) glare was 'noticeable but acceptable'. However, the sizeable number of drivers (about 30%) who experienced nighttime glare as 'disturbing' cannot be ignored. The response data of drivers falling into this category was further analyzed to bring

out the differences that might exist due to the type of glare and age and gender of the respondent. In fact, the frequency distributions of the glare-disturbed respondents over age and gender groups, for oncoming and following glare, did not indicate any difference due to the type of glare; the distributions were found in close proximity with each other. There were, however, percentage differences among age and gender groups.

The age-wise comparison highlighted some differences and similarities among age groups. For instance, the distribution of the glare-disturbed respondents over age groups showed that most of the respondents who rated glare 'disturbing' were not old drivers. Also, the ratings of discomfort from glare for old drivers were not significantly different from that for the younger drivers. In general, the percentage of the glare-disturbed respondents was highest for the age groups 35 to 44 and 45 to 54. For oncoming glare, the 55 to 64 year old group had the highest percentage of the glare-disturbed respondents, while for following glare, it was the age group 18 to 24 that contributed most to the this category of drivers.

Through gender-wise comparison of respondents, it was observed that although male and female representation in the population of all respondents was the same, the females, in general, were found more glare-disturbed. Distributions of male and female respondents over age groups showed that among all night-driving and glare-disturbed respondents, 35 to 44 year old had the highest representation, with a higher female representation. Male-female comparison within each age group showed that among the night-driving respondents, males had much higher representation in the age group 75 and above, while in other age groups the differences in male-female representations were small. The gender-wise comparison was also done for the glare-disturbed respondents in each age group. Significant differences in male-female representations were observed within each age group of this category of respondents with much larger differences for the age groups 35 to 44 and 75 and above. It was also found that 35 to 44 year old females had much higher representation as compared with the males of this age group, even though the differences between the two genders of this age group among all respondents was not so large.

The statistics also show that for both oncoming and following glare, as the number of dark hours decreases from January to June, the percentage of 'concerned' respondents decreases. The largest decrease in the percentage of glare-disturbed respondents was observed from March to April. Only a slight change in the percentages of both 'concerned' and 'minimally concerned' respondents was observed in May and June.

1. Introduction and background

In recent years, an increasing number of drivers have complained to the National Highway Traffic Safety Administration (NHTSA) about headlight glare. The complaints are documented in citizen submissions to Docket 01-8885, Notice 1. Since its publication in September 2001, the docket has received about 4,000 comments from all over the United States. A number of comments concerned objections to glare from fog lamps and high-mounted headlights on trucks and SUVs. However, the primary concern was glare from high intensity discharge (HID) lights. HID differ in several respects from more conventional halogen lamps. HIDs have a bluer spectral content, a wider beam pattern, and can have a smaller luminous area. While a few drivers with HID on their vehicles thought that their night visibility improved, the great majority of the comments expressed drivers' complaints about glare from HID-equipped vehicles.

Increasing intensity may extend the visibility of objects ahead but it may also increase the discomfort that glare of the headlights may cause to drivers of other vehicles. Glare can also reduce visibility distances by reducing object contrast or causing drivers to avert their eyes from the roadway to avoid discomfort. The challenge for headlight designers and regulators is to maintain an appropriate balance between glare and visibility. While empirical research is often necessary to quantify these tradeoffs, such research can only study a small number of drivers under a limited set of real world conditions. This limits the extent to which findings can be generalized to the entire population of drivers.

The comments from the public to the NHTSA docket helped to put the glare concerns of the driving population at large into perspective. The large number of glare complaints demonstrated the extent to which the public was concerned with the glare from other vehicles while driving on the roadways. The number of comments was much larger than the number of public comments that NHTSA has received on other safety topics. The drivers' descriptions of their glare problems helped to provide real-world insight into the safety-related problems being experienced on the roadways. For example, many drivers described being "blinded" for a few seconds after exposure to the glare and needed to slow down. The strong feelings of the public about being exposed to glare were also evident in their comments.

Despite the useful information provided by docket comments, they do not necessarily provide a representative assessment of the glare concerns of the U.S. driving population. The comments may be biased because drivers with glare problems are more likely to write as compared with those who have no such issues. It is also likely that many viewpoints were not represented because many drivers did not know about the docket.

To help put the docket comments on glare into perspective, NHTSA asked the Bureau of Transportation Statistics (BTS) to include several questions pertinent to this issue in a series of nationwide telephone surveys titled 'Omnibus Survey'. These surveys were conducted monthly (January to December, 2002) with a new sample of subjects each month. However, the questions concerning glare were asked only during the first six months: January to June 2002. The questions pertaining to drivers' perceptions of glare from oncoming vehicles and glare from the vehicles behind are the subject of this study.

2. Overview of the Omnibus survey

The Omnibus Survey is a stratified random national probability sample conducted monthly by the BTS to monitor expectations of, and satisfaction with, the transportation system, as well as to gather information on specific events and issues, using a Random-Digit-Dialed telephone methodology. Various sampling issues, such as selection of sampling design, sampling weights, precision of estimates, etc., were resolved before the interviews started. The target population of the survey consisted of U. S. non-institutionalized adult population of drivers who were 18 years of age or older. The average (over

six months) final completed sample size was 1,053 cases per month, of which on the average 870 were valid responses. Each respondent who drove at night during the previous twelve months was asked to express his/her perception of nighttime glare from: oncoming and following vehicles by selecting one of the five ratings: 'not noticeable', 'barely noticeable', 'noticeable but acceptable', 'disturbing', or 'caused a crash or near miss'.

The background information of the survey, sampling procedures, data collection, data elements and survey variables, response rates, final weights and standard errors of estimates are provided in the survey documentation of the Omnibus Survey issued by Bureau of Transportation Statistics [1].

3. Objective of the study and methodology

A descriptive analysis was conducted to get a comparative idea about different glare ratings. One of the objectives of this study was to confirm if the driver's perception of glare on driving is in any way associated with age and gender of the respondents. Contingency analysis was used to test hypotheses related to the possible association between glare ratings and age and gender. Contingency analysis [2] is one of the useful techniques to study the relation between two variables that can be arranged in a contingency table, such as Table A.1 (Appendix).

Bivariate percent frequency distributions were used to study the differences that exist among respondents of different age and gender groups in perceiving glare. These differences were depicted through percentage histograms and polygons.

4. Selection of variables for statistical analysis

As mentioned earlier, the present study is focused on 'glare from oncoming vehicles' and 'glare from following vehicles'. Accordingly, the analyses conducted in this study are based on responses of the interviewed persons to the following two questions:

Q1. In the last 12 months, while driving at night, has the glare from the headlights of an **oncoming vehicle** been '*not noticeable*', '*barely noticeable*', '*noticeable but acceptable*', *'disturbing'*, or did it cause a '*crash or near miss*'?

Q2. In the last 12 months, while driving at night, has the glare from the headlights of a **vehicle behind** been '*not noticeable*', '*barely noticeable*', '*noticeable but acceptable*', *'disturbing'*, or did it cause a '*crash or near miss*'?

The two glare types covered by questions Q1 and Q2 will be referred to, respectively, as oncoming and following glare. It is important to note that the above two questions do not cover the respondents of the survey who did not drive at night during the last twelve months. Such respondents are therefore not subject of this study. In addition, the respondents who 'refused' to answer the two glare questions or responded 'don't know', do not provide any information about the glare issue. Hence, such respondents will also be excluded from the analysis. Thus, the term 'respondent' used henceforth should be understood to mean a survey respondent whose response was one of the five choices. The respondents considered in this study can accordingly be classified in five categories: 'not noticeable', 'barely noticeable', 'noticeable but acceptable', 'disturbing', 'crash or near miss'.

5. Overall glare ratings of survey respondents

As a first step, a descriptive analysis was conducted to get an overall picture of how the U.S. drivers, in general, perceive glare from oncoming and following vehicles. Figure 1 presents percent frequencies of

respondents for responses (ratings): not noticeable, barely noticeable, noticeable but acceptable, 'disturbing', crash or near miss, aggregated for the six months (January to June). It can be seen in Figure 1 (box with broken line border) that according to majority of respondents, both oncoming and following glare is 'noticeable but acceptable'; the percent frequencies of respondents with this rating being the highest 57% and 54%, respectively, for the two types of glare.

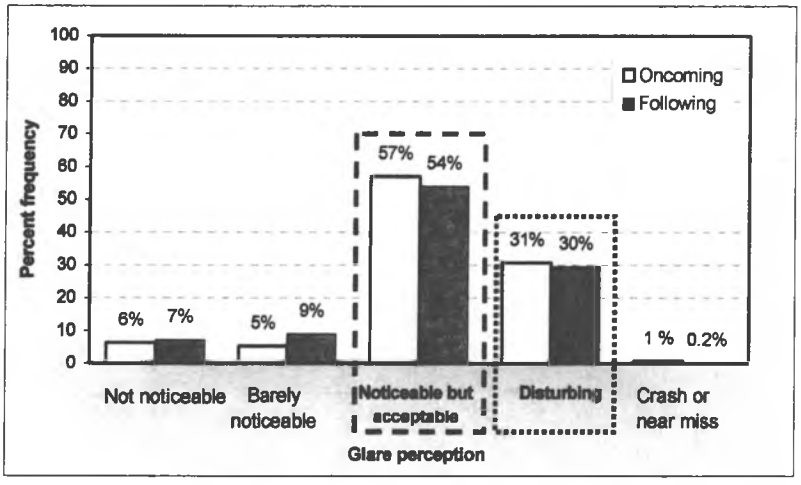


Figure 1. Percent frequency distributions of respondents over five glare ratings for oncoming and following glare (Data source: Omnibus Survey 2002, BTS).

Figure 1 also shows that for small percentages (6% and 7%) of respondents, oncoming and following glare types were 'not noticeable' and so was the case with respondents who rated glare as 'barely noticeable'; the latter formed only 5% and 9%, respectively, for the two types of glare. The respondents who were seriously concerned about glare and had significant representation among respondents were the ones for whom glare was 'disturbing'. About 31% of respondents perceived oncoming glare 'disturbing' and about 30%, following glare. Since temperament plays an important role in perception, the class of respondents who felt disturbed from glare was considered as a special class for further analysis. The following analysis is focused on detecting the differences that might exist in terms of the contribution of different age- and gender-based groups to the class 'disturbing'. These respondents will be referred to as 'glare-disturbed' respondents.

6. Association between glare perception and respondent's age and gender

Perception is a process whereby sensory stimulation in humans is translated into organized experience and so is the glare perception. Therefore, in order to get a deeper insight into the glare issue, it is important to investigate if the human attributes: age and gender of the respondents can have influence on his/her perception of the glare. To confirm this, contingency analysis was conducted to test the hypothesis of independence between glare perception and respondent's age as well as between glare perception and respondent's gender for both oncoming and following glare. As the Omnibus survey was based on stratified simple random design, the statistical software SUDAAN® was used for contingency analysis of the survey data, which takes into account the underlying sampling design. The analysis will be supplemented by what is called Ph-coefficient, which measures the strength of association between two categorical variables.

The analysis for testing independence between glare perception and age yielded the value 64.08 of Chi-square with 24 degrees of freedom and p-value 0.000001. These statistics confirm that respondent's age

possibly influences how he/she perceives oncoming glare. The value 0.3 of Phi-coefficient with its lower and upper attainable bounds 0 and 0.9, respectively, shows a strong association between respondent's age and his/her perception of oncoming glare. Similarly, the test statistics: 25.56 of Chi-square with 4 degrees of freedom and p-value 0.00001 show that gender of the respondent, too, has bearing on oncoming glare perception. The value 0.2 of Phi-coefficient with its lower and upper attainable bounds 0 and 0.7, respectively, shows a strong association between respondent's sex and the rating of oncoming glare.

The hypothesis of independence between glare perception and age as well as between glare perception and gender was also tested for following glare. The value 60.38 of Chi-square with 24 degrees of freedom and p-value 0.0000001 shows that respondent's age has influence on how he/she perceives following glare. The value 0.3 of Phi-coefficient with its lower and upper attainable bounds 0 and 0.9, respectively, shows a strong association between respondent's age and the rating of following glare. Similarly, the test statistics: 37.97 of Chi-square with 4 degrees of freedom and p-value 0.000001 show that gender of the respondent, too, has bearing on oncoming glare perception. The value 0.2 of Phi-coefficient with its lower and upper attainable bounds 0 and 0.7, respectively, shows a strong association between respondent's sex and the rating of following glare.

It was found in Section 5 that the glare-disturbed respondents formed the second largest category among all respondents in case of both oncoming (31%) and following (30%) glare. These rather large percentages of the glare disturbed respondents and the influence that age and gender can have on glare perception, lead to further investigation as to how these dependencies reflect on the glare perception 'disturbing'. In the subsequent analysis, we bring out differences among different age groups as well as between male and female glare-disturbed respondents for oncoming and following glare.

7. Age-wise distribution of respondents with the rating 'disturbing'

The survey data were first analyzed to obtain the distribution of the rating 'disturbing' for each of the two glare types over seven age groups: 18 to 24, 25 to 34, 35 to 44, 45 to 54, 55 to 64, 65 to 74 and above 74. The results for glare from oncoming and following vehicles are plotted as percentages and cumulative (in reverse order) percentages, respectively, in Figure 2(a) and Figure 2(b). While interpreting results presented in these figures, it should be noted that the statistics shown at the end of hanging bars are to be read in reference to the x-axis secondary labels, such as the label >=18, >=25 etc. Thus, this figure not only gives an idea about the percentage of respondents of different age

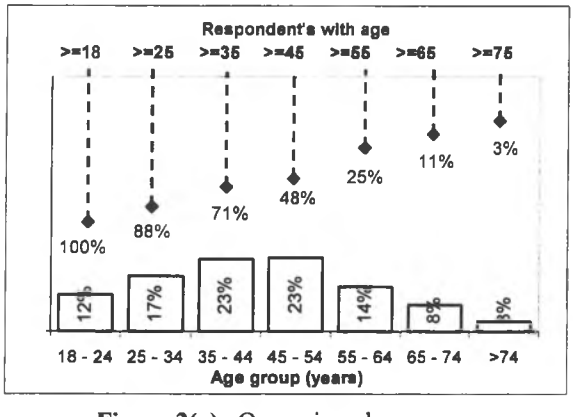


Figure 2(a). Oncoming glare

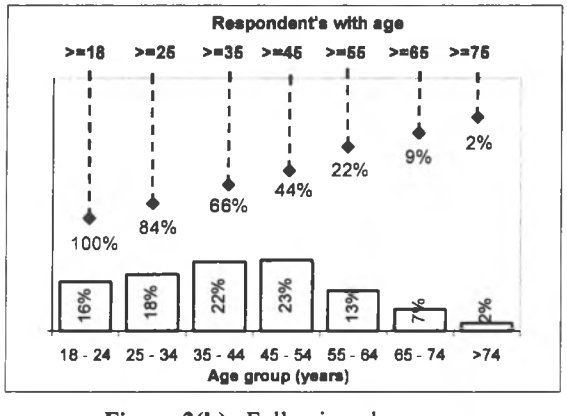


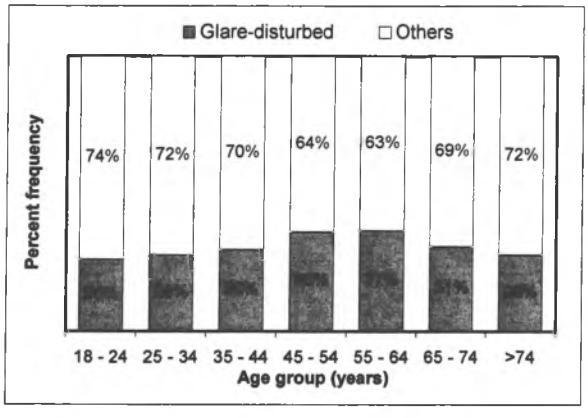
Figure 2(b). Following glare

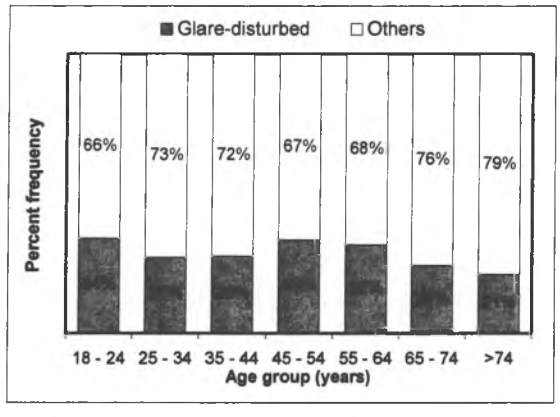
Figure 2. Percent frequency and cumulative percent frequency (reverse order) distributions of glare-disturbed respondents over seven age groups (Data source: Omnibus Survey 2002, BTS).

groups in the 'disturbing' category, but also shows the percentage of respondents in that category whose age is greater than or equal to 18, 25, 35, 45, 55, 65, or 75. It can be seen in these figures that the frequency distributions of respondents with the perception 'disturbing' for oncoming and following glare are in close proximity with each other. Figure 2(a) shows that most of the people who rated oncoming glare 'disturbing' were not older drivers. In fact, only 11% of respondents who rated oncoming glare 'disturbing' were above 65 as compared with 45% (22 + 23) between 35 and 54. The distribution for glare from following vehicles (Figure 2(b)) shows almost the same statistics: 9% of the respondents with the rating 'disturbing' were above 65 and 46% (23 + 23) between 35 and 54.

Although older drivers eyes are particularly susceptible to the adverse affects of glare on judging distance, it is possible that the effects of glare on driver's discomfort are not age dependent. The results of the current analysis of the survey data supports the findings of several research studies in which it has been noted that the ratings of discomfort from oncoming glare for older drivers (65 and above) are not significantly different from younger drivers (18 to 24); being 11% and 12%, respectively.

In addition to looking at the age profile of glare-disturbed respondents, it is informative to compare different age groups with respect to their rating 'disturbing'. This was done by taking into account the age group sizes and computing percent frequencies relative to these sizes. The results for oncoming and following glare are presented, respectively, in Figure 3(a) and Figure 3(b). These results show that for oncoming glare, 55 to 64 year old respondents had the highest percentage (37%), while for following glare, it was the age group 18 to 24 that contributed most (34%) to the this category of drivers. In general, the percentage of glare-disturbed respondents was highest for age groups: 45 to 54 and 55 to 64 for both types of glare.





RESPONDENT CATEG.	AGE GROUP						
	18-24	25-34	35-44	45-54	55-64	65-74	>=75
Glare-disturbed	26	28	30	36	37	31	28
Others	74	72	70	74	63	69	72
Total	100	100	100	100	100	100	100

Figure 3(a). Oncoming glare.

RESPONDENT CATEG.	AGE GROUP						
	18-24	25-34	35-44	45-54	55-64	65-74	>=75
Glare-disturbed	34	27	28	33	32	24	21
Others	66	73	72	67	68	76	79
Total	100	100	100	100	100	100	100

Figure 3(b). Following glare.

Figure 3. Percent frequencies of glare-disturbed respondents and the rest in each of the seven age groups. (Data source: Omnibus Survey 2002, BTS).

A comparison of Figure 3(a) and Figure 3(b) shows that except for 18 to 24 year old drivers, the percentages of drivers with rating 'disturbing' was higher for oncoming glare as compared with

following glare. The younger drivers were more concerned with glare from following vehicles; 34% of them rated this type of glare as 'disturbing', while 26% rated oncoming glare as 'disturbing'.

Figure 4 gives a comparative picture of the representations of different age groups in the entire population of respondents and in the 'disturbing' category. In case of oncoming glare (Figure 4(a)), all age groups had lower representation in the 'disturbing' category, except for the age groups 45 to 54 and 55 to 64, whose representations in this category were 23% and 14%, respectively, as compared with their respective percentages 20% and 12% in the population. For following glare, the picture was slightly different. In addition to higher representations (23% and 13%, respectively) of these two age groups in the 'disturbing' category, the age group 18 to 24, too, had a higher percentage (16%) in the glare-disturbed category as compared with their representation (14%) in the population of respondents. Figure 4(a) and Figure 4(b) show that except for age group 18 to 24, the distributions respondents over age groups were the same for both oncoming and following glare.

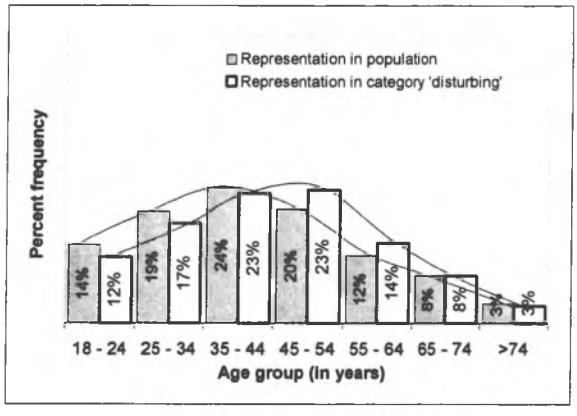


Figure 4(a). Oncoming glare.

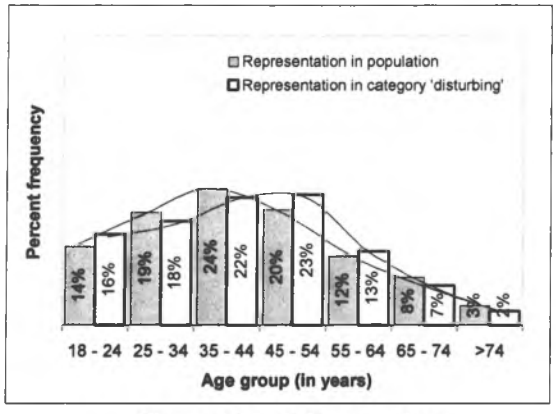


Figure 4(b). Following glare.

Figure 4. Percent frequency distributions of glare-disturbed and all respondents over seven age groups. (Data source: Omnibus Survey 2002, BTS).

8. Gender-wise distribution of respondents with the rating 'disturbing'

It has been established in Section 6 that the glare perception has dependence on the respondent's gender. It is, therefore, important to see the way in which male and female respondents differ from each other with respect to their glare perception. Figure 5 shows male and female representations in the population of all respondents as well as in the subpopulation of glare-disturbed respondents. The statistics in Figure 5(a) show that for oncoming glare, although the two gender groups had almost the same (50.3% and 49.7%, respectively) representation in the population, the female respondents had a higher representation (55.5%) among the glare-disturbed as compared with 44.5% male respondents. Similarly, in case of following glare, with the same representation of the two gender groups in the population, the female representation in the 'disturbing' category was higher (53.4%) as compared with the male representation (46.6%).

Even though male and female respondents had almost the same representation in the population of respondents (Figure 5), for oncoming glare a higher percentage (33.9%) of female respondents were found glare-disturbed as compared with male respondents, among whom 28.8% were found in the 'disturbing' category. Similarly, for following glare, 33.1% of female respondents were in the 'disturbing' category as compared with 26.2% of male respondents who fell into this category. This leads to the conclusion that females, in general, feel more disturbed from both types of glare. A

comparison of similar statistics related to oncoming (in Figure (a)) and following (in Figure 5(b)) glare perception shows that there is virtually no difference between these two types of glare. Following this observation, in the subsequent sections we will present and discuss the results only for oncoming glare.

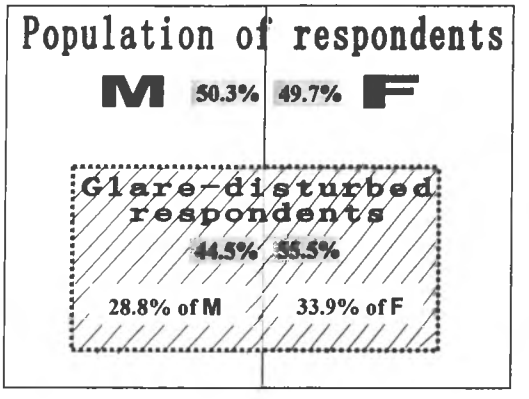


Figure 5(a). Oncoming glare.

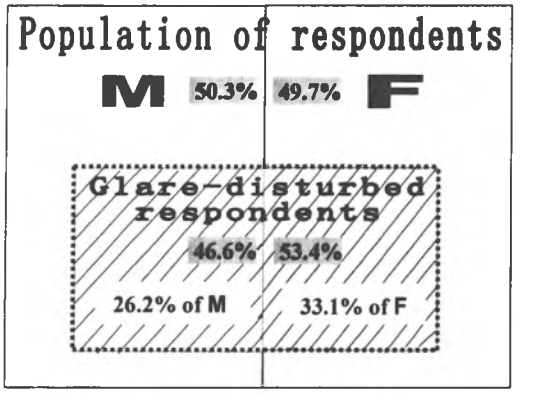


Figure 5(b). Following glare.

Figure 5. Venn diagram showing percentages of male and female respondents among oncoming and following glare-disturbed and all respondents. (Data source: Omnibus Survey 2002, BTS).

9. Male-female comparison in subpopulations of night-driving and glare-disturbed respondents

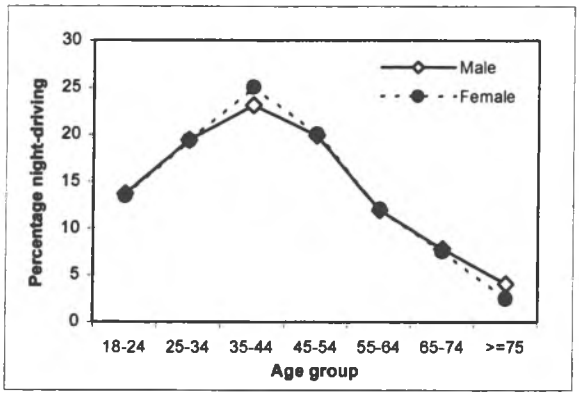
To gain better insight into the glare issue, the differences that have been observed among respondents' glare perception due to age and gender differences must be viewed in comparison with such differences that exist among the night-driving respondents. The following statistical analysis yields statistics that can be used for this purpose.

9.1 Male and female night-driving respondents over age groups

Figure 6 (a) presents statistics that show a comparison of male and female subpopulations of night-driving respondents. The same profile can be seen for the two gender groups, over seven age groups (Figure 6(a)). In both cases, the percentages of the night-driving respondents keep increasing until the age group 35 to 44 and starts decreasing thereafter with minimum for the age group 75 and above.

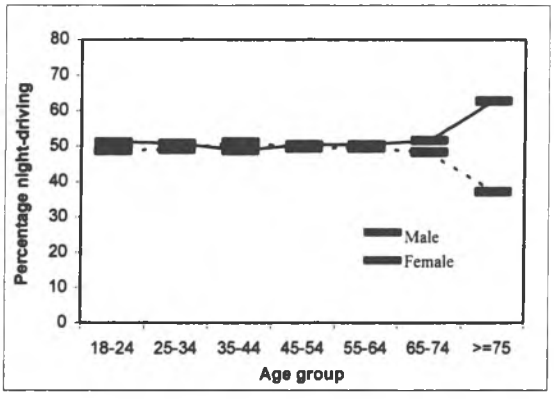
However, there are differences between two genders for some age groups. One difference is that a slightly higher percentage (24.9%) of 35 to 44 year old females drive at night as compared with their male counterparts (23.0%). The difference between the two genders, in terms of night driving, can be seen also for the age group 75 and above, though in this case a higher percentage (3.9%) of males reported driving at night as compared with females (2.7%).

Figure 6(b) shows male-female comparisons within each age group of respondents who drove at night. A slightly higher male percentage was observed for age groups 18 to 24 and 25 to 34. A visible difference (48.9% males and 51.1% females) was observed for the age group 35 to 44. For the rest of the age groups, increasingly higher percentage of male night-driving respondents can be seen with a markedly large difference (60.4% males and 39.6% females) for 75 and above respondents.



GENDER	AGE GROUP							Total
	18-24	25-34	35-44	45-54	55-64	65-74	>=75	
Male	13.3	19.4	23.0	20.3	12.2	7.8	3.9	100
Female	13.4	18.9	24.9	20.3	11.8	8.2	2.7	100

Figure 6(a). Percentage frequency distributions for male female night-driving respondents, over age groups.



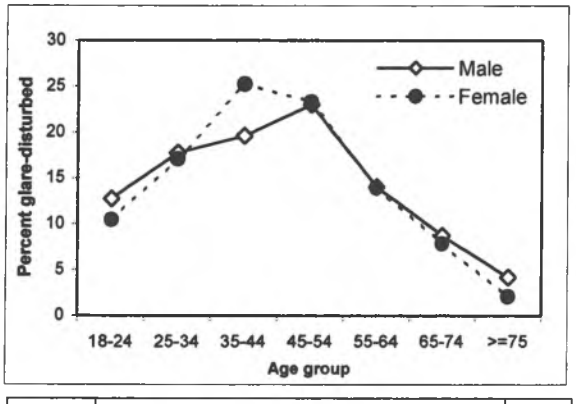
GENDER	AGE GROUP						
	18-24	25-34	35-44	45-54	55-64	65-74	>=75
Male	50.7	51.6	48.9	50.8	51.9	49.5	60.4
Female	49.3	48.4	51.1	49.2	48.1	50.5	39.6
Total	100	100	100	100	100	100	100

Figure 6(b). Male and female percentages of night- and driving respondents in each of the seven age groups.

Figure 6. Percentage frequency distributions of night-driving respondents (Data source: Omnibus Survey 2002, BTS).

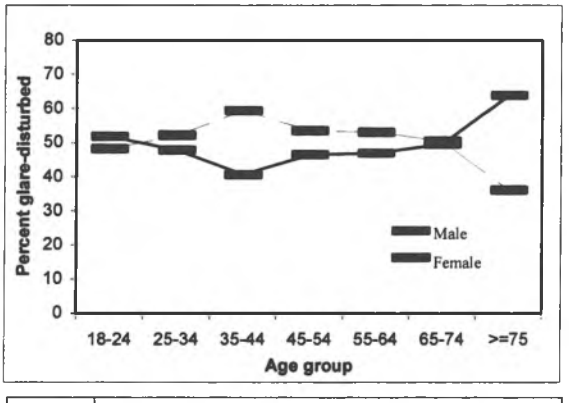
9.2 Male and female glare-disturbed respondents over age groups

Unlike the night-driving respondents, the age profiles of male and female glare-disturbed respondents are different. A comparison of male and female subpopulations of glare-disturbed respondents over age groups in Figure 7(a) shows that a higher percentage of males of age groups 18 to 24, 65 to 74, and 75



GENDER	AGE GROUP							Total
	18-24	25-34	35-44	45-54	55-64	65-74	>=75	
Male	12.4	17.1	20.2	23.0	14.3	9.2	3.9	100
Female	11.5	17.3	24.4	23.2	13.6	7.7	2.3	100

Figure 7(a). Gender-wise comparison.



GENDER	AGE GROUP						
	18-24	25-34	35-44	45-54	55-64	65-74	>=75
Male	48.3	46.3	41.8	46.2	47.8	50.8	59.9
Female	51.7	53.7	58.2	53.8	52.2	49.2	40.1
Total	100	100	100	100	100	100	100

Figure 7(b). Age-wise comparison.

Figure 7. Percent distributions of glare-disturbed respondents (Data source: Omnibus Survey 2002, BTS).

and above perceive glare as 'disturbing' as compared with females belonging to these age groups. A shift was observed for the age group 35 to 44 in that a higher percentage (24.4%) of female glare-disturbed respondents was observed as compared with 20.2% of male glare-disturbed respondents. It can also be seen in this figure that the highest percentage (23.0%) of glare-disturbed males was observed for the age group 45 to 54, while that of the glare-disturbed females (24.4%) was for the age group 35 to 44.

Figure 7(b) shows male-female comparison of glare-disturbed respondents within each age group. Higher percentages of female glare-disturbed respondents were observed for age groups 25 to 34, 35 to 44 and 45 to 54 with a maximum difference (41.8% males and 58.2% females) for 35 to 44 year old glare-disturbed respondents. Although, a large difference was also observed for the age group 75 and above, more males (59.9%) were found glare-disturbed as compared with 40.1%. females.

10. Temporal profile of glare ratings

Glare ratings may be influenced by the length of time that drivers are exposed to vehicle lights. For example, the fewer the number of daylight hours, the greater is the number of hours during which drivers will be exposed to headlight glare at night, i.e., oncoming and following glare. In view of this fact, the temporal variations with respect to glare ratings were studied over six months: January, February, March, April, May, and June.

For that purpose broader categories of glare ratings were considered that were representative of the level of concern of the respondents, defined as:

Level of concern:
- Minimally concerned, if response is 'not noticeable', 'barely noticeable', or 'noticeable but acceptable'.
- Concerned, if response is 'disturbing' *or* 'crash or near miss'.

Figure 9 shows temporal profiles of 'minimally concerned' (dark dotted line) and 'concerned' (light dotted line) respondents over six months (January to June). In order to obtain an idea about the trend over six months, moving averages were computed. In this figure, these are plotted as a dark solid line for 'minimally concerned' and as a light solid line for 'concerned' respondents.

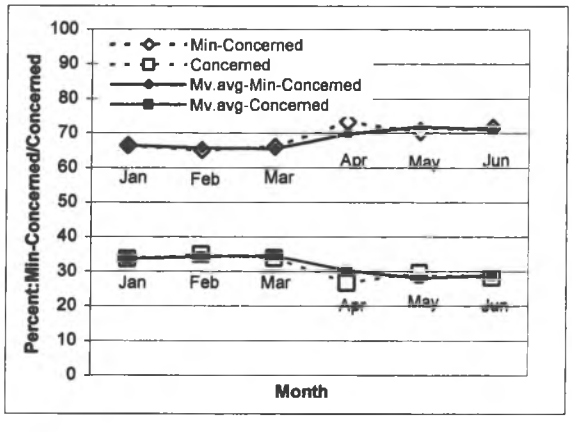


Figure 9(a). Oncoming glare.

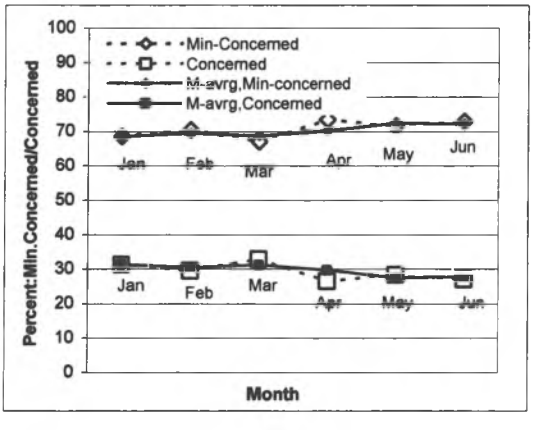


Figure 9(b). Following glare.

Figure 9. Temporal profiles of glare ratings of respondents for oncoming and following glare over six months (January to June) (Data source: Omnibus Survey 2002, BTS).

The two profiles are complementary to each other. The moving average plots in these figures show that for both oncoming and following glare, as the number of daylight hours increases (January to June), the percentage of 'Concerned' respondents decreases (increases for minimally concerned) slightly from January to February, but generally decreases from the darker winter months to the brighter spring and early summer months. The largest decrease (the largest increase for minimally concerned) in the percentage of glare-disturbed respondents was observed from March to April.

11. Summary and conclusions

The results show that for the majority of respondents (about 54%) glare was 'noticeable but acceptable'. However, the sizeable number of drivers (about 30%) who experienced nighttime glare as 'disturbing' cannot be ignored. The response data of drivers falling into this category was further analyzed to bring out the differences that might exist due to the type of glare and age and gender of the respondent. In fact, the frequency distributions of the glare-disturbed respondents over age and gender groups, for oncoming and following glare, did not indicate any difference due to the type of glare; the distributions were found in close proximity with each other. There were, however, percentage differences among age and gender groups.

The age-wise comparison highlighted some differences and similarities among age groups. For instance, the distribution of the glare-disturbed respondents over age groups showed that most of the respondents who rated glare 'disturbing' were not old drivers. Also, the ratings of discomfort from glare for old drivers were not significantly different from that for the younger drivers. In general, the percentage of the glare-disturbed respondents was highest for the age groups 35 to 44 and 45 to 54. For oncoming glare, 55 to 64 year old had the highest percentage of the glare-disturbed respondents, while for following glare, it was the age group 18 to 24 that contributed most to the this category of drivers.

Through gender-wise comparison of respondents, it was observed that although male and female representation in the population of all respondents was the same, the females, in general, were found more glare-disturbed. Distributions of male and female respondents over age groups showed that among all night-driving and glare-disturbed respondents, 35 to 44 year old had the highest representation, with a higher female representation. Male-female comparison within each age group showed that among the night-driving respondents, males had much higher representation in the age group 75 and above, while in other age groups the differences in male-female representations were small. The gender-wise comparison was also done for the glare-disturbed respondents in each age group. Significant differences in male-female representations were observed within each age group of this category of respondents with much larger differences for the age groups 35 to 44 and 75 and above. It was also found that 35 to 44 year old females had much higher representation as compared with the males of this age group, even though the differences between the two genders of this age group among all respondents was not so large.

The statistics also show that for both oncoming and following glare, as the number of dark hours decreases from January to June, the percentage of 'concerned' respondents decreases. The largest decrease in the percentage of glare-disturbed respondents was observed from March to April. Only a slight change in the percentages of both 'concerned' and 'minimally concerned' respondents was observed in May and June.

12. References

[1] Bureau of Transportation Statistics, *Survey Documentation for the Bureau of Transportation Statistics Omnibus Survey Program,* January to May 2002.

[2] Kendall, M.G. and Stuart A., The Advanced Theory of Statistics, Vol. 2, Hafner Publishing Company, New York, 1967.

13. Appendix A. Bivariate frequency distributions: Age vs. Glare rating and Gender vs. Glare rating for oncoming and following glare

This section provides statistics that were produced by SUDAAN cross tabulation procedure for oncoming and following glare types.

Table A.1 and Table A.2 present bivariate frequency distribution of age- and sex-based groups of respondents, based on their responses to question Q1, related to perception of glare from oncoming vehicles.

Table A.1. Bivariate frequency distribution: Age vs. Oncoming glare rating

Age group	Oncoming glare rating						Total
	Statistic	Not noticeable	Barely noticeable	Noticeable but acceptable	Disturbing	Crash or near miss	
18 to 24	Weighted Size	1567461	1391752	12936571	5948684	123298	21967765
	Sample Size	5	5	43	23	0	76
25 to 34	Weighted Size	2423762	1413269	18612288	8602074	481899	31533292
	Sample Size	12	8	97	45	2	163
35 to 44	Weighted Size	2446880	1889094	22761159	11232660	225161	38554954
	Sample Size	12	11	121	61	1	206
45 to 54	Weighted Size	1579715	1673743	17943060	11546292	250794	32993604
	Sample Size	9	10	102	67	1	189
55 to 64	Weighted Size	1419958	1002579	9994766	6959966	25247	19402515
	Sample Size	8	6	65	42	0	122
65 to 74	Weighted Size	833226	831486	7980846	4200666	0	13846223
	Sample Size	5	5	42	24	0	76
75 and above	Weighted Size	729448	302509	3009410	1501529	29075	5571970
	Sample Size	5	2	17	9	0	33
Total	Weighted Size	11000448	8504433	93238099	49991871	1135472	**163870322**
	Sample Size	56	46	487	270	5	**864**

(Data source: Omnibus Survey 2002, BTS)

Table A.1. Bivariate frequency distribution: Sex vs. Oncoming glare rating

Sex	Oncoming glare rating						Total
	Statistic	Not noticeable	Barely noticeable	Noticeable but acceptable	Disturbing	Crash or near miss	
Male	Weighted Size	6919885	4458832	48022133	23427247	654746	83482844
	Sample Size	33	22	236	117	3	410
Female	Weighted Size	4107626	4045601	46311448	27130845	480726	82076246
	Sample Size	23	24	255	156	3	460
Total	Weighted Size	11027512	8504433	94333582	50558092	1135472	**165559090**
	Sample Size	56	46	491	272	5	**870**

(Data source: Omnibus Survey 2002, BTS)

Table A.3 and Table A.4 present bivariate frequency distribution of age- and sex-based groups of respondents, based on their responses to question Q2, related to perception of glare from oncoming vehicles.

Table A.3. Bivariate frequency distribution: Age vs. Following glare rating

Age group	Following glare rating						Total
	Statistic	Not noticeable	Barely noticeable	Noticeable but acceptable	Disturbing	Crash or near miss	
18 to 24	Weighted Size	1842399	2143349	10343279	7638739	0	21967765
	Sample Size	7	7	37	25	0	76
25 to 34	Weighted Size	1803748	2850946	18068017	8601540	270002	31594253
	Sample Size	10	16	94	43	1	164
35 to 44	Weighted Size	2554046	3077828	22510358	10354634	87490	38584356
	Sample Size	14	17	117	58	1	206
45 to 54	Weighted Size	1999600	2687472	18000123	10406958	18130	33112283
	Sample Size	11	15	101	64	0	190
55 to 64	Weighted Size	1596738	1689228	10307519	5993286	0	19586770
	Sample Size	10	11	64	38	0	123
65 to 74	Weighted Size	1564391	1335354	7443577	3513997	0	13857320
	Sample Size	9	7	40	20	0	76
75 and above	Weighted Size	948667	677948	2721257	1196800	0	5544672
	Sample Size	6	4	16	7	0	32
Total	Weighted Size	12309590	14462125	89394129	47705953	375622	164247418
	Sample Size	66	76	468	255	2	866

(Data source: Omnibus Survey 2002, BTS)

Table A.4. Bivariate frequency distribution: Sex vs. Following glare rating

Sex	Following glare rating						Total
	Statistic	Not noticeable	Barely noticeable	Noticeable but acceptable	Disturbing	Crash or near miss	
Male	Weighted Size	7101625	8321053	46970149	21286678	80835	83760340
	Sample Size	35	41	229	106	1	411
Female	Weighted Size	5286631	6290957	43203578	27155553	294787	82231505
	Sample Size	31	35	242	152	2	461
Total	Weighted Size	12388255	14612010	90173727	48442231	375622	165991845
	Sample Size	66	76	471	258	2	873

(Data source: Omnibus Survey 2002, BTS)

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September 2004

Technical Report

An Assessment of the Crash-Reducing Effectiveness of Passenger Vehicle Daytime Running Lamps (DRLs)

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Abstract

This study estimates the effectiveness of passenger vehicle daytime running lights in reducing two-vehicle opposite direction crashes, pedestrian/bicycle crashes, and motorcycle crashes. The authors chose the generalized simple odds, a conventional statistical technique, to analyze the data.

Results based on simple odds indicate that from 1995 to 2001:

- DRLs reduced opposite direction daytime fatal crashes by 5 percent.
- DRLs reduced opposite direction/angle daytime non-fatal crashes by 5 percent.
- DRLs reduced non-motorists, pedestrians and cyclists, daytime fatalities in single-vehicle crashes by 12 percent.
- DRLs reduced daytime opposite direction fatal crashes of a passenger vehicle with a motorcycle by 23 percent.

Reviewers of this paper required the inclusion of results using the odds ratio technique. The estimated the effect of DRLs are –6.3 percent, –7.9 percent, 3.8 percent, and 26 percent, respectively. None of these results were statistically significant.

17. Key Words	18. Distribution Statement
daytime running lamps, daytime running lights, DRL, DRLs, logistic regression, simple odds, fatal crashes, FARS, NASS, GES, motorcycle, pedestrians, cyclists	Document is available to the public through the National Technical Information Service, Springfield, VA 22161 http//:www.ntis.gov

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TABLE OF CONTENTS

Executive Summary 1

Background 3

Methodological Changes from Preliminary Assessment 7

Data and Methodology 9

Caveats 12

DRL Effectiveness in Fatal Two-Vehicle Crashes 12

DRL Effectiveness in Fatal Two-Vehicle Crashes - Results 13

DRL Effectiveness in Non-Fatal Two-Vehicle Crashes 13

DRL Effectiveness in Non-Fatal Two-Vehicle Crashes - Results 14

DRL Effectiveness in Fatal Single-Vehicle Pedestrian/Cyclist Crashes 15

DRL Effectiveness in Fatal Single-Vehicle Pedestrian/Cyclist Crashes - Results 16

DRL Effectiveness in Fatal Crashes of a Passenger Vehicle with a Motorcycle 16

DRL Effectiveness in Fatal Crashes of a Passenger Vehicle with a Motorcycle - Results 17

Conclusions 17

Appendix A Analytic Approach 19

Logistic Regression Estimates Using the Simple Odds 20

Appendix B Alternate Analytic Approach 23

Logistic Regression Estimates Using the Odds Ratio 25

Appendix C SAS® Code 29

Bibliography 31

List of Tables

Table 1 Summary of Findings on DRL Effectiveness 7

Table 2 DRL-Equipped Vehicles in Target and Single-Vehicle Fatal Crashes, FARS 1995-2001 12

Table 3 Vehicles w/o DRL in Target and Single-Vehicle Fatal Crashes, FARS 1995-2001 13

Table 4 DRL-Equipped Vehicles in Target and Single -Vehicle Non-Fatal Crashes, NASS/GES 1995-2001 14

Table 5 Vehicles w/o DRL in Target and Single-Vehicle Non-Fatal Crashes, NASS/GES 1995-2001 14

Table 6 Single-vehicle Pedestrian and Cyclist Fatalities FARS 1995-2001 Vehicles Equipped with DRLs 15

Table 7 Single-vehicle Pedestrian and Cyclist Fatalities FARS 1995-2001Vehicles Not Equipped with DRLs 15

Table 8 Passenger Vehicles with DRLs Involved in Fatal 2-Vehicle Crashes of a Motorcycle and a Single Passenger Vehicle, FARS 1995-2001 16

Table 9 Passenger Vehicles w/o DRLs Involved in Fatal 2-Vehicle Crashes of a Motorcycle and a Single Passenger Vehicle, FARS 1995-2001 17

Executive Summary

This study estimates the effectiveness of passenger vehicle daytime running lights in reducing two-vehicle opposite direction crashes, pedestrian/bicycle crashes, and motorcycle crashes. The authors chose the generalized simple odds, a conventional statistical technique, to analyze the data. The generalized odds ratio attempts to adjust for a variety of exogenous factors other than the presence or absence of DRLs not specifically controlled for within the model.

Significant results of this study show that from 1995 to 2001:

Simple Odds Results:

- DRLs reduced opposite direction daytime fatal crashes by 5 percent.
- DRLs reduced opposite direction/angle daytime non-fatal crashes by 5 percent.
- DRLs reduced non-motorists, pedestrians and cyclists, daytime fatalities in single-vehicle crashes by 12 percent.
- DRLs reduced daytime opposite direction fatal crashes of a passenger vehicle with a motorcycle by 23 percent.

The reviewers of this paper required the inclusion of an analysis based on odds ratio, which can be found in Appendix B. Like the simple odds, the odds ratio attempts to control for a variety of factors other than the presence or absence of DRLs. The estimated effectiveness of DRLs based on this technique is extremely sensitive to small changes encountered in real world crash data. As a result, reductions in target crashes during the daytime using the odds ratio technique may not be detected over the inherent background noise of the data system. **None** of the results based on the odds ratio are statistically significant.

Odds Ratio Results:

- DRLs reduced opposite direction daytime fatal crashes by –6.3 percent that is DRLs increase opposite direction daytime fatal crashes by 6.3 percent.
- DRLs reduced opposite direction/angle daytime non-fatal crashes by –7.9 percent that is DRLs increase opposite direction/angle daytime non-fatal crashes by 7.9 percent.
- DRLs reduced non-motorists, pedestrians and cyclists, daytime fatalities in single-vehicle crashes by 3.8 percent.
- DRLs reduced daytime opposite direction fatal crashes of a passenger vehicle with a motorcycle by 26 percent.

METHODOLOGY:

A case-control method was chosen as the approach for this study, since only specific make-models for each year were equipped with DRLs. The number of crashes for a set of passenger vehicles equipped with DRLs is compared to passenger vehicles manufactured in the same years without DRLs. The groups of vehicles are analyzed by time of day and crash type.

The generalized simple odds method was used to analyze the data. This technique implicitly attempts to control for factors, other than the presence or absence of DRLs, that could be associated with crash occurrences. The effectiveness of DRLs due to differences in passenger vehicle types, namely, passenger cars, SUVs, vans, and light/pickup trucks is addressed explicitly. The simple odds provided useful statistically significant results.

Background

This is the second NHTSA study on the effectiveness of Daytime Running Lamps (DRLs). The preliminary study was published in June 2000 and is the basis of this research.

Many traffic crashes are the result of the failure of a driver to notice another vehicle. Visual contrast is an essential characteristic that enables a driver to detect vehicles. The purpose of daytime running lamps (DRLs) is to increase the drivers' ability to detect DRL-equipped vehicles, particularly in the peripheral visual field, by increasing visual contrast. Seven countries require the use of DRLs during all daytime periods: Canada, Denmark, Finland, Hungary, Iceland, Norway, and Sweden. Results of DRL studies from these countries consistently, however not conclusively, show that DRLs reduce the number of two-vehicle crashes during daylight, dusk, and dawn. This study examines the effectiveness of first-generation DRLs, using U.S. national data for passenger vehicles.

DRLs come in a variety of configurations. DRLs may be upper beam headlamps at reduced intensity, low-beam headlamps at full or reduced power, turn signals or dedicated lamps. In addition the brightness, color and light dispersion are design features of DRLs. Four manufacturers began equipping selected 1995 model year vehicles, for sale within the U.S., with DRLs. General Motors Corporation produces DRL-equipped vehicles with higher intensity DRLs than those used in Scandinavian countries. In the U.S. the availability of DRL-equipped vehicles has increased with each model year since 1995. Since the cost of DRLs is low, small reductions in the number of crashes would likely be considered cost effective. A partial chronological summary of results from several previous studies of the effectiveness of DRLs follows.

Finland's legislation of 1972 required the use of low-beam headlights in rural areas during winter. The rural multiple-vehicle daytime crash rate decreased by 27 percent as a result.[1]
In 1975, Clayton and Mackay[2], at Indiana University, found that drivers failing to process information properly caused almost half of all crashes. The most prevalent information processing errors were faulty visual perception, recognition errors and comprehension errors. In addition, it was shown that traffic crashes were due more to inattention and distraction than to poor vision. The crash reduction potential of DRLs lies in their ability to attract attention, especially in the peripheral visual field, thereby enhancing detect ability.

A study conducted by Transport Canada[3] in 1975-1976 examined the crash experience with part of the Canadian defense vehicle fleet equipped with automatic headlights, a version of DRLs. The results

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[1]Andersson, K., Kilsson, G., and Salusjärvi, S. The Effect On Traffic Accidents on the Recommended use of Vehicle Running Lights in the Daytime in Finland. Report No 102. Swedish road and Traffic Research Institute (VTI), 1976.

[2]Claton, A.B. and Mackay, G.M. Aetiology of Traffic Accidents. Health Bulletin, 31(4), 277-280, 1972.

[3]Attwood, D.A. The Potential of Daytime Running Lights as a Vehicle Collision Countermeasure. SAE Technical Paper 810190. Society of Automotive Engineers, 1981.

published by Attwood in 1981 showed a 20 percent crash decrease in the specially equipped vehicles compared to the comparison group of unmodified vehicles.

Swedish legislation required the use of DRLs throughout the year starting in October 1977. An 11 percent reduction in daytime crashes was observed. Two-vehicle, head-on crashes were reduced by 10 percent, angle crashes were reduced 9 percent, crashes involving a bicycle or moped were reduced by 21 percent, and crashes involving a pedestrian or a cyclist decreased 17 percent.[4] These results were questioned by Theeuwes and Riemersma in 1995[5], as the proportion of multi-party crashes was not reduced as a proportion of all crashes.

Hills, in 1980[6], and more recently Sekuler and Blake,[7] found that increasing the visual contrast of a vehicle increases the ability of other drivers to detect and monitor the vehicle. Low contrast between a vehicle and its background can be quite common during daylight hours. Contrast is reduced by color, rain, clouds and low levels of light that occur at dawn and dusk.

Stein reported in 1985[8] the results of a study by the Insurance Institute for Highway Safety (IIHS), which equipped over 2,000 passenger cars, light trucks and vans with DRLs. Relevant multi-vehicle crashes were 7 percent lower for the DRL-equipped vehicles than the comparison (unmodified) vehicles.

Norway required the installation of DRLs by vehicle manufacturers in January of 1985 and the use of low beam head lights was required on all vehicles in Norway not equipped with DRLs in April of 1988. Elvik reported[9] that a 15 percent reduction in all summertime multi-vehicle daylight crashes was achieved.

Canada required that all new passenger cars, trucks, multi-purpose vehicles, and buses manufactured for sale in Canada be equipped with DRLs after December 1, 1989. In September 1993 Arora, et al.[10]

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[4]Andersson, K. Nilsson, G. The Effects on Accidents of Compulsory Use of Running Lights During Daylight in Sweden. Report No. 208A, Swedish Road and Traffic Research Institute (VRI),1981.

[5]Theeuwes, J. and Riemersma, J. Daytime Running Lights as a Vehicle Collision Countermeasure: The Swedish Evidence Reconsidered. Accident. Anal. Prevention. 27:633-642, 1995.

[6]Hills, B.L. Vision, Visibility and Perception in Driving. Perception, 9, 183-216, 1980.

[7]Sekuler, R. and Blake, R. Perception, (Second Edition) Toronto: McGraw-Hill, 1990.

[8]Stein, H. Fleet Experience with Daytime Running Lights in the United States. SAE Technical Paper 851239. Warrendale, PA, Society of Automotive Engineers, 1985.

[9]Elvik, R. The Effects of Accidents of Compulsory Use of Daytime Running Lights for Cars in Norway. Accident Analysis and Prevention, 25(4) 383-398, 1993.

[10]Arora, H. Collard, D. Robbins, G. Welbourne, E.R. White, J.G. Effectiveness of Daytime Running Lights in Canada. Report No. TP1298 (E), Transport Canada 1994.

conducted an extensive analysis on the effectiveness of DRLs for Transport Canada. They estimate that relevant crashes were reduced by 11.3 percent, which was statistically significant at $p<0.05$.

In October of 1990, Denmark required universal use of DRLs. No overall effect was reported. However, Hansen identified a statistically significant 37 percent decrease in crashes involving a left turn in 1993[11].

Hungary has required the use of DRLs on rural roads since March 1993. Hollo studied the crash experience of DRL-equipped vehicles and presented the findings at a conference in the Czech Republic in 1995[12]. Several changes in traffic regulations and enforcement, which includes the reduction of the speed limit, stricter seat belt laws, increases in police patrols, significantly higher fines and a campaign to increase public awareness of traffic-related issues were considered confounding factors, thereby making it difficult to estimate the effect of DRLs. Nonetheless, Hollo estimates that DRLs reduced the number of rural daytime "frontal and cross traffic" crashes by 7 to 8 percent. Hallo further claims that during "good visibility" crashes are reduced 11 to 14 percent.

IIHS' Highway Loss Data Institute (HLDI) in 1997[13] released findings from a study of the personal injury claims for vehicles that added DRLs as a standard feature in 1995 and 1996, compared to the claim frequencies for the same makes and models prior to adding DRL. The number of relative claims was found to have increased slightly after DRLs were introduced. However, HLDI's study was not able to identify a consistent pattern of increases among vehicles. HLDI's study hypothesized that this finding was not surprising, as "...claims for striking vehicles, single-vehicle crashes, and nighttime crashes could not be identified..." and therefore, could not be excluded from the study. Striking vehicle, single-vehicle, and nighttime crashes would not likely be impacted by the presence of DRLs.

Tofflemire and Whitehead[14] re-analyzed the Canadian DRL law in 1997 using a "quasi-experimental comparative posttest design" and found that opposite direction and angle crashes were reduced by 5.3 percent, which was statistically significant at $p<0.05$. The study concluded that the DRL law had a greater effect on opposite direction crashes (15 percent reduction) than angle crashes (2.5 percent reduction).

Each province in Canada was individually analyzed. Only Nova Scotia and New Brunswick

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[11]Hansen, L.K. Daytime Running Lights in Denmark - Evaluation of the Safety Effect. Translated exact.

[12]Hollo, P. Changes of the DRL-Regulations and their Effects on Traffic Safety in Hungary. Paper presented at the conference: Strategic Highway Safety Program and Traffic Safety, the Czech Republic, September 20-22, 1995. Preprint for sessions on September 21, 1995.

[13]Highway Loss Data Institute Bulletin Volume 15, Number 1, December 1997.

[14]Tofflemire, T. C., Whitehead, P.C. An Evaluation of the Impact of Daytime Running Lights on Traffic Safety in Canada, Journal of Safety Research, Volume 28, Number 4, 1997.

experienced a statistically significant ($p<0.05$) reduction in crashes.

While the 1993 and 1997 Canadian studies described above are among the few studies reporting statistically significant results, in most other studies the data sets are small, which can result in nonsignificant statistical results, even when an effect might exist.

Hollo[15] reported that DRLs reduced daylight frontal and crossing vehicle crashes by 4.7 percent to 15.2 percent in Hungary, depending on the statistical technique used and assumptions made.

Tessmer[16] estimated that the effectiveness of DRLs in US fatal two-vehicle opposite-direction crashes ranged from –8 percent to 2 percent. For non-fatal crashes the effectiveness ranged from 5 percent to 7 percent. For pedestrians fatalities in single-vehicle crashes, the estimated effectiveness ranged from 28 percent to 29 percent.

Lau[17] estimates that DRLs reduce multiple vehicle crashes by 5 to 13 percent. Lau even estimates that DRLs reduce multiple vehicle nighttime crashes by 5 percent, which suggests that there may a confounding lurking variable within the data.

Farmer and Williams[18] demonstrated that DRLs are associated with a 3.2 percent decline in multiple-vehicle daylight crashes.

Thompson[19] in 2003 presented a paper at the April SAE meeting in Washington, DC. He estimated that DRLs reduced multiple vehicle collisions by 2.3 percent to 12.4 percent, depending on DRL type.

Table 1 summarizes findings from studies of the effectiveness of DRLs in several countries, including the U.S. The individual studies are identified by year, investigator(s), the type of study, i.e., did the study analyze the effects of DRLs on a specific fleet of vehicles, a case controlled study, or the result of a change in the law, applicable country, and the estimated effects of DRLs.

Table 1
Summary of Findings on DRL Effectiveness*

[15]Hollo, P., Changes in the Legislation on the Use of Daytime Running Lights by Motor Vehicles and Their Effect on Road Safety in Hungary, Accid. Anal. And Prev., Volume 30, No.2, pp 183-199, 1998.

[16]Tessmer, J.M., A Preliminary Assessment of the Crash-Reducing Effectiveness of Passenger Car Daytime Running Lamps (DRLs) ; DOT HS 808 645, June 2000.

[17] Lau, E. Daytime Running Light Effectiveness A Preliminary Evaluation, Presented at a Government/Industry Meeting, June 19-21, 2000 Washington, DC.

[18] Farmer, C.M. and Williams, A.F. Effects of daytime running lights on multiple-vehicle daylight crashes in the United States; Accid. Anal. And Prev., Volume 34, pp 197-203, 2002.

[19]Thompson, P.A., Daytime Running Lamps (DRLs) for Pedestrian Protection SAE Paper 2003-0102072, April 2003.

Year	Investigator(s)	Study Type	Country	Estimated Effects
1972	Anderson et al[1]	Law	Finland	27% reduction rural multi-vehicle
1975	Attwood[3]	Fleet	Canada	20% some defense vehicles
1977	Anderson et al[4]	Law	Sweden	9% to 21% crash type dependent
1985	Stein[8]	Fleet	U.S.	7% reduction selected vehicles
1988	Elvik[9]	Law	Norway	15% reduction summer multi-vehicle
1993	Arora et al[10]	Law	Canada	11.3% reduction 2-vehicle opposite-direction
1993	Hansen[11]	Law	Denmark	up to 37% reduction - crash type dependent
1995	Hollo[12]	Law	Hungary	7% to 14% reduction frontal cross traffic
1997	Tofflemire et al[14]	Law	Canada	5.3% reduction opposite direction/angle crashes
1998	Hollo[15]	Law	Hungary	4.7% to 15.2% reduction frontal cross traffic
2000	Tessmer[16]	CC	U.S.	-8% to 29% crash type dependent
2000	Lau[17]	CC	U. S.	5% to 13% reduction multiple vehicle crashes
2002	Farmer et al[18]	CC	U.S.	3.2% decline in mult. vehicle daylight crashes
2003	Thompson[19]	CC	U.S.	2.3% to 12.4% DRL type dependent

* See Bibliography for detailed information on published studies.

Several factors could influence the effectiveness of DRLs, e.g., geography and the climate, the mix of rural and urban crashes, traffic conditions, and manner of collision. The approach of this study attempts to limit the influence of such exogenous variables by using comparison groups where the effects should be similar. This study examines the effectiveness of DRLs in the U.S. for vehicles of model years 1995 and later. Two sources of data maintained by the National Highway Safety Traffic Administration (NHTSA) are used to study DRL effectiveness: the Fatality Analysis Reporting System (FARS) and the National Automotive Sampling System/ General Estimates System (NASS/GES).

Methodological Changes from Preliminary Assessment

This study is the second study conducted by NHTSA to determine the effectiveness of Daytime Running Lamps (DRLs). The same basic statistical techniques to evaluate DRLs have been used. However, with the collection of additional data and the knowledge gained from NHTSA's first study, A Preliminary Assessment of the Crash-Reducing Effectiveness of Passenger Car Daytime Running Lamps (DRLs), which appeared in 2000, several improvements have been made. A great deal was learned about using

national traffic crash data to analyze DRLs, which guided our efforts in the current study.

In the original study two comparison groups of fatal crashes were used, single vehicle fatal crashes and 2-vehicle same direction fatal crashes. There are many more single vehicle fatal crashes than 2-vehicle same direction fatal crashes. The results of the analysis based on using the 2-vehicle same direction fatal crashes do not produce sufficient power to reject the null hypothesis. Critics of the earlier study pointed out that in same direction crashes, a potential striking vehicle with DRLs could have the DRLs detected in the rear view mirror of the potentially stuck vehicle, which could then take corrective action. They argue that same direction crashes are not independent of DRLs and using them, as a comparison group would skew the results. For these two reasons, analysis using 2-vehicle same direction fatal comparison crashes has been eliminated from this study.

In the original study, both the simple odds, $O = TD/(CD+TN+CN)$[20], and the odds ratio, $? = (TD/CD)/(TN/CN)$[1], were used in the analysis. The standard error of the odds ratio is much larger than the standard error of the simple odds. To be statistically precise, when using the simple odds, the null hypothesis can be marginally rejected, however, the power of the odds ratio is not sufficient to reject the null hypothesis. Therefore the analysis in the main body of this report was based solely on the simple odds. Several reviewers of the report required publication of the non-statistically significant results, based on the odds ratio. The results based on the odds ratio can be found in Appendix B of this report. Generalized forms of the simple odds and the odds ratio were also used in this study; see the appendices. A generalized form of the ratios allows one to adjust for a variety of identifiable factors such as vehicle type.

Target vehicles with DRLs and the comparison vehicles without DRLs have been partitioned in a different way. In the original study two groups of comparison passenger cars were used. The groups of target and comparison vehicles were identified by make and model. The original study's first comparison group consisted of vehicles of the same make and model prior to the adoption of DRLs. Vehicles in this comparison group were from 1 to 6 years older than the target vehicles equipped with DRLs. To eliminate the potential bias due to age in the original study a second group of comparison vehicles was selected, namely vehicles manufactured by the Ford Motor Company at the same time that the target vehicles were manufactured.

In the current study, the vehicles under analysis have been expanded from passenger cars to passenger vehicles. Both the target and comparison vehicles have been identified by analysis of the vehicle identification number (VIN). Target and comparison vehicles were all manufactured during the same time period. All passenger vehicles that could be classified as having DRLs as standard equipment were classified as target vehicles. All passenger vehicles that did not have DRLs as standard equipment nor as a standard option were included as comparison vehicles.

The effectiveness of DRLs in preventing fatal two-vehicle daytime opposite direction crashes of passenger vehicles with motorcycles was examined.

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[20] See Appendix A, Page 19 for additional details on the simple odds and odds ratios.

Four states, Florida, Maryland, Missouri and Pennsylvania were used to examine the effectiveness of DRLs for non-fatal crashes in the original study. However, one cannot extrapolate the effectiveness of DRLs to the nation. To obtain a national estimate, data from the General Estimates System (GES) was used. Since GES is a survey and not a census of crashes, software for the statistical analysis of correlated data, SUDAAN, was used to obtain credible estimates of statistical significance.

Finally a meta-analysis was used in the original study to attempt to provide an overall estimate of DRL effectiveness. This has been eliminated from the current analysis since the survey data was used to estimate the effects of DRLs for non-fatal crashes. The mixture of survey data and census data in a meta-analysis does not provide reliable results.

Data and Methodology

Previous studies of DRL effectiveness often have used a before vs. after approach. This approach is appropriate, for example, when a law goes into effect at a given point in time and one wishes to determine the effect of that law on traffic crashes. A case-control method was chosen as the approach for this study, since only specific make-models for each year were equipped with DRLs. A case-control method attempts to control for factors, other than the presence or absence of DRLs that could be associated with crash occurrence. In this study, the number of crashes for a fleet of vehicles equipped with DRLs is compared to a fleet of vehicles without DRLs produced in the same years. Both groups of vehicles are analyzed by time of day and crash type. Analysis of the Vehicle Identification Number (VIN) was used to partition passenger cars, vans, pickups/light trucks, and sport utility vehicles (SUVs) into a fleet of vehicles that did and did not have DRLs. Passenger vehicles that permitted DRLs as a standard option were removed from the analysis, since one could not analyze the VIN to determine if the specific vehicle was or was not equipped with DRLs.

Data from FARS[21] for calendar years 1995 - 2001 were used to examine DRL effectiveness for fatal two-vehicle opposite-direction crashes and for single-vehicle pedestrian/cyclist crashes. NASS/GES[22] data for calendar years 1995 – 2001 were used to examine DRL effectiveness for non-fatal two-vehicle opposite-direction crashes.

The analysis focused on the possible effect of DRLs in reducing crashes during daylight or twilight hours, as opposed to nighttime hours, when traditional lighting would be in use by all drivers. Therefore, the

[21] Fatal crash data are from NHTSA's *Fatality Analysis Reporting System (FARS)*. FARS contains data on a census of fatal traffic crashes within the United States and Puerto Rico. A crash must involve a motor vehicle traveling on a public roadway and must result in the death of an occupant of a vehicle or a non-motorist within 30 days of the crash to be included in FARS.

[22] Non-fatal crash data are from NHTSA's *National Automotive Sampling System/General Estimates System (NASS/GES)*. NASS/GES contains data from a survey of approximately 55,000 weighted traffic crashes across the United States. Both injury crashes and property damage only crashes are included.

target time period is daytime, including dawn and dusk, and the comparison time period is night23.

Target crashes and comparison crashes are defined by the crash configuration. Ideally, the only difference between daytime target crashes and daytime comparison crashes is that the set of daytime target crashes consists of crashes that could be affected by DRLs, while the set of daytime comparison crashes consists of crashes that would not be affected by DRLs. A target crash is a crash where the DRLs can be seen by the driver of the other crash involved vehicle. A comparison crash is a crash involving a single vehicle, where the visibility of DRLs is not relevant.

Neither the FARS nor the NASS/GES databases have a variable that partitions the data exactly into target and comparison crashes. Both data sets have variables, which permit one to approximate the desired partition. Therefore, it is possible that the partition of target crashes and comparison crashes may not be perfect. For example, the geometry of an angle crash might prevent a driver from seeing the DRLs of the other vehicle. If angle crashes that cannot be affected by DRLs are included in the set of target crashes, the estimated effect of DRLs, using FARS may be underestimated. Since the effectiveness is expected to be small, fatal target crashes have been limited to head-on crashes and sideswipe opposite direction crashes. Although the glare from DRLs may contribute to a single vehicle crash, this is unlikely. However, the data do not have the fidelity to identify such crashes. At night, one assumes neither the target crashes nor the comparison crashes should be affected by DRLs. This assumption, like all assumptions can be challenged. For example, if a driver of a DRL-equipped vehicle does not turn on his head/tail lights at night a crash may result. Again this unlikely set of events is within the realm of possibility; however, the available data do not permit one to identify or analyze such crashes. Two-vehicle target crashes were further distinguished, for the purposes of this study, by focusing on those involving crashes in which the two vehicles were traveling in opposite-directions.

The FARS and NASS/GES target crashes include head-on and sideswipe opposite direction crashes[24]. The set of single-vehicle crashes is used as a set of comparison crashes. The comparison groups of crashes, ideally, would represent those crashes, which would not be affected by the presence or absence of DRLs. In the case of nighttime crashes, it has been pointed out that the use of DRLs may cause headlamps to burn out more frequently, contributing to an increase in nighttime crashes. However, only early Volkswagen and Volvo vehicles use full intensity lower beam headlamps for DRLs. In addition, all vehicles equipped with DRLs are relatively new, model year 1995 and later, so the potential problem of burned out headlamps should be minimal. Hauer (1995) pointed out that single-vehicle crashes might also be affected by DRLs. Namely, two-vehicles on a collision course may detect each other earlier due to DRLs. In such a situation, a multi-vehicle crash may be avoided and a single-

[23] An alternative partition of the light condition would be to exclude all dawn and dusk crashes from the analysis. A preliminary analysis to calculate the point estimate of DRL effectiveness during dawn and dusk was made. The result showed a larger value of DRL effectiveness during dawn and dusk than during the day. However, due to the limited number of dawn and dusk crashes, the result was not statistically significant.

[24] Sideswipe opposite direction crashes are two-vehicle crashes with the vehicles moving in opposite directions. The initial engagement does not overlap the corner of either vehicle by more than four inches, so that there is no significant involvement of the front or rear surface areas. In addition, there is no pocketing of the impact in the suspension areas. The impact swipes along the surface of the vehicles parallel to the direction of travel. There is low retardation of the force along the surface of the vehicles.

vehicle crash may result. Thus, the two comparison groups, nighttime crashes and single-vehicle crashes may not be statistically independent of DRLs, a required theoretical assumption for the analysis performed here. However, from a practical point of view, these two groups are as statistically independent from the target as is reasonably possible. That is, in general, a two-vehicle opposite-direction crash does not cause, nor does it prevent, a single vehicle crash. Likewise, a single-vehicle crash does not cause, nor does it prevent, a two-vehicle crash.

Two-vehicle crashes involving the rear end of one or more vehicles and sideswipe same-direction crashes have been eliminated from the study. Two-vehicle rear-end and sideswipe same-direction crashes might be meaningful choices for comparison crashes because they share similar vision-related causal factors as the target crashes, even though DRLs could play a role as a countermeasure in rear end crashes. One problem is that the number of such crashes is much smaller than single vehicle crashes and the results would not have enough power to reject the null hypothesis. However, there is another argument that although rear-end and same-direction sideswipe crashes are not the intended target of DRLs, they are relevant since they draw attention to following vehicles – particularly tailgating vehicles – where drivers may respond with actions that potentially can increase or decrease the risk of a crash. If this is the case, design issues of location, brightness and color may be relevant.

Crashes of three or more vehicles were eliminated from the analysis. The crash geometry can become quite complex and vague for crashes of three or more vehicles and the number of such crashes is small. It is easy to misclassify such a crash. Therefore, to reduce the possibility of contamination of the analysis, all crashes involving three or more vehicles have been eliminated.

Another possible source of contamination, albeit a small one, is crashes involving parked vehicles in a fatal crash. To insure a vehicle involved in the crash was not parked, the requirement that a driver was present or that the driver had left the scene, was imposed.

The vehicles in the analysis were restricted to passenger vehicles of model year 1995 and later. Passenger vehicles include passenger cars, SUVs, light tucks, and vans. The target group of vehicles with daytime running lamps and the comparison group of vehicles without daytime running lamps were identified by analysis of the Vehicle Identification Number, VIN. Analysis of the VIN partitioned vehicles into 4 distinct groups: 1) vehicles that had DRLs as standard equipment, 2) vehicles that did not have DRLs as standard equipment nor as a standard option,
3) vehicles that have DRLs as a standard option, and 4) other vehicles including vehicles where the VIN was not reported or could not be decoded.

The target group of vehicles was the group of vehicles with DRLs as standard equipment. The comparison group of vehicles was the group of vehicles without DRLs, which did not have DRLs as a standard option. Vehicles with DRLs as a standard option and the vehicles in the "other" category were eliminated from the analysis.

Caveats

To analyze the effect of a new vehicle safety device one needs to compare it to vehicles that do not have the device and in situations that should and should not be affected by the device. One attempts to assure that the respective partition of vehicles and crashes eliminates any lurking variables, but this can never be fully guaranteed. The selection and partition of vehicles and crashes were based on the analytic judgment.

DRL Effectiveness in Fatal Two-Vehicle Crashes

The target crashes are two-vehicle crashes where the vehicles are traveling in opposite-directions. The target crashes include head-on, and sideswipe opposite direction crashes. Single-vehicle crashes are the comparison crashes.

Table 2 shows the cross tabulation of the target and single-vehicle crashes under daytime and nighttime conditions for vehicles equipped with DRLs.

Table 2
DRL-Equipped Vehicles in Target and
Single-Vehicle Fatal Crashes, FARS 1995-2001

Time of Day	Target Crashes	Single-Vehicle Crashes	Total
Daytime	2,117	3,360	5,477
Nighttime	1,047	4,573	5,620
Total	3,164	7,933	11,097
Source: NHTSA, NCSA, FARS			

Table 3 shows the cross tabulation of the target and single-vehicle crashes under daytime and nighttime conditions for the comparison group of vehicles without DRLs.

Table 3
Vehicles w/o DRL in Target and
Single-Vehicle Fatal Crashes, FARS 1995-2001

Time of Day	Target Crashes	Single-Vehicle Crashes	Total
Daytime	6,699	10,058	16,757
Nighttime	3,450	13,413	16,863
Total	10,149	23,471	33,620
Source: NHTSA, NCSA, FARS			

DRL Effectiveness in Fatal Two-Vehicle Crashes - Results

The effectiveness, based on the simple odds, of DRLs in preventing two-vehicle opposite direction fatal crashes during daylight is estimated to be **5.3** percent with ($p = 0.052$).

Passenger vehicle type may influence the effectiveness of DRLs. To examine this issue, vehicle types were included in the logistic fit of the data. The results are similar. The effectiveness, based on the simple odds, of DRLs in preventing two-vehicle opposite direction crashes during daylight is estimated to be **5.1** percent with ($p = 0.061$) when adjusting for vehicle type.

DRL Effectiveness in Non-Fatal Two-Vehicle Crashes

The target crashes are two-vehicle crashes where the vehicles are traveling in opposite-directions. Single-vehicle crashes are the comparison crashes.

Table 4 shows the cross tabulation of the target and single-vehicle non-fatal crashes under daytime and nighttime conditions for vehicles equipped with DRLs. Since NASS/GES is a complex sample survey a program such as SUDAAN must be used to estimate the level of significance of the parameters.

Table 4
DRL-Equipped Vehicles in Target and
Single -Vehicle Non-Fatal Crashes, NASS/GES 1995-2001

Time of Day	Target Crashes	Single-Vehicle Crashes	Total
Daytime	972,000	248,000	1,220,000
Nighttime	215,000	216,000	432,000
Total[25]	1,188,000	464,000	1,652,000
Source: NHTSA, NCSA, NASS/GES			

Table 5 shows the cross tabulation of the target and single-vehicle non-fatal crashes under daytime and nighttime conditions for the comparison group of vehicles without DRLs.

Table 5
Vehicles w/o DRL in Target and
Single-Vehicle Non-Fatal Crashes, NASS/GES 1995-2001

Time of Day	Target Crashes	Single-Vehicle Crashes	Total
Daytime	3,074,000	737,000	3,812,000
Nighttime	695,000	608,000	1,303,000
Total[24]	3,770,000	1,345,000	5,115,000
Source: NHTSA, NCSA, NASS/GES			

DRL Effectiveness in Non-Fatal Two-Vehicle Crashes - Results

The effectiveness, based on the simple odds, of DRLs in preventing two-vehicle opposite direction non-fatal crashes during daylight is estimated to be **5.2** percent with ($p = 0.075$).

Passenger vehicle type may influence the effectiveness of DRLs. To examine this issue, vehicle types were included in the logistic fit of the data. The results are similar. The effectiveness of DRLs in preventing two-vehicle opposite direction non-fatal crashes during daylight is estimated to be **4.4** percent with ($p = 0.133$) when adjusting for vehicle type. Since the value of p is greater than 0.1, the null hypothesis cannot be rejected. However, since this estimate of effectiveness is similar to the significantly significant value calculated without adjusting for vehicle type, with ($p = 0.075$) one could interpret this estimate as a weak confirmation of the previous result.

[25] Totals may not add due to rounding.

DRL Effectiveness in Fatal Single-Vehicle Pedestrian/Cyclist Crashes

As daytime running lamps reduce two-vehicle opposite-direction crashes, daytime running lamps may also reduce single-vehicle crashes with pedestrians or cyclists. To answer that question, one can modify the approach used above. FARS, 1995 to 2001, can again be used for this analysis. However, the analysis is performed at the person level, rather than the vehicle level[26]. The target group of persons is fatally injured pedestrians and cyclists in single vehicle crashes; the comparison group of persons is fatally injured occupants in single vehicle crashes. The target time period is daytime, including dawn and dusk and the comparison time period is night. The results follow:

Table 6
Single-vehicle Pedestrian and Cyclist Fatalities FARS 1995-2001
Vehicles Equipped with DRLs

Time of Day	Pedestrian and Cyclist Deaths	Occupant Deaths	Total
Daytime	710	6,288	6,998
Nighttime	1,153	8,136	9,289
Total	1,863	14,424	16,287
Source: NHTSA, NCSA, FARS			

Table 7
Single-vehicle Pedestrian and Cyclist Fatalities FARS 1995-2001
Vehicles Not Equipped with DRLs

Time of Day	Pedestrian and Cyclist Deaths	Occupant Deaths	Total
Daytime	2,515	19,540	22,055
Nighttime	3,876	24,946	28,822
Total	6,391	44,486	50,877
Source: NHTSA, NCSA, FARS			

[26] It is possible for a pedestrian fatality and an occupant fatality to occur in the same crash. In this case, both the pedestrian and cyclist death cell and occupant death cell are incremented. To avoid potential single vehicle crashes involving a pedestrian/cyclist death and an occupant death from confounding the data, this analysis is performed at the person level, not the crash level.

DRL Effectiveness in Fatal Single-Vehicle Pedestrian/Cyclist Crashes - Results

The effectiveness, based on the simple odds, of DRLs in preventing single-vehicle pedestrian/cyclist fatalities during daylight is estimated to be **12.4** percent with ($p = 0.002$).

Passenger vehicle type may influence the effectiveness of DRLs. To examine this issue, vehicle types were included in the logistic fit of the data. The results are similar. The effectiveness, based on the simple odds, of DRLs in preventing single-vehicle pedestrian/cyclist fatal crashes during daylight is estimated to be **12.9** percent with ($p = 0.002$) when adjusting for vehicle type.

DRL Effectiveness in Fatal Crashes of a Passenger Vehicle with a Motorcycle

Target crashes are two-vehicle opposite direction crashes between a passenger vehicle and a motorcycle. Comparison crashes are single vehicle crashes. In the analysis that follows, the DRL status of the passenger vehicle involved in a two-vehicle crash with a motorcycle determined if the crash was a DRL equipped crash or a non-DRL equipped crash.

Table 8 shows the cross tabulation of the target and single passenger vehicle crashes under daytime and nighttime conditions for passenger vehicles equipped with DRLs.

Table 8
Passenger Vehicles with DRLs Involved in Fatal 2-Vehicle Crashes of a Motorcycle and a Single Passenger Vehicle, FARS 1995-2001

Time of Day	Target 2-Vehicle Motorcycle Crashes	Single Passenger Vehicle Crashes	Total
Daytime	62	3,360	3,422
Nighttime	30	4,573	4,603
Total	92	7,933	8,025
Source: NHTSA, NCSA, FARS			

Table 9 shows the cross tabulation of the target and single passenger vehicle crashes under daytime and nighttime conditions for the comparison group of passenger vehicles without DRLs.

Table 9
Passenger Vehicles w/o DRLs Involved in Fatal 2-Vehicle Crashes of a Motorcycle and a Single Passenger Vehicle, FARS 1995-2001

Time of Day	Target 2-Vehicle Motorcycle Crashes	Single Passenger Vehicle Crashes	Total
Daytime	239	10,058	10,297
Nighttime	86	13,413	13,499
Total	325	23,471	23,796
Source: NHTSA, NCSA, FARS			

DRL Effectiveness in Fatal Crashes of a Passenger Vehicle with a Motorcycle - Results

The effectiveness, based on the simple odds, of DRLs in preventing two-vehicle opposite direction crashes between a passenger vehicle and a motorcycle during daylight is estimated to be **23.2** percent with ($p = 0.065$).
Passenger vehicle type may influence the effectiveness of DRLs. To examine this issue, vehicle types were included in the logistic fit of the data. The results are similar. The effectiveness, based on the simple odds, of DRLs in preventing two-vehicle opposite direction crashes between a passenger vehicle and a motorcycle during daylight is estimated to be **22.6** percent with ($p = 0.074$) when adjusting for vehicle type.

Conclusions

The effectiveness of daytime running lamps, based on the simple odds, was analyzed in the preceding sections using data from FARS and NASS/GES from calendar years 1995 to 2001. FARS and NASS/GES data show that during the period of the study 1995 to 2001, DRLs reduced daylight two passenger vehicle opposite-direction crashes by about 5 percent. DRLs have also been shown to reduce fatal opposite direction crashes between a motorcycle and a passenger vehicle by 23 percent. The results for two-vehicle daytime opposite-direction crashes are statistically significant at the $p < 0.10$ level, although one would prefer a statistical level of
$p < 0.05$.

FARS data were also used to estimate the effectiveness, based on the simple odds, of DRLs in reducing pedestrian/cyclist fatalities in single-vehicle fatal crashes. The analysis shows that DRLs reduced pedestrian/cyclist fatalities by more than 12 percent. These results are highly significant at a statistical level of $p = 0.002$.

This analysis is based on US historical data and does not reflect what will happen in the future. The techniques used do not predict the crash reducing effectiveness of DRLs if the entire fleet is equipped with DRLs nor if drivers become habituated to DRLs. These are limitations of historical crash data.

As additional data become available it may be appropriate to further investigate the effectiveness of DRLs in a variety of crash configurations including pedestrian and motorcycle crashes.

Appendix A

Analytic Approach

The primary analytic approach used to estimate the effectiveness, E, of daytime running lamps is based on the generalized simple odds. The effectiveness, based on the simple odds approach, is defined as:

$$E = 1 - e^{ß}$$

Where ß is the coefficient of the following equation:

$$TC_DT = ß*DRL + S_i\ ?_i\ *X_i + error$$

Where: TC_DT = 1 if the crash is a target crash that occurred during the day, 0 otherwise and DRL = 0 if the vehicle has DRLs, otherwise 1. A bivariate logistic fit of the data is calculated using a maximum likelihood estimate. FARS data can be analyzed using SAS®, however, since NASS/GES data come from a complex survey rather than a census, SUDAAN had to be used to estimate the variance and significance of the estimated coefficients.

In the event that one does not need to control for variables such as vehicle type, the X_i terms are zero and an arithmetic approach to calculate the effectiveness exists. In this case, the effectiveness, E is equivalent to:

$$E = 1-(O_{DRL}/O_{CMP})$$

Where

$$O = TD/(CD+TN+CN)$$

and is evaluated for both the vehicles equipped with DRLs, $O_{DRL,}$ and the vehicles in the comparison group without DRLs, O_{CMP}.

TD is the number of vehicles/persons in **T**argeted crashes during **D**aylight.

CD is the number of vehicles/persons in **C**omparison crashes during **D**aylight.

TN is the number of vehicles/persons in **T**argeted crashes at **N**ight.

CN is the number of vehicles/persons in **C**omparison crashes at **N**ight.

In this simplified case, for FARS data, the variance of ln (1-E), can be estimated as the sum of the squared of the reciprocals of the four groups of observations. That is:

$$VAR\ [\ln(1-E)] \sim [1/TD_{DRL}]^2 + [1/(CD_{DRL} + TN_{DRL} + CN_{DRL})]^2 + [1/TD_{CMP}]^2 + [1/(CD_{CMP} + TN_{CMP} + CN_{CMP})]^2$$

This technique to estimate the variance of the ln(1-E) does not apply to weighted survey data, which requires complex software such as SUDAAN.

Logistic Regression Estimates Using the Simple Odds

Note that, with the exception of Table A-4, the value of p for the coefficient of DRL is < 0.1.

Table A-1
DRL Effectiveness in Fatal Two-Vehicle Crashes Based on Simple Odds

Parameter	Odds Ratio	Estimate	Standard Error	Wald Chi-Square	Pr > ChiSq p
Intercept	N/A	1.4450	0.0242	3,577.07	<0.0001
DRL	0.947	-0.0541	0.0278	3.79	0.0515

Source: NHTSA, NCSA, FARS, SAS®

Table A-2
DRL Effectiveness in Fatal Two-Vehicle Crashes / Adjusted for Vehicle Type Based on Simple Odds

Parameter	Odds Ratio	Estimate	Standard Error	Wald Chi-Square	Pr > ChiSq p
Intercept	N/A	1.4902	0.0270	3,053.61	< 0.0001
DRL	0.949	-0.0523	0.0279	3.52	0.0606
Sport Utility	1.211	0.1917	0.0356	29.01	<0.0001
Van	0.475	-0.2938	0.0442	44.11	<0.0001
Light Trucks	0.817	-0.2025	0.0283	51.10	<0.0001

Source: NHTSA, NCSA, FARS, SAS®

Table A-3
DRL Effectiveness in Non-Fatal Two-Vehicle Crashes Based on Simple Odds

Parameter	Odds Ratio	Estimate	Standard Error	Wald Chi-Square	Pr > ChiSq p
Intercept	N/A	-0.3579	0.05	3.33	0.0751
DRL	0.948	-0.0529	0.03	3.33	0.0751

Source: NHTSA, NCSA, NASS/GES, SUDAAN

Table A-4
DRL Effectiveness in Non-Fatal Two-Vehicle Crashes / Adjusted for Vehicle Type Based on Simple Odds

Parameter	Odds Ratio	Estimate	Standard Error	Wald Chi-Square	Pr > ChiSq p
Intercept	N/A	-0.3779	0.13	3.74	0.0017
DRL	0.956	-0.0445	0.03	2.34	0.1333
Sport Utility	1.099	0.0941	0.05	4.30	0.0441
Van	0.826	-0.1906	0.08	6.13	0.0173
Light Trucks	1.089	0.0856	0.05	3.53	0.0672

Source: NHTSA, NCSA, NASS/GES, SUDAAN

Table A-5
DRL Effectiveness in Fatal Single-Vehicle – Pedestrian/Cyclist Crashes Based on Simple Odds

Parameter	Odds Ratio	Estimate	Standard Error	Wald Chi-Square	Pr > ChiSq p
Intercept	N/A	3.0883	0.0384	6,476.45	<0.0001
DRL	0.876	-0.1318	0.0435	9.19	0.0024

Source: NHTSA, NCSA, FARS, SAS®

Table A-6
DRL Effectiveness in Fatal Single-Vehicle – Pedestrian/Cyclist Crashes Adjusted for Vehicle Type Based on Simple Odds

Parameter	Odds Ratio	Estimate	Standard Error	Wald Chi-Square	Pr > ChiSq p
Intercept	N/A	3.1449	0.0427	5,424.56	<0.0001
DRL	0.871	-0.1377	0.0437	9.94	0.0016
Sport Utility	1.231	0.2082	0.0527	15.58	<0.0001
Van	0.812	-0.2086	0.0586	12.69	0.0004

Light Trucks	0.752	-0.2853	0.0445	41.08	<0.0001

Source: NHTSA, NCSA, FARS, SAS®

Table A-7
DRL Effectiveness for Two-Vehicle Fatal Crashes
Involving a Motorcycle and a Passenger Vehicle Based on Simple Odds

Parameter	Odds Ratio	Estimate	Standard Error	Wald Chi-Square	Pr > ChiSq p
Intercept	N/A	4.8552	0.1275	1,450.52	<0.0001
DRL	0.768	-0.2645	0.1431	3.42	0.0645

Source: NHTSA, NCSA, FARS, SAS®

Table A-8
DRL Effectiveness for Two-Vehicle Fatal Crashes
Involving a Motorcycle and a Passenger Vehicle Adjusted for Vehicle Type
Based on Simple Odds

Parameter	Odds Ratio	Estimate	Standard Error	Wald Chi-Square	Pr > ChiSq p
Intercept	N/A	5.1603	0.1478	1,224.38	<0.0001
DRL	.0774	-0.2564	0.1436	3.19	0.0741
Sport Utility	0.627	-0.4664	0.1572	8.80	0.0030
Van	0.499	-0.6960	0.2044	11.60	0.0007
Light Trucks	0.557	-0.5846	0.1408	17.25	<0.0001

Source: NHTSA, NCSA, FARS, SAS®

Appendix B

Alternate Analytic Approach

This section is included at the request of the reviewers of the paper. The odds ratio is easier to understand for inexperienced analysts than the simple odds and, like the simple odds, attempts to control for a variety of factors other than the presence or absence of DRLs. Unfortunately, when using the odds ratio, the estimated effectiveness of DRLs is extremely sensitive to small changes encountered in real world crash data and none of the results were statistically significant. This does not mean that DRLs do not reduce target crashes during the daytime. It just means that the odds ratio technique does not detect these changes over the inherent background noise of the data system.

The effectiveness, based on the odds ratio, is defined as:

$$E = 1 - e^{\beta}$$

Where ß is the coefficient of the following equation:

$$LIGHT = \beta*(DRL \times CRASH) + a_1*DRL + a_2*CRASH + \sum_i ?_i*X_i + error$$

Where: LIGHT = 1 if the crash occurred during the day, 0 otherwise
DRL = 0 if the vehicle has DRLs, otherwise 1.
CRASH =1 if the crash is a target crash, and 0 if the crash is a comparison crash.

A bivariate logistic fit of the data is calculated using a maximum likelihood estimate. FARS data can be analyzed using SAS®, however, since NASS/GES data come from a complex survey rather than a census, SUDAAN had to be used to estimate the variance and significance of the estimated coefficients.

In the event that one does not need to control for variables such as vehicle type, the X_i terms are zero and an arithmetic approach to calculate the effectiveness exists. In this case, the effectiveness, E is equivalent to:

$$E = 1-(?_{DRL}/?_{CMP})$$

Where

$$? = (TD/CD)/(TN/CN)$$

and is evaluated for both the vehicles equipped with DRLs, $?_{DRL}$, and the vehicles in the comparison group without DRLs, $?_{CMP}$.

In this simplified case, for FARS data, the variance of ln (1-E), can be estimated as the sum of the squares of the reciprocals of the eight groups of observations. That is:

$$\text{VAR}\,[\ln(1-E)] \sim [1/TD_{DRL}]^2 + [1/CD_{DRL}]^2 + [1/TN_{DRL}]^2 + [1/CN_{DRL}]^2 + [1/TD_{CMP}]^2 + [1/CD_{CMP}]^2 + [1/TN_{CMP}]^2 + [1/CN_{CMP}]^2$$

Note that VAR [ln(1-E)] is much larger for the odds ratio than for the simple odds. As a result, the values of p, for each of the evaluated crash types in this study, are larger than 0.1, therefore the null hypothesis cannot be rejected and there is no reason to believe that the results, based on the odds ratio, did not occur by chance.

Using the data of Tables 2 and 3, the estimates of effectiveness of DRLs are calculated using the odds ratio. The result for two-vehicle opposite direction fatal crashes is –6.3 percent with (p=**0.229**). When adjusting for vehicle type, the result is –6.3 percent with (p=**0.235**). The values of p in both cases are larger than 0.1, therefore the null hypothesis cannot be rejected and there is no reason to believe that the results, based on the odds ratio, did not occur by chance.

Using the data of Tables 4 and 5, the estimates of effectiveness of DRLs are calculated using the odds ratio. The result for two-vehicle opposite direction non-fatal crashes is –7.9 percent with (p=**0.186**). When adjusting for vehicle type, the result is –7.6 percent with (p=**0.202**). The values of p in both cases are larger than 0.1, therefore the null hypothesis cannot be rejected and there is no reason to believe that the results, based on the odds ratio, did not occur by chance.

Using the data of Tables 6 and 7, the estimates of effectiveness of DRLs are calculated using the odds ratio. The result for fatal single-vehicle pedestrian/cyclist crashes is 3.8 percent with (p=**0.498**). When adjusting for vehicle type, the result is 4.6 percent with (p=**0.415**). The values of p in both cases are larger than 0.1, therefore the null hypothesis cannot be rejected and there is no reason to believe that these results, based on the odds ratio, did not occur by chance.

Using the data of Tables 8 and 9, the estimates of effectiveness of DRLs are calculated using the odds ratio. The result for crashes of a passenger vehicle with a motorcycle is 26.0 percent with (p=**0.284**). When adjusting for vehicle type, the result is 22.0 percent with (p=**0.335**). The values of p in both cases are larger than 0.1, therefore the null hypothesis cannot be rejected and there is no reason to believe that the results, based on the odds ratio, did not occur by chance.

Logistic Regression Estimates Using the Odds Ratio

Note that the value of p for the coefficient of DRLxCRASH is always larger than 0.1. Therefore the null hypothesis cannot be rejected and the estimates, based on the odds ratio, do not improve our understanding of the effectiveness of DRLs. However, if the estimate of effectiveness is larger than 20 percent, the estimates, based on the odds ratio, are similar to the estimates calculated using the simple odds, albeit not statistically significant.

Table B-1
DRL Effectiveness in Fatal Two-Vehicle Crashes Based on Odds Ratio

Parameter	Odds Ratio	Estimate	Standard Error	Wald Chi-Square	Pr > ChiSq p
Intercept	N/A	0.3082	0.227	184.01	<0.0001
DRLxCRASH	1.063	0.0608	0.0506	1.45	0.2291
DRL	0.980	-0.0204	0.0263	0.60	0.4381
CRASH	0.363	0.3082	0.0441	527.08	<0.0001

Source: NHTSA, NCSA, FARS, SAS®

Table B-2
DRL Effectiveness in Fatal Two-Vehicle Crashes / Adjusted for Vehicle Type Based on Odds Ratio

Parameter	Odds Ratio	Estimate	Standard Error	Wald Chi-Square	Pr > ChiSq p
Intercept	N/A	0.4052	0.0247	269.55	< 0.0001
DRLxCRASH	1.063	0.0606	0.0507	1.43	0.2315
DRL	0.998	-0.0019	0.0264	0.01	0.9435
CRASH	0.361	-1.0193	0.0442	531.82	<0.0001
Sport Utility	0.738	-0.3036	0.0273	123.75	<0.0001
Van	0.604	-0.5044	0.0689	167.83	<0.0001
Light Trucks	0.920	-0.0836	0.0237	12.43	<0.0004

Source: NHTSA, NCSA, FARS, SAS®

Table B-3 DRL Effectiveness in Non-Fatal Two-Vehicle Crashes Based on Odds Ratio					
Parameter	Odds Ratio	Estimate	Standard Error	Wald Chi-Square	Pr > ChiSq p
Intercept	N/A	-0.1343	0.08	222.88	<0.0001
DRLxCRASH	1.079	0.0763	0.06	1.81	0.1259
DRL	0.944	-0.0574	0.05	1.56	0.2184
CRASH	0.253	-1.3725	0.07	383.31	<0.0001
Source: NHTSA, NCSA, NASS/GES, SUDAAN					

Table B-4 DRL Effectiveness in Non-Fatal Two-Vehicle Crashes / Adjusted for Vehicle Type Based on Odds Ratio					
Parameter	Odds Ratio	Estimate	Standard Error	Wald Chi-Square	Pr > ChiSq p
Intercept	N/A	-0.0957	0.08	141.85	<0.0000
DRLxCRASH	1.076	0.0735	0.06	1.68	0.2024
DRL	-0.954	-0.0467	0.05	0.97	0.3294
CRASH	0.253	-1.3728	0.07	387.03	<0.0000
Sport Utility	0.921	-0.0825	0.04	5.20	0.0276
Van	0.718	-0.3320	0.06	33.31	<0.0000
Light Trucks	1.089	0.0856	0.03	5.05	0.0237
Source: NHTSA, NCSA, NASS/GES, SUDAAN					

Table B-5
DRL Effectiveness in Fatal Single-Vehicle – Pedestrian/Cyclist Crashes
Based on Odds Ratio

Parameter	Odds Ratio	Estimate	Standard Error	Wald Chi-Square	Pr > ChiSq p
Intercept	N/A	0.2577	0.0168	235.46	<0.0001
DRLxPERSON	0.962	-0.0389	0.0575	0.46	0.4984
DRL	0.987	-0.0134	0.0193	0.42	0.4877
PERSON	0.876	-0.1318	0.0435	9.19	0.0024

Source: NHTSA, NCSA, FARS, SAS®

Table B-6
DRL Effectiveness in Fatal Single-Vehicle – Pedestrian/Cyclist Crashes
Adjusted for Vehicle Type Based on Odds Ratio

Parameter	Odds Ratio	Estimate	Standard Error	Wald Chi-Square	Pr > ChiSq p
Intercept	N/A	0.4387	0.0186	554.10	<0.0001
DRLxPERSON	0.954	-0.0472	0.0579	0.66	0.4153
DRL	1.031	0.0309	0.0195	2.51	0.1133
PERSON	1.238	0.2137	0.0509	17.62	<0.0001
Sport Utility	0.619	-0.4790	0.0208	532.62	<0.0001
Van	0.461	-0.7749	0.0269	831.38	<0.0001
Light Trucks	0.846	-0.1667	0.0206	65.46	<0.0001

Source: NHTSA, NCSA, FARS, SAS®

Table B-7
DRL Effectiveness for Two-Vehicle Fatal Crashes
Involving a Motorcycle and a Passenger Vehicle Based on Odds Ratio

Parameter	Odds Ratio	Estimate	Standard Error	Wald Chi-Square	Pr > ChiSq p
Intercept	N/A	0.3082	0.0227	184.01	<0.0001
DRLxCRASH	0.760	-0.2851	0.2568	1.15	0.2842
DRL	0.980	-0.0204	0.0263	0.60	0.4381
CRASH	0.356	-1.0341	0.2236	21.40	<0.0001

Source: NHTSA, NCSA, FARS, SAS®

Table B-8
DRL Effectiveness for Two-Vehicle Fatal Crashes
Involving a Motorcycle and a Passenger Vehicle Adjusted for Vehicle Type
Based on Odds Ratio

Parameter	Odds Ratio	Estimate	Standard Error	Wald Chi-Square	Pr > ChiSq p
Intercept	N/A	0.4268	0.0254	282.23	<0.0001
DRLxCRASH	0.780	-0.2485	0.2577	0.93	0.3349
DRL	1.003	0.0030	0.0264	0.01	0.9087
CRASH	0.355	-1.0363	0.2242	21.36	<0.0001
Sport Utility	0.691	-0.3695	0.0309	143.26	<0.0001
Van	0.529	-0.6362	0.0460	190.93	<0.0001
Light Trucks	0.905	-0.0993	0.0283	12.27	0.0005

Source: NHTSA, NCSA, FARS, SAS®

Appendix C

The following SAS® code was used to partition FARS 1996 vehicle crashes. The code for the NASS/GES is similar.

```
/* COMPARISON CRASHES SINGLE VEHICLE CRASHES */

LIBNAME FARS96 'L:\FARSSAS\FARS96';

DATA CRASH;
 SET FARS96.ACCIDENT(KEEP = ST_CASE LGT_COND VE_FORMS MAN_COLL
WEATHER);

LENGTH TGT_CRSH $8;

* IF TWO VEHICELES CRASH AND;
* HEAD-ON OR SIDESWIPE DIFFERENT DIRECTIONS;

IF (VE_FORMS EQ 2) AND
        ((2 EQ MAN_COLL) OR (6 EQ MAN_COLL))
        THEN TGT_CRSH ='MUL TGT';

/* ELSE SINGLE VEHICLE CRASHES */
ELSE IF (VE_FORMS EQ 1) THEN TGT_CRSH = 'SINGLE';
ELSE DELETE;

*DEFINE THE DICHOTOMOUS VARIABLE D_CRASH;

IF (VE_FORMS EQ 2) AND
        ((2 EQ MAN_COLL) OR (6 EQ MAN_COLL))
        THEN D_CRASH = 1;

/* ELSE SINGLE VEHICLE CRASHES */
ELSE IF (VE_FORMS EQ 1) THEN D_CRASH = 0;
ELSE DELETE;

LENGTH LIGHT $7;

*IF DAYLIGHT DAWN OR DUSK;
IF (LGT_COND EQ 1 OR 4 LE LGT_COND LE 5) THEN LIGHT = 'DAYTIME';

*IF DARK OR DARK AND LIGHTED;
ELSE IF (2 LE LGT_COND LE 3) THEN LIGHT = 'NIGHT';
```

```
ELSE DELETE;

* DEFINE THE DICHOTOMOUS VARIABLE D_LIGHT;
IF (LGT_COND EQ 1 OR 4 LE LGT_COND LE 5) THEN D_LIGHT = 1;
ELSE IF (2 LE LGT_COND LE 3) THEN D_LIGHT = 0;

* DEFINE THE DICHOTOMOUS VARIABLE MUL_DAY;
* THIS IS FOR THE SIMPLE ODDS CALCULATION;

IF (D_CRASH = 1 AND D_LIGHT = 1) THEN MUL_DAY =1;
ELSE MUL_DAY = 0;
```

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HB 158

<TARGET><BILL>HB 158</BILL><SUBJECT>HB 158</SUBJECT><COMM>HTRA27</COMM></TARGET>

ALASKA STATE LEGISLATURE

Member:
House Finance Committee
Legislative Budget & Audit Committee

Chair:
House Budget Sub Committees on:
- Department of Administration
- Department of Labor and Workforce Development

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Representative Mark Neuman

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House Bill 158 Sponsor Statement

House Bill 158 amends the Knik Arm Bridge and Toll Authority's enabling statute to provide for a successful procurement for the Knik Arm Crossing project and to generate the best value for the state. Passing this legislation **this session** is important to seeing the Knik Arm Crossing efficiently move toward a successful and low-cost procurement process and facilitate being open for traffic in 2015. The Knik Arm Crossing will be a significant addition to Alaska's infrastructure that will further facilitate the movement of goods and people in the state.

This bill was written in consultation with the Knik Arm Bridge and Toll Authority (KABATA), which was established in 2003 by the Alaska Legislature. The bill accomplishes many items KABATA has deemed necessary to have a successful public-private partnership procurement. Those items are:

- **Increase in KABATA's Bonding Authority from $500 million to $600 million**
  - The $600 million number represents the same amount authorized under Private Activity Bond (PABs) allocation from FHWA
  - Lowers the cost of capital for the project and ultimately lowers the cost to end users
  - Private partner is the borrower of any PABs issued.

- **Property tax relief** – clarify that the Crossing and associated facilities are exempt from state and local property taxes
  - Like any other transportation project in our State, the roads and bridges are not subject to property taxation.
  - Any private facilities developed outside the crossing will be taxable
  - Property tax exemption reduces the availability payment and reduces the toll

- **Contractual Monetary Obligations**
  - Identifies the *obligations of the State of Alaska* under a P3 process

- The legislative language applies to "monetary liabilities" which may be incurred by KABATA under a P3 process
- Any P3 agreement needs to be approved by the KABATA Board of Directors, State AG's office, ADOT&PF
- Serves to lower the cost of debt and equity to finance the project
- Keeps the tolls affordable to the traveling public

Project reserve

- Creation of a reserve fund is to provide a backstop for toll revenue fluctuations.
- Serves to enhance the credit worthiness of the project and reduce overall project costs
- Will be repaid over the project life

All of the above language clarifications and additions serve to lower the cost of capital on this much needed infrastructure project and deliver the benefits in a timely and efficient manner.

Please help me by supporting this legislation so a long-term, long sought after project can be realized.

Sincerely,

Representative Mark Neuman

HB 158 Summary of Legislation

The Knik Arm Crossing is a vital infrastructure project, a bridge that will connect Alaska, help create jobs, encourage smart growth, and economic development, while improving the environment and the quality of life for the people served by the project. Simply said, this is an investment in Alaska's future that will pay dividends for years to come.

HB 158 will aid in the successful procurement of the Knik Arm Crossing, reduce the cost of project finance and generate the best value to the State of Alaska. The passage of this legislation will facilitate the project to be open for traffic in 2015.

Proposed Legislation – HB 158

Amends Alaska Statutes 19.75 with the structural changes summarized below

Increase in Bonding Authority from $500 million to $600 million

- Matches $600 million in federal tax exempt Private Activity Bond (PABs) capacity allocated to the project
- PABs require a public entity to act as conduit issuer for the private borrower
- Any PABs issued are a liability of the private partner, not the State
- Tax-exempt nature lowers the cost of capital and provides better value proposals to the State

Property Tax Clarification

- Clarifies that the bridge and associated connectors are not subject to property taxes if operated by a private partner on behalf of the state (already exempt if operated by the state)
- Identical to all other publicly owned transportation projects in the State
- Any private facilities of the private partner, not serving the public transportation purpose, remain subject to property tax

Contractual Obligations

- Language creates a moral obligation of the state to stand behind liabilities that may arise under the public-private agreement, subject to appropriation
- Improves the project's credit rating, reducing the cost of debt and equity to finance it
- Results in lower availability payment proposals, generating best value for the State
- Serves to keep tolls affordable to the traveling public and supports the shortest possible contract term
- Toll revenue is projected to be more than sufficient to repay all project obligations over the life of the public-private agreement.

Project Reserve Fund.

- Establishes the ability for KABATA to create specific reserve funds and accounts necessary to properly manage the revenues and contractual obligations for the project
- Used to make availability payments to compensate the private partner for the finance, design, construction, operations and maintenance of the facility
- Results in lower availability payment proposals, generating best value for the State
- Serves to keep tolls affordable to the traveling public and supports the shortest possible contract term
- As the reserve fund builds a surplus, the surplus will be used to fund other needed transportation projects
- Establishes the Knik Arm Crossing Fund to hold the appropriation until the agreement is executed

HB158 Analysis of Legislation

Introduction and Need for Legislation

HB 158 will ensure the successful procurement of the Knik Arm Crossing and generate the best value to the State of Alaska. The passage of this legislation will facilitate the Knik Arm Crossing being open for traffic in 2015, thus expediting for the State of Alaska the benefits generated from the Crossing.

In 2003, the Alaska Legislature created the Knik Arm Bridge and Toll Authority "... to develop, stimulate, and advance the economic welfare of the state and further the development of public transportation systems in the vicinity of the Upper Cook Inlet with construction of a bridge to span Knik Arm and connect the Municipality of Anchorage and the Matanuska-Susitna Borough" (Alaska Statutes § 19.75 [AS § 19.75]). Since its creation KABATA has been working toward this goal by diligently pursuing the necessary environmental clearances and preparing the ground work to develop the Knik Arm Crossing once a Record of Decision was granted, including the development of a financial plan for the project.

After many years of hard work by both KABATA and ADOT&PF, the Federal Highway Administration signed the Record of Decision for the Knik Arm Crossing on December 15, 2010. Reaching this milestone provides the environmental clearance necessary for the Crossing to move forward and become a reality.

Project Benefits

The Knik Arm Crossing will serve generations of Alaskans by providing improved access to the regional transportation network. Some of the benefits of this interconnection include:

- More efficient movement of people, goods, and services between Anchorage, the Mat-Su Borough, and Alaska's interior.
- Providing jobs and supporting economic and population growth.
- Increasing the efficiency of freight movements to and from the Ports of Anchorage and MacKenzie and Ted Stevens Anchorage International Airport.
- Providing an alternative route for freight movement, thus reducing the number of trucks traveling through Anchorage and along the Glenn Highway.
- Helping the environment by reducing carbon emissions, reducing vehicle miles traveled, and improving sustainability.
- Improving access to and from economic activities in the interior of the State.
- Providing a vital second evacuation route for Anchorage and Kenai residents in case of an emergency.
- Helping fund future needed capacity improvements and other transportation and transit needs.

Finally, in addition to the positive impacts on employment during the construction of the Knik Arm Crossing, the Crossing is estimated to have a positive economic impact on the State of Alaska in excess of $18 billion dollars over the project's first 24 years.

Public Private Partnerships

KABATA plans to finance, deliver and operate the Knik Arm Crossing through a public-private partnership. Figure 1 graphically shows the major differences between how KABATA might develop the Crossing under a traditional procurement model and how the Crossing will be developed under a public private partnership.

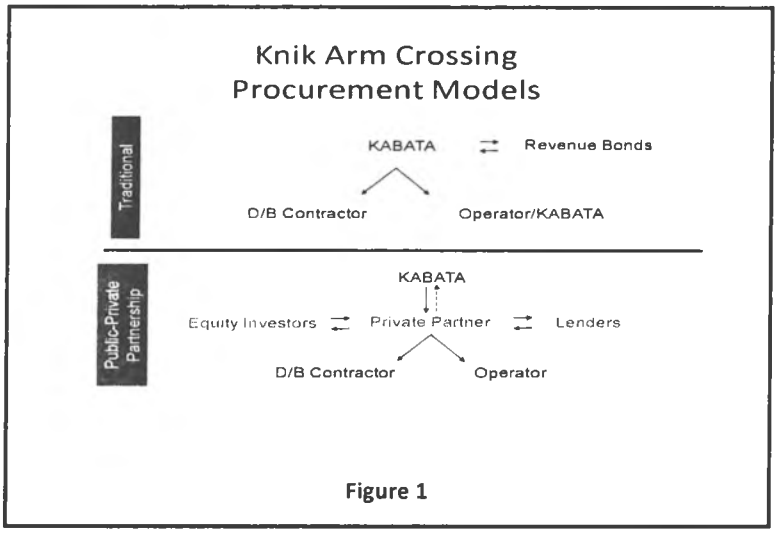

Figure 1

Under a traditional approach, KABATA would take significant design and construction risk for the Crossing. In addition, KABATA, either through a private operator or directly, would be responsible for operating and maintaining the Crossing. This includes operating the toll facilities and collecting tolls.

With a public-private partnership, KABATA will contract directly with a private partner. That private partner would be required to work with equity investors and lenders to raise the finances necessary to design and construct the Crossing to the standards required by KABATA, ADOT&PF and FHWA.

The contract with the private partner will require the private partner to design, build, finance, operate, and maintain the Crossing for a set number of years. In return, KABATA would pay to the private partner pre-determined, fixed payments upon achieving certain milestones – especially project completion – and periodic payments during the operating period based on meeting performance requirements. Under this structure, KABATA and the State would retain the right to all of the toll revenues and use these revenues as the main source for the periodic payments. Figure 2 graphically shows these relationships.

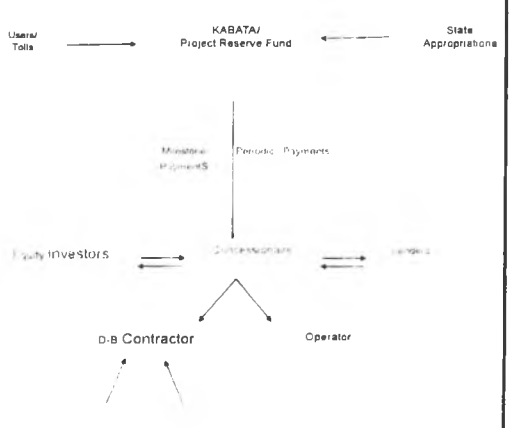

Figure 2

The private partner will use the payments it earns to service its debt, pay its operating and maintenance expenses, and provide a return to its equity investors. The State, through KABATA, would define its financial obligation to the private partner. There would be no recourse to KABATA or the State beyond these defined obligations. KABATA and the State will not have any direct liability for debt repayment and will not pledge any KABATA or

State revenues or assets to lenders to secure debt repayment.

Under the public-private partnership, the private partner will be responsible for constructing and maintaining the Crossing, operating the toll facilities, collecting tolls on behalf of KABATA, and providing customer service. These services will be performed pursuant to standards established by KABATA and the cost of these services will be included as part of the proposals. KABATA will monitor, audit and inspect the work and enforce contract requirements.

At all times under the public-private partnership the State, through KABATA, will own the project and the toll revenues.

Advantages of a public-private partnership

A public-private partnership will have distinct advantages over the conventional method of transportation project delivery. Among the advantages are:

- Maximizing up-front capital formation from non-governmental sources.
- Accelerating project delivery through the utilization of private capital and the integration of design and construction under one responsible party.
- Improving cost and schedule certainty early in the design phase.
- Improved risk management and more risk transfer to the private sector.
- Life cycle cost efficiency through private sector profit motivation throughout the contract term.
- Improving project quality, performance and maintenance via opportunity for design and construction innovations early in project development, strong performance standards, and long-term asset condition requirements.

Procurement Process

In late 2007 KABATA began procuring a private partner to design, build, finance, operate, and maintain the Knik Arm Crossing. This procurement was undertaken pursuant to ADOT&PF's innovative project delivery process. After KABATA issued a request for qualifications, two private sector consortia were determined to have the capacity to complete the project and were shortlisted.

KABATA then held several industry meetings with the shortlisted consortia and prepared draft procurement documents. KABATA brought into the process representatives from both ADOT&PF and FHWA to review and comment on the draft procurement documents. Due to delays in the environmental review process, in 2008 KABATA put the procurement on hold, pending the receipt of the Record of Decision. As noted above, the Record of Decision was signed on December 15, 2010.

Since the procurement was put on hold, the market place has changed. The global financial crisis has affected the financial market conditions and requirements for public-private partnerships. Transaction structures and sources of funds have changed in response to these new financial market conditions, with a strong market swing away from toll revenue concessions toward the form of "availability

payment" concession depicted in Figure 2. In addition, participants in the concessionaires market have changed. As a result, changes to KABATA's enabling statutes are needed to address these new market conditions and allow KABATA to take advantage of the most advantageous transaction structure for the benefit of the State.

KABATA will conduct the procurement in close consultation with ADOT&PF and FHWA to ensure KABATA uses sound procurement practices and complies with all legal requirements. This will also help ensure that the State obtains best value.

Proposed Legislation

The requested legislation amends the existing statute and to enable a successful procurement. Action now on these legislative changes will facilitate the Knik Arm Crossing being open for traffic in 2015, accelerating when the State of Alaska will begin enjoying the economic benefits generated by the Crossing. The following explains the reasons for the requested changes and the appropriation.

- **Increase in Bonding Authority.** FHWA allocated $600 million of Private Activity Bonds to the Knik Arm Crossing. PABs allow tax-exempt bonds to be issued for projects which have a significant private interest, such as the Crossing. This allocation effectively lowers the cost of capital and provides better value for the State.

  Based on current analysis, it is anticipated that the entire $600 million PABs allocation may be utilized. These bonds have to be issued by a governmental entity, in this case KABATA. This request increases KABATA's ability to issue revenue bonds from $500 million to the $600 million expected to be needed. Issuance of PABs by KABATA, as a conduit issuer, will not create an obligation of the State, nor will it constitute a pledging of state revenues or assets. The private partner will be the borrower of the bonds, not the State or KABATA.

- **Property Tax Clarification.** This change will clarify ambiguities that the Knik Arm Crossing is exempt from state and local property taxes and assessments whether operated directly by the public authority or on its behalf by a private party through a public-private partnership. This change recognizes that the essential public nature, purpose and use of the Crossing remain unchanged regardless of whether it is operated by the State through KABATA, or by a private operator. Any private activity the private partner may undertake ancillary to operating the toll facility would remain subject to property tax. Under a traditional contracting approach, no private contractor or operator would be subject to property tax on the facility. This change would put the public-private partnership and the private partner on the same footing. It will reduce the availability payment and keep tolls more affordable.

- **KABATA's Contractual Monetary Obligations.** This requested change removes any ambiguity that may exist about the obligations of the State under a public-private partnership agreement between KABATA and a private partner. The requested change applies only to "monetary

liabilities" which KABATA may incur pursuant to a public-private partnership. All other KABATA obligations – whether under other contracts, due to tortious conduct, or otherwise – remain separate from the State. Prior to approval and execution of a public-private agreement by KABATA's Board of Directors, the Attorney General, ADOT&PF and the Department of Revenue will review the agreement. KABATA's board approving the public-private agreement includes by statute the Commissioners of the Departments of Transportation and Revenue, three public members appointed by the Governor, one senator and one representative, providing a broad representation of the State's interest.

The obligation of the State under this change is a moral obligation not a legal obligation. Satisfaction of a contract liability is subject to a decision by the Legislature to appropriate money for this purpose.

This change is necessary and essential to attract low cost debt and equity to finance the Project. It will improve the market's confidence in KABATA's ability to pay, it will reduce the availability payment owed by KABATA and the State. In turn, this will help keep tolls affordable to the traveling public.

- **Project Reserve Fund.** The legislation includes provisions for establishing a project reserve fund. This reserve fund is not unique; it is patterned after similar reserve funds authorized for other Alaska governmental entities under existing statutes. E.g., AS 14.40.951 (Alaska Aerospace Corporation reserve fund); AS 14.42.240 (Alaska Student Loan Corporation capital reserve fund); AS 18.56.125 (Alaska Housing Financing Corporation capital reserve fund); AS 44.85.270 (Alaska Municipal Bond Bank Authority capital reserve fund); AS 44.88.105 (Alaska Industrial Development and Export Authority capital reserve fund).

The purpose of the project reserve fund is to reduce KABATA's costs by reducing the developer's cost of financing the project. One of the funding sources for the project reserve fund will be appropriations by the Legislature. The project reserve fund also will be the place where toll revenues are deposited.

The private partner's lenders and equity investors will rely solely on the payment stream from KABATA as the means for the private partner to service its debt and provide a return on equity. The financial markets will carefully examine whether that payment stream is reliable and creditworthy. Reliability is an important factor in whether the senior project debt that the private partner obtains will receive an investment grade credit rating. Such a rating is probably a "must have" for this project to be successful, and will lower the cost of debt and equity. The reserve fund is one of the key measures to establish this reliability and creditworthiness.

The reserve fund will apply KABATA's sources of revenue –tolls and appropriations - for specific purposes. The most important is to use the funds to compensate the private partner for the design, construction, operations and maintenance of the facility for the term of the agreement.

By holding these sources of revenue in a reserve fund dedicated to this purpose, the private partner is assured of an interest in these funds and that they will not be diverted to other purposes. This greatly improves the market acceptance of KABATA's ability to pay. This increased acceptance will lower the cost of the private partner's equity and debt and thereby lower the amount proposers will bid for these payments.

Under the legislation KABATA is required to annually report to the legislature the status of the reserve fund. If the reserve fund drops below a minimum required amount, that will trigger a request from KABATA for further appropriation to meet the minimum required amount. The specifics on the minimum required amount will be developed during the procurement and spelled out under the documents that establish the reserve fund. If the reserve fund is authorized and funds are appropriated to it, KABATA's latest financial projections indicate that no further appropriation will be needed. These projections are believed to be realistic.

As the reserve fund builds up a surplus, the surplus could be used to fund needed capacity improvements and other federally-eligible transportation purposes and facilities. The specifics on what constitutes surplus funds will be developed and spelled out under the documents that establish the reserve fund.

Financial Benefit

Passage of HB 158 will facilitate the ability of KABATA to procure a public-private partnership which would greatly increase the benefit to the State. Passage of this legislation would allow KABATA the option to move forward with an availability payment structure, the public-private partnership which will generate the best value for the State.

Based on this structure, KABATA estimates the Knik Arm Crossing could generate for the State net revenue of approximately $10 billion over 60 years of operation, a portion of which will be reinvested in capacity improvements and Project extension, with

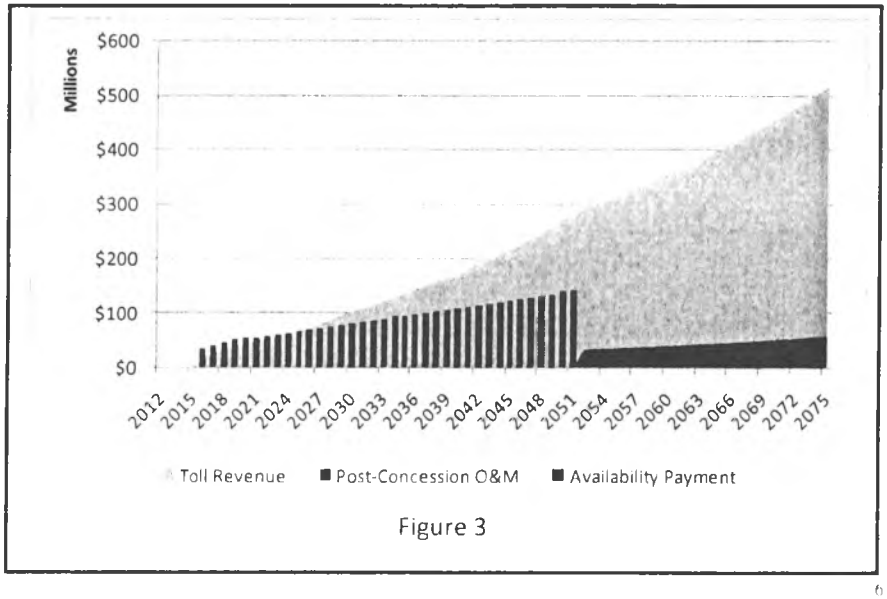

Figure 3

the remainder available to invest in any Title 23 eligible transportation projects in the State. This is shown graphically in Figure 3.

This $10 billion is in addition to the $18 billion in economic benefits which are estimated to be generated by the Crossing during its first 24 years of operations.

The proposed legislation establishes the framework for KABATA to procure, through ADOT&PF's innovative projects delivery process, a private partner to help the State realize these benefits.

KNIK ARM CROSSING
PRELIMINARY DESIGN PHOTO RENDERING
N

The AlaskaPoll

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Information for Solutions

- Market Research
- Public Opinion Analysis
- Political and Government Research
- Focus Groups

UPDATED 2011: ALASKA STATEWIDE PUBLIC ATTITUDES AND PERCEPTIONS

Knik Arm Bridge And Toll Authority (KABATA)

January 2011

I. Methodology 1

II. Findings ..... 2 - 9

III. Summary 10

IV. Crosstabulations ..... 11 - 22

V. Appendix:
Preliminary Legislative Handout (January 17, 2011)

Methodology

Overview

During the period January 6 through January 16, 2011, six hundred three (n=603) Alaskans over the age of 18, located in 64 communities, were personally contacted via telephone by professional interviewing employees of the Dittman Research & Communications (DRC) of Alaska. All views and data were obtained on a strictly confidential basis.

Research Design

A random sample design was featured which provided that all households listed in the most current telephone directory for each community had essentially an equal chance of being interviewed.

Sample Plan

To provide for independent sub-group analysis in the Anchorage and Mat-Su Valley regions, a sample plan was featured which established that n=179-222 respondents were included in those two geographic regions. Sample allocation to the remaining regions was based on population distribution. To provide for representative statewide analysis, the geographic regions were individually weighted to accurately account for Alaska's actual geographic population totals.

Regional Distribution and Weighting

Sample Allocation	Weighted To
n=222 Anchorage	41%
n=179 Mat-Su Valley	15%
n= 56 Other Southcentral	8%
n= 64 Fairbanks (Central)	16%
n= 42 Southeast	12%
n= 40 Rural	8%

Processing the Data

DRC employees completed coding, editing, data entry, and verification, while data processing was completed through the in-house DRC computer system featuring the Statistical Package for the Social Sciences (SPSS) program. The SPSS program is one of the most sophisticated research-oriented data processing and analytical systems available, and is designed specifically for the processing and analysis of survey research data.

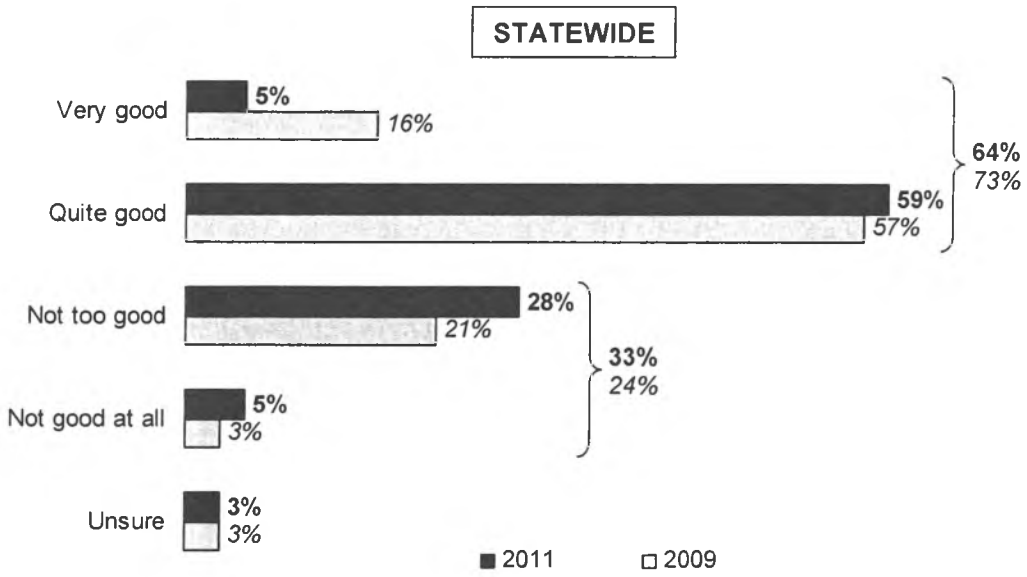
Measurement History

Public opinion measurements by DRC, utilizing the previously described methodology, analytical procedures and data processing systems, have proven to accurately represent the outcome of every Primary and General election for U.S. Senator and Governor of Alaska for the past forty years.

II Findings

On a statewide basis, Alaskans continue to report substantial optimism regarding the future of the state's economy (64% *"very"* or *"quite good"*); however, current confidence has declined somewhat compared to two years ago (73% *"very"* or *"quite good"* in 2009).

Question: ***Overall, what's your personal opinion regarding the direction of Alaska's economy -- would you say our economic future is looking...? ****



Both Anchorage and Mat-Su residents currently report positive perceptions regarding Alaska's economic future, but Mat-Su respondents appear to remain a little less sure.

"...Alaska's economic future...?"

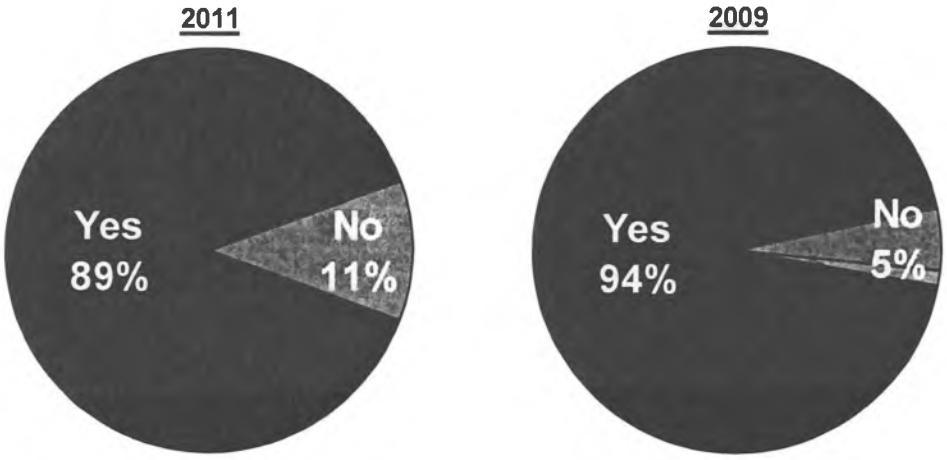
	2011		2009	
	Good	Not good	Good	Not good
Anchorage	63%	36%	78%	19%
Mat-Su Valley	56%	41%	70%	28%

* Note: In 2009, this question was worded: *"Looking into the future, how much confidence do you have in Alaska's economy -- would you say our economic future looks...?"*

By far, the vast majority of Alaskans (89%) continue to be aware of the proposed Knik Arm Crossing; however, reported awareness has declined slightly during the past two years.

Question: ***Have you ever heard or read anything about a proposed bridge between Anchorage and the Matanuska-Susitna Borough called the Knik Arm Crossing?***

STATEWIDE



Residents of the most affected communities, Anchorage and Mat-Su Valley, report especially high awareness of the proposed bridge (96-97%).

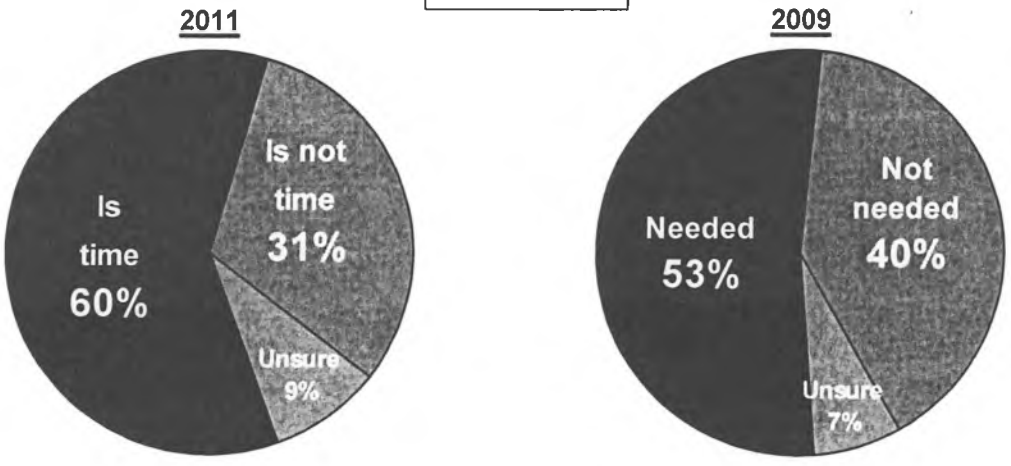
"...heard or read about proposed Knik Arm bridge...?"

	2011		2009	
	Yes	No	Yes	No
Anchorage	96%	4%	100%	-
Mat-Su Valley	97%	3%	98%	2%

Three-out-of-five Alaskan respondents statewide (60%) report it *"is getting close to the time to build"* a Knik Arm bridge, which may indicate increasing support in recent years -- in 2009: 53% of Alaskans said a bridge *"will be needed in the near future"*.

Question: ***Building a bridge across the Knik Arm connecting Anchorage and the Matanuska-Susitna Borough was first proposed nearly 90 years ago in 1923. Alaska's population has grown substantially since then, and over half the state's population now lives in the Anchorage/Mat-Su Valley area. What is your personal opinion -- do you feel it is or is not getting close to the time to build a bridge between Anchorage and the Matanuska-Susitna Valley?***

STATEWIDE



Support for a potential bridge across Knik Arm is high statewide (60%), higher in Anchorage (62%), and especially strong in the Mat-Su Valley (75%).

"...close to time to build a bridge...?"

	2011		2009	
	Is	Is not	Needed	Not needed
Anchorage	62%	33%	52%	45%
Mat-Su Valley	75%	21%	66%	30%

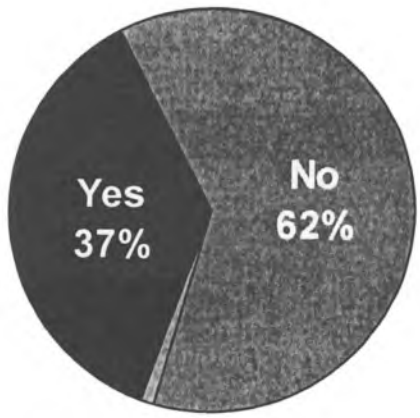
---

* Note: In 2009, this question was worded: *"Building a bridge across the Knik Arm between Anchorage and the Matanuska-Susitna Borough has been considered for many years. As the populations of these areas continue to grow, interest in the subject appears to be increasing. In your opinion at this time -- based on what you've heard or read, or your personal experience -- do you feel a bridge across the Knik Arm connecting Anchorage and the Matanuska-Susitna Valley will be needed in the near future, or not?"*

Compared to awareness of a potential Knik Arm bridge (89%, see page 4), statewide awareness that the federal government has approved construction is relatively low (37%).

Question: ***On December 15, 2010, the Federal Highway Administration announced that after input from state and local governments, tribes, and the public-at-large, and after careful consideration of social, economic and environmental factors, it has approved construction of the Knik Arm bridge between Anchorage and the Mat-Su Borough. Were you aware the Federal government had approved construction of the Knik Arm bridge?***

STATEWIDE



And even in the areas most directly affected, awareness of federal construction approval does not exceed 50%.

"...aware Federal government approved construction...?"

	Yes	No
Anchorage	45%	55%
Mat-Su Valley	50%	50%

Three-out-of-four Alaskan respondents (75%) feel that a Knik Arm bridge *"will"* lead to more jobs and economic growth.

Question: ***Following federal approval of the Knik Arm bridge, Governor Sean Parnell said that...***
"Alaska is a storehouse of natural resources and human capital. Jobs and new development rely on a solid transportation network, and the Knik Arm bridge is an important link in Alaska's regional transportation system."
...What is your opinion, do you feel building the Knik Arm bridge will or will not help lead to more jobs and economic growth?

STATEWIDE

The vast majority of residents in Anchorage (74%) and the Mat-Su Valley (85%) agree the bridge *"will"* help the economy.

"...will Knik Arm bridge lead to more jobs and economic growth...?"

	Will	Will not
Anchorage	74%	23%
Mat-Su Valley	85%	13%

The strongest argument for building a bridge across Knik Arm is to have a *"second connection for emergencies and evacuations"* (77%), followed by *"save time, money and provide jobs"* (73%), and *"meet population and transportation needs"* (72%).

Question: ***The decision by the Federal Highway Administration to approve construction of the Knik Arm bridge strongly considered social and environmental factors. I'm going to read some other factors and I'd like to know whether you feel they are or are not important reasons to build a Knik Arm bridge.***

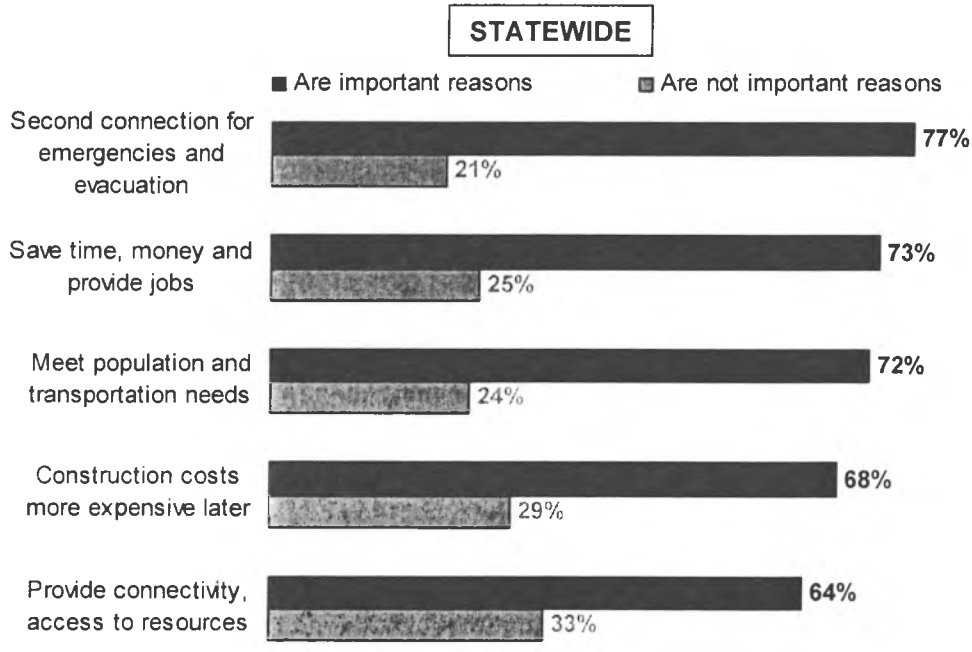
...Provide a second connection between Anchorage and the Mat-Su Valley for emergencies and disaster evacuation

...Save time, money and provide jobs now

...Meet projected population and transportation needs of Anchorage and the Mat-Su Borough

...Construction costs are likely to rise & it will be more expensive later

...Provide community connectivity and access to natural resources



Although all potential factors are considered to be important reasons to build the Knik Arm bridge, the greatest support is reported in the Mat-Su Valley (72-87% *"important reasons"*).

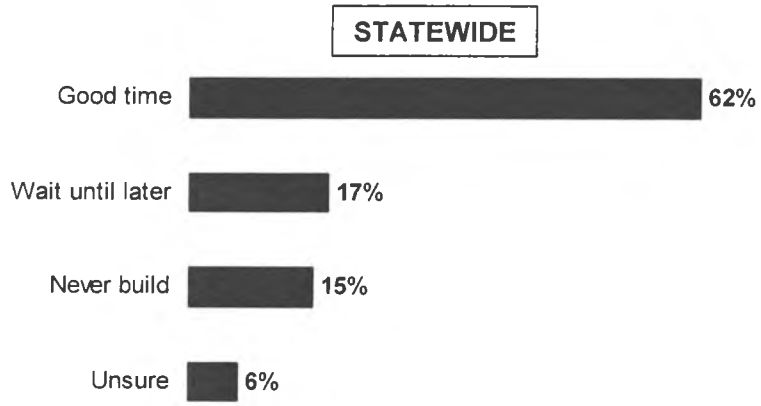
"...reasons to build Knik Arm bridge...?"

% "Are Important Reasons"

	Emergencies, evacuation	Time, money, jobs	Trans. needs	Construction costs	Access to resources
Anchorage	77%	71%	71%	69%	64%
Mat-Su Valley	87%	82%	80%	78%	72%

And looking ahead, when timing options are considered, more than three-out-of-five statewide respondents (62%) think *"now is a good time"* to build a Knik Arm bridge.

Question: ***Overall, when everything is considered, would you say now is a good time to build a Knik Arm bridge, should we wait until later, or should it never be built?***



...with a strong majority of Anchorage and Mat-Su respondents (61-73%) saying *"now is a good time"*.

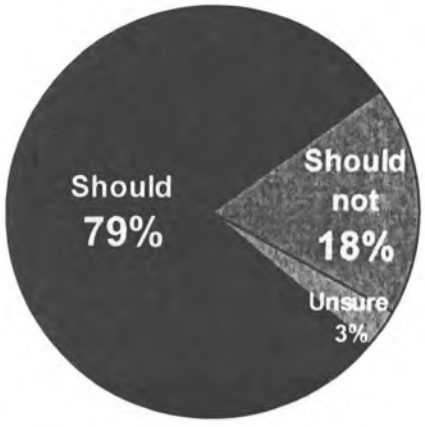
"...good time to build bridge...?"

	Good time	Wait until later	Never build	Unsure
Anchorage	61%	18%	17%	3%
Mat-Su Valley	73%	12%	12%	3%

And when everything is considered, if construction of the Knik Arm bridge were to be delayed, nearly four-out-of-five Alaskans (79%) would still like to see the Knik Arm bridge included in the region's Long-Range Transportation Plan.

Question: ***Regardless of whether or not you support building the Knik Arm bridge at the present time, do you feel it should or should not continue to be included in Southcentral Alaska's Long-Range Transportation Plan? ****

STATEWIDE



...and there is growing support in Anchorage and the Mat-Su Valley to include the bridge in the Long-Range Transportation Plan -- 75-88% currently, compared to 67-79% two years ago.

"...include in Long-Range Transportation Plan...?"

	2011		2009	
	Should include	**Should not include**	**Should include**	**Should not include**
Anchorage	75%	23%	67%	31%
Mat-Su Valley	88%	11%	79%	17%

*Note: In 2009, this question was not asked statewide. It was asked only of Anchorage and Mat-Su Valley residents. The 2009 question was worded: *"Do you feel planning for a Knik Arm bridge should or should not be included in Southcentral Alaska's long-range transportation planning?"*

Summary

SUMMARY OF FINDINGS

- Awareness of a proposed Knik Arm bridge remains high (89%)...
- However, only a little over one-out-of-three respondents (37%) are aware the federal government has approved construction of the Knik Arm bridge.
- It appears information concerning the federal approval of the Knik Arm bridge will be warmly received by Alaskans -- by a ratio of 2:1, Alaskans now report *"it's getting close to the time to build a bridge"* (60%) compared to *"is not getting close to time"* (31%).
- And nearly the same percentage (62%) report they feel *"now is a good time to build a Knik Arm bridge"* rather than *"later"* (17%) or *"never"* (15%).
- And if for some reason construction of the Knik Arm bridge were to be delayed, by far the largest number of Alaskans (79%) believe it should be included in the area's Long-Range Transportation Plan.

Crosstabulations

Overall, what's you personal opinion regarding the direction of Alaska's economy -- would you say our economic future is looking...?

		Unsure	Very good	Quite good	Not too good	Not good at all	BASE
TOTAL		3%	5%	59%	28%	5%	100.0%
Region	**Rural**	3%	5%	60%	25%	8%	8.3%
	Central	6%	2%	59%	30%	3%	15.4%
	Southcentral	9%	7%	59%	20%	5%	8.3%
	Anchorage	1%	5%	58%	29%	7%	41.1%
	Southeast	2%	2%	74%	19%	2%	11.9%
	Mat-Su	3%	6%	50%	35%	6%	14.9%
Registration	**Democrat**	1%	6%	60%	33%	0%	15.6%
	Republican	5%	2%	53%	33%	7%	26.0%
	Non-Partisan	3%	6%	61%	23%	7%	50.4%
	Other	0%	6%	61%	31%	2%	3.4%
	Not registered	12%	2%	63%	23%	0%	4.6%
Anc/Mat-Su Commute	**Unsure**	0%	0%	88%	12%	0%	1.3%
	Yes	3%	6%	59%	27%	6%	28.7%
	No	1%	6%	54%	32%	7%	70.0%
Income	**Refused**	6%	7%	51%	32%	4%	17.5%
	Under $20,000	10%	6%	46%	37%	1%	6.0%
	$20-$40,000	3%	2%	62%	30%	3%	12.3%
	$40-$60,000	3%	1%	56%	37%	3%	14.0%
	$60-$80,000	0%	3%	69%	22%	5%	13.5%
	$80-$100,000	3%	5%	64%	24%	4%	12.9%
	Over $100,000	1%	7%	61%	20%	11%	23.8%
Age	**18-29**	4%	5%	63%	22%	6%	9.0%
	30-44	4%	4%	74%	14%	4%	17.7%
	45-59	3%	4%	56%	31%	6%	39.5%
	60+	2%	5%	54%	33%	5%	33.8%
Gender	**Male**	3%	6%	56%	26%	9%	48.5%
	Female	3%	3%	62%	29%	2%	51.5%

Have you ever heard or read anything about a proposed bridge between Anchorage and the Matanuska-Susitna Borough called the Knik Arm Crossing?

		Yes	No	BASE
TOTAL		89%	11%	100.0%
Region	**Rural**	78%	23%	8.3%
	Central	84%	16%	15.4%
	Southcentral	89%	11%	8.3%
	Anchorage	96%	4%	41.1%
	Southeast	67%	33%	11.9%
	Mat-Su	97%	3%	14.9%
Registration	**Democrat**	77%	23%	15.6%
	Republican	93%	7%	26.0%
	Non-Partisan	92%	8%	50.4%
	Other	96%	4%	3.4%
	Not registered	64%	36%	4.6%
Anc/Mat-Su Commute	**Unsure**	74%	26%	1.3%
	Yes	97%	3%	28.7%
	No	97%	3%	70.0%
Income	**Refused**	85%	15%	17.5%
	Under $20,000	71%	29%	6.0%
	$20-$40,000	79%	21%	12.3%
	$40-$60,000	91%	9%	14.0%
	$60-$80,000	97%	3%	13.5%
	$80-$100,000	95%	5%	12.9%
	Over $100,000	92%	8%	23.8%
Age	**18-29**	65%	35%	9.0%
	30-44	85%	15%	17.7%
	45-59	93%	7%	39.5%
	60+	93%	7%	33.8%
Gender	**Male**	89%	11%	48.5%
	Female	89%	11%	51.5%

Building a bridge across the Knik Arm connecting Anchorage and the Matanuska-Susitna Borough was first proposed nearly 90 years ago in 1923. Alaska's population has grown substantially since then, and over half the state's population now lives in the Anchorage/Mat-Su Valley area. What is your personal opinion -- do you feel it is or is not getting close to the time to build a bridge between Anchorage and the Matanuska-Susitna Valley?

		Unsure	Is	Is not	BASE
TOTAL		9%	60%	31%	100.0%
Region	**Rural**	8%	68%	25%	8.3%
	Central	13%	56%	31%	15.4%
	Southcentral	14%	52%	34%	8.3%
	Anchorage	5%	62%	33%	41.1%
	Southeast	24%	38%	38%	11.9%
	Mat-Su	4%	75%	21%	14.9%
Registration	**Democrat**	8%	52%	40%	15.6%
	Republican	10%	69%	21%	26.0%
	Non-Partisan	8%	57%	34%	50.4%
	Other	16%	60%	24%	3.4%
	Not registered	17%	59%	24%	4.6%
Anc/Mat-Su Commute	**Unsure**	26%	37%	37%	1.3%
	Yes	3%	66%	31%	28.7%
	No	5%	66%	29%	70.0%
Income	**Refused**	17%	48%	35%	17.5%
	Under $20,000	13%	68%	19%	6.0%
	$20-$40,000	6%	62%	32%	12.3%
	$40-$60,000	6%	63%	31%	14.0%
	$60-$80,000	10%	61%	29%	13.5%
	$80-$100,000	7%	61%	32%	12.9%
	Over $100,000	7%	62%	30%	23.8%
Age	**18-29**	9%	63%	29%	9.0%
	30-44	14%	65%	20%	17.7%
	45-59	10%	58%	32%	39.5%
	60+	6%	59%	36%	33.8%
Gender	**Male**	6%	63%	32%	48.5%
	Female	12%	57%	31%	51.5%

On December 15, 2010, the Federal Highway Administration announced that after input from state and local governments, tribes, and the public-at-large, and after careful consideration of social, economic and environmental factors, it has approved construction of the Knik Arm bridge between Anchorage and the Mat-Su Borough. Were you aware the Federal government had approved construction of the Knik Arm bridge?

		Unsure	Yes	No	BASE
TOTAL		1%	37%	62%	100.0%
Region	**Rural**	3%	23%	75%	8.3%
	Central	3%	22%	75%	15.4%
	Southcentral	0%	30%	70%	8.3%
	Anchorage	0%	45%	55%	41.1%
	Southeast	0%	26%	74%	11.9%
	Mat-Su	0%	50%	50%	14.9%
Registration	**Democrat**	0%	23%	77%	15.6%
	Republican	2%	37%	61%	26.0%
	Non-Partisan	0%	41%	59%	50.4%
	Other	0%	47%	53%	3.4%
	Not registered	5%	30%	66%	4.6%
Anc/Mat-Su Commute	**Unsure**	0%	26%	74%	1.3%
	Yes	0%	47%	53%	28.7%
	No	0%	46%	54%	70.0%
Income	**Refused**	0%	35%	65%	17.5%
	Under $20,000	0%	20%	80%	6.0%
	$20-$40,000	2%	30%	68%	12.3%
	$40-$60,000	0%	31%	69%	14.0%
	$60-$80,000	0%	37%	63%	13.5%
	$80-$100,000	3%	44%	53%	12.9%
	Over $100,000	0%	46%	54%	23.8%
Age	**18-29**	0%	12%	88%	9.0%
	30-44	0%	31%	69%	17.7%
	45-59	1%	44%	55%	39.5%
	60+	1%	38%	61%	33.8%
Gender	**Male**	1%	43%	56%	48.5%
	Female	0%	31%	69%	51.5%

Following federal approval of the Knik Arm bridge, Governor Sean Parnell said that:
'Alaska is a storehouse of natural resources and human capital. Jobs and new development rely on a solid transportation network, and the Knik Arm bridge is an important link in Alaska's regional transportation system.'
...What is your opinion, do you feel building the Knik Arm bridge will or will not help lead to more jobs and economic growth?

		Unsure	Will	Will not	BASE
TOTAL		6%	75%	19%	100.0%
Region	**Rural**	0%	75%	25%	8.3%
	Central	3%	83%	14%	15.4%
	Southcentral	13%	59%	29%	8.3%
	Anchorage	3%	74%	23%	41.1%
	Southeast	24%	64%	12%	11.9%
	Mat-Su	2%	85%	13%	14.9%
Registration	**Democrat**	7%	68%	25%	15.6%
	Republican	7%	80%	13%	26.0%
	Non-Partisan	5%	74%	21%	50.4%
	Other	18%	64%	18%	3.4%
	Not registered	4%	82%	14%	4.6%
Anc/Mat-Su Commute	**Unsure**	26%	37%	37%	1.3%
	Yes	2%	76%	22%	28.7%
	No	3%	78%	19%	70.0%
Income	**Refused**	15%	59%	26%	17.5%
	Under $20,000	4%	82%	14%	6.0%
	$20-$40,000	6%	79%	15%	12.3%
	$40-$60,000	3%	80%	17%	14.0%
	$60-$80,000	5%	75%	20%	13.5%
	$80-$100,000	1%	74%	25%	12.9%
	Over $100,000	5%	78%	17%	23.8%
Age	**18-29**	7%	80%	14%	9.0%
	30-44	5%	80%	15%	17.7%
	45-59	8%	68%	24%	39.5%
	60+	4%	78%	18%	33.8%
Gender	**Male**	5%	78%	17%	48.5%
	Female	7%	72%	21%	51.5%

...I'm going to read some other factors and I'd like to know whether you feel they are or are not important reasons to build a Knik Arm bridge: Provide a second connection between Anchorage and the Mat-Su Valley for emergencies and disaster evacuation.

		Unsure	Important reason	Not important reason	BASE
TOTAL		1%	77%	21%	100.0%
Region	**Rural**	0%	73%	28%	8.3%
	Central	0%	78%	22%	15.4%
	Southcentral	0%	79%	21%	8.3%
	Anchorage	0%	77%	23%	41.1%
	Southeast	12%	67%	21%	11.9%
	Mat-Su	0%	87%	13%	14.9%
Registration	**Democrat**	0%	77%	23%	15.6%
	Republican	1%	87%	12%	26.0%
	Non-Partisan	2%	72%	27%	50.4%
	Other	8%	65%	26%	3.4%
	Not registered	0%	94%	6%	4.6%
Anc/Mat-Su Commute	**Unsure**	0%	63%	37%	1.3%
	Yes	0%	78%	22%	28.7%
	No	0%	81%	19%	70.0%
Income	**Refused**	6%	69%	25%	17.5%
	Under $20,000	0%	90%	10%	6.0%
	$20-$40,000	0%	77%	23%	12.3%
	$40-$60,000	2%	77%	21%	14.0%
	$60-$80,000	0%	77%	23%	13.5%
	$80-$100,000	0%	82%	18%	12.9%
	Over $100,000	0%	78%	22%	23.8%
Age	**18-29**	0%	87%	13%	9.0%
	30-44	2%	85%	13%	17.7%
	45-59	2%	73%	25%	39.5%
	60+	1%	75%	24%	33.8%
Gender	**Male**	1%	75%	24%	48.5%
	Female	2%	79%	19%	51.5%

...I'm going to read some other factors and I'd like to know whether you feel they are or are not important reasons to build a Knik Arm bridge: Save time, money and provide jobs now.

		Unsure	Important reason	Not important reason	BASE
TOTAL		2%	73%	25%	100.0%
Region	**Rural**	0%	73%	28%	8.3%
	Central	0%	81%	19%	15.4%
	Southcentral	2%	70%	29%	8.3%
	Anchorage	1%	71%	28%	41.1%
	Southeast	10%	62%	29%	11.9%
	Mat-Su	2%	82%	16%	14.9%
Registration	**Democrat**	0%	70%	30%	15.6%
	Republican	3%	84%	13%	26.0%
	Non-Partisan	3%	68%	30%	50.4%
	Other	0%	66%	34%	3.4%
	Not registered	0%	84%	16%	4.6%
Anc/Mat-Su Commute	**Unsure**	0%	63%	37%	1.3%
	Yes	1%	76%	23%	28.7%
	No	2%	73%	25%	70.0%
Income	**Refused**	8%	59%	33%	17.5%
	Under $20,000	0%	88%	12%	6.0%
	$20-$40,000	2%	80%	18%	12.3%
	$40-$60,000	1%	78%	21%	14.0%
	$60-$80,000	1%	76%	22%	13.5%
	$80-$100,000	1%	68%	31%	12.9%
	Over $100,000	0%	75%	25%	23.8%
Age	**18-29**	0%	80%	20%	9.0%
	30-44	1%	82%	17%	17.7%
	45-59	3%	67%	30%	39.5%
	60+	2%	74%	24%	33.8%
Gender	**Male**	1%	74%	25%	48.5%
	Female	3%	72%	25%	51.5%

...I'm going to read some other factors and I'd like to know whether you feel they are or are not important reasons to build a Knik Arm bridge: Meet projected population and transportation needs of Anchorage and the Mat-Su Borough.

		Unsure	Important reason	Not important reason	BASE
TOTAL		4%	72%	24%	100.0%
Region	**Rural**	5%	78%	18%	8.3%
	Central	2%	80%	19%	15.4%
	Southcentral	5%	73%	21%	8.3%
	Anchorage	1%	71%	28%	41.1%
	Southeast	19%	55%	26%	11.9%
	Mat-Su	1%	80%	20%	14.9%
Registration	**Democrat**	0%	73%	27%	15.6%
	Republican	6%	80%	14%	26.0%
	Non-Partisan	4%	68%	28%	50.4%
	Other	13%	63%	24%	3.4%
	Not registered	5%	82%	14%	4.6%
Anc/Mat-Su Commute	**Unsure**	0%	63%	37%	1.3%
	Yes	0%	71%	29%	28.7%
	No	2%	74%	24%	70.0%
Income	**Refused**	10%	63%	27%	17.5%
	Under $20,000	6%	71%	23%	6.0%
	$20-$40,000	2%	73%	26%	12.3%
	$40-$60,000	2%	83%	15%	14.0%
	$60-$80,000	1%	72%	27%	13.5%
	$80-$100,000	6%	67%	26%	12.9%
	Over $100,000	2%	76%	22%	23.8%
Age	**18-29**	3%	82%	14%	9.0%
	30-44	3%	83%	14%	17.7%
	45-59	5%	66%	28%	39.5%
	60+	3%	71%	26%	33.8%
Gender	**Male**	4%	73%	23%	48.5%
	Female	4%	71%	25%	51.5%

...I'm going to read some other factors and I'd like to know whether you feel they are or are not important reasons to build a Knik Arm bridge: Construction costs are likely to rise & it will be more expensive later.

		Unsure	Important reason	Not important reason	BASE
TOTAL		3%	68%	29%	100.0%
Region	**Rural**	5%	65%	30%	8.3%
	Central	2%	78%	20%	15.4%
	Southcentral	4%	43%	54%	8.3%
	Anchorage	2%	69%	29%	41.1%
	Southeast	14%	55%	31%	11.9%
	Mat-Su	1%	78%	21%	14.9%
Registration	**Democrat**	3%	63%	34%	15.6%
	Republican	5%	75%	20%	26.0%
	Non-Partisan	3%	66%	31%	50.4%
	Other	0%	76%	24%	3.4%
	Not registered	5%	56%	40%	4.6%
Anc/Mat-Su Commute	**Unsure**	0%	88%	12%	1.3%
	Yes	2%	71%	27%	28.7%
	No	1%	72%	27%	70.0%
Income	**Refused**	12%	57%	31%	17.5%
	Under $20,000	0%	73%	27%	6.0%
	$20-$40,000	3%	70%	27%	12.3%
	$40-$60,000	3%	72%	25%	14.0%
	$60-$80,000	1%	69%	30%	13.5%
	$80-$100,000	2%	71%	28%	12.9%
	Over $100,000	1%	68%	31%	23.8%
Age	**18-29**	5%	51%	44%	9.0%
	30-44	3%	68%	29%	17.7%
	45-59	3%	65%	32%	39.5%
	60+	4%	75%	21%	33.8%
Gender	**Male**	2%	68%	30%	48.5%
	Female	5%	67%	27%	51.5%

...I'm going to read some other factors and I'd like to know whether you feel they are or are not important reasons to build a Knik Arm bridge: Provide community connectivity and access to natural resources.

		Unsure	Important reason	Not important reason	BASE
TOTAL		3%	64%	33%	100.0%
Region	**Rural**	3%	55%	43%	8.3%
	Central	0%	78%	22%	15.4%
	Southcentral	2%	57%	41%	8.3%
	Anchorage	2%	64%	34%	41.1%
	Southeast	14%	45%	40%	11.9%
	Mat-Su	2%	72%	27%	14.9%
Registration	**Democrat**	0%	52%	48%	15.6%
	Republican	3%	79%	18%	26.0%
	Non-Partisan	4%	57%	38%	50.4%
	Other	8%	66%	25%	3.4%
	Not registered	0%	79%	21%	4.6%
Anc/Mat-Su Commute	**Unsure**	0%	63%	37%	1.3%
	Yes	2%	65%	33%	28.7%
	No	2%	66%	32%	70.0%
Income	**Refused**	11%	58%	31%	17.5%
	Under $20,000	0%	62%	38%	6.0%
	$20-$40,000	0%	62%	38%	12.3%
	$40-$60,000	2%	69%	29%	14.0%
	$60-$80,000	1%	63%	36%	13.5%
	$80-$100,000	3%	60%	38%	12.9%
	Over $100,000	2%	68%	29%	23.8%
Age	**18-29**	0%	75%	25%	9.0%
	30-44	4%	72%	24%	17.7%
	45-59	4%	58%	37%	39.5%
	60+	2%	62%	35%	33.8%
Gender	**Male**	3%	67%	30%	48.5%
	Female	4%	60%	36%	51.5%

Overall, when everything is considered, would you say now is a good time to build a Knik Arm bridge, should we wait until later, or should it never be built?

		Unsure	Now good time	Wait 'til later	Never built	BASE
TOTAL		5%	62%	17%	15%	100.0%
Region	**Rural**	0%	63%	18%	20%	8.3%
	Central	3%	64%	22%	11%	15.4%
	Southcentral	11%	55%	21%	13%	8.3%
	Anchorage	3%	61%	18%	17%	41.1%
	Southeast	19%	55%	10%	17%	11.9%
	Mat-Su	3%	73%	12%	12%	14.9%
Registration	**Democrat**	8%	53%	19%	21%	15.6%
	Republican	4%	74%	15%	7%	26.0%
	Non-Partisan	4%	59%	18%	19%	50.4%
	Other	17%	58%	17%	8%	3.4%
	Not registered	10%	66%	18%	6%	4.6%
Anc/Mat-Su Commute	**Unsure**	0%	63%	26%	12%	1.3%
	Yes	3%	66%	11%	20%	28.7%
	No	3%	63%	19%	14%	70.0%
Income	**Refused**	13%	49%	14%	24%	17.5%
	Under $20,000	7%	61%	20%	11%	6.0%
	$20-$40,000	2%	67%	23%	8%	12.3%
	$40-$60,000	1%	70%	17%	12%	14.0%
	$60-$80,000	6%	61%	19%	14%	13.5%
	$80-$100,000	5%	57%	18%	20%	12.9%
	Over $100,000	3%	69%	15%	13%	23.8%
Age	**18-29**	4%	69%	20%	7%	9.0%
	30-44	9%	70%	14%	7%	17.7%
	45-59	5%	57%	20%	18%	39.5%
	60+	4%	63%	15%	18%	33.8%
Gender	**Male**	3%	69%	15%	12%	48.5%
	Female	7%	56%	19%	18%	51.5%

Regardless of whether or not you support building the Knik Arm bridge at the present time, do you feel it should or should not continue to be included in Southcentral Alaska's long-range transportation plan?

		Unsure	Should	Should not	BASE
TOTAL		3%	79%	18%	100.0%
Region	**Rural**	3%	75%	23%	8.3%
	Central	2%	89%	9%	15.4%
	Southcentral	7%	71%	21%	8.3%
	Anchorage	2%	75%	23%	41.1%
	Southeast	10%	76%	14%	11.9%
	Mat-Su	1%	88%	11%	14.9%
Registration	**Democrat**	1%	77%	22%	15.6%
	Republican	1%	87%	12%	26.0%
	Non-Partisan	5%	75%	20%	50.4%
	Other	0%	87%	13%	3.4%
	Not registered	6%	80%	14%	4.6%
Anc/Mat-Su Commute	**Unsure**	0%	88%	12%	1.3%
	Yes	0%	76%	24%	28.7%
	No	2%	79%	18%	70.0%
Income	**Refused**	6%	68%	26%	17.5%
	Under $20,000	5%	82%	14%	6.0%
	$20-$40,000	6%	81%	14%	12.3%
	$40-$60,000	1%	83%	16%	14.0%
	$60-$80,000	2%	83%	15%	13.5%
	$80-$100,000	3%	76%	22%	12.9%
	Over $100,000	1%	83%	16%	23.8%
Age	**18-29**	1%	85%	14%	9.0%
	30-44	3%	86%	12%	17.7%
	45-59	3%	78%	19%	39.5%
	60+	4%	75%	21%	33.8%
Gender	**Male**	3%	81%	15%	48.5%
	Female	3%	77%	20%	51.5%

Appendix:
Preliminary Legislative Handout (January 17, 2011)

The AlaskaPoll ®

DITTMAN RESEARCH
& COMMUNICATIONS
CORPORATION

DRC Building
8115 Jewel Lake Road
Anchorage, Alaska 99502

Phone: (907) 243-3345
Fax: (907) 243-7172
Email: dittman@alaska.net
Web: dittmanresearch.com

Information for Solutions

- Market Research
- Public Opinion Analysis
- Political and Government Research
- Focus Groups

ALASKA STATEWIDE PUBLIC ATTITUDES AND PERCEPTIONS

Knik Arm Bridge and Toll Authority

January 2011

Methodology

Overview

During the period January 6-16, 2011, six hundred three (n=603) Alaskans were interviewed regarding their views concerning a Knik Arm Crossing toll bridge.

Research Design

A random sample design was featured which provided that all households listed in the most current telephone directory for each community had essentially an equal chance of being interviewed.

Sample Plan

A statewide representative sample was designed to provide sufficient respondents in each region for independent geographic sub-group analysis.

	Sample Size
Rural	n=40
Fairbanks	n=64
Matanuska-Susitna	n=179
Anchorage	n=222
Kenai Peninsula	n=56
Southeast	n=42
TOTAL	n=603

For statewide analysis, the geographic regions were combined and weighted in proportion to their percentage of the total population.

Rural	8%
Fairbanks	16%
Matanuska-Susitna	15%
Anchorage	41%
Kenai Peninsula	8%
Southeast	12%
TOTAL	100%

Sample Selection

Individual respondents were randomly selected from current telephone subscribers listed in the most current directory for each community.

Measurement History

Citizen opinion measurements by the Dittman Research & Communications Corporation have proven to be perfect predictors of U.S. Senate and Gubernatorial election results in Alaska for the past forty years.

The AlaskaPoll

Knik Arm Bridge and Toll Authority
Alaska Statewide Public Attitudes and Perceptions

January 2011
(n=603)
Preliminary Findings

- **Overall, statewide awareness of the Knik Arm Crossing remains high (89%).**

Question:	Answer:	Statewide	Anchorage/ Mat-Su
"Have you ever heard or read anything about a proposed bridge between Anchorage and the Matanuska-Susitna Borough called the Knik Arm Crossing?"	Yes	89%	97%
	No	11%	3%

- **And by far, the largest percentage of Alaskans (60%) feel it is time to build a bridge between Anchorage and the Mat-Su Valley.**

Question:	Answer:	Statewide	Anchorage/ Mat-Su
"...What is your personal opinion -- do you feel it is or is not getting close to the time to build a bridge between Anchorage and the Matanuska-Susitna Valley?"	Is	60%	65%
	Is not	31%	30%
	Unsure	9%	5%

- **However, most Alaskans statewide reported they didn't know the Federal government had recently approved construction.**

Question:	Answer:	Statewide	Anchorage/ Mat-Su
"...Were you aware the Federal government had approved construction of the Knik Arm Bridge?"	Yes	37%	46%
	No	62%	54%
	Unsure	1%	--

- **On a statewide basis, three out of four Alaskans (75%) believe the Knik Arm Bridge will lead to more jobs and a better economy.**

Question:	Answer:	Statewide	Anchorage/ Mat-Su
"...What is your opinion, do you feel building the Knik Arm bridge will or will not help lead to more jobs and economic growth?"	Will	75%	77%
	Will not	19%	20%
	Unsure	6%	3%

- **And strong majorities (64-77%) also believe a Knik Arm Bridge will provide community connectivity and access to natural resources; meet projected population and transportation needs; save time, money, and provide jobs; and provide a second connection for emergencies and evacuation.**

	Good Reason	Not Good Reason	Unsure
Provide community connectivity and access to natural resources	64%	33%	3%
Meet projected population and transportation needs of Anchorage and the Mat-Su Borough	72%	24%	4%
Save time, money and provide jobs now	73%	25%	2%
Provide a second connection between Anchorage and the Mat-Su Valley for emergencies and disaster evacuation	77%	21%	2%
Construction costs are likely to rise & it will be more expensive later	68%	29%	3%

- **In total, by far, the largest number of Alaskans (62%) report they believe "now" is a good time to build the Knik Arm Bridge.**

Question:	Answer:	Statewide	Anchorage/ Mat-Su
"Overall, when everything is considered, would you say now is a good time to build a Knik Arm bridge, should we wait until later, or should it never be built?"	Now is good	62%	64%
	Wait until later	17%	17%
	Never be built	15%	16%
	Unsure	6%	3%

- **If, for some reason, the Knik Arm Bridge isn't built in the near future, approximately four out of five Alaskans (79%) believe it should continue to be included in the region's long-range transportation plan.**

Question:	Answer:	Statewide	Anchorage/ Mat-Su
"Regardless of whether or not you support building the Knik Arm Bridge at the present time, do you feel it should or should not continue to be included in Southcentral Alaska's long-range transportation plan?"	Should	79%	79%
	Should not	18%	20%
	Unsure	3%	1%

Final statewide research results will be available January 28, 2011.

CITY OF HOUSTON, ALASKA
RESOLUTION 09-05

A RESOLUTION OF THE COUNCIL FOR THE CITY OF HOUSTON, ALASKA AFFIRMING SUPPORT OF AND PARTNERSHIP WITH THE STATE OF ALASKA COMMISSION: KNIK ARM BRIDGE AND TOLL AUTHORITY (KABATA) AND THE CONSTRUCTION OF THE KNIK ARM BRIDGE CROSSING FROM ANCHORAGE, ALASKA NORTH TO POINT MACKENZIE, MATANUSKA-SUSITNA BOROUGH, ALASKA.

WHEREAS, the Knik Arm Bridge and Toll Authority (KABATA) was created in 2003 by Alaska Statute 19.75 to "...develop, stimulate, and advance the economic welfare of the state and further the development of public transportation systems in the vicinity of the Upper Cook Inlet with construction of a bridge to span Knik Arm and connect the Municipality of anchorage and Matanuska-Susitna Borough"; and

WHEREAS, Anchorage growth is geographically constrained; and

WHEREAS, the Matanuska-Susitna regional population is growing and is projected to increase around 200,000 more people by the year 2030 regardless of whether the bridge is built or not; and

WHEREAS, the Matanuska-Susitna Borough is the 35th fastest growing county in the U.S. this decade out of 3,141 counties; and

WHEREAS, the Matanuska-Susitna Borough has a strong regional economy in contrast to a poor economy in bush Alaska attracting in-migration to the area; and

WHEREAS, the Matanuska-Susitna Borough is in close proximity to Alaska's economic and transportation hub – Anchorage; and

WHEREAS, the City of Houston is the nearest Municipality within the Matanuska-Susitna Borough of which the Knik Arm Bridge would have a significant impact; and

WHEREAS, the Knik Arm Bridge brings an economic stimulus that:

- facilitates movement of people and goods,
- supports Alaska gas line and other resource development projects,
- establishes a new economic corridor for business
- establishes the only alternative highway safety route north,
- connects the Port of Anchorage and Port MacKenzie,
- establishes access to the planned Goose Creek Correctional Center,
- supports population growth due to an abundance of private land for development close to Anchorage,
- provides $18.3 billion additional economic stimulus within the first twenty-three years of operation,
- provides and estimated 14,000 additional jobs,

CITY OF HOUSTON, ALASKA
RESOLUTION 09-05

- provides$1.2 billion additional local tax receipts,
- provides $1.4 billion additional O&M and Capital expenditures,
- produces an estimated savings of $95 million per year public travel in the first year alone,
- avoids an 80,000+ metric tons of carbon emissions in the first year,
- generates the maximum value to the Alaska public and the state.

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HOUSTON, that:

The City of Houston hereby presents this resolution with the strongest recommendation in support of the Knik Arm Bridge as having a substantial economic value to Alaskans, is environmentally friendly, and is affordable and financially feasible.

PASSED AND APPROVED by a duly constituted quorum of the City Council for the City of Houston, Alaska on this 12th day of February, 2009.

THE CITY OF HOUSTON, ALASKA

Roger Purcell, Mayor

ATTEST:

Steven M. Cunningham, City Clerk
Houston, Alaska

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number 1
Bill Version HB 158
() Publish Date 3/9/2011

HB158-DOT-CO-02-13-11
Title Knik Arm Bridge and Toll Authority
Sponsor Representative Neuman
Requester (H)TRANS

Dept. Affected DOTPF
Appropriation Design, Engineering & Construction
Allocation Knik Arm Bridge & Toll Authority
OMB Component Number 2715

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES							
CHANGE IN REVENUES							

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other (please identify)							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2011) cost _____

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial version

Prepared by Brenda Hewitt, Legislative Liaison
Division Commissioner's Office
Phone 465-4772
Date/Time 3/9/11 PM

Approved by Marc Luiken, Commissioner
Commissioner's Office
Date 3/9/2011

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB 158

Analysis

The DOT budget will not be affected by the development of the project as long as projections for ridership on the bridge, and related financial solvency, are fulfilled.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM March 11, 2011

SUBJECT: Financial obligation of the state under language in HB 158 (Work Order No. 27-LS0431\M)

TO: Representative Eric Feige
Attn: Michael Paschall

FROM: Brian J. Kane BJK
Legislative Counsel

You have asked the following regarding HB 158: What is the state's financial obligation regarding the agreements entered into by the Knik Arm Bridge and Toll Authority ("authority")? When does the state assume the risk, or when are the state's assets at risk?

The state has no financial obligation or risk regarding the agreements entered into by the authority. The language in question, found in sec. 1 of the bill, reads:

> (B) entering into public-private partnerships or service contracts in any form**; the monetary obligations incurred by the authority under the partnerships or contracts are obligations of the state, and satisfaction of those obligations from funds other than authority funds is subject to appropriation**;

As the paragraph states, satisfaction of monetary obligations is subject to appropriation. If the authority cannot pay its obligations under an agreement, the legislature has the option to appropriate money to the authority to fulfill the agreement or to not appropriate any money. In fact, this is the case even without the added language. This language does not add any extra obligation on the state to pay for any monetary shortcoming the authority has in any agreements. It could not, because art. IX, sec. 8 of the state constitution limits state debts to those approved by the voters (with certain exceptions not relevant here). If a person sued the authority on the basis of lack of payment for a contract, the person could not reach any assets beyond the assets of the authority.

If I may be of further assistance, please advise.

BJK:plm
11-136.plm

STATE OF ALASKA

SEAN PARNELL, GOVERNOR

KNIK ARM BRIDGE AND TOLL AUTHORITY

550 West 7th Ave, Suite 1850
Anchorage, Alaska 99501
Phone: (907) 269-6698
FAX: (907) 269-6697
www.knikarmbridge.com

March 1, 2011

Mr. Duane Callender, Project Finance Coordinator
TIFIA Credit Program (HCFT-1)
US Department of Transportation
Room E64-301
1200 New Jersey Avenue, S.E.
Washington, DC 20590

Dear Mr. Callender,

On behalf of the Knik Arm Bridge and Toll Authority (KABATA), I am pleased to submit to the TIFIA Credit Program a Letter of Interest (LOI) to obtain TIFIA Credit for the Knik Arm Crossing Project (Project). The Project will provide substantial economic, social, and environmental benefits while supporting sustainable and livable communities for generations of citizens. TIFIA credit will accelerate the Project and the benefits it promises and help to keep tolls affordable for the public.

The Project has achieved several key milestones over the last few months. The National Marine Fisheries Service issued a biological opinion that the bridge would not jeopardize the Cook Inlet stock of beluga whales on November 30, 2010, followed by FHWA signing a "build" Record of Decision on December 15, 2010. These actions place the Project in position to close on TIFIA Credit and begin construction under a public-private partnership by 2012. KABATA is prepared to submit a full application promptly to achieve our schedule.

The Alaska Legislature is considering several bills to enhance the Project credit profile and appropriate funds for a Project reserve account. We believe that the pending legislation places the Project in a strong position to pay for up to 100 percent of the TIFIA credit subsidy, preserving scarce TIFIA budget authority for other essential projects around the country, as discussed in more detail in the LOI.

KABATA, the State of Alaska, and I all look forward to the results of the evaluation of the submitted LOIs and are confident that the Knik Arm Crossing Project rates very highly on all of the scoring criteria. We are providing exhibits and other relevant documents supporting the LOI at www.knikarmbridge.com/TIFIA.html due to their voluminous nature. Please contact me or Mr. Hemenway, our CFO, directly if the TIFIA JPO needs any other information about the Project.

Sincerely,

Andrew J. Niemiec
Executive Director

cc: David C. Miller, Alaska Division, FHWA
Marc A. Luiken, Commissioner, ADOT&PF
Michael L. Foster, Chairman, KABATA

Because demand for the Transportation Infrastructure Finance and Innovation Act (TIFIA) credit program exceeds budgetary resources, the DOT is utilizing periodic fixed-date solicitations to establish a competitive group of projects to be evaluated against program objectives. Applicants must prepare a Letter of Interest using the format provided below.

Letters of Interest being submitted for this funding cycle are due by 4:30 p.m. ET on March 1, 2011. The total narrative for this letter should not exceed 20 pages, excluding any exhibits.

Only competitive projects identified at the Letter of Interest stage will be considered and invited to submit a formal application. As such, this Letter of Interest format incorporates information related to the project's satisfaction of the statutory evaluation criteria, as detailed in the January 2011 Federal Register notice and summarized below. Please reference the Notice of Funding Availability published in the Federal Register in January 2011 and the TIFIA Program Guide for guidance on the TIFIA evaluation criteria and the application process.

After concluding its review of the Letters of Interest, the DOT will invite complete applications (including the Executive Summary, preliminary rating opinion letter and detailed plan of finance) for the highest-rated projects. The application due date will be established after consultation between the TIFIA JPO and the applicant. By submitting this Letter of Interest, the applicant certifies that if selected to submit a formal application and enter negotiations, the applicant will pay the required fees.

If you have any questions regarding completing this form, please contact Duane Callender at (202) 366-9644. Please complete all applicable information using this Letter of Interest form and attach this request via email to TIFIACredit@dot.gov by 4:30 p.m. ET on March 1, 2011. Other than the changes to this introductory section and the addition of the certification language at the end, no other revisions to the Letter of Interest form have been made since the December 2009 version was issued.

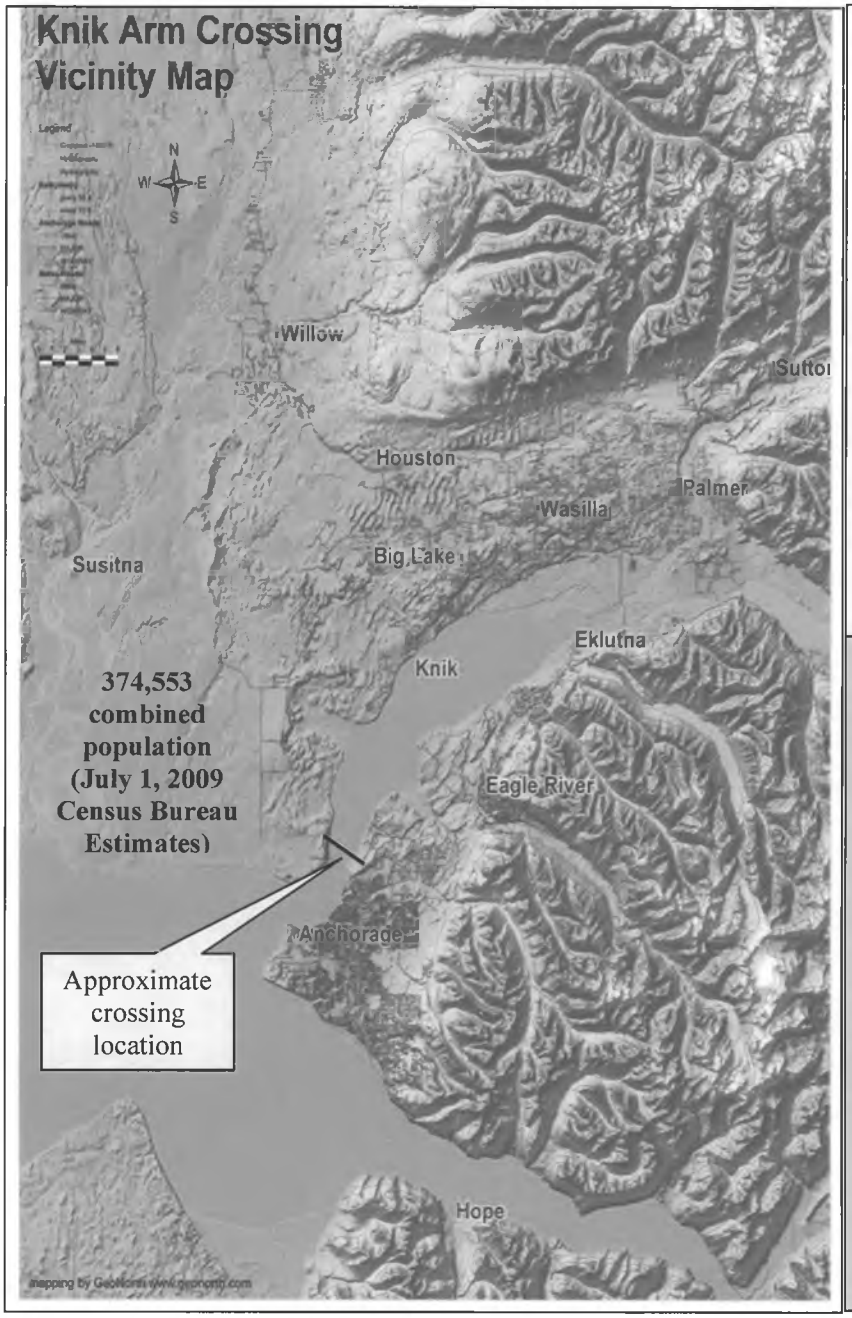
A) Project Description. Describe the project, including its location, purpose, design features, estimated capital cost, and development schedule.

In 2003, the Alaska Legislature established the Knik Arm Bridge and Toll Authority (KABATA) as a public corporation and an instrumentality of the State of Alaska within the Alaska Department of Transportation and Public Facilities (ADOT&PF). The specific purpose of KABATA is "… to develop, stimulate, and advance the economic welfare of the state and further the development of public transportation systems in the vicinity of the Upper Cook Inlet with construction of a bridge to span Knik Arm and connect the Municipality of Anchorage and the Matanuska-Susitna Borough" (Alaska Statutes § 19.75 [AS § 19.75]). The Federal Highway Administration has designated the project the Knik Arm Crossing (Project).

The Project will: (i) improve regional transportation infrastructure to meet existing and projected population growth; (ii) facilitate locally adopted economic development, land use, and transportation plans in a manner providing for more sustainable, smart growth over current patterns; (iii) enhance regional transportation connectivity for the movement of people and freight to, from, and between the Municipality of Anchorage, the Mat-Su Borough, and Interior Alaska; (iv) establish both safety and transportation system redundancy for alternative travel routing and access between regional airports, ports and hospitals, while integrating fire, police, and disaster relief services for emergency response and evacuation; and (v) promote and ensure the quality of life of the citizens in the region and the State of Alaska.

The Project will beneficially affect the pattern of future growth that is coming to the Mat-Su Borough, substantially reducing vehicle miles traveled (VMT), vehicle hours traveled (VHT), fuel consumption, air quality impacts, greenhouse gas emissions, and congestion. EPA's endorsed planning software, PlanBuilder, with applied smart growth principles, indicates that the Project would reduce the environmental impacts of projected population growth in the Mat-Su compared to that of a "no-build" alternative; largely because the Project shifts growth closer to Anchorage. It is a smarter way to accommodate continued growth in the region by promoting urban infill. The result will be a more livable, sustainable and environmentally friendly community than if this Project is not built.

The Project Vicinity Map depicts the relationship of the Mat-Su Borough and Municipality of Anchorage areas and the approximate location of the proposed toll bridge crossing. Additional maps showing the Project vicinity, transportation network, and Project alignment are also provided on the webpage for this LOI at www.knikarmbridge.com/TIFIA.html.



Matanuska-Susitna Borough, population 88,379, is the 31st fastest growing "county" in the United States according to U.S. Census Bureau estimates

Municipality of Anchorage, population 286,174, is the transportation and economic hub of the region and the largest population center in a 1,200 mile radius

The Project improvements include a minimum 8,200 foot toll bridge and approximately 18 miles of two lane approach and connector roads and associated facilities, including an approximately 800 foot cut-and-cover tunnel on the Anchorage side of the bridge. The bridge will cross the Knik Arm of Upper Cook Inlet, connecting Anchorage, the largest city in Alaska, and the Mat-Su, the 31st fastest growing county in the U.S. The Project will be designed to NHS Standards. Future construction will expand capacity to four lanes. A bicycle and pedestrian path enhances livability benefits for the surrounding communities by providing better access to recreational opportunities in the area. These improvements promote

transit development and connectivity throughout the region by creating an opportunity for new and more efficient bus transit routes between Anchorage and the Mat-Su.

The Project construction cost has been developed and reviewed under several engineering studies including a 35% design estimate by two separate independent engineering firms and the FHWA Major Projects team in February 2009. Costs were confirmed by a constructability review by marine construction experts and a contractor style estimate in 2010. Escalated to year of expenditure dollars, the Project construction cost is estimated at $716 million, including the cost of engineering, project management and Right-of-Way (ROW) acquisition and exclusive of development phase cost, capitalized interest, debt issue costs, required debt service reserves and the cost to upgrade 9.5 miles of roadway completed in 2009 at a cost of $15 million using State of Alaska funds. See the webpage for this LOI at www.knikarmbridge.com/TIFIA.html for additional project cost information.

The Project has been designated by Congress as a project of national significance under SAFETEA-LU (Public Law 109-59, § 1302). Recent Alaska Governors, including the current Governor Sean Parnell, have expressed their support for the Project, as has the Alaska Congressional delegation. Regional Mayors, City Councils and Assemblies have voiced strong support for the Project. A survey conducted in January 2011 confirms strong support for the Project by Alaskans, with 64% of regional residents and 60% statewide supporting construction of the Project as early as possible. Letters and expressions of support and the complete survey results are provided on the webpage for this LOI at www.knikarmbridge.com/TIFIA.html.

The Project is in the regional Long-Range Transportation Plan (LRTP) and Transportation Improvement Plan (TIP) of the Anchorage MPO. The Project has been reviewed and approved for air quality conformance by the FHWA and the FTA. The Project is also in the State Transportation Improvement Plan (STIP). The State Legislature has expressed its support through enabling legislation under AS 19.75 and the appropriation of $129 million in state and federal funding for the Project, including $105 million of Title 23 funding. $54.7 million has been invested in development phase activities as of January 31, 2011. The State Legislature is presently considering a $150 million appropriations bill and a bill amending AS 19.75 to enhance the Project credit. (See HB158 and HB159, and SB79 and SB80 and track them on the webpage for this LOI at www.knikarmbridge.com/TIFIA.html.) A further description of this proposed legislation is provided below in Section F.

The Project achieved two major project milestones in the last three months. On November 30, 2010, the National Marine Fisheries Service issued a Biological Opinion indicating that construction of the Project would not likely jeopardize the Cook Inlet stock of beluga whales and on December 15, 2010 the FHWA issued a build Record of Decision (ROD).

Most of the Project ROW is owned by public entities, including the State of Alaska, the Mat-Su Borough, the Municipality of Anchorage, the University of Alaska, the Bureau of Land Management and the U.S. Department of Defense (DOD). The remaining portion, representing approximately 1% of the necessary Project ROW, is owned by private parties. Of these private takes, only 3 involve residential structures. KABATA expects to acquire the Project ROW prior to award of a Public-Private Agreement (PPA).

KABATA has engaged all required permitting agencies and believes all major preconstruction environmental permits will be secured prior to award of the PPA. A table listing the major permits for the Project is provided on the webpage for this LOI at www.knikarmbridge.com/TIFIA.html.

KABATA initiated procurement of a private partner for the design, construction, finance, operations and maintenance of the Project by soliciting Statements of Qualifications on December 13, 2006. Two international consortia led by Macquarie and Bouygues Travaux were shortlisted. The positive evolution of the Project development since then, most notably receipt of the ROD and a no jeopardy biological opinion regarding the Cook Inlet beluga whales, will heighten the interest of the private sector. In addition, modifying the transaction structure to an availability payment form of public-private partnership (P3) will invigorate competition, attract better financing terms, and deliver the best value to the State. Therefore, KABATA anticipates commencing a new procurement in spring of 2011, with award of a PPA, completion of negotiations and commercial and financial close as early as the 2nd quarter of 2012 and construction beginning as early as summer of 2012. Execution of the TIFIA Credit Agreement will occur concurrently with financial close. Construction is estimated to require 3-5 years to complete and the facility could be operational by 2015.

The following table indicates the anticipated Project procurement timeline and PPA milestones:

ACTIVITY	TENTATIVE SCHEDULE
Issue RFQ	June 2011
SOQs Due	July 2011
Shortlist Proposers	August 2011
Industry Review	August 2011 – October 2011
Issue Final RFP	October 2011
Proposals Due	March 2012
Selection of Private Partner (Project Award)	April 2012
Negotiations	April 2012 – May 2012
Commercial Close	May 2012
Financial Close	July 2012
Facility Open for Traffic	2015/2016

B) ***Project Participants.*** ***Describe the overall organizational structure for the project. What entity (i.e., public-sector agency/authority or private-sector company) will serve as the applicant? Will the applicant and the borrower be the same entity? Who are the members of the project team?***

Name of Applicant/Borrower:
KABATA, as Project owner, will be the Applicant and expects to file the TIFIA loan application under the terms of a previously executed SEP-15 Early Development Agreement (EDA) dated July 19, 2007 among ADOT&PF, KABATA and FHWA.[1] The EDA is available on the webpage for this LOI at www.knikarmbridge.com/TIFIA.html. The Project will be procured as a P3 through an availability payment concession. The private partner consortium selected through the procurement process will be the Borrower and shall design, build, finance, operate and maintain the Project over the term of the PPA.

Organizational Structure:
Additional information about the legal structure and team members of the private partner consortia will be provided to the TIFIA JPO during the procurement and credit application process as outlined in the EDA. KABATA has also engaged an industry leading team of legal, financial and technical advisors to support its efforts in applying for TIFIA credit and to support the PPA procurement process. That team presently consists of the following firms:

a. Bond Counsel - Ballard Spahr, LLP
b. P3 Counsel - Nossaman, LLP
c. Authority Counsel - State of Alaska Department of Law
d. P3 Financial Advisor - Citigroup Global Markets Inc. ("Citi")
e. Technical Advisor - HDR, Inc.
f. P3 Advisor/T & R Consultant – Wilbur Smith Associates

The ADOT&PF and the FHWA are also active project participants representing the public sector.

Project Website or Applicant/Borrower Website:
www.knikarmbridge.com (see also ADOT&PF's website at http://www.dot.state.ak.us/ and the TIFIA LOI webpage for the Project, including all exhibits, at www.knikarmbridge.com/TIFIA.html).

[1] For purposes of this LOI, KABATA assumes that the SEP-15 EDA represents the terms and conditions by which the TIFIA JPO will process the application, credit approval and loan documentation. KABATA is open to discussion of any modifications to this process that the TIFIA JPO desires to conform to its current procedures.

C) Proposed Financing. Describe the plan of finance. State the proposed sources and uses of funds for the project, including the type and the amount of credit assistance sought from DOT. Identify the source(s) of revenue or other security that would be pledged to the TIFIA credit instrument. Address the status of any revenue feasibility study.

Sources and Uses of Funds:
Financing for the Project will be achieved through an availability payment concession, whereby the private partner will design, build, finance, operate and maintain the Project under a concession of approximately 35 years after substantial completion in exchange for availability payments from KABATA. The availability payments will be paid from a Project reserve fund that will hold toll revenues as well as any appropriated funds. The Project reserve fund will set forth minimum reserve requirements that, if not met, will trigger a request for appropriation from the State of Alaska (See HB158 and HB159, and SB79 and SB80 on the webpage for this LOI at www.knikarmbridge.com/TIFIA.html). The tolls will be collected either by the private partner or another provider on behalf of KABATA and the State of Alaska. The concession will include one or more milestone payments at or after substantial completion of Project construction or Project construction phases, which the private partner may use to reduce outstanding debt. KABATA shall set toll rates.

The following represents the proposed sources and uses of funds under the pro forma plan of finance, including the potential TIFIA loan:

Pro Forma Sources and Uses of Funds

	Available	Anticipated	Total	Percent
Sources of Funds:				
Tax-exempt Bonds	$ -	$ 396,951,847	$ 396,951,847	36.9%
TIFIA Loan	-	306,019,062	306,019,062	28.4%
Private Partner Equity	-	78,605,917	78,605,917	7.3%
Federal Highway Funds	112,572,342	-	112,572,342	10.5%
State Matching Funds	17,324,917	-	17,324,917	1.6%
State Commerce Grant	15,000,000	-	15,000,000	1.4%
State Reserve Appropriation	-	150,000,000	150,000,000	13.9%
Total Sources of Funds	$ 144,897,259	$ 931,576,826	$ 1,076,474,085	100.0%
Uses of Funds:				
Deposit to Construction Fund	$ 62,495,013	$ 650,698,937	$ 713,193,950	66.3%
Port MacKenzie Road Upgrade	15,000,000	-	15,000,000	1.4%
KABATA Development Costs	67,402,246	-	67,402,246	6.3%
Upfront Payment to TIFIA		10,000,000	10,000,000	0.9%
Deposit to State Reserve Fund	-	150,000,000	150,000,000	13.9%
Deposit to Capitalized Interest Fund	-	66,277,301	66,277,301	6.2%
Deposit to Prepaid Interest Fund	-	1,105,300	1,105,300	0.1%
Debt Service Reserve Fund	-	39,695,185	39,695,185	3.7%
Cost of Issuance	-	8,689,037	8,689,037	0.8%
Underwriter's Discount	-	1,984,759	1,984,759	0.2%
Other Transaction Costs	-	3,126,307	3,126,307	0.3%
Total Uses of Funds	$ 144,897,259	$ 931,576,826	$ 1,076,474,085	100.0%

As identified in the table above, the pro forma plan of finance anticipates the use of multiple financing sources to fund the Project's hard and soft costs. The financing sources envisioned include tax-exempt bonds, tax-exempt Private Activity Bonds (PABs), TIFIA, public funding (both Title 23 and state government sources) and private partner equity. The tax-exempt bonds will consist primarily of current interest bonds with some capital appreciation bonds. Equity approximating 10% of the Project's private financing will be fully committed at closing by the private partner, in addition to Title 23 and state funds previously appropriated for the Project by the Alaska Legislature and a $150 million state appropriation currently being considered by the Alaska Legislature under HB159 and SB79. This financing structure is consistent with the recent availability payment financings completed in the United States, such as the Presidio Parkway, I-595 Corridor Roadway, Port of Miami Tunnel, and Denver Transit Partners Eagle P3 projects. The comprehensive pro forma plan of finance is provided on the webpage for this LOI at www.knikarmbridge.com/TIFIA.html.

The pro form plan of finance includes use of non-federal Project funding sources to pay at least $10 million, and potentially up to 100%, of the subsidy for the TIFIA credit in lieu of using the USDOT's scarce TIFIA budget authority. For more information, see discussion under *Budget Authority* at page 17 below.

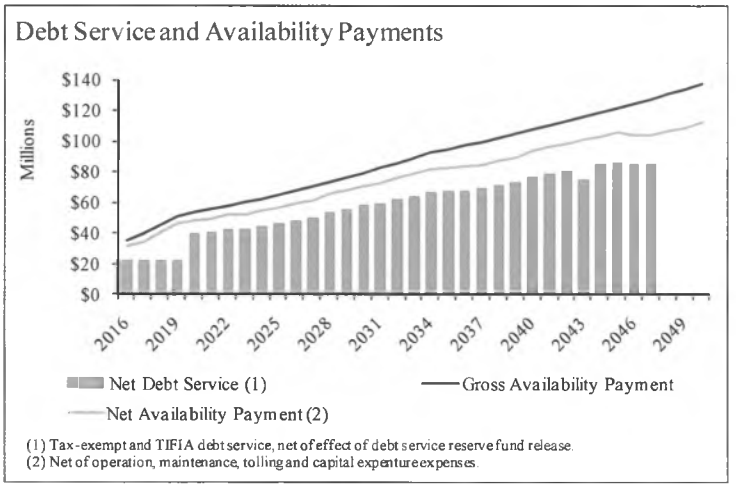
Type of Credit Assistance:
A secured (direct) loan, subordinate to senior project debt, to assist with funding costs associated with the Project and (potentially) a standby line of credit to assist with funding project costs and capital cost overruns.

Amount:
The amount of requested TIFIA credit assistance is $306 million based on 33% of estimated Eligible Project Costs.

Description of Revenue Source(s) Pledged to Repayment:
The main source of revenue from the Project is tolls. A traffic and toll revenue feasibility study for the Project was prepared by Wilbur Smith Associates (WSA) and updated in February 2011. That study predicts traffic demand and revenue potential and identifies the essentiality of the Project for Alaska.

The Alaska Legislature is considering amendments to KABATA's enabling statute (SB80 and HB158) and a $150 million appropriation for the Project reserve fund (SB79 and HB159) to support the milestone and availability payments.

Payment of Project debt (including the TIFIA loan and the tax-exempt bonds) will be secured by the milestone and availability payments through a Project reserve fund established by KABATA. All toll revenue, plus any state appropriations, will be deposited in the Project reserve fund. The disbursement of the milestone payment(s) will be subject to successful completion of the Project or specified Project construction phases. The disbursement of the availability payments will be subject to successful completion of construction and opening of the Project. The payments will be subject to reduction for failure to achieve specific performance standards. The TIFIA loan and other secured debt will be payable from the availability payments, net of administration, operations and maintenance, tolling and renewal capital costs. The Debt Service and Availability Payments chart above provides a graphic depiction of the projected debt service and availability payment structure for the Project.



D) Satisfaction of TIFIA Selection Criteria. Describe the potential benefits to be achieved through the use of a TIFIA credit instrument with respect to the TIFIA selection criteria, as clarified.

Significance (also address issues related to the Project's impact on: livability (providing transportation options linked with housing and commercial development to improve the economic opportunities/quality of life in U.S. communities); economic competitiveness (improving the long-term efficiency and reliability in the movement of people and goods); and safety (improving the safety of U.S. transportation facilities and systems and the communities and populations they impact.)

The Project will further the development of the transportation network in the Upper Cook Inlet region by providing new surface transportation connectivity between Anchorage and the Mat-Su Borough for a safer and more efficient movement of people and freight. Thus, the Project when completed will dramatically improve the quality of life throughout the region. A summary of the Project's objectives is found in Section A on page 1.

Communities Connected by the Project

Together, Anchorage and the Mat-Su comprise the Anchorage Metropolitan Statistical Area (Anchorage MSA), which represents 54% of the population of Alaska – a statistic that has continued to climb as the area population is growing faster than the rest of Alaska.

Anchorage, population 286,174 (U.S. Census Bureau July 2009 population estimates), is the largest city in a 1,200 mile radius and the economic, commercial and transportation hub for the State of Alaska with its multimodal airports, sea ports, rail, and pipeline facilities. The financial, energy, educational, medical, and military headquarters for the State reside in Anchorage.

The Mat-Su Borough, population 88,379, is the 31st fastest growing county in the U.S. this past decade (U.S. Census Bureau July 2009 population estimates). This rapid population growth has been spurred by the diverse and growing regional economy and the shortage of residential housing and undeveloped land in Anchorage compared to the abundance of housing and land in the Mat-Su. Historically, most of the population growth has settled in the Palmer-Wasilla corridor along the Parks and Glenn Highways. The Palmer-Wasilla corridor is the first available land north of Anchorage via the existing Glenn Highway. This single highway is the only existing route to and from Anchorage to the north.

In more recent years, as the population density in the Palmer-Wasilla corridor increased, the west side of Knik Arm in the Knik-Fairview area of the Mat-Su has replaced them as the fastest growing area of the State. As a result of this natural growth pattern, Glenn Highway commuters experience frequent congestion and closures during accidents and winter storms. On average, Mat-Su commuters drive over 50 miles each way, burning excessive fossil fuels and spending considerable time travelling. The limited transportation network has resulted in detrimental impacts on emergency services, the environment, and quality of life, while increasing urban sprawl and dependence on fossil fuels.

Just across Knik Arm lies land closer to Anchorage that the Project makes accessible for smart growth of residential and commercial use. The Project also provides better and safer access to the State's resource base, including the Prudhoe Bay oil and gas fields, base and rare-earth metals important to the green economy, the Goose Creek Correctional Center, and agricultural lands. Numerous commercial and industrial projects are planned for the Mat-Su Borough. They will support jobs and commerce for generations of citizens. The Project will facilitate these new economic opportunities.

The growth in the Mat-Su will continue regardless of whether the Project is built. Absent the Project, this organic growth would lead to increased traffic levels on the Glenn Highway which lowers the quality of life and sustainability of the communities which are growing in the Mat-Su. The Project will facilitate an orderly, well planned, growth pattern within the Mat-Su which will create more sustainable communities and minimize urban sprawl and its adverse environmental impacts.

Transportation Network and Project Intermodal Connectivity

The Project will integrate with the regional transportation network, including highways, ports, airports and rail, in order to support domestic and international commerce, improve the economic competitiveness of the United States. and improve the efficiency and reliability of the movement of people and freight in the region. FHWA designated the Project as part of the National Highway System. It will connect to the Glenn and Seward Highways in Anchorage and the Parks Highway in the Mat-Su. It also connects into the Strategic Highway Network (STRAHNET) to support the DOD mission and national security. The Project will be only the second road link between Anchorage and the rest of the State.

The Anchorage MSA is an important air and sea freight port for both Alaska and the United States because of its strategic location, both within the State and relative to North America, Asia and Europe. The Port of Anchorage (POA) is located one mile south of the eastern shore of the Project crossing. Due to limited road access and Alaska's distance from other North American markets, very little freight arrives via road. Since there are no rail lines between Alaska and the rest of North America, nearly all freight destined for Alaska arrives via ship, with approximately 90% of container freight arriving at the POA (which serves 85% of Alaska residents). Much of that freight is destined for the Mat-Su, Fairbanks, the Interior and the North Slope. The POA is currently undergoing an approximately $700 million expansion to handle increasing freight volumes that will double the POA area. The POA also supports the U.S. military mission and has been named one of 19 strategic seaports in the U.S. by the DOD. The Project will provide a much more efficient and direct route for freight originating in the POA and destined for points north for consumers, commercial and governmental interests. The more direct northbound route will improve the efficiency and reliability of the movement of people and freight in the region and significantly reduce transportation costs. Within Anchorage, the Project will provide an alternative route for the substantial

freight traffic originating at the POA which otherwise must utilize city streets to access the Glenn Highway. This preserves pavement, reduces congestion and harmful vehicle emissions, and enhances safety and commute times for both residents and truckers.

Port MacKenzie, the nation's northernmost deepwater port, is located on the west side of the Project. Via the existing road network Port MacKenzie is approximately 85 miles from downtown Anchorage and the POA. However, the Project would reduce that distance to only three miles. Port MacKenzie is a strategic port that will serve future economic development in both the local area and the Interior. It is designed to export bulk commodities such as base and rare earth mineral ores, coal, woodchips, and gravel and to import bulk materials such as cement and steel pipe. The Port of McKenzie Industrial District contains 8,940 acres and is the logical area for expansion of port related economic development. The Project provides intermodal connectivity between Port MacKenzie and the POA and provides access to labor resources in Anchorage just minutes away.

Because of its strategic location within nine hours of 95% of the industrialized world, the Ted Stevens Anchorage International Airport (TSAIA) is the largest air cargo hub in the United States in terms of landed tonnage and is the sixth largest freight airport in the world for total throughput. An estimated 90% of air cargo between Asia and North America passes through the TSAIA. Atlas Air, Federal Express, Northwest Cargo, United Parcel Service, and the U.S. Postal Service have established international cargo sorting hubs at TSAIA because of the accessibility of U.S. Customs agents in dedicated foreign trade zones. The TSAIA also serves as the primary point of entry and departure for business and recreational passenger air travel to and from Alaska, with over 5 million arriving, departing and transiting passengers annually. The TSAIA supports approximately 18,000 jobs in the region and is located six miles south of the Project, which will provide an important and much improved link between the region's most important airport and points north.

The Alaska Railroad Corporation (ARRC) is headquartered in Anchorage and its main rail yard is adjacent to the POA and the Project. The ARRC carries both passengers and freight between Seward, to the South, and Fairbanks, to the north. ARRC passenger ridership was 470,786 and it carried 6.16 million tons of freight during 2009. The Surface Transportation Board, on behalf of the ARRC and Mat-Su Borough, is studying a rail spur line to Port MacKenzie on the west side of the Project crossing and has published a draft EIS. The Project will serve as the vital intermodal link between the two rail yards and seaports.

There are a number of other regional transportation projects planned or underway that will connect with the Project. The ADOT&PF is evaluating alternatives to provide a second major arterial connecting to the west side of the Project. The Alaska Legislature has funded an EIS to develop a rail transportation corridor between Willow or Houston, Alaska, Port MacKenzie and the Project (during the 2010 legislative session it approved $35 million of State funds to construct a portion of the rail extension, complete engineering and acquire ROW) . The Legislature has also approved $300 million of bonding authority for the ARRC to construct the rail line and the governor has submitted an additional $20 million of funding for the rail extension in his 2011 capital budget. The Mat-Su Borough has reserved ROW on all Borough owned lands along the planned corridor. The planned corridors will provide a more direct route for the movement of people and freight between Anchorage, Denali National Park, Fairbanks and Interior Alaska, and the North Slope.

Livability Attributes of the Knik Arm Crossing

The Knik Arm Bridge has significant positive benefits relating to livability for both the Anchorage and the Mat-Su Boroughs. These include quantifiable benefits such as reduced VMT, reduced VHT and travel times, potential transit opportunities and better recreational access, as well as qualitative benefits related to quality of life in the community. Enhanced regional mobility, provided by the Project, will open employment, recreational, and social opportunities for the region's residents that would not be practical or even feasible without the Project.

Under all expectations and projections, substantial growth and development of the Mat-Su Borough will continue. In the face of this growth and development, the question becomes where will it go and can it be directed in a smarter, environmentally sensitive, affordable, livable and sustainable way. The Project is a key ingredient in redirecting growth to meet these objectives.

Anchorage 2020, a comprehensive long-range plan by the Anchorage Planning and Zoning Commission, states that the single biggest issue facing Anchorage is the shortage of residential, commercial and industrial land to support the growth of the community. Due to the geography of the region and the governmental land uses that surround Anchorage, the amount of remaining developable land to accommodate the Anchorage area's growing population is very limited. Land uses that are

not developable include military installations that are critical to the area's economy and national security, and mountains, parks and wetlands that are essential to maintaining the environment. The lack of developable land has led to significant increases in land cost that threaten the area's ability to offer livable communities at affordable prices. Because of its land shortage, the average new single family home in Anchorage is about $140,000 more than a similar home in the Mat-Su and rents are also correspondingly higher.

Due to this shortage of housing and the high housing prices in Anchorage, many in the regional work force live in more affordable Mat-Su communities and drive to higher wage Anchorage jobs. More than 40% of the Mat-Su workforce commutes an average of about 50 miles one-way to or through Anchorage for work. Because of the Project, working families will no longer have to choose between affordable housing and long commutes, or excessively expensive housing closer to good jobs.

The Project's beneficial impact on the pattern of this future growth and livability is dramatic. The Project reduces VMT while simultaneously supporting population and economic growth in the region. The statistics on VMT reduction are set forth in the Environmental Benefits from VMT Reduction section, below. This reduction is particularly important and impressive in light of the forecast population growth of 150,000 to 250,000 by 2030, or about a 50% increase in the population of the Anchorage MSA.

Other cost savings can also be quantified. Based on benefit cost analysis studies and studies of the reductions in carbon emissions performed by WSA for KABATA, the Project will reduce VMT and save $30,900,000 in vehicle operating costs in the opening year rising to $43,200,000 in year 10. If fixed costs were also included, these savings would increase by a factor of three.

These same studies show that VHT for trips that are able to use the Project instead of existing routes are also significantly reduced. Annual savings in the opening year total 5,111,000 hours and in year 10, 7,296,000 hours. A fleet average value of time of $0.22 per minute or $13.20 per hour was reported in the *Proposed Knik Arm Bridge Final Traffic and Revenue Forecast*, produced in September of 2007. Using this value, the reduced VHT quantifies to $67,470,000 in opening year and $96,310,000 in year 10 (constant dollars).

The Project will further enhance livability by supporting opportunities for improvements to the Municipality of Anchorage People Mover bus transit system which currently carries an average of over 14,000 riders daily during weekdays and averaged 11,463 riders per day during 2009. The main bus terminal for the People Mover system is located within one-mile of the south eastern terminus of the Project and provides commuter parking for the intermodal bus terminal facility. The Project has the potential to significantly increase transit ridership from the present municipal system to a larger regional network by extending route coverage to the Mat-Su. This will not only provide the traveling public with expanded commute choices, but will give low income commuters an affordable option. In order to keep fares both attractive and affordable, KABATA is considering the potential for reduced tolls or free access for use of the facility by transit buses. Without the Project, it is very unlikely that the Anchorage bus transit system could effectively or economically be expanded to the Mat Su area as a regional provider.

The Municipality of Anchorage boasts an award-winning trail system citywide. Enthusiasts of skiing, running, biking, walking, horseback riding, hiking, rollerblading, dog mushing, snowshoeing and skijoring all enjoy the trail system. The Project's multi-use bicycle and pedestrian path will connect into Anchorage's extensive trail network, providing trail users access to the southern Mat-Su Borough. The Project's multi-use path is included in the *Anchorage Bicycle Plan* adopted by the Anchorage MPO in March 2010. In addition, the Project will make excellent recreational activities in the areas north and west of the Knik Arm far easier to reach for residents and for Alaska's many tourists.

While it is possible to quantify many of the livability benefits of the Project, some of the most important benefits can only be related in qualitative terms. Reducing the VMT means less time spent in automobiles. This provides several benefits, including increased time for other activities, improved air quality, and safer streets. Saving 10 minutes per commute frees up 86 hours of time each year. The value of time saved is not just a number, it directly relates to families and their quality of life.

Economic Benefits Enabled by the Project

In addition to the economic benefits for Anchorage and the Mat-Su described below, most of rural Alaska is experiencing significant unemployment (see the Statewide unemployment map on the website for this LOI at

www.knikarmbridge.com/TIFIA.html). By lowering the cost of transportation for people and freight and promoting access to good jobs for thousands of Alaskans in economically distressed regions of the State, including many Native Alaskans, the Project is expected to benefit numerous residents and areas outside of the Anchorage and Mat-Su Boroughs.

Based on a study by Insight Research Corporation (IRC) of socio-economic impacts, the Project will generate immediate and lasting economic benefits to the region as a result of the more efficient transportation network. These benefits include access to developable land for commercial, industrial and residential uses and operating efficiencies availed to Port MacKenzie for bulk commodities import and export. Those economic benefits will extend throughout the State. Among other projections cited in the study, IRC found that the first 23 years of Project operations would likely:

- Generate 5,000 construction related jobs and 3,000 indirect jobs during Project construction.
- Enable 14,000 additional permanent direct and indirect jobs in the region
- Support $18 billion of incremental economic activity.
- Produce $1.2 billion of tax increment to local governments to fund schools, public safety and infrastructure for the growing population.

Since the Project is designed for a 100 year life, these economic benefits will accrue to many generations of citizens. For further information about the immediate and lasting economic and job benefits enabled by the Project, please review the IRC socio-economic study on the website for this LOI at www.knikarmbridge.com/TIFIA.html.

The IRC study results are consistent with the benefit-cost study prepared for the Project by WSA. Both studies confirm the Project's essential nature. The calculated benefit-cost ratio is 5.36 and 3.54 assuming a 3% and 7% discount rate, respectively, as summarized in the following table. The full benefit- cost analysis is available on the LOI website, www.knikarmbridge.com/TIFIA.html.

Benefit-Cost Ratio Summary (26 Year Period)

Parameter	Undiscounted	3% Discount Rate	7% Discount Rate
Analysis Period Benefit	$ 9,768,812,274	$ 5,268,838,067	$ 1,850,746,463
Analysis Period Cost	$ 1,307,275,851	$ 983,840,588	$ 729,651,953
Net Benefit	$ 8,461,536,423	$ 4,284,997,479	$ 1,121,094,510
Benefit-Cost Ratio	**7.47**	**5.36**	**3.54**

Source: Wilbur Smith Associates based on STEAM 2.0 analysis.

Safety and National Defense

The Project will significantly improve safety and reduce accidents in the region. The large reduction in unproductive VMT discussed above has a direct impact on safety and accident rates. Because total accidents for the overall MSA are evaluated based on total VMT, it is reasonable to determine the number of accidents avoided by the reduction in unproductive VMT. Based on per VMT rates calculated and on information presented in the August, 2010 Knik Arm Crossing Project Benefit Cost Analysis, accidents that would be expected to occur due to unproductive VMT travel is shown in the table at right. The reduction in the number of traffic fatalities is based on ADOT&PF reported 1.5 traffic fatalities per 100 million VMT. See the link to ADOT&PF's report on the LOI website at www.knikarmbridge.com/TIFIA.html.

Projected Reduction in Accidents

	2015	2024
Annual VMT Reduction (millions)	194.4	307.0
Annual Accident Reduction (number):		
Fatal	0.5	0.9
Injuries	34.2	49.1
Property Damage Only	71.2	101.7

The Kenai Peninsula and Anchorage have only one highway ingress and egress point to the north – the Glenn Highway. Over 40% of the Mat-Su workforce commutes to or through Anchorage on a daily or periodic basis, and congestion on the Glenn Highway is straining its capacity. The Project will provide the second highway link from Anchorage and the Kenai Peninsula to the Mat-Su and points north. This is critical for safety and network redundancy. Accidents and emergencies frequently block the Glenn Highway for hours, tying up commuters and freight movement from the Port of Anchorage. In the event of a major disaster, it would be nearly impossible to evacuate over 350,000 people, or 50% of Alaska's total population, via the Glenn Highway. The Anchorage MSA lies in a subduction fault zone between the Pacific and North

American tectonic plates and is prone to a high frequency of seismic and volcanic activity. There are at least four active volcanoes on the west side of Cook Inlet in sight of Anchorage and the Kenai Peninsula. Historic events that demonstrate the probability of future natural disasters include the 1964 Good Friday Earthquake that measured 9.2 on the Richter scale and the 1912 eruption of the super volcano Novarupta across Cook Inlet, the most powerful eruption of the 20th century. Mt. Redoubt erupted 19 times during 2009, closing airspace and producing ash fall events in Anchorage and the Kenai Peninsula. The Project is being designed with these events in mind and will be an essential future evacuation route.

Anchorage is a strategic location for national defense. Approximately 13,000 troops are stationed at Elmendorf Air Force Base and Fort Richardson (U.S. Army), representing a key national defense asset for rapid deployment and support for Pacific Theater and world-wide military operations. The Project crosses the Knik Arm of Upper Cook Inlet on the west boundary of the Elmendorf Air Force Base and will tie into the STRAHNET within Alaska. The Project supports the DOD mission for deployment and supply of military operations at these two installations as well as Eielson AFB and Fort Wainwright in interior Alaska where an additional 8,000 troops are stationed.

Summary of Regional and National Significance

The integration of the Project into the existing State and national transportation infrastructure is designed to meet current and future needs for projected population growth and economic development, improved transportation connectivity for the movement of people and freight, and enhanced safety and transportation system redundancy. Implementation of the Project is essential to achieve this rapidly developing region's full economic potential.

Congress recognized the regional and national significance of the Project for the promotion of economic growth and international or interregional trade by designating funding for it as Project 14 under SAFETEA-LU. The State of Alaska also recognized the regional and national significance of the Project and included it in the STIP. The Project has been incorporated into the Anchorage MPO's LRTP and TIP. SAFETEA-LU, STIP, TIP and LRTP excerpts relevant to the Project are included on the website for this LOI at www.knikarmbridge.com/TIFIA.html. The Project is supported by the current and former Governors, key State and local officials and the Alaska Congressional Delegation. Finally, the Alaskan public strongly favors the Project, as evidenced by a 2011 comprehensive State-wide survey of attitudes about the Project, indicating that 64% of regional residents and 62% of all Alaskans support the Project and believe it should be built now.

Private Participation:

This is the first transportation project in the State of Alaska being delivered under a P3. The PPA procurement brings together the potential for a wide range of P3 innovation and forms the basis for extended private participation in delivery of the Project, using an availability payment concession. This method of delivery has proven successful for numerous transportation infrastructure projects both nationally and internationally, including the Presidio Parkway project in San Francisco, the I-595 Corridor Roadway project and the Port of Miami Tunnel in Florida, and the Denver Transit Partners Eagle P3 project, all of which include TIFIA financing in their plans of finance. The selected private partner is expected to fund, in the form of debt and equity, approximately 90% of the Project's design and construction cost. This equates to a projected $703 million of debt (including a $306 million TIFIA loan) and $79 million of equity as indicated in the Sources and Uses in Section C, *Financing* of this LOI and in the pro forma plan of finance available on the website for this LOI.

The Public-Private Partnership Agreement (PPA)

The Project is being developed using a competitive procurement process to select a qualified private partner consortium for the award of a PPA to design, build, finance, operate and maintain the Project pursuant to an availability payment concession. Roles, responsibilities and risks will be clearly assigned between KABATA and the selected private partner in the PPA.

The selected private partner consortium will be responsible for financing, final design and construction, and operations and maintenance of the Project for a term of approximately 35 years after substantial completion. This allocation of design and construction responsibilities provides the flexibility for the private partner to proceed with some construction activities prior to completion of all design features, thus achieving significant cost and time savings. Additionally, in light of the long-term operations and maintenance responsibilities, the private partner has strong incentives to optimize the whole-life construction, operations, and maintenance costs of the Project. These savings, along with control over operations and maintenance activities (potentially including toll collection operations on behalf of KABATA), allows the private partner to predict costs and, together with the availability payment mechanism, secure financing.

Under the PPA, the private partner will assume all or a significant portion of the risks and responsibilities relating to:

- Project cost (beyond the fixed public investment)
- Availability payment commencement date risk
- Financing risk
- Site conditions
- Identification of utilities requiring relocation
- Interface with utility owners and providing utility relocation/adjustment services where authorized by utility owners
- Defects in design and construction
- Management and disposal of all hazardous materials encountered during the term of the PPA
- Construction permitting
- Project and systems integration
- Operations and maintenance risk
- Lifecycle costs risks.
- Handback (end of term) risks

The benefits of using the PPA approach for delivering and operating the Project include:

- No State indebtedness incurred for Project; State funding obligations consist of milestone payments upon satisfaction of stated milestones, and availability payments (subject to appropriations in the event toll revenues are insufficient)
- KABATA retains toll revenues to support availability payments and invest in other Title 23 eligible projects
- Guaranteed revenue commencement dates with potential liquidated damages for failure to achieve
- Long-stop deadline with potential termination for default for failure to commence revenue service by such deadline
- Time savings/acceleration of project delivery
- Earlier and greater cost and schedule certainty
- Quality of construction, operations and maintenance
- Innovative construction, operations and maintenance techniques
- Life-cycle approach to the Project, with performance measures, noncompliance points and availability payment reductions to help assure contractual commitments to quality operations and maintenance are met.

KABATA is using a two-step procurement process for the Project. The first step is issuance of a request for qualifications (RFQ) followed by a shortlist of proposers based on evaluation of submitted qualifications. In the second step, a request for proposals (RFP) will be issued to the shortlisted proposers and selection of the best proposal for negotiations of a PPA will be based on a methodology that determines the "best value" to KABATA and the State of Alaska. The "best value" determination will include both a financial (in terms of lowest proposed availability payment) and technical/qualitative component.

Private Partner's Responsibilities During Design and Construction

The Project consists of Sections 1 through 9 as described in the cost estimate included the website for this LOI under Knik Arm Crossing Capital Cost Information. (Project Section 1 is included in the FEIS, but has already been constructed using State funds). Sections 2 through 5 include the bridge structure and approaches and will be operated and maintained by the private partner after construction. Project Sections 6 through 9, behind the POA and through Government Hill, will be constructed by the private partner and will be turned over to the ADOT&PF for operations and maintenance upon acceptance. The private partner will also have the obligation to design and construct certain additional improvements, potentially including design and installation of a permanent toll system. The cost to design and construct Project Sections 2-9 is $716 million in year of expenditure dollars. The private partner will be responsible for financing all of the cost to design and construct Project Sections 2-9 not funded by the estimated $65 million of Title 23 and state funds available for Project construction.

Private Partner's Responsibility for Operations and Maintenance

The Project will be opened to traffic immediately upon substantial completion and satisfaction of PPA conditions. The private partner will be responsible for the operation, management, maintenance, renewal, and rehabilitation of Project Sections 2-5 and for implementation of appropriate safety compliance measures.

By committing to pre-set handback requirements at the end of the PPA term and to perform operations and maintenance for the duration of the concession term for Project Sections 2-5 in return for availability payments, the private partner in essence provides a long-term warranty of the Project. The PPA structure creates a special incentive to perform rigorous value engineering, design and construction quality control to minimize Project life-cycle costs.

KABATA will have the right to audit and monitor design, construction, operations and maintenance. The Project will be transferred to KABATA upon termination of the PPA, at no charge to KABATA, in accordance with detailed handback requirements specified in the PPA.

Private Partner Responsibility for Toll Collection System Operations and Maintenance
Either the private partner or a separate contractor retained by KABATA will operate and maintain the toll collection system for the Project. Toll rates will be set, and toll revenue will be owned, by KABATA. Toll revenue will be deposited into a Project reserve account, the primary purpose of which will be to make availability payments to the private partner. The toll collection system will incorporate open road, barrier-free electronic toll collection (ETC), including a video recognition system, but cash toll collection facilities may be permitted during traffic ramp-up. Within Project Sections 2-5, either the private partner or a separate contractor retained by KABATA will be responsible for installing, operating and maintaining tolling field systems, and collecting tolls, revenue handling and accounting, and customer service and support for the Project. Alaska does not have any ETC or other open road tolling installed base or standard that must be considered for interoperability, providing maximum flexibility to KABATA in designing and implementing the toll collection system.

Environment (also address issues related to sustainability (improving energy efficiency, reducing dependence on oil, reducing greenhouse gas emissions and reducing other transportation-related impacts on ecosystems, including the use of tolling or pricing structures to reduce or manage high levels of congestion on highway facilities and encourage the use of alternative transportation options); and state of good repair (improving the condition of existing transportation facilities and systems, with particular emphasis on projects that minimize lifecycle costs and use environmentally sustainable practices and materials):

The Project has a positive impact on the human and natural environment. The exceptional attention paid to design, construction and mitigation minimizes negative impacts.

Environmental Benefits from VMT Reduction[2]
Efficient travel in a growing community is necessary for it to function and to improve its environment. If the Project is not built, the trips from the Mat-Su to Anchorage that would still occur would require an additional 200,000,000 VMT annually by the year it would have opened and over 300,000,000 VMT annually 10 years later. The Project will result in a daily net reduction in VMT for traffic using the bridge of 372,000 upon opening, with the daily net reduction in VMT increasing to 519,000 in year 10. Annual net VMT reductions are 135,600,000 and 189,270,000 for opening year and year 10, respectively.

The reduction in VMT directly attributable to the Project results in a significant reduction in fuel use and greenhouse gas emissions. Using the net VMT reductions discussed above, and taking into account the impacts of rising Corporate Average Fuel Economy (CAFE) standards, fuel use is reduced by 5,256,000 gallons annually in opening year and 6,309,000 in year ten. Again accounting for rising CAFE standards, the annual reduction in CO2 emissions is calculated to be 53,900 metric tons per year in opening year and 63,500 metric tons per year in year ten. Emissions calculations are based on fleet-wide emissions data presented in *Light-Duty Automotive Technology, Carbon Dioxide Emissions, and Fuel Economy Trends: 1975 Through 2009* published by the United States Environmental Protection Agency. For medium and heavy trucks, this information was supplemented by data from the *Transportation Energy Data Book: Edition 28* prepared by Oak Ridge National Laboratory.

Reduced VMT means that fewer lane miles of highway will need to be constructed to handle traffic demand. Using an assumed capacity of 9,000 vehicles per day per lane mile of road, over 93 lane miles of road that would have been otherwise required will not need to be built. Using an average construction cost of $4.34 million per lane-mile in the Anchorage area, this is a capital cost savings of over $400 million. In addition, over 5,600,000 square feet of land which would be covered by asphalt can remain undisturbed. Because the Project provides a new alternative to the Glenn Highway that will relieve congestion on that corridor and elsewhere in the network, it will help to maintain the condition of existing transportation facilities by reducing wear, as well as minimizing costly and environmentally intrusive expansion of the Glenn Highway.

[2] VMT figures discussed in this LOI are based on the WSA 2007 traffic and toll revenue study.

The Project will also reduce VMT in the existing Carbon Monoxide (CO) maintenance area in Anchorage; therefore, the Project will maintain compliance with the National Ambient Air Quality Standards (NAAQS) for CO. The Project meets air quality conformity and is well within the CO emissions budget.

Historic Preservation

The Project invested $1.2 million to fund a Programmatic Agreement under Section 106 of the Historic Preservation Act for the Knik Tribe, the Native Village of Eklutna, the Mat-Su Borough and the Municipality of Anchorage to develop historic preservation portions for their borough, tribal, and neighborhood plans. The Agreement also funded the State Historic Preservation Officer to assist the Mat-Su in developing a GIS data base of historic and archaeological sites for use in land use planning and permitting decisions.

The Project crosses over the former site of Tak'at, an Alaska Native fish camp of the Dena'ina people. The fish camp was burned by the military circa 1941, and is buried under World War II-era refuse. Because of military security concerns, neither the Knik nor Eklutna Tribes have had access to this location since its destruction. While no mitigation is required, KABATA has offered to secure a replacement location where the tribes could help maintain their historic identities by operating a traditional fish camp along with the activities and ceremonies that are a part of their heritage.

Beluga Whale and Other Marine Mammal Protection

Following the completion of the EIS, the Cook Inlet beluga whale was listed under the Endangered Species Act. KABATA and FHWA have modified the Project to reduce the potential for impacts to the whale. A Biological Assessment and a Letter of Authorization were prepared and submitted to National Marine Fisheries Services (NMFS) by FHWA. In response to the BA and the modifications made, NMFS issued a Biological Opinion on November 30, 2010 that construction of the Project is unlikely to jeopardize the continued existence of the Cook Inlet beluga whales.

The following conservation measures are planned to be incorporated to avoid, minimize, and mitigate impacts to marine mammals during construction:

- Large diameter foundation piles will be installed by oscillating drilled shafts to minimize noise impacts to beluga whales.
- Impact pile driving and vibratory removal of template piles will be conducted during the December through July time period when beluga whale numbers in Knik Arm are low.
- No permanent boat launch facilities and no direct access to tidelands will be provided.
- Experienced marine mammal observers will be positioned at sites appropriate for monitoring whales and seals within and approaching the safety zone where marine mammals might be disturbed by pile-driving operations at a sufficient distance to allow for advance warning to stop pile driving.
- During the fall, when beluga whales are present in the Arm in greater numbers (August 1 to November 30), impact pile driving in subtidal waters will not be conducted.
- A "soft start" technique will be used at the beginning of each piling installation to allow any marine mammal that may be in the area to leave before impact piling reaches full energy.
- Initially the marine mammal safety zones will be defined based on measurements made at the nearby Port MacKenzie dock construction.
- Sound generated by the pile driver will be measured and used to refine the radii of the safety zones for the marine mammals.
- The safety zone around the pile-driving activity will be monitored for the presence of marine mammals before, during, and after pile-driving activity. The safety zone will be monitored for 30 minutes prior to initiating the soft start for pile driving.
- If the safety radius is obscured by fog or poor lighting conditions, pile driving will not be initiated until the entire safety radius is visible.
- If marine mammals are present in the safety zone (as confirmed by the monitors), the start of pile driving will be delayed until the animals leave the area.
- If marine mammals enter the safety zone during pile driving, pile driving will cease until the animals leave the area (as confirmed by the monitors).
- A Bridge Construction Monitoring and Reporting Plan will be developed and implemented to protect the beluga.

An Environmental Management System (EMS) will be implemented for tracking compliance with environmental commitments.

Government Hill Environmental Solutions
The Project's connection to the transportation system in Anchorage is designed to minimize impacts to the environment by constructing a cut-and-cover tunnel under Government Hill. The tunnel will minimize community impacts and maintain community cohesion. All mainline Project-related traffic will be routed through the tunnel and ramps will re-establish access to Government Hill for local traffic only. The tunnel location minimizes ROW relocations and adverse impacts to the Government Hill community. Indirect adverse effects to the Government Hill Urban Renewal Historic District will be significantly diminished. A Context Sensitive Solutions session has been completed and follow up sessions will be held. Architectural details for the roadway and cut-and-cover tunnel, including vegetation, lighting, and signs, will be integrated into the historic look of the neighborhood.

Life Cycle Environmental Benefits
The Project is being procured under a PPA to minimize lifecycle costs which is discussed in detail under *Private Participation* in this section. Minimizing lifecycle costs provides environmental benefits by reducing the need to reconstruct and rehabilitate the Project and minimizing the environmental impacts of those activities over its operating life. In addition, performance specifications for the Project will focus on and encourage practices and methods that reduce emissions, promote conservation and promote recycling, including use of recycled materials in construction where appropriate.

Mat-Su Borough Land Use Planning
Although FHWA does not require mitigation of indirect and cumulative impacts, KABATA will fund a new staff position in the Mat-Su Borough for two years to help develop a consolidated permitting process and facilitate appropriate land use, development, and environmental planning efforts in the Borough. KABATA will fund up to $70,000 to be used by the Borough and other agencies to facilitate orderly land use and economic development, including resource inventories.

Project Acceleration:
Inclusion of TIFIA assistance in the plan of finance will substantially accelerate Project delivery by providing a more cost effective and flexible financing structure not available in the capital markets. The Project is substantially accelerated because TIFIA's low-cost, patient lender model is vital in the early years of Project operation when, according to the WSA 2011 traffic and toll revenue update, traffic volumes and toll revenue will be constrained. Without TIFIA credit, the State of Alaska would have to commit either to a larger State capital outlays and/or to a larger availability payment to support the higher cost of debt financing in lieu of TIFIA credit. Relying solely on State funds to substitute TIFIA funds disregards numerous other demands for State general funds and transportation funds. Similarly, a larger availability payment would impact other areas of the State's budget. Without TIFIA credit, risk that toll revenues would be insufficient in the early years to pay the larger availability payments is substantially increased. For all these reasons, KABATA believes it would be more costly and difficult to proceed without TIFIA credit.

Given the organic growth which is already occurring in the Mat-Su such a delay will result in increased VMT, reduced connectivity, increased carbon emissions, lower quality of life due to extended travel times, increased congestion, decreased traffic safety, delay in the efficient extension of transit services into the Mat-Su, and a continued trend of uncontrolled urban sprawl. TIFIA credit accelerates the Project schedule by reducing the level of the availability payment required for the Project to an acceptable level of general fund support during traffic ramp-up, By enabling lower tolls to meet availability payments, TIFIA credit reduces traffic diversion and optimizes the economic, financial, environmental, and livability benefits of the Project.

Purely on a construction cost basis, the Project costs have been estimated by FHWA to increase by $25 million per year of delay. Accelerated Project delivery avoids higher costs and mitigates inflationary pressures on highway construction costs. A 5-year delay due to unavailability of a TIFIA loan, would equate to $125 million without compounding, or about $135 million with compounding at 4% inflation. Given this increased cost, the Project may always be "chasing" financial feasibility as cost escalation eats into potential increases in toll revenue and State funds that might accrue during such 5-year delay.

Beyond direct Project cost implications, the societal benefits delivered to citizens from earlier Project delivery are substantial. The Project will reduce average commute distance by 68 miles per day, saving an hour or more in travel time, based on the WSA 2007 traffic and toll revenue study. This will reduce fuel consumption, emissions, dependence on oil, congestion, and improve the quality of life and safety for the traveling public. Positive economic impact translates directly to jobs, economic opportunities and improved economic competitiveness for the U.S. will occur through accelerated

delivery of the Project. The substantial societal benefits delivered to citizens from earlier Project delivery are discussed in greater detail under the *Significance* and *Environment* criteria of this section of the LOI. Delaying or jeopardizing the realization of these key societal, economic, environmental and safety benefits if TIFIA credit is not available for the Project will have substantial negative impacts to the region and the State.

Creditworthiness (to the extent information is available at this stage):
As discussed in Section C, *Proposed Financing*, the expected revenue pledge for debt repayment are milestone and availability payments from KABATA's project reserve fund established to hold toll revenue and appropriated funds. The private partner will have the ability to pledge its interest in the Project reserve fund to its lenders. KABATA will not undertake any direct obligation with respect to debt incurred to finance the Project, although it may act as a conduit issuer of such debt.

Preliminary Rating Opinion Letter
Under the conditions of the EDA, the pro forma plan of finance submitted by KABATA must demonstrate that the senior obligations have high potential to achieve an investment grade rating. Further, the private partner consortium must submit to KABATA and the TIFIA JPO a preliminary ratings opinion letter indicating that the senior obligations have the potential to achieve an investment grade not later than the time it submits its proposal.

The pro forma plan of finance submitted with this LOI demonstrates the senior lien obligations of the private partner will be able to achieve investment grade because of the following (the "Credit Structure"):
- Obligations of KABATA under the PPA being obligations of the State of Alaska, subject to appropriation;
- The State of Alaska's current appropriation credit rating of AA by Standard and Poors and Aa3 by Moodys;
- An initial $150 million appropriation by the State of Alaska Legislature;
- Establishment of the Project reserve fund to assure the appropriated funds and toll revenues are pledged toward monetary obligations under the PPA, including any milestone payment(s) and the availability payments;
- An automatic statutory trigger for KABATA to request the State Legislature to act on supplemental appropriations if ever necessary to replenish the project reserve fund to the minimum requirement; and
- Initial sizing of the Project reserve fund sufficient to meet the reserve requirement while covering the availability payments during the first 10 years of operations, with projected toll revenues sufficient to fully support the availability payments thereafter.

The following are also strengths in the analysis of the Project by the nationally recognized statistical rating organizations (NRSROs):
- Ability of the private partner to pledge the milestone payment(s) and availability payments, and its beneficial interest in the Project reserve fund.
- Substantial capital funding by the State via the existing Title 23 and state funds, driving down the availability payment amounts.
- Project traffic and toll revenue studies indicate a substantial committed funding source for the State to draw from to meet the availability payments.
- Strategic importance and essentiality of the Project.
- Strong, counter-cyclical regional economy supporting economic, population and traffic growth.
- Strategic importance to the nation of Alaska's natural resources and military bases generates economic stability and upside catalyst for the base case traffic model.
- High median household and family income translate to ability to pay tolls.
- Broad public support for the Project, recognizing its benefits and essentiality.
- Significant expansions under way at the POA and Port of Mackenzie that will result in increased use, demand and need for the Project.
- Strategic Project location relative to ports, airports and rail support.
- Tourism represents seasonal boost to stable core traffic levels.

Information Concerning the Borrower's Ability to Repay All Borrowed Funds
The pro forma plan of finance submitted is preliminary and may differ materially from the financial plan submitted by the selected private partner. The actual TIFIA facility will be determined by the private partner who will be responsible for negotiating final terms and conditions of any TIFIA credit directly with the TIFIA JPO under the EDA. Given the benefits of the TIFIA program and its critical use in all recent P3 projects in the U.S., all proposers are very likely to include TIFIA

credit as a key component of their financial proposals. The private sector will structure their proposed availability payment to be able to repay the TIFIA credit.

Copy of Existing Financing Documents
The private partner must arrange all debt and equity financing. Therefore, the private partner will provide its financing documents to the TIFIA JPO in connection with satisfying the conditions to finalize the TIFIA credit commitment. Furthermore, the TIFIA credit's status in relation to pledged security, coverage, treatment under any additional bonds tests or other relevant credit factors cannot be determined until the proposers submit their proposals to KABATA and a selection and award is made. The pro forma plan of finance submitted with this LOI makes certain assumptions concerning the financing structure which may differ materially from those of the private partner.

Other Information in Support of Projects Creditworthiness
The Project is essential for Alaska's citizens. The Anchorage MSA is the hub of the Alaskan economy and transportation network. Anchorage has had 20 consecutive years of economic and employment growth prior to a mild downturn in 2009, and enjoys median family and household income consistently ranked in the top five cities in the U.S. with a population over 250,000. The geography of the region limits the connectivity between the Anchorage and the Mat-Su, supporting the essentiality of the Project. The Project has a compelling business case and a solid traffic and toll revenue model that, together with the strong financial position, the creditworthiness of the State of Alaska, and the Project reserve appropriation currently under consideration by the Alaska Legislature, serves as the foundation for potential equity investors, debt investors and NRSROs to rely on the availability payments as a revenue pledge.

Use of Technology:
Because KABATA is entering into a P3 to deliver the Project, it is utilizing performance-based contract provisions to encourage the private partner to design innovative technologies and systems for use in the operations and maintenance of the Project. The Project will include an array of innovative and cutting-edge technologies, developed and implemented to safely and efficiently move traffic on, off and along the Project. Examples of promising technologies applicable to the Project which would enhance its efficiency and capacity or reduce environmental impacts include:

- Anti-icing and Deicing Technologies – to prevent the formation of bonded snow and ice and to break the bond of snow and ice especially within the crossing area.
- Asphalt Deck Bonding Technologies – to prevent debonding of asphalt paving from the bridge deck.
- Earthquake Energy Absorber Technologies – to help the bridge structure absorb earthquake events with minimized damage.
- Driver Information Technologies – to provide changeable message signs, including advisory signs with roadway condition information especially within the 14,000 foot crossing.
- User Classification Technologies – to accurately classify each vehicle passing at highway speeds through the tolling zone according to its height, length, and number of axles.
- Video Exception Technologies – to capture visually vehicle license information for toll collection and enforcement.
- Closed Circuit Television – to provide visual verification of congestion and incidents and providing safety and security measures.
- Electronic Toll Collection Technologies – to allow travel without stopping to pay tolls including the use of mounted transponder units and video recognition systems to allow users to be charged monthly based on their vehicle registration.
- Oscillated Drilled Shaft Technologies – to reduce noise and minimize impacts on the environment during construction.
- Quiet Pavement Technologies – to reduce noise and minimize impacts on the environment during facility operations.

Budget Authority (to the extent information is available at this stage):
The pro forma plan of finance is structured to minimize the consumption of TIFIA budget authority. This is accomplished through a combination of:

- The strong Credit Structure;
- The low ratio of the senior lien debt and total debt (including TIFIA) to the total Project capital costs due to the substantial capital funding from Title 23 and State appropriated funds; and
- Funding at financial close of at least $10 million, and potentially 100%, of the subsidy for the TIFIA credit from non-federal Project sources rather than from the USDOT's scarce TIFIA budget authority. Assuming the proposed KABATA legislation is enacted the pro forma plan of finance has the capacity to fund the entire TIFIA credit subsidy.

The pro forma plan of finance assumes tax exempt bonds. KABATA has obtained from USDOT a $600 million PABs allocation that will be made available to the private partner. KABATA anticipates that the private partner will use PABs in its proposed plan of finance. PABs are tax exempt, bear a lower interest cost, and are generally more attractive than taxable senior lien bank debt. The availability to proposers of PABs as an option for the senior debt could further reduce the amount of TIFIA credit assistance.

Reduced Federal Grant Assistance:
TIFIA credit, coupled with private equity and State of Alaska funding, has reduced the need for Title 23 grant assistance by approximately $230 million for the Project. Alternatively, if the State chose to fund from future federal transportation bills, the Project would likely consume an additional $230-$350 million of Title 23 funds after consideration of cost escalation.

E) Environmental Review. Summarize the status of the project's environmental review. Specifically, discuss whether the project has received a Categorical Exclusion, Finding of No Significant Impact, or Record of Decision or whether a draft Environmental Impact Statement has been circulated.

The FHWA, in cooperation with the ADOT&PF and KABATA, published a Final EIS for the Project on January 18, 2008. On November 30, 2010, NMFS issued a Biological Opinion indicating that construction of the Project would not likely jeopardize the continued existence of the Cook Inlet stock of beluga whales. This "No Jeopardy" opinion allowed FHWA to issue a "Build" Record of Decision for the Project on December 15, 2010. A copy of these documents can be found on the TIFIA LOI webpage at www.knikarmbridge.com/TIFIA.html.

F) Other Information. Briefly discuss any other issues that may affect the development and financing of the project, such as community support, pending legislation or litigation.

Legislation has been introduced in the State of Alaska Legislature to improve the financial feasibility of the Project and the use of an availability payment form of project delivery and financing. The two bills introduced in the Senate (SB79 and SB80) and two bills introduced in the House (HB158 and HB159) are available on the TIFIA LOI webpage at www.knikarmbridge.com/TIFIA.html.

If enacted, the legislation would accomplish the following:

- Clearly provide that all monetary obligations of KABATA under the PPA, including milestone payments and availability payments, are obligations of the State, satisfaction of which is subject to appropriation (to the extent the obligations exceed available toll revenues), as required by the Alaska constitution;
- Authorize KABATA to establish a project reserve fund to hold toll revenues, appropriated funds and other KABATA revenues, and available to pay PPA monetary obligations and KABATA's own operating costs, with surplus available to pay for capacity improvements and expansions related to the Project and other Title 23 eligible transportation improvements and transit;
- Establish for KABATA a procedure, comparable to that available to other public corporations under Alaska law, to report to the legislature and request further appropriations if the project reserve fund falls below a minimum reserve fund requirement;
- Increase KABATA's bonding authority to $600 million, enabling KABATA to act as conduit issuer for the full amount of the PABs allocation;
- Exempt the private partner's interest from state and local real property taxes and assessments; and
- Appropriate $150 million for the Project, to be deposited into the project reserve fund at or after PPA execution.

Expressions of support and the bills under consideration by the Alaska Legislature can be found on the TIFIA LOI webpage at http://www.knikarmbridge.com/TIFIA.html. Currently the legislation is working its way through committees and KABATA will update this LOI with any new information that emerges concerning the legislation.

G) Is the project consistent with the State Transportation Plan and, if applicable, the metropolitan plan?

☐*No*	√*Yes*	☐*Not applicable*

Please briefly elaborate.

The Knik Arm Crossing is in the STIP and in the Anchorage MPO's conforming TIP and LRTP. See the LOI website at www.knikarmbridge.com/TIFIA.html for excerpts from the STIP, TIP and LRTP.

H) Is the project prepared to submit an application for TIFIA assistance within a short timeframe after receiving an invitation from the TIFIA JPO? What factors could impact this timetable?

The Project is absolutely prepared to submit an application for TIFIA credit assistance within a short timeframe after receiving an invitation from the TIFIA JPO, especially in light of a key project milestone having recently been accomplished with the issuance of a "Build" Record of Decision by FHWA on December 15, 2010.

KABATA has the experience and capability to adhere to the application process in an efficient and timely manner. KABATA previously filed an application for TIFIA credit assistance and paid the application fee of $30,000 in August 2007 under the terms of the EDA. That application was subjected to risk assessment by the TIFIA JPO completed in early 2008, resulting in a recommendation that the USDOT Credit Council conditionally allocate up to $261 million of TIFIA credit to the Project under a revenue risk transfer P3 model.[3] We have exceeded the requirements for submission with this TIFIA LOI, including most of the substantive requirements of a full application provided at www.knikarmbridge.com/TIFIA.html. KABATA and our consultants have demonstrated experience in filing applications with TIFIA and our TIFIA Orals presented with the 2007 application were heralded by the TIFIA JPO as a model for the application process.

Factors that could impact the Project timetable include (a) whether the State Legislature enacts pending legislation to establish the project reserve fund, clarify that PPA monetary obligations are state obligations subject to appropriation, and to provide an appropriation, and (b) whether litigation related to NEPA occurs. However, neither of those items should have a material impact on submittal of a TIFIA application. KABATA and the Project stand ready to do so in a manner consistent with the current NOFA.

The schedule for procurement of an availability payment PPA has been designed to provide for high assurance of award, commercial close and financial close within the current NOFA time frame.

I) Please provide any additional information necessary.

Appendices and exhibits to this and TIFIA LOI and other supporting documentation are available at www.knikarmbridge.com/TIFIA.html

J) Identify a key contact person with whom all communication should flow.

Name: Kevin P. Hemenway
Title: Chief Financial Officer
Street Address: 550 West 7th Avenue, Suite 1850
City/State: Anchorage, Alaska 99501
Phone: (907) 269-6698

[3] No budget authority was obligated to the Project at that time pending proposals from private partner consortia.

Fax: (907) 269-6697
E-mail: Kevin.Hemenway@Alaska.gov

Fees. The undersigned certifies that, if invited to submit a formal application, payment of a non-refundable $50,000 application fee will be made to the DOT concurrent with the application submission. For projects that enter credit negotiations, the undersigned further certifies a transaction fee will be paid at closing or, in the event no final credit agreement is reached, upon invoicing by the DOT, in the amount equal to the actual costs incurred by the DOT in procuring the assistance of outside financial advisors and legal counsel. This fee is due whether or not the loan closes.

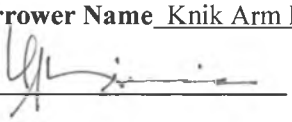
Debarment. The undersigned certifies that it is not currently, nor has it been in the preceding three years: 1) debarred, suspended or declared ineligible from participating in any Federal program; 2) formally proposed for debarment, with a final determination still pending; 3) voluntarily excluded from participation in a Federal transaction; or 4) indicted, convicted, or had a civil judgment rendered against it for any of the offenses listed in the Regulations Governing Debarment and Suspension (Government-wide Nonprocurement Debarment and Suspension Regulations: 49 C.F.R. Part 29).

Default/Delinquency. The undersigned further certifies that neither it nor any of its subsidiaries or affiliates is currently in default or delinquent on any debt or loans provided or guaranteed by the Federal Government.

Signature: By submitting this Letter of Interest, the undersigned certifies that the facts stated herein are true, to the best of the applicant's knowledge and belief after due inquiry, and that the applicant has not omitted any material facts. The undersigned is an authorized representative of the applicant.

Submitted by:

Applicant/Borrower Name Knik Arm Bridge and Toll Authority (Applicant)

Signature 

Name/Title Andrew J. Niemiec, Executive Director

Date March 1, 2011

Please attach any relevant documents (e.g., maps, organization charts, etc.).

Because of their voluminous nature and large files sizes, exhibits to this TIFIA LOI and other relevant documents are provided at www.knikarmbridge.com/TIFIA.html.

Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market

SOURCES AND USES

SOURCES	TAX-EXEMPT	TAXABLE	TIFIA	EQUITY	TOTAL PRIVATE FINANCING	PUBLIC INVESTMENT	TOTAL
Current Interest Bonds	356,159,159	-	-	-	356,159,159	-	356,159,159
Capital Accretion Bonds	40,792,688	-	-	-	40,792,688	-	40,792,688
TIFIA	-	-	306,019,062	-	306,019,062	-	306,019,062
Equity	-	-	-	78,605,917	78,605,917	-	78,605,917
Premium / Original Issue Discount	-	-	-	-	-	-	-
Public Funds Available					-	-	-
1) Federal	-	-	-	-	-	112,572,342	112,572,342
2) State Match	-	-	-	-	-	17,324,917	17,324,917
3) 2011 State Grant	-	-	-	-	-	-	-
4) State Grant	-	-	-	-	-	150,000,000	150,000,000
5) State Commerce Grant	-	-	-	-	-	15,000,000	15,000,000
Total	396,951,847	-	306,019,062	78,605,917	781,576,826	294,897,259	1,076,474,085

200M in interest

USES

Deposit to Construction Fund	269,467,758	-	305,269,062	75,962,117	650,698,937	62,495,013	713,193,950
Deposit for Port MacKenzie Road Upgrade	-	-	-	-	-	15,000,000	15,000,000
Deposit for KABATA Development Costs	-	-	-	-	-	67,402,246	67,402,246
Deposit to State Reserve Fund	-	-	-	-	-	150,000,000	150,000,000
Upfront Payment to TIFIA (2)	10,000,000	-	-	-	10,000,000	-	10,000,000
Deposit to Capitalized Interest Fund	66,277,301	-	-	-	66,277,301	-	66,277,301
Deposit to Prepaid Interest Fund	-	-	-	1,105,300	1,105,300	-	1,105,300
Debt Service Reserve Fund	39,695,185	-	-	-	39,695,185	-	39,695,185
Bond Insurance Premium	-	-	-	-	-	-	-
Cost of Issuance	7,939,037	-	750,000	-	8,689,037	-	8,689,037
Underwriter's Discount	1,984,759	-	-	-	1,984,759	-	1,984,759
Other Transaction Costs (1)	1,587,807	-	-	1,538,500	3,126,307	-	3,126,307
Concession (Shortfall)/Surplus	-	-	-	-	-	-	-
Total	396,951,847	-	306,019,062	78,605,917	781,576,826	294,897,259	1,076,474,085

Equity Contribution (12% IRR)	78,605,917
Construction Fund Surplus / (Shortfall)	989
Equity as % of Financing, Including Public Funds	20.102%
Equity as % of Financing, Excluding Public Funds	10.057%
Delivery Date	12/1/12
Rates as of	11/22/10
Cap I Date	12/1/2015
Cap I Earnings Rate	0.50%
Bond Yield	6.904%
Arbitrage Yield	6.904%
True Interest Cost	6.838%
Minimum Coverage	1.39x
Average Coverage	1.89x
Final Maturity	12/1/2043
Total Qualified Project Costs	918,057,185
TIFIA 33% Limitation	306,019,062

-	-	-	-
-	4.753%	-	5.661%
-	4.753%	-	5.924%
	1.22x		
	1.28x		
	12/1/2046		

(1) Includes stipend, success fee, and upfront administrative costs to KABATA
(2) For subsidy cost of credit assistance

Contract $1.4B net project revenue proj. are inflated

projecting $50M deficit/yr for 1st 10 yrs.
Balloon Payments rq'd

Big growth pop. inflated

Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market

ASSUMPTIONS

Derivation of DSRF Requirement	
Tax-Exempt	
10% of Par	39,695,185
Maximum Annual Debt Service	63,872,500
125% of Average Annual Debt Service	46,966,930
Minimum of 3 tests	39,695,185
Taxable Bonds	
Maximum Annual Debt Service	-
50% of Average Annual Debt Service	-
Deposit	-
TIFIA Eligible Costs	
Project Costs	715,882,350
KABATA Debt Service Reserve Fund Deposit	39,695,185
KABATA Capitalized Interest Deposit	66,277,301
Bond Insurance	-
Cost of Issuance	8,689,037
Development Phase: Public Investment (1)	82,402,246
Underwriter's Discount	1,984,759
Upfront Payment	3,126,307
Total Elligible TIFIA Costs	918,057,185
Maximum Capacity Constraint	306,019,062
Actual TIFIA Loan Amount Used	306,019,062
2016 Initial Toll Rate	$5.00
2011 Initial Toll Rate (PV @ 2.50%)	$4.42
Annual Toll Rate Increase After 2016	2.500%
Costs of Issuance	
Bonds	2.000%
TIFIA	750,000
Underwriter's Discount	
Bonds	0.500%
Insurance (% of Total DS)	0.000%

(1) Includes $15 million commerce grant for Pt Mackenzie Rd upgrade
and $67.4 million KABATA development phase expenses

Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market

EBITDA

Date	Toll Revenue	Availability Payment (1)	Interest Income Earnings	2.50% O&M	2.50% Tolling Operations	2.50% Renewal CapEx	Cash Available for Debt Service
Total	-	3,227,382,614	73,039,140	(124,880,463)	(203,564,078)	(115,404,536)	2,856,572,677
2013	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-
2016	-	35,768,500	1,190,856	(1,861,725)	(1,704,000)	(867,505)	32,526,125
2017	-	39,599,240	1,190,856	(2,165,827)	(1,905,000)	(868,374)	35,850,894
2018	-	45,503,210	1,190,856	(2,020,124)	(2,091,000)	(876,619)	41,706,322
2019	-	51,483,338	1,190,856	(2,145,107)	(2,263,000)	(878,383)	47,387,703
2020	-	53,542,672	1,190,856	(2,107,097)	(2,412,000)	(879,333)	49,335,097
2021	-	55,684,378	1,190,856	(2,397,298)	(2,553,000)	(1,186,478)	50,738,458
2022	-	57,911,753	1,190,856	(2,273,668)	(2,699,000)	(1,187,486)	52,942,455
2023	-	60,228,224	1,190,856	(2,565,983)	(2,853,000)	(2,404,138)	53,595,959
2024	-	62,637,353	1,190,856	(2,412,134)	(3,014,000)	(2,404,364)	55,997,710
2025	-	65,142,847	1,190,856	(2,707,185)	(3,209,000)	(2,405,465)	58,012,052
2026	-	67,748,561	1,190,856	(2,559,033)	(3,411,000)	(2,398,129)	60,571,254
2027	-	70,458,503	1,190,856	(2,771,252)	(3,623,000)	(2,399,297)	62,855,810
2028	-	73,276,843	1,190,856	(2,714,878)	(3,844,000)	(1,177,536)	66,731,285
2029	-	76,207,917	1,190,856	(3,145,128)	(4,077,000)	(1,178,775)	68,997,870
2030	-	79,256,233	1,190,856	(2,779,103)	(4,300,000)	(1,180,051)	72,187,935
2031	-	82,426,483	1,190,856	(3,119,068)	(4,521,000)	(1,914,812)	74,062,459
2032	-	85,723,542	1,190,856	(3,055,620)	(4,752,000)	(1,916,166)	77,190,612
2033	-	89,152,484	1,190,856	(3,539,869)	(4,995,000)	(1,917,560)	79,890,910
2034	-	92,718,583	1,190,856	(3,241,707)	(5,248,000)	(2,005,203)	83,414,529
2035	-	95,036,548	1,190,856	(3,393,322)	(5,547,000)	(3,750,337)	83,536,745
2036	-	97,412,461	1,190,856	(3,439,126)	(5,810,000)	(4,823,693)	84,530,498
2037	-	99,847,773	1,190,856	(3,984,154)	(6,086,000)	(4,825,262)	86,143,212
2038	-	102,343,967	1,190,856	(3,648,569)	(6,375,000)	(4,826,879)	88,684,375
2039	-	104,902,567	1,190,856	(3,951,142)	(6,675,000)	(4,742,338)	90,724,942
2040	-	107,525,131	1,190,856	(3,734,881)	(6,991,165)	(3,000,399)	94,989,541
2041	-	110,213,259	1,190,856	(4,484,201)	(7,322,305)	(2,172,044)	97,425,564
2042	-	112,968,590	1,190,856	(4,106,497)	(7,669,130)	(2,283,067)	100,100,751
2043	-	115,792,805	40,886,040	(4,447,045)	(8,032,383)	(2,284,941)	141,914,476
2044	-	118,687,625	-	(4,356,582)	(8,412,841)	(2,286,872)	103,631,330
2045	-	121,654,816	-	(4,889,477)	(8,811,320)	(2,288,860)	105,665,159
2046	-	124,696,186	-	(4,621,899)	(9,228,673)	(6,464,809)	104,380,806
2047	-	127,813,591	-	(5,005,188)	(9,665,794)	(8,843,749)	104,298,860
2048	-	131,008,931	-	(4,903,372)	(10,123,619)	(8,845,922)	107,136,018
2049	-	134,284,154	-	(5,680,450)	(10,603,130)	(8,848,159)	109,152,415
2050	-	137,641,258	-	(5,019,368)	(11,105,353)	(8,988,800)	112,527,737
2051	-	141,082,289	-	(5,633,384)	(11,631,364)	(6,082,732)	117,734,809

(1) Escalates at 4.0% through 20 years, 2.5% thereafter.

Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market

COVERAGE

Date	Cash Available for Debt Service	Senior Debt Service	Senior Lien Coverage	TIFIA DS	Total Coverage	Total Coverage (inc. O&M)	Net Cashflow	PV of Net Cash Flow 12.0%
Total	2,856,572,677	(1,093,198,502)		(839,526,374)			923,847,801	78,605,917
2013	-	-		-			-	0
2014	-	-		-			-	-
2015	-	-		-			-	-
2016	32,526,125	(23,477,000)	1.39x	-	1.39x	1.39x	9,049,125	5,677,533
2017	35,850,894	(23,477,000)	1.53x	-	1.53x	1.53x	12,373,894	6,909,518
2018	41,706,322	(23,477,000)	1.78x	-	1.78x	1.78x	18,229,322	9,059,414
2019	47,387,703	(23,477,000)	2.02x	-	2.02x	2.02x	23,910,703	10,575,727
2020	49,335,097	(22,326,650)	2.21x	(17,946,899)	1.22x	1.22x	9,061,548	3,567,045
2021	50,738,458	(23,477,000)	2.16x	(17,942,149)	1.22x	1.22x	9,319,308	3,264,962
2022	52,942,455	(25,280,932)	2.09x	(17,937,399)	1.22x	1.22x	9,724,124	3,032,028
2023	53,595,959	(25,819,154)	2.08x	(17,932,649)	1.22x	1.22x	9,844,155	2,731,803
2024	55,997,710	(27,784,517)	2.02x	(17,927,899)	1.22x	1.22x	10,285,293	2,540,247
2025	58,012,052	(29,433,628)	1.97x	(17,923,149)	1.22x	1.22x	10,655,275	2,342,136
2026	60,571,254	(31,527,523)	1.92x	(17,918,399)	1.22x	1.22x	11,125,332	2,176,450
2027	62,855,810	(33,397,216)	1.88x	(17,913,649)	1.22x	1.22x	11,544,944	2,010,092
2028	66,731,285	(36,565,619)	1.82x	(17,908,899)	1.22x	1.22x	12,256,766	1,899,277
2029	68,997,870	(38,420,643)	1.80x	(17,904,149)	1.22x	1.22x	12,673,078	1,747,764
2030	72,187,935	(41,029,528)	1.76x	(17,899,399)	1.22x	1.22x	13,259,008	1,627,421
2031	74,062,459	(42,564,501)	1.74x	(17,894,649)	1.22x	1.22x	13,603,308	1,486,010
2032	77,190,612	(45,122,846)	1.71x	(17,889,899)	1.22x	1.22x	14,177,867	1,378,403
2033	79,890,910	(47,331,921)	1.69x	(17,885,149)	1.22x	1.22x	14,673,840	1,269,689
2034	83,414,529	(50,213,094)	1.66x	(17,880,399)	1.22x	1.22x	15,321,036	1,179,859
2035	83,536,745	(50,317,612)	1.66x	(17,875,649)	1.22x	1.22x	15,343,483	1,051,609
2036	84,530,498	(51,133,590)	1.65x	(17,870,899)	1.22x	1.22x	15,526,010	947,062
2037	86,143,212	(52,454,841)	1.64x	(17,866,149)	1.22x	1.22x	15,822,222	858,963
2038	88,684,375	(54,534,009)	1.63x	(17,861,399)	1.22x	1.22x	16,288,967	787,025
2039	90,724,942	(56,204,528)	1.61x	(17,856,649)	1.22x	1.22x	16,663,765	716,566
2040	94,989,541	(59,690,584)	1.59x	(17,851,899)	1.22x	1.22x	17,447,058	667,719
2041	97,425,564	(61,683,924)	1.58x	(17,847,149)	1.22x	1.22x	17,894,491	609,508
2042	100,100,751	(63,872,500)	1.57x	(17,842,399)	1.22x	1.22x	18,385,852	557,355
2043	141,914,476	(29,104,140)	4.88x	(86,744,405)	1.23x	1.23x	26,065,931	703,250
2044	103,631,330	-		(84,597,005)	1.22x	1.22x	19,034,325	457,048
2045	105,665,159	-		(86,257,273)	1.22x	1.22x	19,407,886	414,755
2046	104,380,806	-		(85,208,821)	1.22x	1.22x	19,171,984	364,643
2047	104,298,860	-		(85,141,939)	1.22x	1.22x	19,156,922	324,276
2048	107,136,018	-		-			107,136,018	1,614,036
2049	109,152,415	-		-			109,152,415	1,463,522
2050	112,527,737	-		-			112,527,737	1,342,808
2051	117,734,809	-		-			117,734,809	1,250,395

Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market

ANNUAL DEBT SERVICE

Date	Tax-Exempt CIB Annual DS	Tax-Exempt CAB Annual DS	Taxable CIB Annual DS	Total Senior Annual DS	Capl Interest Draws	Prepaid Interest Draws	Net Senior Annual DS	TIFIA Annual DS	Net Annual DS
Total	916,352,037	248,427,817	-	1,164,779,853	(70,431,001)	(1,150,350)	1,093,198,502	839,526,374	1,932,724,876
2013	23,477,000	-	-	23,477,000	(23,477,000)	-	-	-	-
2014	23,477,000	-	-	23,477,000	(23,477,000)	-	-	-	-
2015	23,477,000	-	-	23,477,000	(23,477,000)	-	-	-	-
2016	23,477,000	-	-	23,477,000	-	-	23,477,000	-	23,477,000
2017	23,477,000	-	-	23,477,000	-	-	23,477,000	-	23,477,000
2018	23,477,000	-	-	23,477,000	-	-	23,477,000	-	23,477,000
2019	23,477,000	-	-	23,477,000	-	-	23,477,000	-	23,477,000
2020	23,477,000	-	-	23,477,000	-	(1,150,350)	22,326,650	17,946,899	40,273,549
2021	23,477,000	-	-	23,477,000	-	-	23,477,000	17,942,149	41,419,149
2022	25,280,932	-	-	25,280,932	-	-	25,280,932	17,937,399	43,218,331
2023	25,819,154	-	-	25,819,154	-	-	25,819,154	17,932,649	43,751,803
2024	27,784,517	-	-	27,784,517	-	-	27,784,517	17,927,899	45,712,417
2025	29,433,628	-	-	29,433,628	-	-	29,433,628	17,923,149	47,356,778
2026	31,527,523	-	-	31,527,523	-	-	31,527,523	17,918,399	49,445,922
2027	33,397,216	-	-	33,397,216	-	-	33,397,216	17,913,649	51,310,865
2028	36,565,619	-	-	36,565,619	-	-	36,565,619	17,908,899	54,474,519
2029	38,420,643	-	-	38,420,643	-	-	38,420,643	17,904,149	56,324,792
2030	41,029,528	-	-	41,029,528	-	-	41,029,528	17,899,399	58,928,927
2031	42,564,501	-	-	42,564,501	-	-	42,564,501	17,894,649	60,459,150
2032	45,122,846	-	-	45,122,846	-	-	45,122,846	17,889,899	63,012,745
2033	47,331,921	-	-	47,331,921	-	-	47,331,921	17,885,149	65,217,070
2034	12,129,670	38,083,424	-	50,213,094	-	-	50,213,094	17,880,399	68,093,493
2035	12,129,670	38,187,942	-	50,317,612	-	-	50,317,612	17,875,649	68,193,261
2036	12,129,670	39,003,920	-	51,133,590	-	-	51,133,590	17,870,899	69,004,489
2037	12,129,670	40,325,171	-	52,454,841	-	-	52,454,841	17,866,149	70,320,990
2038	12,129,670	42,404,340	-	54,534,009	-	-	54,534,009	17,861,399	72,395,409
2039	12,129,670	44,074,859	-	56,204,528	-	-	56,204,528	17,856,649	74,061,178
2040	53,342,423	6,348,161	-	59,690,584	-	-	59,690,584	17,851,899	77,542,483
2041	61,683,924	-	-	61,683,924	-	-	61,683,924	17,847,149	79,531,073
2042	63,872,500	-	-	63,872,500	-	-	63,872,500	17,842,399	81,714,899
2043	29,104,140	-	-	29,104,140	-	-	29,104,140	86,744,405	115,848,545
2044	-	-	-	-	-	-	-	84,597,005	84,597,005
2045	-	-	-	-	-	-	-	86,257,273	86,257,273
2046	-	-	-	-	-	-	-	85,208,821	85,208,821
2047	-	-	-	-	-	-	-	85,141,939	85,141,939
2048	-	-	-	-	-	-	-	-	-
2049	-	-	-	-	-	-	-	-	-
2050	-	-	-	-	-	-	-	-	-
2051	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-

Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market

AVAILABILITY PAYMENT SURPLUS (SHORTFALL)

Date	Toll Revenue	Availability Payment	KABATA Administrative Costs	Net State Surplus (Shortfall)	PV @ 5.000%	Cumulative Deficit/Return
Total	4,812,777,321	(3,227,382,614)	(178,187,102)	1,407,207,605	252,331,221	
2013	-	-	-	-	-	-
2014	-	-	-	-	-	-
2015	-	-	-	-	-	-
2016	16,023,500	(35,768,500)	(2,945,406)	(22,690,406)	(18,623,073)	(22,690,406)
2017	24,542,600	(39,599,240)	(3,028,146)	(18,084,786)	(14,127,806)	(40,775,192)
2018	32,020,423	(45,503,210)	(3,113,227)	(16,596,013)	(12,340,063)	(57,371,205)
2019	38,481,071	(51,483,338)	(3,200,716)	(16,202,983)	(11,467,292)	(73,574,187)
2020	43,310,858	(53,542,672)	(3,290,682)	(13,522,495)	(9,109,090)	(87,096,683)
2021	47,408,267	(55,684,378)	(3,383,196)	(11,659,308)	(7,475,551)	(98,755,990)
2022	51,683,477	(57,911,753)	(3,478,330)	(9,706,607)	(5,923,660)	(108,462,597)
2023	56,142,817	(60,228,224)	(3,576,159)	(7,661,566)	(4,450,333)	(116,124,164)
2024	60,792,822	(62,637,353)	(3,676,761)	(5,521,291)	(3,052,586)	(121,645,455)
2025	67,281,244	(65,142,847)	(3,780,212)	(1,641,816)	(863,980)	(123,287,270)
2026	73,915,922	(67,748,561)	(3,886,597)	2,280,765	1,142,384	(121,006,506)
2027	80,840,283	(70,458,503)	(3,995,997)	6,385,783	3,044,375	(114,620,723)
2028	88,064,665	(73,276,843)	(4,108,499)	10,679,323	4,845,962	(103,941,400)
2029	95,599,741	(76,207,917)	(4,224,192)	15,167,632	6,550,981	(88,773,768)
2030	102,270,339	(79,256,233)	(4,343,167)	18,670,938	7,675,506	(70,102,829)
2031	108,421,773	(82,426,483)	(4,465,517)	21,529,773	8,424,276	(48,573,056)
2032	114,816,860	(85,723,542)	(4,591,339)	24,501,979	9,125,287	(24,071,077)
2033	121,463,939	(89,152,484)	(4,720,732)	27,590,723	9,780,493	3,519,646
2034	128,371,610	(92,718,583)	(4,853,798)	30,799,229	10,391,776	34,318,875
2035	137,649,376	(95,036,548)	(4,990,642)	37,622,186	12,082,206	71,941,061
2036	144,260,514	(97,412,461)	(5,131,373)	41,716,680	12,751,586	113,657,741
2037	151,116,178	(99,847,773)	(5,276,100)	45,992,305	13,381,103	159,650,046
2038	158,224,462	(102,343,967)	(5,424,939)	50,455,556	13,972,303	210,105,602
2039	165,593,713	(104,902,567)	(5,578,007)	55,113,139	14,526,682	265,218,741
2040	173,306,224	(107,525,131)	(5,735,426)	60,045,667	15,064,170	325,264,408
2041	181,377,984	(110,213,259)	(5,878,811)	65,285,914	15,589,612	390,550,322
2042	189,825,730	(112,968,590)	(6,025,781)	70,831,358	16,098,805	461,381,680
2043	198,666,977	(115,792,805)	(6,176,426)	76,697,746	16,592,161	538,079,426
2044	207,920,058	(118,687,625)	(6,330,837)	82,901,596	17,070,078	620,981,022
2045	217,604,157	(121,654,816)	(6,489,108)	89,460,234	17,532,947	710,441,256
2046	227,739,355	(124,696,186)	(6,651,335)	96,391,834	17,981,147	806,833,090
2047	238,346,667	(127,813,591)	(6,817,619)	103,715,457	18,415,050	910,548,547
2048	249,448,086	(131,008,931)	(6,988,059)	111,451,097	18,835,018	1,021,999,644
2049	261,066,633	(134,284,154)	(7,162,761)	119,619,718	19,241,403	1,141,619,362
2050	273,226,398	(137,641,258)	(7,341,830)	128,243,311	19,634,550	1,269,862,673
2051	285,952,596	(141,082,289)	(7,525,375)	137,344,932	20,014,795	1,407,207,605

Early revenue cannot meet the "bills"

Current 169K pop

Good Numbers

64% difference in population growth DOL / ISER 2030 – 204K pop.

BD KABATA 2030 - 250K pop

Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market
General Inputs

STATE RESERVE FUND

Date	Beginning Balance	Excess Revenues	Interest @ 3.000%	State Replenish (1)	Draws on Reserve (2)	Surplus Withdrawals (3)	Ending Balance
Total		1,530,494,875	154,264,158	-	(123,287,270)	(1,561,471,763)	
2013	150,000,000	-	4,500,000	-	-	-	154,500,000
2014	154,500,000	-	4,635,000	-	-	-	159,135,000
2015	159,135,000	-	4,774,050	-	-	-	163,909,050
2016	163,909,050	-	4,917,272	-	(22,690,406)	-	146,135,915
2017	146,135,915	-	4,384,077	-	(18,084,786)	-	132,435,207
2018	132,435,207	-	3,973,056	-	(16,596,013)	-	119,812,251
2019	119,812,251	-	3,594,368	-	(16,202,983)	-	107,203,635
2020	107,203,635	-	3,216,109	-	(13,522,495)	-	96,897,249
2021	96,897,249	-	2,906,917	-	(11,659,308)	-	88,144,859
2022	88,144,859	-	2,644,346	-	(9,706,607)	-	81,082,598
2023	81,082,598	-	2,432,478	-	(7,661,566)	-	75,853,509
2024	75,853,509	-	2,275,605	-	(5,521,291)	-	72,607,823
2025	72,607,823	-	2,178,235	-	(1,641,816)	-	73,144,242
2026	73,144,242	2,280,765	2,194,327	-	-	-	77,619,334
2027	77,619,334	6,385,783	2,328,580	-	-	-	86,333,698
2028	86,333,698	10,679,323	2,590,011	-	-	-	99,603,031
2029	99,603,031	15,167,632	2,988,091	-	-	-	117,758,754
2030	117,758,754	18,670,938	3,532,763	-	-	-	139,962,455
2031	139,962,455	21,529,773	4,198,874	-	-	(15,691,102)	150,000,000
2032	150,000,000	24,501,979	4,500,000	-	-	(29,001,979)	150,000,000
2033	150,000,000	27,590,723	4,500,000	-	-	(32,090,723)	150,000,000
2034	150,000,000	30,799,229	4,500,000	-	-	(35,299,229)	150,000,000
2035	150,000,000	37,622,186	4,500,000	-	-	(42,122,186)	150,000,000
2036	150,000,000	41,716,680	4,500,000	-	-	(46,216,680)	150,000,000
2037	150,000,000	45,992,305	4,500,000	-	-	(50,492,305)	150,000,000
2038	150,000,000	50,455,556	4,500,000	-	-	(54,955,556)	150,000,000
2039	150,000,000	55,113,139	4,500,000	-	-	(59,613,139)	150,000,000
2040	150,000,000	60,045,667	4,500,000	-	-	(64,545,667)	150,000,000
2041	150,000,000	65,285,914	4,500,000	-	-	(69,785,914)	150,000,000
2042	150,000,000	70,831,358	4,500,000	-	-	(75,331,358)	150,000,000
2043	150,000,000	76,697,746	4,500,000	-	-	(81,197,746)	150,000,000
2044	150,000,000	82,901,596	4,500,000	-	-	(87,401,596)	150,000,000
2045	150,000,000	89,460,234	4,500,000	-	-	(93,960,234)	150,000,000
2046	150,000,000	96,391,834	4,500,000	-	-	(100,891,834)	150,000,000
2047	150,000,000	103,715,457	4,500,000	-	-	(108,215,457)	150,000,000
2048	150,000,000	111,451,097	4,500,000	-	-	(115,951,097)	150,000,000
2049	150,000,000	119,619,718	4,500,000	-	-	(124,119,718)	150,000,000
2050	150,000,000	128,243,311	4,500,000	-	-	(132,743,311)	150,000,000
2051	150,000,000	137,344,932	4,500,000	-	-	(141,844,932)	150,000,000

(1) If ending balance falls below $50 million, the State will replenish the account back to $50 million.
(2) In the event of a negative Draws on Reserve balance, the reserve fund will be tapped to make up this shortfall.
(3) If ending balance exceeds $150 million plus state replenishment, if any, the balance over such amount is available for release.

Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market

CONSTRUCTION FUND

Date	Days 30/360	Beginning Balance	Bond Proceeds Initial Deposit	Federal Monies Initial Deposit	Equity Deposit	TIFIA Deposit	Shortfall	Total Deposits	Interest Earnings 0.50%	Draws	Ending Balance
Total			269,467,758	62,495,013	75,962,117	306,019,062	-	713,943,950	1,939,396	715,882,350	
12/1/12		-	269,467,758	62,495,013	-	-		331,962,771	-	-	331,962,771
1/1/13	30	331,962,771	-	-	-	-	-	-	138,318	5,347,627	326,753,461
2/1/13	30	326,753,461	-	-	-	-	-	-	136,147	5,347,627	321,541,981
3/1/13	30	321,541,981	-	-	-	-	-	-	133,976	5,347,627	316,328,329
4/1/13	30	316,328,329	-	-	-	-	-	-	131,803	5,973,680	310,486,453
5/1/13	30	310,486,453	-	-	-	-	-	-	129,369	5,973,680	304,642,142
6/1/13	30	304,642,142	-	-	-	-	-	-	126,934	5,973,680	298,795,397
7/1/13	30	298,795,397	-	-	-	-	-	-	124,498	16,108,405	282,811,490
8/1/13	30	282,811,490	-	-	-	-	-	-	117,838	16,108,405	266,820,924
9/1/13	30	266,820,924	-	-	-	-	-	-	111,175	16,108,405	250,823,695
10/1/13	30	250,823,695	-	-	-	-	-	-	104,510	14,959,802	235,968,403
11/1/13	30	235,968,403	-	-	-	-	-	-	98,320	14,959,802	221,106,921
12/1/13	30	221,106,921	-	-	-	-	-	-	92,128	14,959,802	206,239,247
1/1/14	30	206,239,247	-	-	-	-	-	-	85,933	9,061,439	197,263,741
2/1/14	30	197,263,741	-	-	-	-	-	-	82,193	9,061,439	188,284,495
3/1/14	30	188,284,495	-	-	-	-	-	-	78,452	9,061,439	179,301,508
4/1/14	30	179,301,508	-	-	-	-	-	-	74,709	29,910,416	149,465,801
5/1/14	30	149,465,801	-	-	-	-	-	-	62,277	29,910,416	119,617,662
6/1/14	30	119,617,662	-	-	-	-	-	-	49,841	29,910,416	89,757,086
7/1/14	30	89,757,086	-	-	-	-	-	-	37,399	41,020,571	48,773,914
8/1/14	30	48,773,914	-	-	-	-	-	-	20,322	41,020,571	7,773,665
9/1/14	30	7,773,665	-	-	33,244,650	-	-	33,244,650	3,239	41,020,571	983
10/1/14	30	983	-	-	27,385,245	-	-	27,385,245	0	27,385,245	983
11/1/14	30	983	-	-	15,332,222	12,053,024	-	27,385,245	0	27,385,245	984
12/1/14	30	984	-	-	-	27,385,245	-	27,385,245	0	27,385,245	984
1/1/15	30	984	-	-	-	10,209,114	-	10,209,114	0	10,209,114	984
2/1/15	30	984	-	-	-	10,209,114	-	10,209,114	0	10,209,114	985
3/1/15	30	985	-	-	-	10,209,114	-	10,209,114	0	10,209,114	985
4/1/15	30	985	-	-	-	35,140,824	-	35,140,824	0	35,140,824	986
5/1/15	30	986	-	-	-	35,140,824	-	35,140,824	0	35,140,824	986
6/1/15	30	986	-	-	-	35,140,824	-	35,140,824	0	35,140,824	986
7/1/15	30	986	-	-	-	30,057,730	-	30,057,730	0	30,057,730	987
8/1/15	30	987	-	-	-	30,057,730	-	30,057,730	0	30,057,730	987
9/1/15	30	987	-	-	-	30,057,730	-	30,057,730	0	30,057,730	988
10/1/15	30	988	-	-	-	13,452,596	-	13,452,596	0	13,452,596	988
11/1/15	30	988	-	-	-	13,452,596	-	13,452,596	0	13,452,596	988
12/1/15	30	988	-	-	-	13,452,596	-	13,452,596	0	13,452,596	989
1/1/16	30	989	-	-	-	-	-	-	0	-	989
2/1/16	30	989	-	-	-	-	-	-	0	-	990
3/1/16	30	990	-	-	-	-	-	-	0	-	990
4/1/16	30	990	-	-	-	-	-	-	0	-	991
5/1/16	30	991	-	-	-	-	-	-	0	-	991
6/1/16	30	991	-	-	-	-	-	-	0	-	991
7/1/16	30	991	-	-	-	-	-	-	0	-	992
8/1/16	30	992	-	-	-	-	-	-	0	-	992
9/1/16	30	992	-	-	-	-	-	-	0	-	993
10/1/16	30	993	-	-	-	-	-	-	0	-	993
11/1/16	30	993	-	-	-	-	-	-	0	-	993
12/1/16	30	993	-	-	-	-	-	-	0	-	994
1/1/17	30	994	-	-	-	-	-	-	0	-	994
2/1/17	30	994	-	-	-	-	-	-	0	-	995
3/1/17	30	995	-	-	-	-	-	-	0	-	995
4/1/17	30	995	-	-	-	-	-	-	0	-	996

Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market

ANNUAL COSTS (000's)

	2012	QE 3/31/13	QE 6/30/13	QE 9/30/13	QE 12/31/13	QE 3/31/14	QE 6/30/14	QE 9/30/14	QE 12/31/14	QE 3/31/15	QE 6/30/15	QE 9/30/15	QE 12/31/15	QE 3/31/16	QE 6/30/16	QE 9/30/16	QE 12/31/16	Total Cost
Construction Summary																		
Section																		
2 Port MacKenzie Northern Route	-	26	842	2,204	2,196	-	1,625	2,447	853	-	1,310	1,804	1,144	-	-	-	-	14,452
3 West Approach	-	35	4,162	5,283	4,668	36	11,191	11,231	1,034	-	893	213	308	-	-	-	-	39,053
4 Bridge	-	-	-	21,810	22,028	22,249	38,781	42,141	30,204	27,163	54,091	44,441	4,886	-	-	-	-	307,795
5 East Approach	-	-	-	-	-	-	83	13,903	9,872	64	33,695	33,908	20,146	-	-	-	-	111,671
6 MOA Future Port Expansion	-	-	66	2,801	2,706	-	-	-	1,308	-	1,339	100	-	-	-	-	-	8,320
7 Retaining Wall	-	-	1,067	6,422	7,025	-	-	-	-	-	-	-	-	-	-	-	-	14,514
8 Cherry Hill	-	-	-	-	-	-	1,469	10,646	14,764	-	6,337	1,504	800	-	-	-	-	35,520
9 Government Hill	-	-	-	-	-	-	31,581	38,444	20,920	-	3,516	2,861	-	-	-	-	-	97,323
Constuction Summary	-	61	6,138	38,520	38,623	22,284	84,731	118,812	78,956	27,227	101,181	84,832	27,284	-	-	-	-	628,649
Toll Technology	-	-	-	-	-	-	-	-	-	-	542	1,642	2,974	-	-	-	-	5,157
Engineering	-	4,750	5,500	4,250	4,250	3,000	3,000	2,250	1,500	1,500	1,500	1,500	2,000	-	-	-	-	35,000
Project Management	-	850	1,900	2,400	1,850	1,900	2,000	2,000	1,700	1,900	2,200	2,200	8,100	-	-	-	-	29,000
ICAP	-	382	801	2,161	156	-	-	-	-	-	-	-	-	-	-	-	-	3,500
Toll Facility/Building	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ROW (primarily Government Hill)	-	10,000	3,582	995	-	-	-	-	-	-	-	-	-	-	-	-	-	14,576
	-	16,043	17,921	48,325	44,879	27,184	89,731	123,062	82,156	30,627	105,422	90,173	40,358	-	-	-	-	715,882
Total costs attributable to Sections 2-5	-	16,043	14,613	36,754	33,572	27,184	54,730	72,216	43,664	30,627	93,762	85,427	39,174	-	-	-	-	547,767
Total costs attributable to Sections 6-9	-	-	3,308	11,571	11,307	-	35,001	50,846	38,492	-	11,661	4,747	1,183	-	-	-	-	168,116
	-	16,043	17,921	48,325	44,879	27,184	89,731	123,062	82,156	30,627	105,422	90,173	40,358	-	-	-	-	715,882

TAX-EXEMPT CURRENT INTEREST BONDS

Date	Notional	Principal	Proceeds	Coupon	Yield	Price	Interest	Total Debt Service	Annual Debt Service
Total		356,159,159	356,159,159				560,192,878	916,352,037	916,352,037
12/1/12									
6/1/13	356,159,159						11,738,500	11,738,500	
12/1/13	356,159,159	-	-	3.08%	3.080%	100.00	11,738,500	11,738,500	23,477,000
6/1/14	356,159,159						11,738,500	11,738,500	
12/1/14	356,159,159	-	-	3.53%	3.530%	100.00	11,738,500	11,738,500	23,477,000
6/1/15	356,159,159						11,738,500	11,738,500	
12/1/15	356,159,159	-	-	3.82%	3.820%	100.00	11,738,500	11,738,500	23,477,000
6/1/16	356,159,159						11,738,500	11,738,500	
12/1/16	356,159,159	-	-	4.12%	4.120%	100.00	11,738,500	11,738,500	23,477,000
6/1/17	356,159,159						11,738,500	11,738,500	
12/1/17	356,159,159	-	-	4.43%	4.430%	100.00	11,738,500	11,738,500	23,477,000
6/1/18	356,159,159						11,738,500	11,738,500	
12/1/18	356,159,159	-	-	4.70%	4.700%	100.00	11,738,500	11,738,500	23,477,000
6/1/19	356,159,159						11,738,500	11,738,500	
12/1/19	356,159,159	-	-	4.95%	4.950%	100.00	11,738,500	11,738,500	23,477,000
6/1/20	356,159,159						11,738,500	11,738,500	
12/1/20	356,159,159	-	-	5.18%	5.180%	100.00	11,738,500	11,738,500	23,477,000
6/1/21	356,159,159						11,738,500	11,738,500	
12/1/21	356,159,159	-	-	5.39%	5.390%	100.00	11,738,500	11,738,500	23,477,000
6/1/22	356,159,159						11,738,500	11,738,500	
12/1/22	356,159,159	1,803,932	1,803,932	5.58%	5.580%	100.00	11,738,500	13,542,432	25,280,932
6/1/23	354,355,227						11,688,170	11,688,170	
12/1/23	354,355,227	2,442,813	2,442,813	5.73%	5.730%	100.00	11,688,170	14,130,984	25,819,154
6/1/24	351,912,414						11,618,184	11,618,184	
12/1/24	351,912,414	4,548,150	4,548,150	5.87%	5.870%	100.00	11,618,184	16,166,334	27,784,517
6/1/25	347,364,264						11,484,696	11,484,696	
12/1/25	347,364,264	6,464,237	6,464,237	6.00%	6.000%	100.00	11,484,696	17,948,933	29,433,628
6/1/26	340,900,027						11,290,769	11,290,769	
12/1/26	340,900,027	8,945,986	8,945,986	6.09%	6.090%	100.00	11,290,769	20,236,754	31,527,523
6/1/27	331,954,041						11,018,363	11,018,363	
12/1/27	331,954,041	11,360,490	11,360,490	6.18%	6.180%	100.00	11,018,363	22,378,853	33,397,216
6/1/28	320,593,551						10,667,324	10,667,324	
12/1/28	320,593,551	15,230,971	15,230,971	6.26%	6.260%	100.00	10,667,324	25,898,295	36,565,619
6/1/29	305,362,580						10,190,595	10,190,595	
12/1/29	305,362,580	18,039,453	18,039,453	6.34%	6.340%	100.00	10,190,595	28,230,048	38,420,643
6/1/30	287,323,127						9,618,744	9,618,744	
12/1/30	287,323,127	21,792,040	21,792,040	6.42%	6.420%	100.00	9,618,744	31,410,784	41,029,528
6/1/31	265,531,088						8,919,220	8,919,220	
12/1/31	265,531,088	24,726,062	24,726,062	6.51%	6.510%	100.00	8,919,220	33,645,281	42,564,501
6/1/32	240,805,026						8,114,386	8,114,386	
12/1/32	240,805,026	28,894,073	28,894,073	6.59%	6.590%	100.00	8,114,386	37,008,459	45,122,846
6/1/33	211,910,953						7,162,327	7,162,327	
12/1/33	211,910,953	33,007,267	33,007,267	6.65%	6.650%	100.00	7,162,327	40,169,594	47,331,921
6/1/34	178,903,685						6,064,835	6,064,835	
12/1/34	178,903,685	-	-	6.70%	6.700%	100.00	6,064,835	6,064,835	12,129,670
6/1/35	178,903,685						6,064,835	6,064,835	
12/1/35	178,903,685	-	-	6.78%	6.780%	100.00	6,064,835	6,064,835	12,129,670
6/1/36	178,903,685						6,064,835	6,064,835	
12/1/36	178,903,685	-	-	6.78%	6.780%	100.00	6,064,835	6,064,835	12,129,670
6/1/37	178,903,685						6,064,835	6,064,835	
12/1/37	178,903,685	-	-	6.78%	6.780%	100.00	6,064,835	6,064,835	12,129,670
6/1/38	178,903,685						6,064,835	6,064,835	
12/1/38	178,903,685	-	-	6.78%	6.780%	100.00	6,064,835	6,064,835	12,129,670
6/1/39	178,903,685						6,064,835	6,064,835	
12/1/39	178,903,685	-	-	6.78%	6.780%	100.00	6,064,835	6,064,835	12,129,670
6/1/40	178,903,685						6,064,835	6,064,835	
12/1/40	178,903,685	41,212,753	41,212,753	6.78%	6.780%	100.00	6,064,835	47,277,588	53,342,423
6/1/41	137,690,932						4,667,723	4,667,723	
12/1/41	137,690,932	52,348,478	52,348,478	6.78%	6.780%	100.00	4,667,723	57,016,201	61,683,924
6/1/42	85,342,454						2,893,109	2,893,109	
12/1/42	85,342,454	58,086,282	58,086,282	6.78%	6.780%	100.00	2,893,109	60,979,391	63,872,500
6/1/43	27,256,172						923,984	923,984	
12/1/43	27,256,172	27,256,172	27,256,172	6.78%	6.780%	100.00	923,984	28,180,156	29,104,140
6/1/44	-						-	-	
12/1/44	-	-	-	6.78%	6.780%	100.00	-	-	-
6/1/45	-						-	-	
12/1/45	-	-	-	6.78%	6.780%	100.00	-	-	-
6/1/46	-						-	-	
12/1/46	-	-	-	6.78%	6.780%	100.00	-	-	-
6/1/47	-						-	-	
12/1/47	-	-	-	6.78%	6.780%	100.00	-	-	-
6/1/48	-						-	-	
12/1/48	-	-	-	6.78%	6.780%	100.00	-	-	-
6/1/49	-						-	-	
12/1/49	-	-	-	6.78%	6.780%	100.00	-	-	-
6/1/50	-						-	-	
12/1/50	-	-	-	6.78%	6.780%	100.00	-	-	-

Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market

TAX-EXEMPT CAPITAL APPRECIATION BONDS

Date	Notional	Initial Proceeds	Yield	Price	Accreted Interest	Maturity Value
Total		40,792,688			207,635,128	248,427,817
12/1/12	40,792,688					
6/1/13	42,320,517					
12/1/13	43,905,729	-	3.830%	96.28	-	-
6/1/14	45,550,098					
12/1/14	47,255,883	-	4.280%	91.88	-	-
6/1/15	49,026,260					
12/1/15	50,862,489	-	4.570%	87.32	-	-
6/1/16	52,767,004					
12/1/16	54,743,574	-	4.870%	82.49	-	-
6/1/17	56,794,038					
12/1/17	58,920,661	-	5.180%	77.44	-	-
6/1/18	61,127,845					
12/1/18	63,417,640	-	5.450%	72.42	-	-
6/1/19	65,792,889					
12/1/19	68,256,884	-	5.700%	67.47	-	-
6/1/20	70,813,789					
12/1/20	73,465,540	-	5.930%	62.66	-	-
6/1/21	76,217,527					
12/1/21	79,071,704	-	6.140%	58.03	-	-
6/1/22	82,033,094					
12/1/22	85,105,716	-	6.330%	53.62	-	-
6/1/23	88,293,642					
12/1/23	91,600,707	-	6.480%	49.58	-	-
6/1/24	95,031,996					
12/1/24	98,590,559	-	6.620%	45.77	-	-
6/1/25	102,283,306					
12/1/25	106,113,830	-	6.750%	42.19	-	-
6/1/26	110,088,413					
12/1/26	114,211,444	-	6.840%	39.00	-	-
6/1/27	118,489,874					
12/1/27	122,927,459	-	6.930%	35.99	-	-
6/1/28	127,531,188					
12/1/28	132,308,259	-	7.010%	33.21	-	-
6/1/29	137,262,943					
12/1/29	142,404,535	-	7.090%	30.59	-	-
6/1/30	147,738,398					
12/1/30	153,271,439	-	7.170%	28.14	-	-
6/1/31	159,012,343					
12/1/31	164,967,654	-	7.260%	25.80	-	-
6/1/32	171,146,663					
12/1/32	177,556,377	-	7.340%	23.65	-	-
6/1/33	184,206,299					
12/1/33	191,105,735	-	7.400%	21.74	-	-
6/1/34	198,262,943					
12/1/34	205,688,902	7,618,208	7.450%	20.00	30,465,216	38,083,424
6/1/35	173,890,586					
12/1/35	180,412,481	7,053,313	7.480%	18.47	31,134,629	38,187,942
6/1/36	147,561,499					
12/1/36	153,099,281	6,678,251	7.490%	17.12	32,325,669	39,003,920
6/1/37	118,379,978					
12/1/37	122,826,129	6,399,605	7.500%	15.87	33,925,566	40,325,171
6/1/38	85,600,829					
12/1/38	88,818,124	6,236,406	7.510%	14.71	36,167,933	42,404,340
6/1/39	48,159,507					
12/1/39	49,970,650	6,005,640	7.520%	13.63	38,069,218	44,074,859
6/1/40	6,117,786					
12/1/40	6,348,161	801,265	7.530%	12.62	5,546,896	6,348,161
6/1/41	-					
12/1/41	-	-	0.000%	-	-	-
6/1/42	-					
12/1/42	-	-	0.000%	-	-	-
6/1/43	-					
12/1/43	-	-	0.000%	-	-	-
6/1/44	-					
12/1/44	-	-	0.000%	-	-	-
6/1/45	-					
12/1/45	-	-	0.000%	-	-	-
6/1/46	-					
12/1/46	-	-	0.000%	-	-	-
6/1/47	-					
12/1/47	-	-	0.000%	-	-	-
6/1/48	-					
12/1/48	-	-	0.000%	-	-	-
6/1/49	-					
12/1/49	-	-	0.000%	-	-	-
6/1/50	-					
12/1/50	-	-	0.000%	-	-	-

TAX-EXEMPT CAPITALIZED INTEREST FUND

Date	Beginning Balance	Deposits	Interest 0.50%	Import From DSRF Fund	Interest Draws	Ending Balance
Total		66,277,301	581,133	3,572,567	70,431,001	
12/1/12		66,277,301				66,277,301
6/1/13	66,277,301		165,693	595,428	11,738,500	55,299,922
12/1/13	55,299,922		138,250	595,428	11,738,500	44,295,099
6/1/14	44,295,099		110,738	595,428	11,738,500	33,262,765
12/1/14	33,262,765		83,157	595,428	11,738,500	22,202,849
6/1/15	22,202,849		55,507	595,428	11,738,500	11,115,284
12/1/15	11,115,284		27,788	595,428	11,738,500	-
6/1/16	-		-	-	-	-
12/1/16	-		-	-	-	-
6/1/17	-		-	-	-	-
12/1/17	-		-	-	-	-
6/1/18	-		-	-	-	-
12/1/18	-		-	-	-	-
6/1/19	-		-	-	-	-
12/1/19	-		-	-	-	-
6/1/20	-		-	-	-	-
12/1/20	-		-	-	-	-
6/1/21	-		-	-	-	-
12/1/21	-		-	-	-	-
6/1/22	-		-	-	-	-
12/1/22	-		-	-	-	-
6/1/23	-		-	-	-	-
12/1/23	-		-	-	-	-
6/1/24	-		-	-	-	-
12/1/24	-		-	-	-	-
6/1/25	-		-	-	-	-
12/1/25	-		-	-	-	-
6/1/26	-		-	-	-	-
12/1/26	-		-	-	-	-
6/1/27	-		-	-	-	-
12/1/27	-		-	-	-	-
6/1/28	-		-	-	-	-
12/1/28	-		-	-	-	-
6/1/29	-		-	-	-	-
12/1/29	-		-	-	-	-
6/1/30	-		-	-	-	-
12/1/30	-		-	-	-	-
6/1/31	-		-	-	-	-
12/1/31	-		-	-	-	-
6/1/32	-		-	-	-	-
12/1/32	-		-	-	-	-
6/1/33	-		-	-	-	-
12/1/33	-		-	-	-	-
6/1/34	-		-	-	-	-
12/1/34	-		-	-	-	-
6/1/35	-		-	-	-	-
12/1/35	-		-	-	-	-
6/1/36	-		-	-	-	-
12/1/36	-		-	-	-	-
6/1/37	-		-	-	-	-
12/1/37	-		-	-	-	-
6/1/38	-		-	-	-	-
12/1/38	-		-	-	-	-
6/1/39	-		-	-	-	-
12/1/39	-		-	-	-	-
6/1/40	-		-	-	-	-
12/1/40	-		-	-	-	-
6/1/41	-		-	-	-	-
12/1/41	-		-	-	-	-
6/1/42	-		-	-	-	-
12/1/42	-		-	-	-	-
6/1/43	-		-	-	-	-
12/1/43	-		-	-	-	-
6/1/44	-		-	-	-	-
12/1/44	-		-	-	-	-
6/1/45	-		-	-	-	-
12/1/45	-		-	-	-	-
6/1/46	-		-	-	-	-
12/1/46	-		-	-	-	-
6/1/47	-		-	-	-	-
12/1/47	-		-	-	-	-
6/1/48	-		-	-	-	-
12/1/48	-		-	-	-	-
6/1/49	-		-	-	-	-
12/1/49	-		-	-	-	-
6/1/50	-		-	-	-	-
12/1/50	-		-	-	-	-

TAX-EXEMPT DEBT SERVICE RESERVE FUND

Date	Beginning Balance	Deposits	Interest 3.000%	Export to Capint Fund	Export to Revenue Fund	Ann. Export to Revenue Fund	Ending Balance
Total		39,695,185	36,916,522	(3,572,567)	(73,039,140)	(73,039,140)	
12/1/12		39,695,185				-	39,695,185
6/1/13	39,695,185		595,428	(595,428)	-		39,695,185
12/1/13	39,695,185		595,428	(595,428)	-	-	39,695,185
6/1/14	39,695,185		595,428	(595,428)	-		39,695,185
12/1/14	39,695,185		595,428	(595,428)	-	-	39,695,185
6/1/15	39,695,185		595,428	(595,428)	-		39,695,185
12/1/15	39,695,185		595,428	(595,428)	-	-	39,695,185
6/1/16	39,695,185		595,428	-	(595,428)		39,695,185
12/1/16	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/17	39,695,185		595,428	-	(595,428)		39,695,185
12/1/17	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/18	39,695,185		595,428	-	(595,428)		39,695,185
12/1/18	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/19	39,695,185		595,428	-	(595,428)		39,695,185
12/1/19	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/20	39,695,185		595,428	-	(595,428)		39,695,185
12/1/20	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/21	39,695,185		595,428	-	(595,428)		39,695,185
12/1/21	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/22	39,695,185		595,428	-	(595,428)		39,695,185
12/1/22	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/23	39,695,185		595,428	-	(595,428)		39,695,185
12/1/23	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/24	39,695,185		595,428	-	(595,428)		39,695,185
12/1/24	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/25	39,695,185		595,428	-	(595,428)		39,695,185
12/1/25	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/26	39,695,185		595,428	-	(595,428)		39,695,185
12/1/26	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/27	39,695,185		595,428	-	(595,428)		39,695,185
12/1/27	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/28	39,695,185		595,428	-	(595,428)		39,695,185
12/1/28	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/29	39,695,185		595,428	-	(595,428)		39,695,185
12/1/29	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/30	39,695,185		595,428	-	(595,428)		39,695,185
12/1/30	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/31	39,695,185		595,428	-	(595,428)		39,695,185
12/1/31	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/32	39,695,185		595,428	-	(595,428)		39,695,185
12/1/32	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/33	39,695,185		595,428	-	(595,428)		39,695,185
12/1/33	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/34	39,695,185		595,428	-	(595,428)		39,695,185
12/1/34	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/35	39,695,185		595,428	-	(595,428)		39,695,185
12/1/35	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/36	39,695,185		595,428	-	(595,428)		39,695,185
12/1/36	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/37	39,695,185		595,428	-	(595,428)		39,695,185
12/1/37	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/38	39,695,185		595,428	-	(595,428)		39,695,185
12/1/38	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/39	39,695,185		595,428	-	(595,428)		39,695,185
12/1/39	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/40	39,695,185		595,428	-	(595,428)		39,695,185
12/1/40	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/41	39,695,185		595,428	-	(595,428)		39,695,185
12/1/41	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/42	39,695,185		595,428	-	(595,428)		39,695,185
12/1/42	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/43	39,695,185		595,428	-	(595,428)		39,695,185
12/1/43	39,695,185		595,428	-	(40,290,612)	(40,886,040)	-
6/1/44	-		-	-	-		-
12/1/44	-		-	-	-	-	-
6/1/45	-		-	-	-		-
12/1/45	-		-	-	-	-	-
6/1/46	-		-	-	-		-
12/1/46	-		-	-	-	-	-
6/1/47	-		-	-	-		-
12/1/47	-		-	-	-	-	-
6/1/48	-		-	-	-		-
12/1/48	-		-	-	-	-	-
6/1/49	-		-	-	-		-
12/1/49	-		-	-	-	-	-
6/1/50	-		-	-	-		-
12/1/50	-		-	-	-	-	-

PREPAID INTEREST FUND (PAID FROM EQUITY)

Date	Beginning Balance	Deposits	Interest 0.50%	Import From DSRF Fund	Tax-Exempt Interest Draws	Taxable Interest Draws	Ending Balance
Total		1,105,300	45,051	-	1,150,350	-	
12/1/12		1,105,300					1,105,300
6/1/13	1,105,300		2,763	-	-	-	1,108,063
12/1/13	1,108,063		2,770	-	-	-	1,110,833
6/1/14	1,110,833		2,777	-	-	-	1,113,610
12/1/14	1,113,610		2,784	-	-	-	1,116,394
6/1/15	1,116,394		2,791	-	-	-	1,119,185
12/1/15	1,119,185		2,798	-	-	-	1,121,983
6/1/16	1,121,983		2,805	-	-	-	1,124,788
12/1/16	1,124,788		2,812	-	-	-	1,127,600
6/1/17	1,127,600		2,819	-	-	-	1,130,419
12/1/17	1,130,419		2,826	-	-	-	1,133,245
6/1/18	1,133,245		2,833	-	-	-	1,136,078
12/1/18	1,136,078		2,840	-	-	-	1,138,918
6/1/19	1,138,918		2,847	-	-	-	1,141,766
12/1/19	1,141,766		2,854	-	-	-	1,144,620
6/1/20	1,144,620		2,862	-	-	-	1,147,482
12/1/20	1,147,482		2,869	-	1,150,350	-	-
6/1/21	-		-	-	-	-	-
12/1/21	-		-	-	-	-	-
6/1/22	-		-	-	-	-	-
12/1/22	-		-	-	-	-	-
6/1/23	-		-	-	-	-	-
12/1/23	-		-	-	-	-	-
6/1/24	-		-	-	-	-	-
12/1/24	-		-	-	-	-	-
6/1/25	-		-	-	-	-	-
12/1/25	-		-	-	-	-	-
6/1/26	-		-	-	-	-	-
12/1/26	-		-	-	-	-	-
6/1/27	-		-	-	-	-	-
12/1/27	-		-	-	-	-	-
6/1/28	-		-	-	-	-	-
12/1/28	-		-	-	-	-	-
6/1/29	-		-	-	-	-	-
12/1/29	-		-	-	-	-	-
6/1/30	-		-	-	-	-	-
12/1/30	-		-	-	-	-	-
6/1/31	-		-	-	-	-	-
12/1/31	-		-	-	-	-	-
6/1/32	-		-	-	-	-	-
12/1/32	-		-	-	-	-	-
6/1/33	-		-	-	-	-	-
12/1/33	-		-	-	-	-	-
6/1/34	-		-	-	-	-	-
12/1/34	-		-	-	-	-	-
6/1/35	-		-	-	-	-	-
12/1/35	-		-	-	-	-	-
6/1/36	-		-	-	-	-	-
12/1/36	-		-	-	-	-	-
6/1/37	-		-	-	-	-	-
12/1/37	-		-	-	-	-	-
6/1/38	-		-	-	-	-	-
12/1/38	-		-	-	-	-	-
6/1/39	-		-	-	-	-	-
12/1/39	-		-	-	-	-	-
6/1/40	-		-	-	-	-	-
12/1/40	-		-	-	-	-	-
6/1/41	-		-	-	-	-	-
12/1/41	-		-	-	-	-	-
6/1/42	-		-	-	-	-	-
12/1/42	-		-	-	-	-	-
6/1/43	-		-	-	-	-	-
12/1/43	-		-	-	-	-	-
6/1/44	-		-	-	-	-	-
12/1/44	-		-	-	-	-	-
6/1/45	-		-	-	-	-	-
12/1/45	-		-	-	-	-	-
6/1/46	-		-	-	-	-	-
12/1/46	-		-	-	-	-	-
6/1/47	-		-	-	-	-	-
12/1/47	-		-	-	-	-	-
6/1/48	-		-	-	-	-	-
12/1/48	-		-	-	-	-	-

Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market

TIFIA DEBT SCHEDULE

Date	TIFIA Draws	Notional Value	Principal/ Maturity Value	Yield	Interest	Accreted Interest	Interest Paid	TIFIA Payments	Ongoing TIFIA Servicing Fee	Accreted Servicing Cost	Total TIFIA DS	Annual Total TIFIA Payments	Ending Balance
Total	306,019,062		375,492,614		533,133,312	69,407,552	463,725,760	839,218,374	374,000	66,000	839,526,374	839,526,374	
12/1/12	-	-											-
6/1/13	-	-	-	4.750%	-	-	-	-		-	-		-
12/1/13	-	-	-	4.750%	-	-	-	-	-	-	-	-	-
6/1/14	-	-	-	4.750%	-	-	-	-		-	-		-
12/1/14	39,438,269	-	-	4.750%	-	-	-	-	11,000	11,000	-	-	11,000
6/1/15	136,049,815	39,449,269	-	4.750%	936,920	936,920	-	-		-	-		40,386,189
12/1/15	130,530,978	176,436,004	-	4.750%	4,190,355	4,190,355	-	-	11,000	11,000	-	-	180,637,359
6/1/16	-	311,168,337	-	4.750%	7,390,248	7,390,248	-	-		-	-		318,558,585
12/1/16	-	318,558,585	-	4.750%	7,565,766	7,565,766	-	-	11,000	11,000	-	-	326,135,351
6/1/17	-	326,135,351	-	4.750%	7,745,715	7,745,715	-	-		-	-		333,881,066
12/1/17	-	333,881,066	-	4.750%	7,929,675	7,929,675	-	-	11,000	11,000	-	-	341,821,741
6/1/18	-	341,821,741	-	4.750%	8,118,266	8,118,266	-	-		-	-		349,940,008
12/1/18	-	349,940,008	-	4.750%	8,311,075	8,311,075	-	-	11,000	11,000	-	-	358,262,083
6/1/19	-	358,262,083	-	4.750%	8,508,724	8,508,724	-	-		-	-		366,770,807
12/1/19	-	366,770,807	-	4.750%	8,710,807	8,710,807	-	-	11,000	11,000	-	-	375,492,614
6/1/20	-	375,492,614	-	4.750%	8,917,950	-	8,917,950	8,917,950		-	8,917,950		375,492,614
12/1/20	-	375,492,614	100,000	4.750%	8,917,950	-	8,917,950	9,017,950	11,000	-	9,028,950	17,946,899	375,392,614
6/1/21	-	375,392,614	-	4.750%	8,915,575	-	8,915,575	8,915,575		-	8,915,575		375,392,614
12/1/21	-	375,392,614	100,000	4.750%	8,915,575	-	8,915,575	9,015,575	11,000	-	9,026,575	17,942,149	375,292,614
6/1/22	-	375,292,614	-	4.750%	8,913,200	-	8,913,200	8,913,200		-	8,913,200		375,292,614
12/1/22	-	375,292,614	100,000	4.750%	8,913,200	-	8,913,200	9,013,200	11,000	-	9,024,200	17,937,399	375,192,614
6/1/23	-	375,192,614	-	4.750%	8,910,825	-	8,910,825	8,910,825		-	8,910,825		375,192,614
12/1/23	-	375,192,614	100,000	4.750%	8,910,825	-	8,910,825	9,010,825	11,000	-	9,021,825	17,932,649	375,092,614
6/1/24	-	375,092,614	-	4.750%	8,908,450	-	8,908,450	8,908,450		-	8,908,450		375,092,614
12/1/24	-	375,092,614	100,000	4.750%	8,908,450	-	8,908,450	9,008,450	11,000	-	9,019,450	17,927,899	374,992,614
6/1/25	-	374,992,614	-	4.750%	8,906,075	-	8,906,075	8,906,075		-	8,906,075		374,992,614
12/1/25	-	374,992,614	100,000	4.750%	8,906,075	-	8,906,075	9,006,075	11,000	-	9,017,075	17,923,149	374,892,614
6/1/26	-	374,892,614	-	4.750%	8,903,700	-	8,903,700	8,903,700		-	8,903,700		374,892,614
12/1/26	-	374,892,614	100,000	4.750%	8,903,700	-	8,903,700	9,003,700	11,000	-	9,014,700	17,918,399	374,792,614
6/1/27	-	374,792,614	-	4.750%	8,901,325	-	8,901,325	8,901,325		-	8,901,325		374,792,614
12/1/27	-	374,792,614	100,000	4.750%	8,901,325	-	8,901,325	9,001,325	11,000	-	9,012,325	17,913,649	374,692,614
6/1/28	-	374,692,614	-	4.750%	8,898,950	-	8,898,950	8,898,950		-	8,898,950		374,692,614
12/1/28	-	374,692,614	100,000	4.750%	8,898,950	-	8,898,950	8,998,950	11,000	-	9,009,950	17,908,899	374,592,614
6/1/29	-	374,592,614	-	4.750%	8,896,575	-	8,896,575	8,896,575		-	8,896,575		374,592,614
12/1/29	-	374,592,614	100,000	4.750%	8,896,575	-	8,896,575	8,996,575	11,000	-	9,007,575	17,904,149	374,492,614
6/1/30	-	374,492,614	-	4.750%	8,894,200	-	8,894,200	8,894,200		-	8,894,200		374,492,614
12/1/30	-	374,492,614	100,000	4.750%	8,894,200	-	8,894,200	8,994,200	11,000	-	9,005,200	17,899,399	374,392,614
6/1/31	-	374,392,614	-	4.750%	8,891,825	-	8,891,825	8,891,825		-	8,891,825		374,392,614
12/1/31	-	374,392,614	100,000	4.750%	8,891,825	-	8,891,825	8,991,825	11,000	-	9,002,825	17,894,649	374,292,614
6/1/32	-	374,292,614	-	4.750%	8,889,450	-	8,889,450	8,889,450		-	8,889,450		374,292,614
12/1/32	-	374,292,614	100,000	4.750%	8,889,450	-	8,889,450	8,989,450	11,000	-	9,000,450	17,889,899	374,192,614
6/1/33	-	374,192,614	-	4.750%	8,887,075	-	8,887,075	8,887,075		-	8,887,075		374,192,614
12/1/33	-	374,192,614	100,000	4.750%	8,887,075	-	8,887,075	8,987,075	11,000	-	8,998,075	17,885,149	374,092,614
6/1/34	-	374,092,614	-	4.750%	8,884,700	-	8,884,700	8,884,700		-	8,884,700		374,092,614
12/1/34	-	374,092,614	100,000	4.750%	8,884,700	-	8,884,700	8,984,700	11,000	-	8,995,700	17,880,399	373,992,614

Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market

TIFIA DEBT SCHEDULE

Date	TIFIA Draws	Notional Value	Principal/ Maturity Value	Yield	Interest	Accreted Interest	Interest Paid	TIFIA Payments	Ongoing TIFIA Servicing Fee	Accreted Servicing Cost	Total TIFIA DS	Annual Total TIFIA Payments	Ending Balance
6/1/35	-	373,992,614	-	4.750%	8,882,325	-	8,882,325	8,882,325		-	8,882,325		373,992,614
12/1/35	-	373,992,614	100,000	4.750%	8,882,325	-	8,882,325	8,982,325	11,000	-	8,993,325	17,875,649	373,892,614
6/1/36	-	373,892,614	-	4.750%	8,879,950	-	8,879,950	8,879,950		-	8,879,950		373,892,614
12/1/36	-	373,892,614	100,000	4.750%	8,879,950	-	8,879,950	8,979,950	11,000	-	8,990,950	17,870,899	373,792,614
6/1/37	-	373,792,614	-	4.750%	8,877,575	-	8,877,575	8,877,575		-	8,877,575		373,792,614
12/1/37	-	373,792,614	100,000	4.750%	8,877,575	-	8,877,575	8,977,575	11,000	-	8,988,575	17,866,149	373,692,614
6/1/38	-	373,692,614	-	4.750%	8,875,200	-	8,875,200	8,875,200		-	8,875,200		373,692,614
12/1/38	-	373,692,614	100,000	4.750%	8,875,200	-	8,875,200	8,975,200	11,000	-	8,986,200	17,861,399	373,592,614
6/1/39	-	373,592,614	-	4.750%	8,872,825	-	8,872,825	8,872,825		-	8,872,825		373,592,614
12/1/39	-	373,592,614	100,000	4.750%	8,872,825	-	8,872,825	8,972,825	11,000	-	8,983,825	17,856,649	373,492,614
6/1/40	-	373,492,614	-	4.750%	8,870,450	-	8,870,450	8,870,450		-	8,870,450		373,492,614
12/1/40	-	373,492,614	100,000	4.750%	8,870,450	-	8,870,450	8,970,450	11,000	-	8,981,450	17,851,899	373,392,614
6/1/41	-	373,392,614	-	4.750%	8,868,075	-	8,868,075	8,868,075		-	8,868,075		373,392,614
12/1/41	-	373,392,614	100,000	4.750%	8,868,075	-	8,868,075	8,968,075	11,000	-	8,979,075	17,847,149	373,292,614
6/1/42	-	373,292,614	-	4.750%	8,865,700	-	8,865,700	8,865,700		-	8,865,700		373,292,614
12/1/42	-	373,292,614	100,000	4.750%	8,865,700	-	8,865,700	8,965,700	11,000	-	8,976,700	17,842,399	373,192,614
6/1/43	-	373,192,614	-	4.750%	8,863,325	-	8,863,325	8,863,325		-	8,863,325		373,192,614
12/1/43	-	373,192,614	69,006,756	4.750%	8,863,325	-	8,863,325	77,870,081	11,000	-	77,881,081	86,744,405	304,185,858
6/1/44	-	304,185,858	-	4.750%	7,224,414	-	7,224,414	7,224,414		-	7,224,414		304,185,858
12/1/44	-	304,185,858	70,137,177	4.750%	7,224,414	-	7,224,414	77,361,591	11,000	-	77,372,591	84,597,005	234,048,681
6/1/45	-	234,048,681	-	4.750%	5,558,656	-	5,558,656	5,558,656		-	5,558,656		234,048,681
12/1/45	-	234,048,681	75,128,961	4.750%	5,558,656	-	5,558,656	80,687,617	11,000	-	80,698,617	86,257,273	158,919,721
6/1/46	-	158,919,721	-	4.750%	3,774,343	-	3,774,343	3,774,343		-	3,774,343		158,919,721
12/1/46	-	158,919,721	77,649,135	4.750%	3,774,343	-	3,774,343	81,423,478	11,000	-	81,434,478	85,208,821	81,270,586
6/1/47	-	81,270,586	-	4.750%	1,930,176	-	1,930,176	1,930,176		-	1,930,176		81,270,586
12/1/47	-	81,270,586	81,270,586	4.750%	1,930,176	-	1,930,176	83,200,762	11,000	-	83,211,762	85,141,939	-
6/1/48	-	-	-	4.750%	-	-	-	-		-	-		-
12/1/48	-	-	-	4.750%	-	-	-	-	-	-	-	-	-
6/1/49	-	-	-	4.750%	-	-	-	-		-	-		-
12/1/49	-	-	-	4.750%	-	-	-	-	-	-	-	-	-
6/1/50	-	-	-	4.750%	-	-	-	-		-	-		-
12/1/50	-	-	-	4.750%	-	-	-	-	-	-	-	-	-
6/1/51	-	-	-	4.750%	-	-	-	-		-	-		-
12/1/51	-	-	-	4.750%	-	-	-	-	-	-	-	-	-

Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market

RATES Market Move 0.00

Year	2/17/11 MMD	BBB- CIB Spread	BBB- CAB Spread	AA- CIB Spread	AA- CAB Spread	BBB- CIB Rate	BBB- CAB Rate	AA- CIB Rate	AA- CAB Rate
2011	0.37	**2.00**	2.75	**0.85**	1.60	2.370%	3.120%	1.220%	1.970%
2012	0.71	2.00	2.75	0.85	1.60	2.710%	3.460%	1.560%	2.310%
2013	1.08	2.00	2.75	0.85	1.60	3.080%	3.830%	1.930%	2.680%
2014	1.53	2.00	2.75	0.85	1.60	3.530%	4.280%	2.380%	3.130%
2015	1.82	2.00	2.75	0.85	1.60	3.820%	4.570%	2.670%	3.420%
2016	2.12	2.00	2.75	0.85	1.60	4.120%	4.870%	2.970%	3.720%
2017	2.43	2.00	2.75	0.85	1.60	4.430%	5.180%	3.280%	4.030%
2018	2.70	2.00	2.75	0.85	1.60	4.700%	5.450%	3.550%	4.300%
2019	2.95	2.00	2.75	0.85	1.60	4.950%	5.700%	3.800%	4.550%
2020	3.18	2.00	2.75	0.85	1.60	5.180%	5.930%	4.030%	4.780%
2021	3.39	2.00	2.75	0.85	1.60	5.390%	6.140%	4.240%	4.990%
2022	3.58	2.00	2.75	0.85	1.60	5.580%	6.330%	4.430%	5.180%
2023	3.73	2.00	2.75	0.85	1.60	5.730%	6.480%	4.580%	5.330%
2024	3.87	2.00	2.75	0.85	1.60	5.870%	6.620%	4.720%	5.470%
2025	4.00	2.00	2.75	0.85	1.60	6.000%	6.750%	4.850%	5.600%
2026	4.09	2.00	2.75	0.85	1.60	6.090%	6.840%	4.940%	5.690%
2027	4.18	2.00	2.75	0.85	1.60	6.180%	6.930%	5.030%	5.780%
2028	4.26	2.00	2.75	0.85	1.60	6.260%	7.010%	5.110%	5.860%
2029	4.34	2.00	2.75	0.85	1.60	6.340%	7.090%	5.190%	5.940%
2030	4.42	2.00	2.75	0.85	1.60	6.420%	7.170%	5.270%	6.020%
2031	4.51	2.00	2.75	**0.75**	1.50	6.510%	7.260%	5.260%	6.010%
2032	4.59	2.00	2.75	0.75	1.50	6.590%	7.340%	5.340%	6.090%
2033	4.65	2.00	2.75	0.75	1.50	6.650%	7.400%	5.400%	6.150%
2034	4.70	2.00	2.75	0.75	1.50	6.700%	7.450%	5.450%	6.200%
2035	4.73	2.00	2.75	0.75	1.50	6.730%	7.480%	5.480%	6.230%
2036	4.74	2.00	2.75	0.75	1.50	6.740%	7.490%	5.490%	6.240%
2037	4.75	2.00	2.75	0.75	1.50	6.750%	7.500%	5.500%	6.250%
2038	4.76	2.00	2.75	0.75	1.50	6.760%	7.510%	5.510%	6.260%
2039	4.77	2.00	2.75	0.75	1.50	6.770%	7.520%	5.520%	6.270%
2040	4.78	2.00	2.75	0.75	1.50	6.780%	7.530%	5.530%	6.280%
2041	4.78	2.00		0.75	1.50	6.780%	-	5.530%	6.280%
2042	4.78	2.00		0.75		6.780%	-	5.530%	-

Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market
General Inputs

Maintence Reserve Fund

Year	Beginning Balance	3.000% Interest Earnings	CAPEX Reserve Fund Deposit	CAPEX Expenses Paid from Fund	Capital Improvements Paid from Fund	Ending Balance
Total		7,936,166	129,573,446	(137,468,767)	-	
2015		0	28,125	(28,100)	-	25
2016	25	12,579	867,505	(28,943)	-	851,166
2017	851,166	38,113	868,374	(29,811)	-	1,727,843
2018	1,727,843	64,524	876,619	(30,706)	-	2,638,280
2019	2,638,280	91,850	878,383	(31,627)	-	3,576,886
2020	3,576,886	53,288	879,333	(4,480,594)	-	28,913
2021	28,913	18,161	1,186,478	(33,553)	-	1,199,999
2022	1,199,999	52,709	1,187,486	(73,546)	-	2,366,648
2023	2,366,648	106,461	2,404,138	(40,064)	-	4,837,182
2024	4,837,182	180,631	2,404,364	(36,664)	-	7,385,513
2025	7,385,513	166,000	2,405,465	(6,109,847)	-	3,847,131
2026	3,847,131	150,802	2,398,129	(38,897)	-	6,357,165
2027	6,357,165	128,795	2,399,297	(6,527,276)	-	2,357,981
2028	2,357,981	87,783	1,177,536	(41,266)	-	3,582,035
2029	3,582,035	124,505	1,178,775	(42,504)	-	4,842,811
2030	4,842,811	71,921	1,180,051	(6,070,932)	-	23,851
2031	23,851	28,761	1,914,812	(45,092)	-	1,922,332
2032	1,922,332	85,716	1,916,166	(46,445)	-	3,877,769
2033	3,877,769	144,379	1,917,560	(47,838)	-	5,891,870
2034	5,891,870	206,095	2,005,203	(49,274)	-	8,053,894
2035	8,053,894	148,345	3,750,337	(9,968,470)	-	1,984,105
2036	1,984,105	131,094	4,823,693	(52,274)	-	6,886,618
2037	6,886,618	278,170	4,825,262	(53,843)	-	11,936,207
2038	11,936,207	422,798	4,826,879	(512,738)	-	16,673,146
2039	16,673,146	431,734	4,742,338	(9,306,335)	-	12,540,883
2040	12,540,883	186,301	3,000,399	(15,662,087)	-	65,496
2041	65,496	33,637	2,172,044	(60,600)	-	2,210,577
2042	2,210,577	99,627	2,283,067	(62,418)	-	4,530,853
2043	4,530,853	169,235	2,284,941	(64,291)	-	6,920,739
2044	6,920,739	240,932	2,286,872	(66,219)	-	9,382,324
2045	9,382,324	146,781	2,288,860	(11,268,081)	-	549,885
2046	549,885	103,726	6,464,809	(649,521)	-	6,468,899
2047	6,468,899	325,638	8,843,749	(72,360)	-	15,565,925
2048	15,565,925	598,549	8,845,922	(74,531)	-	24,935,864
2049	24,935,864	879,647	8,848,159	(76,767)	-	34,586,904
2050	34,586,904	671,148	8,988,800	(33,419,400)	-	10,827,451
2051	10,827,451	217,035	6,082,732	(13,268,608)	-	3,858,611
2052	3,858,611	168,220	3,581,345	(83,885)	-	7,524,291
2053	7,524,291	277,916	3,565,531	(86,401)	-	11,281,337
2054	11,281,337	379,337	3,549,243	(822,794)	-	14,387,123
2055	14,387,123	213,221	3,444,666	(18,004,165)	-	40,845

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March 16, 2011

The Honorable Joe Thomas
Alaska State Legislature
State Capitol
Juneau, Alaska 99801

Re: SB 79 and 80

Dear Senator Thomas:

We appreciate your thoughtful questions and evident interest in the Knik Arm Bridge project. We take this opportunity to provide specific answers to your questions.

1. Your first item 1 includes the following questions.

- *Why does KABATA need this broad spending authority if the purpose of the fund is to ensure the annual payment in order to attract lower cost financing?*

  KABATA does not seek to, and SB 80 will not, expand KABATA's existing spending authority. AS 19.75.111(a)(1) limits KABATA's jurisdiction to "the Knik Arm Bridge and its appurtenant facilities." In the Record of Decision, the FHWA defined the Project to include the bridge and approximately 18 miles of connecting roadway. Future phases will include capacity improvements and a second connection in Anchorage to Ingra and Gambell Streets. We refer to these future appurtenant facilities collectively as "other KABATA project responsibilities."

  The purpose of establishing in SB 80 a broad set of uses of the project reserve fund is to make it abundantly clear to the private party and its lenders that their beneficial interest in the project reserve fund cannot prevent use of surplus funds for other purposes of benefit to the State. It is not to expand KABATA's statutory authority.

  To attract lower cost financing, the trust agreement governing the project reserve fund must set forth sources and uses of funds. The sources of funds in the project reserve will be the $150 million appropriation, toll revenue, and earnings

on deposited funds. The funds in the project reserve will be used according to an established order of priority for use. We anticipate that KABATA's normal overhead and administrative costs and the availability payments will receive top priority. Reserves also need to be built for project contingencies. The trust agreement will also establish the conditions under which KABATA may use surplus funds – i.e. funds not needed for these higher priority uses – for its other KABATA project responsibilities, for release of the $150 million (plus interest) back to the General Fund and for other eligible transportation purposes as decided by the State Legislature. During the procurement KABATA will develop the precise terms and conditions of the trust agreement for the project reserve fund, taking into consideration input from the proposers, their lenders and the ratings agencies.

- *What situations would trigger an obligation to make termination payments, and how large would those payments be?*

Concession agreements involving private financial investment always include termination payments if the concession is terminated before the end of the concession term. It is impossible to raise private debt and equity financing without termination payment provisions.

The amount of termination payments generally falls into three categories. The first category includes termination for convenience by the State or termination due to material uncured public party default. For this category, the payment is intended to compensate the private party for its lost business enterprise (similar to the constitutional requirement for just compensation upon condemnation of private property). It includes an amount sufficient to repay outstanding project debt, outstanding equity investment and the contractual rate of return on the equity investment.

The second category is termination due to uncured, material private party default. The termination payment typically results in loss of the private equity and coverage for less than all (e.g. 80 – 85%) of the outstanding project debt.

The third category is termination for stated reasons beyond either party's control. These can include continuation of excusable delays (e.g. due to earthquake) for an extended period of time, or a final court judgment halting the project or invalidating the public-private agreement. The termination compensation is basically calculated to return the private party to the position it was in before entering into the contract – i.e. the amount of its outstanding project debt, return of expended equity plus a rate of return on expended equity up to the date of termination (sometimes less than the rate stated in the proposal).

Although KABATA will need to take all termination possibilities into account in negotiating the public-private agreement, it is unlikely that any will occur. While the foregoing termination payments can be large, KABATA and the State will have received the value of the developed project in return. In addition, KABATA

would have the authority and capacity to issue toll revenue bonds to raise all or a portion of the money needed to make the termination payment.

It is rare that any termination compensation is provided if termination is due to the bankruptcy of the private party, and the public-private agreement will be structured to preclude or minimize the possibility.

- *If KABATA is not successful in entering into a contract with a private partner to build and operate the bridge, will the state have to refund money KABATA received from the federal government, what would be the refund amount, and could the reserve funds be used for that purpose?*

  Title 23 requires that the ADOT&PF pay back any Preliminary Engineering to FHWA if the project has not advanced to the Real Estate or Construction phase within 10 years from the date the project was authorized. Likewise, real estate funds must be paid back to FHWA if the Construction phase of work has not commenced within 20 years of the date the funding for real estate acquisition was made available. The funding for real estate acquisition has not yet been made available, but is imminent.

  The refund amount would depend upon the amount of federal funds expended at the time. To date, $57,043,987 of federal Title 23 highway funds have been obligated to the project and approximately $46 million have been expended (excluding State matching funds).

  In the unlikely event that FHWA requested that funds be repaid, they would not be paid from the project reserve fund. This is because under SB 80 the $150 million appropriation will not have been released to the project reserve fund. The appropriation is to be held by the Department of Revenue at least until a public-private partnership agreement is signed. Under the circumstances described, no signing will have occurred.

- *Does the existing statute or SB 80 authorize KABATA to be involved in projects other than the Knik Arm Bridge?*

  The existing statute limits KABATA's jurisdiction to "the Knik Arm Bridge and its appurtenant facilities." AS 19.75.111(a)(1). SB 80 does not change the scope of jurisdiction. For further discussion, see the response to the 1st question under this item 1.

- *What other public entities and projects might be funded with the reserve?*

  Federal law and regulations limit the permissible uses of surplus toll revenues from transportation projects funded in whole or in part with federal-aid highway funds to "any purpose for which Federal funds may be obligated by a State under this title [23]," including roads, bridges, trails, transit, ferries, etc. 23 U.S.C. §129(a)(3). The Knik Arm Crossing and the toll revenues from it are subject to

these laws and regulations. Therefore, surplus funds in the reserve could be used to fund or finance other KABATA project responsibilities (described above) and other federally eligible transportation purposes as determined by the State Legislature.

We believe, however, that surplus funds used to repay the $150 million appropriation, as well as a reasonable interest rate on the appropriation, could be returned to the General Fund free of these federal restrictions on use. KABATA will work with the Department of Revenue and the FHWA on arrangements that will facilitate this result.

- *Would the state have to guarantee payment of monetary obligations KABATA may incur in connection with these new projects, in accordance with page 2, lines 17-20 of SB 80?*

  No. SB 80 creates no State guarantee of any monetary obligations of KABATA. To do so would be unconstitutional. Rather, SB 80 would mean that although a monetary obligation of KABATA under a public-private partnership agreement – including one for a future, new project – would be treated as a contractual obligation of the state, it could only be satisfied from State funds to the extent a future State Legislature chooses to appropriate funds needed to pay the obligation.

  KABATA has no plans to enter into such a future public-private partnership agreement for meeting other KABATA project responsibilities and its statutory authority under AS 19.75 is limited to the Knik Arm Bridge and appurtenant facilities, constraining its ability to contract for other projects. When the time comes, KABATA's board would evaluate whether it is in the public interest to use such an agreement or some other method of contracting for meeting other KABATA project responsibilities.

- *What is the legislature's role in approving projects the authority may wish to undertake with excess reserves or earnings?*

  The central reason KABATA is requesting that SB 80 authorize the use for other transportation purposes of reserve funds in excess of those needed to meet project financial obligations is to assure that KABATA's Board and the State Legislature have maximum freedom to decide when, where and how to use the excess funds. We do not want the private party or its lenders to restrict such uses.

  Those future uses will be subject to commitments in the Record of Decision for the Knik Arm Crossing. Because AS 19.75 assigns to KABATA the other KABATA project responsibilities and the Record of Decisions and EIS for the Knik Arm Crossing call for these future capacity improvements, it can be expected that the KABATA Board will allocate such future surplus revenues first toward meeting these responsibilities.

The State Legislature will control use of excess revenues for Title 23 eligible transportation projects beyond the other KABATA project responsibilities, as explained at the 1st and 4th questions above.

1. Your second item 1 sets forth the following question.

- *Why are earnings not retained in the reserve fund, or deposited in the state General Fund if they exceed the amount needed to meet the reserve fund requirement.*

Interest earnings will be retained in the project reserve fund and will be subject to the same uses and priority of uses as all other funds in the reserve.

KABATA sized the $150 million appropriation request based on the assumption that earnings would be retained. The financial projections indicate that interest earnings on the $150 million appropriation will be needed in order to keep the project reserve fund at a level that will not require a request for an additional appropriation. Thus, retention of the earnings in the reserve fund until there are surplus funds will enhance the ability to attract low cost, highly rated financing for the project.

Once the reserve fund builds back up to the level that there are excess funds not needed for the project, then interest earnings, like all other surplus funds, will be freed up for other KABATA project responsibilities, repayment to the General Fund of the $150 million appropriation and interest thereon, and other eligible transportation purposes, as described in the 5th and 7th questions under the first item 1 above.

2. Your item 2 includes the following questions.

- *Please explain what criteria the authority will use to determine if the reserve fund is sufficient.*

KABATA's primary criterion will be to set the minimum reserve requirement at the lowest level consistent with obtaining the best financing terms for the project. KABATA's Board and staff will be working with our financial and legal advisors and will consider input from proposers, their lenders and rating agencies to determine this number.

For KABATA's financial plan, we have assumed a $50 million minimum reserve requirement. The financial plan is a pro forma model from the private perspective on the transaction. The minimum reserve requirement in the plan is a hypothetical floor for modeling purposes only, and is only indicative of the final structure for the project reserve fund.

We point out that the minimum reserve requirement is different from the maximum reserve requirement. The latter is the floor above which available funds would be treated as surplus funds that could be used for other KABATA

project responsibilities, for repaying to the General Fund the $150 million reserve appropriation, plus interest, and for other eligible transportation projects chosen by the State Legislature. For KABATA's financial planning purposes, we have assumed a $150 million maximum reserve requirement once the project achieves annual toll revenues at least equal to annual availability payments.

The minimum and maximum requirements will be refined as the project nears the close of financing.

- *Why does the bill not establish $150 million as the floor for use of the reserve fund for other purposes, or return excess reserves to the General Fund?*

  Like the minimum reserve requirement, KABATA's objective is to set the maximum reserve requirement, as described in the immediately preceding paragraph, as low as possible consistent with obtaining the best financing for the project. KABATA believes it is unwise to set a fixed amount as the floor in the bill because it will not be tested and verified by actual financial market conditions. The $150 million floor in the pro forma financing plan is a hypothetical threshold for modeling purposes only, and is only indicative of the final structure for the project reserve. If setting a floor higher than $150 million were to prove beneficial in reducing the overall cost of debt and equity financing for the project, the flexibility to do so would be advantageous to the State. Likewise, if setting a floor lower than $150 million can achieve optimal financing for the project, the flexibility to do so would be to the State's advantage.

2. Your item 3 includes the following questions.

   - *Can the authority board of directors lower the toll to reduce or eliminate this excess revenue?*

     Yes, as provided by AS 19.75.111(a)(10). The board has the exclusive authority to set and collect tolls, as provided by AS 19.75.111(b)(6).

     KABATA expects that the public-private agreement and related financing agreements will require KABATA to follow toll rate and toll revenue covenants in order to meet coverage ratios for the availability payments.

   - *Would excess revenue return to the General Fund for appropriation by the legislature, and through what mechanism?*

     For potential uses of excess revenue, please refer to the answers to the 5th and 7th questions under your first item 1 above.

     The mechanism for return of excess revenue (i.e. fund balances in excess of the maximum reserve fund requirement) presumably would be through the normal legislative process. Under SB 80 KABATA would make annual reports to the State Legislature and Governor on the status of the project reserve fund, giving the State Legislature the information it will need to decide on legislation to use

and apply the excess reserve funds to projects of their choosing. Consistent with SB 80, the reserve fund terms and conditions will explicitly authorize use of surplus funds for non-project purposes without need for consent of the private party or its lenders.

4. Your item 4 sets forth the following question.

- *Would the existing "pledge of the state" in AS 19.75.251 limit future legislatures' ability to reappropriate fund earnings or excess reserves from the authority to other state programs?*

No. The very purpose of authorizing use of surplus funds in the project reserve for non-project purposes is to assure that the State Legislature has maximum flexibility, consistent with federal regulations and the commitments in the Record of Decision and EIS, to decide on use of the surplus funds free from interference by the private party or its lenders.

5. Your item 5 sets forth the following question.

- *What are the implications for the state if KABATA receives TIFIA credit based on that document [the TIFIA Letter of Interest]?*

The TIFIA letter of interest is only an expression of interest and is not a binding commitment. KABATA submitted it to the TIFIA program for the benefit of the project and the eventual private party. KABATA would not be the borrower. The private party, if it chooses to use TIFIA, will be the borrower and negotiate its own terms and conditions with the FHWA, which administers the TIFIA program. KABATA will not be bound by the credit agreement between the private party and the FHWA.

Regardless of whether the private party uses TIFIA financing, as provided in SB 80, KABATA would request an appropriation if the reserve balance falls below the minimum reserve requirement. The amount of the appropriation would be the amount necessary to restore the fund balance to the minimum reserve requirement. For a further explanation of how the minimum reserve requirement will be set, see discussion at the 1st question under your item 2 above.

6. Your item 6 includes the following questions.

- *What is the amount of remaining KABATA funds?*

The remaining federal Title 23 highway funds previously appropriated but not obligated to the Project are $55,528,355. The State matches just over 9% of eligible costs, for total Title 23 funding of $61,040,294. The $55.5 million figure is included in the sources in the pro forma financing plan within the $112.6 million figure designated *Federal* under Public Funds.

- *Can the money [i.e. KABATA's remaining federal funds] be used to cover future administrative costs, which the TIFIA LOI documents estimate will be $3 million/year adjusted for inflation, rather than using toll revenue backed by the state to pay administrative costs?*

  KABATA's remaining federal funds can be used to cover KABATA administrative costs during construction only. Federal Title 23 funds cannot be used for operations and maintenance post construction.

7. Your item 7 includes the following questions.

- *How many full-time and part-time jobs are anticipated in the actual operation and maintenance of the bridge and toll facilities, who will employ those workers, and what percentage are expected to be Alaska residents?*

  It is estimated that the actual operations and maintenance of the bridge and toll facilities will require between 35 and 75 persons depending on the traffic volume and number of transactions/accounts under management. These workers will be employed by the private partner and/or their subcontractor(s).

  While there may be several supervisory management personnel from outside of Alaska representing the private partner, KABATA believes that all other employees, representing the vast majority (e.g. 95%) of project personnel, will be Alaska residents. KABATA will encourage Alaska hire to the extent allowed by law.

- *Has the authority taken into account the strong financial incentive for the private partner to keep labor costs to a minimum in the on-going operation of the bridge, which could encourage the use of out-of-state workers, perhaps in a week on/week off rotation?*

  Yes. It is very unlikely that rotational work by out-of-state workers would be cost-effective for the private party. The nature and scope of the work requires on-site personnel for bridge operations and for managing customer care for tolling operations. In addition, the travel costs for shuttling a work force in and out of the State would be prohibitive. Strong local hiring is the consistent result for other P3 projects in the United States.

- *Which provisions in the RFP will encourage use of Alaska subcontractors and Alaska workers in construction, maintenance, and operation of the bridge?*

  The RFP will encourage Alaska hire to the extent allowed by law.

  The overwhelming experience with other P3 projects in the United States is that proposers form consortia with substantial participation by local firms. Proposers obtain real advantages by doing so, including local knowledge, local connections, economies of scale and goodwill. As a practical matter, most of the approximately 5,000 FTE's needed to construct the bridge over 3-5 years will be

Alaska hire, including jobs in excavating, gravel trucking and placement, grading and paving, placing armor rock, etc.

8. Your item 8 sets forth the following question.

- *What would be the consequences of amending SB 80 to require legislative approval of the final contract, or to establish a maximum length and amount of the availability payments?*

KABATA wants to leave you with no doubt that a requirement for legislative approval of the final contract would so chill private sector interest in proposing that it would most likely lead to an unsuccessful procurement. The experience of other states like Pennsylvania, Florida and California is informative. In Pennsylvania, the legislature refused, for political reasons, to approve a P3 proposal for the Pennsylvania Turnpike after a successful P3 procurement was completed, sending shock waves through the industry. In Florida and California, this type of legislative provision completely stifled P3 procurements. Only after these states removed this requirement did the private sector take the P3 programs seriously and were these states able to successfully conduct P3 procurements (for the Port of Miami Tunnel project, the I-595 managed lanes project in Ft. Lauderdale, and the Presidio Parkway project in San Francisco).

Prospective private partners will spend in excess of $5 million in preparing proposals. They must prepare conceptual designs in order to assemble a competent, fully priced competitive proposal. They will have a substantially negotiated design-build contract, firm financing commitments, arrangements for operations and maintenance, etc. that all must be considered in preparing a proposal. Even if a stipend is paid, it will not fully compensate them for proposal and opportunity costs of committing scarce resources to a complex proposal process. Subjecting the proposal process to a political decision after substantial investment of money and time will not draw private sector interest. The private sector will not take this kind of political risk.

In short, the requirement for legislative approval of the P3 agreement would deal a major setback to the project.

Regarding a legislatively-mandated maximum length and/or maximum availability payment, while there is some precedent for this in other states, we believe the existing governance structure for KABATA under chapter 19.75 makes this unnecessary. The KABATA Board is composed of the commissioners of the ADOT&PF and the Department of Revenue, and three members from the general public appointed by the Governor and two State Legislators. The state's interests are well represented and well protected. The KABATA Board is under a fiduciary duty to obtain terms that it determines are advantageous to the state. They will make decisions within a disciplined framework, with consultation with and involvement of the ADOT&PF, the Department of Revenue, the Alaska

Department of Law and highly qualified financial, technical and legal consultants for KABATA.

If your office remains interested in a statutory limit for the term and/or the availability payment, we would like the opportunity to discuss it in more detail with you. The structure of those limitations must recognize market realities and the complex nature of these arrangements. Our interest is in obtaining the best results for the state.

Sincerely,

Andrew J. Niemiec
Executive Director

cc: Knik Arm Bridge and Toll Authority Chairman Michael Foster and Board Members
Senate Finance Committee Co-chairman Senator Lyman
Senate Finance Committee Co-chairman Senator Bert Stedman

Last month at a Senate Transportation Committee hearing on SB 79-80, the companion bills to HB 158/159, I said these bills represent a blank check while KABATA said that the state would make "availability payments" to the private partner and that private partner would bear the financial risk of the project.

Since then KABATA again submitted their annual application for a federal loan for 1/3 total project costs. I would like to briefly go over the financial sources and uses of funds from that application that the committee has, to show why this is at least a billion dollar liability to the state and why the state bears the full downside on the project.

Let me list 4 red flags in the document to suggest why you could be going to a bad play whose predictable sad ending you don't want to be around to witness. Any resemblance between my comments on this project and some of the causes of the recent housing bust and financial troubles are not coincidental.

Looking at page 1 of the sources and uses of funds of KABATA's Pro-Forma Plan of Finance you see that the $150 million is committed to the project at financing on day 1 and is not in some sort of reserve fund held for unexpected developments. Also note the $40 million in Capital Accretion Bonds which is a fancy way of saying there are insufficient tolls in the early years to pay interest on those bonds so interest accumulates and is added to the principal. Page 5 shows that the project cannot start to pay making payments on those CAB bonds until 2034 so the project would pay $208 million in accumulated interest to pay off the original $41 million in principal. Let's call a project where the principal amount owed goes up in the early years and not down as the first red flag of negative amortization or negative equity.

Page 6 lists the latest estimate of KABATA's availability payments to the private partner: $3.2 billion over 35 years or $ 3,227,382,614 to be exact, that is money that KABATA estimates they would be obligated to pay to a private partner over the next 35 years. KABATA would get the toll revenue and use it in part to make availability payments to the private partner sufficient to cover Bridge operating costs and the funds for the private partner to pay off the bonds. The private partner will use the KABATA contract to then get the investment credit rating from a rating agency that they need to go to market to sell the bonds.

Those annual availability payments start at $35.7 million in the year the Bridge opens in 2016 and gradually balloon to be $141 million in the year 2051 before all the bonds are finally paid off by the private partner. The states that have gotten into these public private partnership deals usually have a fixed amount of annual payments, like a mortgage. Because there is grossly insufficient toll revenue in the first 10-15 years, KABATA's projects payments grow at 4 % a year for 20 years and then 2% thereafter. Let's call that second warning flag balloon payments.

Page 6 also shows the annual costs for toll collection, a sinking fund to fund capital repairs, O&M costs, and KABATA admin costs. My message is, believe those costs, including the projected availability payments and bond payments; do not believe the projected toll revenue numbers that are needed to cover those costs.

Why not believe the revenue projections?

All KABATA revenue until this month was based on a Mat Su population in 2030 on 250,700; that number is nearly 50% higher than UAA ISER's number of 169,000 in 2030 up from 89,000 today. In December the state demographer projected a Mat Su population in 2034 of 152,456; so KABATA's number four years earlier is 64% higher than the state's demographer.

Because of our objections to the overestimated population, Wilbur Smith has now redone the population and toll numbers reducing them slightly about 20% in the early years and 8 % in the out years; this has the effect of reducing projected toll revenue by 12% in 2030. But KABATA has not released the new toll revenue study – that study is listed as Coming Soon on the KABATA web site – and by conflating regional population with Mat Su population they are hiding the ball in ways that make it hard to review. Wilbur Smith now says this slight alteration of their original 2007 numbers is not warranted for financial decisions. Let's call this third warning flag overoptimistic revenue assumptions or undocumented income.

If you still believe that KABATA's population projections are more accurate than ISER's or the Department of Labor you can today request the Department of Transportation to release their estimate of Mat Su-Anchorage traffic for 2030 at the Old Glenn crossing and Bridge traffic. DOT and AMATS did those numbers for the Highway to Highway project. They have so far repeatedly refused to release those numbers so today we filed a Public Records Act request.

My hunch is DOT numbers are about half what KABATA numbers are so the projected toll revenue to cover availability payments is at least a third but probably still 50% too high.

The reason why projected trip numbers and toll revenue are too low to meet expenses and pay off the bonds is apparent from the map you have before you from KABATA's consultant Wilbur Smith. The map shows that if you are at the corner of Knik Goose Bay Road and the Parks Highway in Wasilla it's 12 minutes faster to downtown Anchorage on the Glenn than if you take the Bridge. You have to be in Big Lake or 7 miles out Knik Goose Bay road before it's a faster trip to downtown Anchorage on the Bridge than the Glenn and you have to be indifferent to paying a $5 one way toll or $2000 a year for a commuter making a round trip. (Experts say tolls usually reduce demand by 25% or folks will drive about 8 miles out of their way to avoid paying one.) And if you are going from Big Lake to the hospitals, the U, or Fort Rich it will still be faster on the Glenn than the Bridge and the Glenn will be toll free.

So if these bills are still approved, what happens next? That gets to the fourth and final warning flag and the most serious one yet: the unlimited government guarantee in HB 159.

As KABATA has described, if these bills pass they will issue the RFP, acquire right of way including people's homes, and award the qualified project to the private firm proposing the lowest availability payments for KABATA. At that point KABATA will sign a contract with the private partner committing KABATA to 35 years of availability payments subject to annual appropriation of the legislature to make up the entirely predictable shortfall in toll revenue. The private partner will then use the KABATA

contract to then get the investment credit rating from a rating agency they need to go to market to sell the bonds to finance construction.

So the "finance risk" that the private partner is bearing is not the finance risk of a shortfall in toll revenue to pay off the bonds or make availability payments – that's the real risk the state will be bearing -- it is the quote "finance risk" that the State of Alaska will stop making the larger and growing availability payments to the private partner you see on page 6 that total $3.2 billion. That's not what I call a "finance risk" in any standard meaning of the term.

What KABATA has been saying since 2003 and I paraphrase, "If this project does not make financial sense to the private sector partner, then they won't support it and the bridge will not be built." The private sector does not want to touch this project if they have to assume the financial risks. That is why bills were introduced in 2008 to make sure that KABATA's RFP had public and legislative scrutiny before it was issued to prospective partners.

But the bills before you change the rules of the game from KABATA's original statute. HB 158 and HB 159 makes KABATA'S bonds, if they issue debt directly, or the availability payments contract to the private partner who would then issue bonds, "obligations of the state" ; that commitment also was in its March 1 federal application which pledged state funds to cover the toll shortfall "subject to annual appropriation."

Then there's an interesting $3 billion difference between this year's pro forma seeking the federal loan and last year's application for the same loan. On March 1 2010 when KABATA submitted its application to the federal government for the same loan program as this year, KABATA's estimate of the cumulative availability payments KABATA would make to the private partner was $6.3 billion over 55 years compared to availability payments of the $3.2 billion over 35 years you see in this year's application. That's a $3 billion discrepancy which can only be explained in part by the $150 million in this year's application from the state, shortening the time period to pay off the bonds, and dropping the private partner return from over $3 billion in last year's application to $924 million in this year. By this year's pro forma spread sheet the private sector return labeled "net cash flow" is an estimated 12% a year compounded, a high return given the state guarantee of the availability payments subject to annual appropriations.

You should not trust numbers that move around this much.

Making KABATA bonds or the "availability payment" contract guaranteed by the state is the blank check which the legislature is now being asked to sign. Future legislatures would then have the hard choice between appropriating funds from other sources to make up the difference between toll revenue and Bridge costs or letting KABATA go bankrupt on the bonds it issued or default on its availability payment contract to the private partner. As you can see on page 3 those projected availability payments are not small; they get up to $50 million in 2019 and over $100 million in 2038.

So what would happen if the state legislature refused to appropriate the funds to make those availability payments?

Now we have to use the B word, bankruptcy.

Last year in its second year of operation, San Diego's South Bay tollway went bankrupt. Macquarie, one of the two pre-selected private partners for the Knik Bridge project, was the private partner who defaulted on the bonds. The problem was the Macquarie sub who had the contract with the state was an LLC and creditors had no recourse to the assets of the parent corporation to pay off the bonds. So now the state of California is on the hook for the unbudgeted O&M costs and everyone's in bankruptcy court to see if the debt can be restructured and who will take control of the asset. Also last year, the Southern connector tollway another public-private partnership in Greenville, SC went bankrupt, leading to a rare Chapter 9 bankruptcy for a unit of government.

So if the state fails to make availability payments, the credit rating of KABATA, a state agency, is toast. More importantly, other state agencies like AIDEA, AHFC or the Municipal Bond Bank all issue debt in their own name but creditors count on the "moral obligation" of the state to make good on the bonds in case revenue from the project is insufficient. So the credit rating of these agencies would then also suffer as would the state's new high Aaa credit rating. If a new Red Dog deal came along could AIDEA get financing at reasonable rates to get the deal done? How would financing for local government projects through the Municipal Bond Bank or housing projects through AHFC be affected? How much more interest rates would the state pay on its GO bonds if KABATA defaulted on availability payments?

Last April when I went to the KABATA Board meeting and criticized the incompleteness of similar spreadsheets, I handed out the first detailed sources and uses of funds document the Board had seen.

There are good people on the KABATA Board but they are naturally focused on building a Bridge; they are not focused on what the real toll revenue of the Bridge will be, what other uses the state may have for 3 or 6 billion dollars in the future, or the impact this project will have on the state's credit rating. When the Board came to Juneau last month and met for an hour it did not discuss any financial spreadsheets on the project or what would be in the March 1 federal loan application. Rather they discussed the need to lobby public officials on the project and add a PR position to their operating budget.

So, to sum up, these bills before you completely change the rules of the game without KABATA accurately telling you what the costs of the new game are to the state and how this new game binds future legislatures. The original and amended legislation creating KABATA let them issue $500 million in bonds but they could not "create a debt or liability to the state", (19.75.221 (g) and those bonds had to be at no more than 125% of the Bond Investment Index or basically at investment grade. But toll numbers on this deal are so bad this deal can't earn an investment grade without your guarantee so HB 158/159 lets KABATA have $150 million in general funds and now issue $600 million in bonds or have a contract for availability payments and both would now be obligations of the state subject to annual appropriations.

Balloon payments, loans which over time increase and not lower the amount owed or negative equity, undocumented income or overly optimistic revenue estimates, an unlimited government guarantee, and the need to borrow $150 million from the parent to make the mortgage er availability payments in the

early years and for the parent, the state of Alaska, to co-sign the whole loan – we've seen this play before in the housing market and it's ended badly. As Yogi Berra said, it will be déjà vue all over again.

Thank you for listening. Be glad to take any questions.

Jamie Kenworthy, Ph.D.

jamiek@alaska.com

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Alaska Trucking Association, Inc.
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www.aktrucks.org
The authoritative voice of the trucking industry in Alaska

February 21, 2011

Representative Peggy Wilson
Chairman
House Transportation Committee
Juneau, Alaska 99801

Re: HB 158

Dear Chair Wilson,

The Alaska Trucking Association and its nearly 200 member companies, stand firmly behind the Knik Arm Crossing project and the associated needed legislation. We feel the Knik Arm Crossing project is a regional connectivity project that will provide a critical infrastructure link between our communities, as well as a much needed freight and services connection between Anchorage, the Matanuska-Susitna and the Interior part of our State. I have long supported the need for this project and am writing to you today to encourage the Alaska Legislature to move the project forward in a timely and beneficial manner.

The Alaska Trucking Association has been serving the needs of the state's trucking industry for over 50 years. We have continually given our support to the Knik Arm Crossing project as we understand the need for improved access to and from our ports, communities and interior Alaska from both a freight and a trucking standpoint. ATA is a leader in Alaska and nationally in promoting and projecting the interests of the transportation industry before the state legislature, congressional delegation and administrative agencies and courts. We understand that Alaska is a young state with vast infrastructure needs. We encourage you to support the Knik Arm Crossing legislative request to help us move this critical infrastructure link forward and reduce the cost to end users.

We understand the purpose of the proposed legislation and believe in the successful procurement of the Knik Arm Crossing to generate the best value to the State of Alaska. The passage of this legislation will facilitate the Knik Arm Crossing being open for traffic in 2015, thus expediting for my members and the State of Alaska ---the benefits generated from the Crossing.

In conclusion, ATA supports the passage of HB158 in order to facilitate the movement of this project forward in a timely manner.

Sincerely,

Aves D. Thompson
Executive Director

If you got it, a truck brought it...

22-24% 2002-2006 26-28% 26-27%

Department of Transportation/Public Facilities
AMHS as a % of DOT/PF Operating Budget

	FY2002 Auth	FY2003 Auth	FY2004 Auth	FY2005 Auth	FY2006 Auth	FY2007 Auth	FY2008 Auth	FY2009 Auth	FY2010 Auth	FY2011 Auth	FY2012 Govs
All Funds											
DOT/PF	$327,606.7	$355,430.7	$368,817.1	$394,477.8	$435,610.6	$489,241.0	$498,629.3	$543,918.1	$542,391.8	$579,396.7	$585,455.0
AMHS	$79,514.4	$85,163.1	$85,813.8	$85,355.0	$103,542.9	$133,144.7	$127,866.2	$153,676.0	$138,433.7	$156,103.2	$149,491.8
AMHS as a % of DOT&PF	24%	24%	23%	22%	24%	27%	26%	28%	26%	27%	26%
General Funds (UGF & DGF)											
DOT/PF	$180,691.8	$188,484.9	$191,116.5	$193,589.8	$225,289.3	$264,625.7	$266,933.8	$304,965.0	$302,133.2	$327,980.4	$328,527.0
AMHS	$78,108.7	$83,725.1	$84,346.8	$83,813.6	$101,900.3	$131,505.2	$126,226.7	$152,073.3	$136,791.1	$154,415.8	$147,762.1
AMHS as a % of DOT&PF	43%	44%	44%	43%	45%	50%	47%	50%	45%	47%	45%

2002-2006 43-45% 47-50% 45-47%

*FY2007 Auth includes $7.8M GF Fuel Trigger for Marine Highways
*FY2008 Auth includes $7.8M GF Fuel Trigger for Marine Highways
*FY2009 Auth includes $28.6M GF Fuel Trigger for Marine Highways
*FY2010 Auth includes $9.0M GF Fuel Trigger for Marine Highways
*FY2011 Auth includes $8.0M GF Fuel Trigger for Marine Highways

Prepared 03/22/2011 for Representative Peggy Wilson

Keep in my DOT Packet

Prepared by DOT&PF
Admin Svcs/Budget Section

HB

212

<TARGET><BILL>HB 212</BILL><SUBJECT>HB
212</SUBJECT><COMM>HTRA27</COMM></TARGET>

Alaska Legislature
Representative Charisse Millett

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District 30

Sponsor Statement - House Bill 212

"An Act relating to requirements for persons holding provisional drivers' licenses."

The Alaska Graduated License Program is a three-step program designed to develop safe driving habits as well as slowly introduce young drivers to the Alaskan road system. One of the steps in the program is graduating from an Instructional Permit to a Provisional License. There are some restrictions that follow having a Provisional License. Some examples are; You may not carry passengers unless one of the passengers is a person at least 21 years of age, You may carry passengers under the age of 21 only if they are your siblings, and you may not operate a motor vehicle between the hours of 1:00 a.m. and 5:00 a.m. unless accompanied by a person at least 21 years of age. Even though these restrictions are in place for young drivers, many choose to ignore these limitations that are there to provide safety to them and other Alaskans.

Every year, teen drivers account for about 20 percent of the fatalities and major injuries that occur on Alaskan roads and highways. Many teen drivers fail to comply with the rules of the Graduated License Program. This is a problem that many schools in Alaska's urban school districts face. Teen drivers with their provisional license will take other passengers from their schools and choose not to abide by this law. This is not only a problem in the schools', but across Alaska in general.

In order to reduce the number of accidents caused by teen drivers, and to provide safety to Alaskan roads, a solution to this problem would be to issue a sticker with each Provisional License and to place the sticker in the rear window of a motor vehicle that is being operated by a Provisional License driver. This sticker would make other drivers aware that there is a newly licensed driver on the road, and it would assist law enforcement officers with identifying teen drivers who are breaking the law. The House State Affairs Committee amended the bill to specify that failure to display the sticker is not a primary offense.

The Alaska Department of Motor Vehicles will determine the design of the sticker, and the licensee will pay the cost.

HB 212 was passed by the House State Affairs Committee on Tuesday, March 13, 2012. It now goes before the House Transportation and Finance Committees. For more information, contact Rep. Millett at (907) 465-3879.

Prepared by Jessica Luiken for Rep. Millett on March 13, 2012

PROVIDED BY NCSL

Missouri

V.A.M.S. 302.130

302.130. Issuance of temporary instruction permit, when--requirements-- duration--permit driver sticker or sign issued, when--rulemaking authority

1. Any person at least fifteen years of age who, except for age or lack of instruction in operating a motor vehicle, would otherwise be qualified to obtain a license pursuant to sections 302.010 to 302.340 may apply for and the director shall issue a temporary instruction permit entitling the applicant, while having such permit in the applicant's immediate possession, to drive a motor vehicle of the appropriate class upon the highways for a period of twelve months, but any such person, except when operating a motorcycle or motortricycle, must be accompanied by a licensed operator for the type of motor vehicle being operated who is actually occupying a seat beside the driver for the purpose of giving instruction in driving the motor vehicle, who is at least twenty-one years of age, and in the case of any driver under sixteen years of age, the licensed operator occupying the seat beside the driver shall be a grandparent, parent, guardian, a driver training instructor holding a valid driver education endorsement on a teaching certificate issued by the department of elementary and secondary education or a qualified instructor of a private drivers' education program who has a valid driver's license. An applicant for a temporary instruction permit shall successfully complete a vision test and a test of the applicant's ability to understand highway signs which regulate, warn or direct traffic and practical knowledge of the traffic laws of this state, pursuant to section 302.173. In addition, beginning January 1, 2007, no permit shall be granted pursuant to this subsection unless a parent or legal guardian gives written permission by signing the application and in so signing, state they, or their designee as set forth in subsection 2 of this section, will provide a minimum of forty hours of behind-the-wheel driving instruction, including a minimum of ten hours of behind-the-wheel driving instruction that occurs during the nighttime hours falling between sunset and sunrise. The forty hours of behind-the-wheel driving instruction that is completed pursuant to this subsection may include any time that the holder of an instruction permit has spent operating a motor vehicle in a driver training program taught by a driver training instructor holding a valid driver education endorsement on a teaching certificate issued by the department of elementary and secondary education or by a qualified instructor of a private drivers' education program. If the applicant for a permit is enrolled in a federal residential job training program, the instructor, as defined in subsection 5 of this section, is authorized to sign the application stating that the applicant will receive the behind-the-wheel driving instruction required by this section.

2. In the event the parent, grandparent or guardian of the person under sixteen years of

age has a physical disability which prohibits or disqualifies said parent, grandparent or guardian from being a qualified licensed operator pursuant to this section, said parent, grandparent or guardian may designate a maximum of two individuals authorized to accompany the applicant for the purpose of giving instruction in driving the motor vehicle. An authorized designee must be a licensed operator for the type of motor vehicle being operated and have attained twenty-one years of age. At least one of the designees must occupy the seat beside the applicant while giving instruction in driving the motor vehicle. The name of the authorized designees must be provided to the department of revenue by the parent, grandparent or guardian at the time of application for the temporary instruction permit. The name of each authorized designee shall be printed on the temporary instruction permit, however, the director may delay the time at which permits are printed bearing such names until the inventories of blank permits and related forms existing on August 28, 1998, are exhausted.

3. The director, upon proper application on a form prescribed by the director, in his or her discretion, may issue a restricted instruction permit effective for a school year or more restricted period to an applicant who is enrolled in a high school driver training program taught by a driver training instructor holding a valid driver education endorsement on a teaching certificate issued by the state department of elementary and secondary education even though the applicant has not reached the age of sixteen years but has passed the age of fifteen years. Such instruction permit shall entitle the applicant, when the applicant has such permit in his or her immediate possession, to operate a motor vehicle on the highways, but only when a driver training instructor holding a valid driver education endorsement on a teaching certificate issued by the state department of elementary and secondary education is occupying a seat beside the driver.

4. The director, in his or her discretion, may issue a temporary driver's permit to an applicant who is otherwise qualified for a license permitting the applicant to operate a motor vehicle while the director is completing the director's investigation and determination of all facts relative to such applicant's rights to receive a license. Such permit must be in the applicant's immediate possession while operating a motor vehicle, and it shall be invalid when the applicant's license has been issued or for good cause has been refused.

5. In the event that the applicant for a temporary instruction permit described in subsection 1 of this section is a participant in a federal residential job training program, the permittee may operate a motor vehicle accompanied by a driver training instructor who holds a valid driver education endorsement issued by the department of elementary and secondary education and a valid driver's license.

6. A person at least fifteen years of age may operate a motor vehicle as part of a driver training program taught by a driver training instructor holding a valid driver education

endorsement on a teaching certificate issued by the department of elementary and secondary education or a qualified instructor of a private drivers' education program.

7. Beginning January 1, 2003, the director shall issue with every temporary instruction permit issued pursuant to subsection 1 of this section a sticker or sign bearing the words "PERMIT DRIVER". The design and size of such sticker or sign shall be determined by the director by regulation. Every applicant issued a temporary instruction permit and sticker on or after January 1, 2003, may display or affix the sticker or sign on the rear window of the motor vehicle. Such sticker or sign may be displayed on the rear window of the motor vehicle whenever the holder of the instruction permit operates a motor vehicle during his or her temporary permit licensure period.

8. Beginning July 1, 2005, the director shall verify that an applicant for an instruction permit issued under this section is lawfully present in the United States before accepting the application. The director shall not issue an instruction permit for a period that exceeds an applicant's lawful presence in the United States. The director may establish procedures to verify the lawful presence of the applicant and establish the duration of any permit issued under this section.

9. The director may adopt rules and regulations necessary to carry out the provisions of this section.

New Jersey

Passed in 2009

N.J.S.A. 39:3-13.2a

New Jersey Statutes Annotated Currentness
39:3-13.2a. Special learner's permit; duration

a. Any person to whom a special learner's permit has been issued pursuant to section 1 of P.L.1950, c. 127 (C.39:3-13.1), upon successful completion of a State approved written examination, eye examination and an approved minimum six-hour behind-the-wheel driving course, shall be entitled to retain the special learner's permit in his own possession. The special learner's permit shall be validated by the commission for the purpose of driving a motor vehicle on a public highway in this State after the holder has successfully met the necessary examination requirements, and upon the successful

completion of a behind-the-wheel driving course. Such person may operate a motor vehicle of the class for which a basic driver's license is required except during the hours between 11:01 p.m. and 5:00 a.m. while in the company and under the supervision, from the front passenger seat, of a licensed motor vehicle driver of this State who is over 21 years of age and has been licensed to drive a passenger automobile for at least three years. Such special permit shall be valid until such person's seventeenth birthday or until he qualifies for a probationary license. Except during an instructional period of a behind-the-wheel driving course, the holder of a special permit shall operate a passenger automobile with only the following passengers: (1) the supervising passenger; (2) any parent, guardian, or dependent of the special permit holder; and (3) one additional passenger . The holder of the special learner's permit shall not use any hand-held or hands-free interactive wireless communication device, except in an emergency, while operating a moving passenger automobile on a public road or highway. "Use" shall include, but not be limited to, talking or listening on any hand-held or hands-free interactive wireless communication device or operating its keys, buttons, or other controls. All occupants of the automobile shall be secured in a properly adjusted and fastened seat belt or child restraint system.

The chief administrator shall provide the holder of a special learner's permit with two removable, transferable, highly visible, reflective decals indicating that the driver of the vehicle may be the holder of a special learner's permit. The decals shall be designed by the chief administrator, in consultation with the Division of Highway Traffic Safety in the Department of Law and Public Safety. The chief administrator may charge a fee for the decals not to exceed the actual cost of producing and distributing the decals. The decals shall be displayed in a manner prescribed by the chief administrator, in consultation with the Division of Highway Traffic Safety in the Department of Law and Public Safety, and shall be clearly visible to law enforcement officers. The holder of a special learner's permit shall not operate a vehicle unless the decals are displayed. The decal shall be removed once the driver's special learner's permit period has ended.

b. When notified by a court of competent jurisdiction that a special learner's permit holder has been convicted of a violation which causes the permit holder to accumulate more than two motor vehicle points or has been convicted of a violation of R.S.39:4-50; section 2 of P.L.1981, c. 512 (C.39:4-50.4a); P.L.1992, c. 189 (C.39:4-50.14); R.S.39:4-129; N.J.S.2C:11-5; subsection c. of N.J.S.2C:12-1; or any other motor vehicle-related law the chief administrator determines to be significant and applicable pursuant to regulation, and in addition to any other penalty that may be imposed, the chief administrator shall, without the exercise of discretion or a hearing, suspend the holder's special learner's permit for 90 days. The chief administrator shall restore the permit following the term of the permit suspension if the permit holder, regardless of age, satisfactorily completes a remedial training course of not less than four hours which may be given by the commission, a driving school licensed by the chief administrator pursuant to section 2 of P.L.1951, c. 216 (C.39:12-2), or any Statewide safety organization approved by the chief administrator. The course shall be administered pursuant to rules and regulations promulgated by the chief administrator and subject to oversight by the commission. The authority of the chief administrator to suspend, revoke, or deny

issuance of an initial or renewal license to operate a driving school or an instructor's license, and to assess fines, pursuant to P.L.1951, c. 216 (C.39:12-1 et seq.) shall apply to any violations related to the administration of a remedial training course. The permit holder shall also remit a course fee prior to the commencement of the course. If, after completion of the remedial training course, the chief administrator is notified by a court of competent jurisdiction that the special learner's permit holder has been convicted of any motor vehicle violation which results in the imposition of any motor vehicle points or has been convicted of a violation of R.S.39:4-50; section 2 of P.L.1981, c. 512 (C.39:4-50.4a); P.L.1992, c. 189 (C.39:4-50.14); R.S.39:4-129; N.J.S.2C:11-5; subsection c. of N.J.S.2C:12-1; or any other motor vehicle-related law the chief administrator deems significant and applicable pursuant to regulation, the chief administrator, without the exercise of discretion or a hearing, shall also postpone the issuance of a basic license for 90 days. When the chief administrator is notified by a court of competent jurisdiction that a special learner's permit holder has been convicted of any alcohol or drug-related offense unrelated to the operation of a motor vehicle and he is not otherwise subject to any other suspension penalty therefor, the chief administrator shall, without the exercise of discretion or a hearing, suspend the special learner's permit for six months.

N.J.S.A. 39:3-13.2a

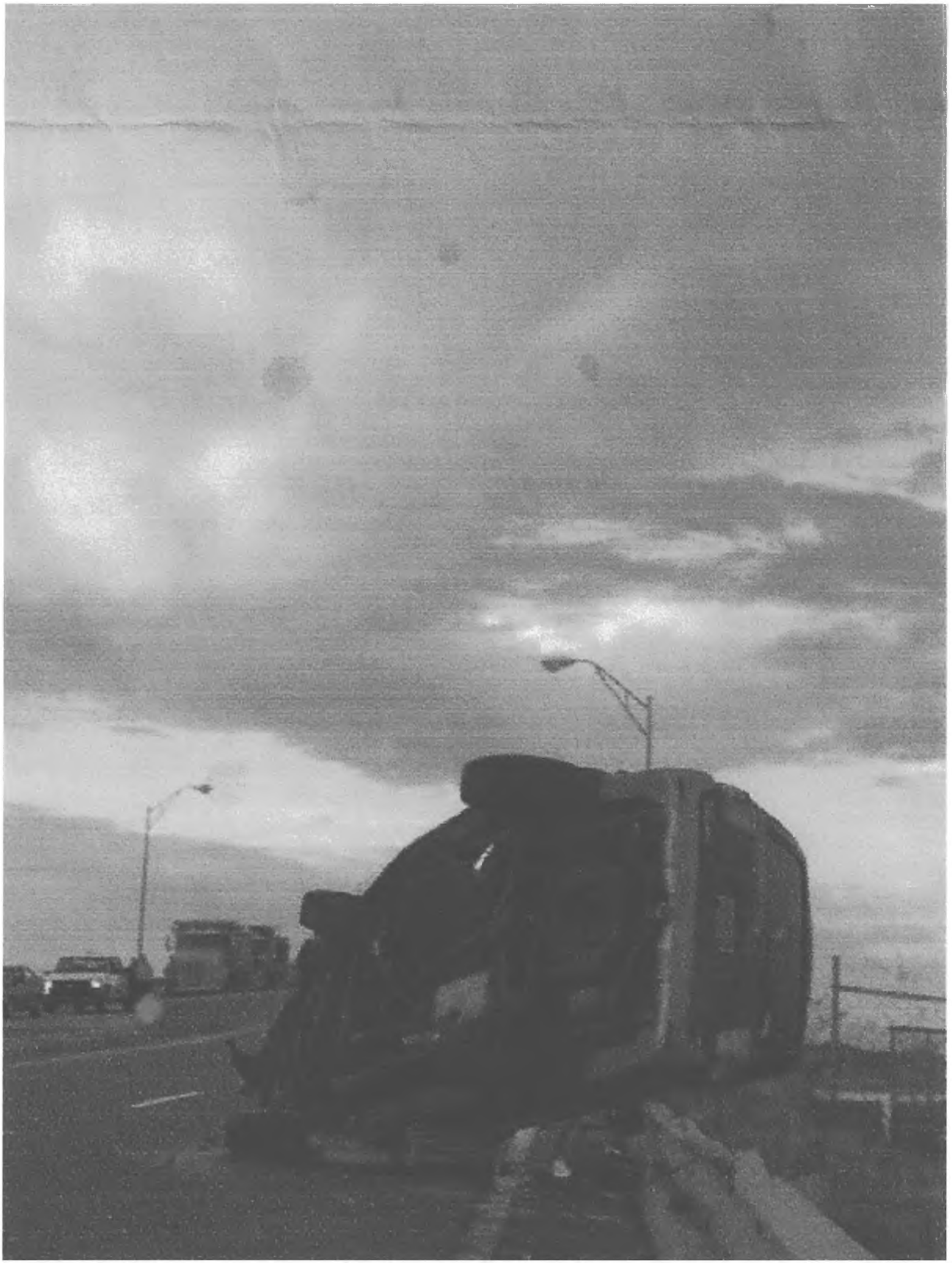
Ohio

passed this in 2004

Sec. 4507.232. When the registrar of motor vehicles or a deputy registrar issues a temporary instruction permit under this chapter, the registrar or deputy registrar also shall issue to the applicant a sticker or banner that reads "student driver." When the holder of the temporary instruction permit operates a motor vehicle, the sticker or banner may be displayed on the motor vehicle to inform other motor vehicle operators that the motor vehicle is being operated by a holder of a temporary instruction permit, but such display is not required.

The sticker or banner may be displayed on a side window or the rear window of the motor vehicle notwithstanding section 4513.24 and division (F) of section 4513.241 of the Revised Code or any rule adopted thereunder.

The registrar shall determine the size of the sticker or banner, which shall not exceed four inches in height by twelve inches in length, and the material and all other properties of the sticker or banner, but shall select a material so that the sticker or banner can be transferred readily from one motor vehicle to another.



Alaska State Legislature

Representative Peggy Wilson
House District 2
Putting Alaska's Families First

FAX TRANSMITTAL SHEET

TO: Leg Legal FAX# 2029

DATE: 4-3-12 FROM: Becky (465 4858)

SUBJECT: 27-LS0738\B

Total Pages (including cover sheet) 7

HB 212 (STA) moved from House TRA today w/ 6 amendments. They are attached. If you have questions please call because this bill is up in HFIN tomorrow pending referral.

This transmittal may be a confidential communication or otherwise privileged information. If you are not the intended recipient, you are hereby notified that you have received this transmittal in error; any review, dissemination, distribution or copying of this transmittal is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone at (907) 465-3824. Please destroy this fax cover and all its attachments.

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June-Dec, Wrangell: PO Box 709 • Wrangell, AK 99929 • ph (907) 874-3688 • fax (907) 874-3305
Rep.Peggy.Wilson@legis.state.ak.us • http://www.akrepublicans.org/wilson • 1-800-686-3824

27-LS0738\B.6
Luckhaupt
4/2/12

AMENDMENT

OFFERED IN THE HOUSE

TO: CSHB 212(STA)

Page 1, line 5, following "each ":

Insert "motor"

Page 1, line 7, following "sticker.":

Insert "The department may by regulation exempt the operation of certain types of motor vehicles from the requirement to display a sticker under this subsection."

Passed

Conceptual Amendment 2

To CSHB 212 (STA) By Gruenberg

Page 1, line 6, after "licensee."

Insert "If the DMV chooses a location other than the rear window to display the sticker, it shall do so by regulation."

OK

Passed

27-LS0738\B.3
Luckhaupt
3/29/12

AMENDMENT 3

OFFERED IN THE HOUSE BY REPRESENTATIVE GRUENBERG

TO: CSHB 212(STA)

Page 2, following line 4:

Insert a new subsection to read:

"(d) The requirement in (b) of this section does not apply to

(1) provisional licenses issued to persons to operate motor vehicles in areas of the state off the road system when operating motor vehicles in those areas; ~~or~~ and

(2) a person holding a provisional license when the person is operating a motor vehicle in a municipality with a population of less than 500."

Passed

27-LS0738\B.4
Luckhaupt
4/2/12

AMENDMENT 4

OFFERED IN THE HOUSE BY REPRESENTATIVE GRUENBERG

TO: CSHB 212(STA)

Page 1, line 1, following "**licenses**": OK

Insert "**; and providing for an effective date**"

Page 2, following line 4:

Insert new bill sections to read:

"*** Sec. 2.** AS 28.15.055(b) and 28.15.055(c) are repealed December 31, 2016. OK

*** Sec. 3.** This Act takes effect January 1, 2013." OK

for provisional licenses issued after

d is the provisional licenses small town stuff

Conceptual A passed

Passed #4

Conceptual Amendment #1

By Representative Gruenberg

To CSHB 212(STA)

Page 1, line 5 following "a"

Insert "moveable"

Conceptual Amendment #3

By Representative Gruenberg

To CSHB 212(STA)

Page 2, following line 4:

Insert a new subsection to read:

"(d) The requirements of (b) of this section do not apply to provisional licenses issued to persons to operate motor vehicles in areas of the state off the road system when operating motor vehicles in those areas, or with a population of less than 500."

ade exempt under 28.10.011

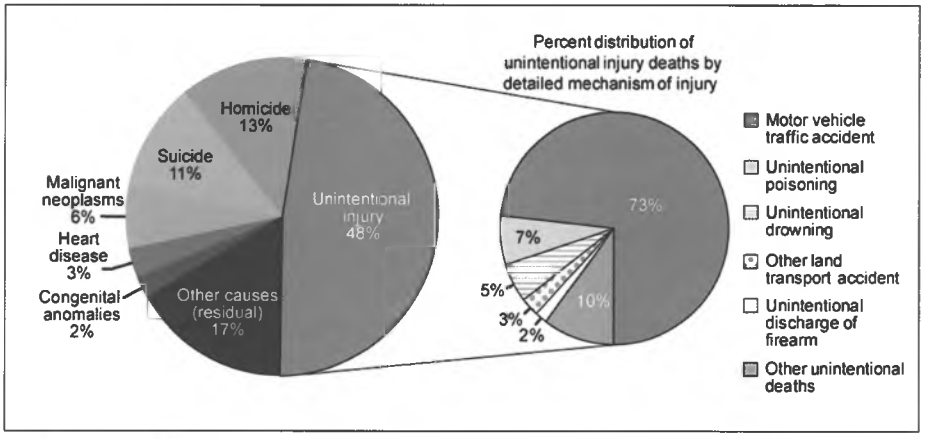
removed not offered

Novice Driver Safety

Safer Alaskan Roads for Alaskan Drivers

Cause of death among teenagers between 1999-2006

Figure 2. Percent distribution of all deaths to teenagers 12–19 years, by cause of death: United States, 1999–2006



SOURCE: National Vital Statistics System, Mortality.

Alaska Statistics for Drivers 14-16 2004-2008

Motor Vehicle Traffic Crashes Involving Drivers age 14-16, 2004-2008

	2004	2005	2006	2007	2008
Crashes	692	592	477	441	437
Property Damage Only	428	377	307	270	288
Minor Injury Crashes	222	191	146	137	127
Major Injury Crashes	37	22	19	28	15
Fatal Crashes	5	2	5	6	7
Non-Fatal Injuries	398	321	256	264	223
Minor Injuries	348	296	228	230	201
Major Injuries	50	25	28	34	22
Fatal Injuries	5	2	5	7	8
Occupants Not Injured	1830	1361	1195	987	1070

Source: State of Alaska, Department of Transportation and Public Facilities, Highway Analysis System (HAS)

Provisional Licensed Drivers

- Provisional Licensed Drivers are hazardous due to:
- Apprehension
- Lack of experience
- Weather conditions
- No drivers education requirement
- Alaska's diversity from other states

L
R757 ULR

L
EBY 776J

Why This Solution?

- This is a simple solution to benefit Alaskan drivers.
- It will impress other driver's to be more cautious driving around the novice teen driver
- It will provide other drivers the information necessary to understand the Provisional Licensee's position
- This will assist law enforcement officers in implementing the law

Procedures

- The state of Alaska will supply the Department of Motor Vehicles with stickers to distribute to those persons acquiring an Provisional License
- Those acquiring a Provisional License will pay for the sticker as part of the permitting process.
- Sticker will be placed on the rear window of the operating vehicle

Summary

- Teen drivers with Provisional License are statistically more hazardous to themselves and other Alaskans
- Require Provisional drivers to identify their status
- Reduce the number of accidents and infractions in Alaska, and help save Alaskan lives

HB 213

<TARGET><BILL>HB 213</BILL><SUBJECT>HB 213</SUBJECT><COMM>HTRA27</COMM></TARGET>

Alaska State Legislature

Representative Anna Fairclough – House District 17

House Bill 213

"An Act naming the pathway parallel to the section of Eagle River Loop Road connecting Old Glenn Highway with North Parkview Terrace Loop the Mark Hufford Trail."

Mark Hufford, was an avid handcyclist who competed seven times in the Sadler's Alaska Challenge wheelchair and handcycle competition. The Alaska Challenge, known as the "Tour de France" of wheelchair sports, is the world's longest and toughest wheelchair and handcycle race that starts in Fairbanks and ends in Anchorage. Twice Mark won the Speedy Sourdough Award for the fastest Alaskan. He helped motivate his competitors and encouraged them throughout the races. He was known throughout the handcycle community not only in Alaska but nationally and created a lot of awareness for the sport. He was often seen riding his handcycle in Eagle River – enjoying the beauty of the outdoors and improving his skills.

Mark was a resident of Eagle River, Alaska and a graduate of Chugiak High School. Tragedy struck in 1995 when a hunting accident left Mark a paraplegic and in a wheelchair. This did not slow him down, but gave him more determination. He continued with his education and earned a Bachelor's Degree in Human Services from the University of Alaska Anchorage and helped others overcome their disabilities while working at the Division of Vocational Rehabilitation. Sadly, Mark passed away in January 2011 but he left an indelible mark on those that were encouraged by him and for the sport of handcycling. The community of Eagle River will miss seeing him during the summer months as he made his way on the many bike trails in the area. It would be a fitting tribute to Mark and his family to remember him by naming this local trail in his memory.

Session: Alaska State Capitol • Juneau, AK 99801 • 907-465-3777 • Fax 907-465-2819
Interim: 10928 Eagle River Road, Suite 238 • Eagle River, AK 99577 • 907-694-8944 • Fax 907-694-8945
Representative_Anna_Fairclough@legis.state.ak.us

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: **HB 213**
() Publish Date

HB213-DOT-CRDC-4-1-11
Title: Mark Hufford Trail
Dept. Affected: DOT&PF
Appropriation: Highways and Aviation
Allocation: Central Region Highways & Aviation
Sponsor: Representative Anna Fairclough
Requester: H TRA
OMB Component Number: 564

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES							

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

Prepared by: Brenda Hewitt
Phone: 465-4772
Division: Commissioner's Office
Date/Time: 4/1/11 8:00 AM
Approved by: Mark Luiken
Commissioner
Date: 4/2/2011

(Revised 12/29/2010 OMB)

HB

214

<TARGET><BILL>HB 214</BILL><SUBJECT>HB 214</SUBJECT><COMM>HTRA27</COMM></TARGET>

HOUSE BILL NO. 214

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE JOHANSEN

Introduced: 3/29/11
Referred:

A BILL

FOR AN ACT ENTITLED

"An Act naming the Ketchikan ferry terminal the Walter L. Kubley Ferry Terminal."

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

*** Section 1.** AS 34.40 is amended by adding a new section to read:

Sec. 35.40.235. Walter L. Kubley Ferry Terminal. The Ketchikan ferry terminal is named the Walter L. Kubley Ferry Terminal.

Alaska State Legislature

Interim:
50 Front Street, Suite 203
Ketchikan, AK 99901
Phone: (907) 247-4672
Fax: (907) 225-7157

Session:
State Capitol, Room 114
Juneau, AK 99801-1182
Phone: (907) 465-3424
Fax: (907) 465-3793

Representative Kyle Johansen

House District 1

HB 214 - "An Act naming the Ketchikan ferry terminal the Walter L. Kubley Ferry Terminal."

Walter was integral in writing the legislation that created the Alaska Marine Highway System. As the 'Father of the Alaska Highway System,' he had fond memories of bringing his family on the maiden voyage of the M/V Malaspina. The ferry sailed from Seattle to Ketchikan in 1963 with Walter's cousin, Capt. Harold Paine, at the helm and Governor Egan in the wheelhouse.

Walter dove into politics by serving on the Ketchikan City Council from 1957 to 1960. He would be elected twice to the Alaska House of Representatives, serving in the second and third Alaska Legislatures from 1961 through 1964. While in the legislature, Walter became known for his ability to deal with people on both sides on the political aisle in a fair and bipartisan manner. He often said 6 of his greatest years were spent lobbying with his son, Donnie. Together they fought for the same communities and issues that Walter had championed his entire life.

Kubley's career endeavors made him a trusted confidant to U.S. Senators, Representatives, Governors and State Legislators. His friendship to the late Senator Ted Stevens was one of Walter's most cherished relationships and he was an honorable pallbearer at the Senator's funeral services.

Even in retirement, Walter remained active in The Elks, Royal Order of the Moose, Veterans of Foreign Wars and The American Legion. He is remembered as a visionary, a great leader in the state and a dear friend to many.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: HB 214
() Publish Date

HB214-DOT-MHS-4-1-11
Title: Walter L. Kubley Ferry Terminal
Sponsor: Representative Kyle Johansen
Requester: H TRA

Dept. Affected: DOT&PF
Appropriation: Marine Highway Systems
Allocation: SMO
OMB Component Number: 2789

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES							

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

Prepared by: Brenda Hewitt
Division: Commissioner's Office
Phone: 465-4772
Date/Time: 4/1/11 8:00 AM

Approved by: Mark Luiken
Commissioner
Date: 4/2/2011

(Revised 12/29/2010 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB214

Analysis

House Bill 214 names the Ketchikan ferry terminal the Walter L. Kubley Ferry Terminal. The costs associated with HB 214 are minimal and can be covered by the current budget.

HB

235

<TARGET><BILL>HB 235</BILL><SUBJECT>HB 235</SUBJECT><COMM>HTRA27</COMM></TARGET>

ALASKA STATE LEGISLATURE

Session:
State Capitol Building,
Room 428
Juneau, Alaska 99801-2186
Phone (907) 465-3004
Fax: (907) 465-2070
Toll Free: (877) 465-3004

Interim:
1292 Sadler Way
Fairbanks, Alaska 99701
Phone: (907) 452-1088
Fax: (907) 452-1146

REPRESENTATIVE STEVE THOMPSON
DISTRICT 10

MEMORANDUM

To: Representative Peggy Wilson, Chair
House Transportation Committee

From: Representative Steve Thompson

Date: January 17, 2012

Re: Hearing request for HB 235

"An Act relating to certain vehicles, including trailers; and relating to motor vehicle dealer advertising, motor vehicle dealer sales of used motor vehicles, motor vehicle sales contracts, motor vehicle service contracts, and motor vehicle sales financing."

Please consider this memo as a request for the House Transportation Committee to hear HB 235.

The following documents are attached and will also be provided via email:

HB 235 Sponsor Statement version A
HB 235 Sectional version A
HB 235 version A
Alaska Auto Dealers Association Letter of Support

Thank you.

E-Mail: Representative.Steve.Thompson@legis.state.ak.us
Website: www.akrepublicans.org/thompson/

ALASKA STATE LEGISLATURE

Session:
State Capitol Building
Room 428
Juneau, Alaska 99801-2186
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REPRESENTATIVE STEVE THOMPSON
DISTRICT 10

House Bill 235 – Sponsor Statement

"An Act relating to certain vehicles, including trailers; and relating to motor vehicle dealer advertising, motor vehicle dealer sales of used motor vehicles, motor vehicle sales contracts, motor vehicle service contracts, and motor vehicle sales financing."

HB 235 updates AS 45.25.400 - AS 45.25.990 (commonly referred to as the "Alaska Auto Dealers Practices Act") by clarifying several provisions concerning the advertising of new and used automobiles. The revisions will assist consumers in understanding auto comparison pricing, and will eliminate ambiguities contained in the current statute, assisting dealers in following state law.

This bill allows dealers to advertise price reductions on used cars, provided the comparison price is taken from a national valuation pricing publication such as Kelly Blue Book or N.A.D.A. Official Used Car Guide. The bill also requires that dealers make the "blue book" available to customers upon their request. This will allow dealers to inform consumers when a used car is being offered at a discounted price, and will also allow consumers to better understand the true market value of a used car they may be interested in buying.

For new cars, the bill will allow dealers to inform consumers that the dealer's asking price is less than the manufacturer's suggested retail price, and that the dealer's price reflects a savings or discount to the consumer.

In all advertising, the dealers advertised price must include all fees to be charged by the dealer other than fees charged by government agencies such as licensing fees and taxes.

Furthermore, HB 235 provides that a dealer may display a vehicle for sale, but may not enter into a contract to sell a vehicle unless the dealer has title to the vehicle

Finally, this bill establishes the responsibilities of the dealer and customer when the dealer accepts a trade-in and the customer takes possession of a vehicle prior to final approval of financing.

E-Mail: Representative.Steve.Thompson@legis.state.ak.us
Website: *www.akrepublicans.org/thompson/*

1.17.12

ALASKA STATE LEGISLATURE

Session:
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Phone (907) 465-3004
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REPRESENTATIVE STEVE THOMPSON
DISTRICT 10

House Bill 235 – Sectional Analysis

"An Act relating to certain vehicles, including trailers; and relating to motor vehicle dealer advertising, motor vehicle dealer sales of used motor vehicles, motor vehicle sales contracts, motor vehicle service contracts, and motor vehicle sales financing."

Section 1. Clarifies the "MSRP" shown on the federal Monroney sticker is the manufacturer's suggested retail price, and not the dealer's advertised price. .Also clarifies what items are included by the manufacturer in arriving at MSRP as shown on the Monroney sticker, and allows dealers to advertise a savings or discount from the MSRP.

Section 2. Requires that the dealer's advertised price must include all dealer fees and costs except fees paid to a governmental agency such as taxes and licensing fees.

Section 3. Removes disclosure requirement regarding use of MSRP in advertising, and removes subsection dealing with price advertising that is covered in Section 1 to amendment to AS 45.25.400(b).

Section 4. Requires dealers use nationally recognized valuation publications (such as Kelly Blue Book or N.A.D.A. Official Used Car Guide) as the retail value when advertising comparative pricing for used cars. HB 235 requires that this pricing information be provided to consumers upon request.

Section 5. Removes section now covered in Section 2 amendment to 45.25.440; allows dealer to make vehicle identification information available in the advertisement or at the dealership – this resolves the problem of impossible to read small print on television advertising; and renumbers sections of 45.25.460(a). (This renumbering requires the amendment in Section 8)

Section 6. Changes the word "verified" to "signed" so the information provided by an individual to a dealer need not be notarized.

Section 7. Allows a dealer to have a vehicle on the sales lot and show it to customers prior to having all required paper work, but prohibits sale of the vehicle until the dealer has all required paperwork in its possession.

E-Mail: Representative.Steve.Thompson@legis.state.ak.us
Website: *www.akrepublicans.org/thompson/*
1.17.12

Section 8. Conforms AS 45.25.520 with renumbering in Section 5.

Section 9. Clarifies that the sales contract will be void if the dealer or the financing institution changes terms of a separate agreement relative to financing.

Section 10. Provides for responsibility of a buyer to return a vehicle if financing is not approved and the responsibility of dealer to return a trade-in delivered to the dealer.

Section 11. Establishes responsibility of a buyer to return a vehicle if the financing is denied as a result of intentional misrepresentation in the credit application, including mileage fee if over 100 miles are put on the vehicle and responsibility for damage to the vehicle, parking tickets, towing fees, storage fees, impound fees, and other similar charges incurred by the buyer while the vehicle was in possession of buyer.

Section 12. Removes unnecessary and impractical obligation imposed on dealers relating to service contracts.

Section 13. Provides that changes affect contracts entered into on or after the effective date of the act and provides definitions for terms used in several sections.
For Section 7 - Motor vehicle is defined in 45.25.590(3) "motor vehicle," notwithstanding the definition of "motor vehicle" in AS 45.25.990, means a vehicle, including a trailer, that is required to be registered under AS 28.10, but does not include a motorcycle.
For Section12, Service contract is defined in 45.25.990 (18) "service contract" means an optional agreement that is separate from a contract for the sale of a motor vehicle and that covers certain repair or maintenance functions beyond coverage provided by a warranty.
For Section Sections 9, 10, 11, and 12, Motor vehicle is defined in 45.25.990 (12) "motor vehicle" means a motor vehicle that is required to be registered under AS 28.10, but does not include a motor home, a recreational vehicle, or a motorcycle; in this paragraph,

(A) "all-terrain vehicle" has the meaning given in AS 45.27.390;
(B) "recreational vehicle" includes an all-terrain vehicle and a snow machine;
(C) "snow machine" has the meaning given in AS 45.27.390.

E-Mail: Representative.Steve.Thompson@legis.state.ak.us
Website: *www.akrepublicans.org/thompson/*

ALASKA AUTO DEALERS ASSOCIATION

P.O. Box 201305, Anchorage, Alaska 99520-1305

The Honorable Steve Thompson
Alaska State House of Representatives
Alaska State Capitol, Room 428
Juneau, Alaska 99801-1182

RE: House Bill 235 Motor Vehicle Transactions

Dear Representative Thompson:

On behalf of the Alaska Automobile Dealers Association, we wish to thank you for sponsoring House Bill 235 that updates AS 45.25.400- AS 45.25.990, commonly referred to as the "Alaska Auto Dealers Practices Act". HB 235 assists consumers in understanding auto comparison pricing and assist dealers in following state law. It clarifies allowable automobile advertising practices and clarifies responsibilities of dealers and customers in the financing of automobiles.

HB 235 requires in all advertising, the dealers advertised price must include all fees to be charged by the dealer other than fees charged by government agencies such as licensing fees and taxes. For new cars, the bill will allow dealers to inform consumers if the dealer's asking price is less than the manufacturer's suggested retail price, and that the dealers price reflects a savings or discount to the consumer.

This bill allows dealers to advertise price reductions on used cars, provided the comparison price is taken from a national valuation pricing publication dealers must make available to consumers, such as Kelly Blue Book or N.A.D.A. Official Used Car Guide. This will allow dealers to inform consumers when a used car is being offered at a discounted price, and will also allow consumers to better understand the true market value of a used car.

HB 235 provides that a dealer may display a vehicle for sale, but may not enter into a contract to sell a vehicle unless the dealer has title to the vehicle.

Finally, this bill establishes responsibilities of the dealer and customer when the dealer accepts a trade-in and the customer takes possession of a vehicle prior to final approval of financing.

This bill is the product of an extended process examining the current law, developing language that protects consumers and clarifying statutory language to reflect the original intent of the law.

This association and its membership are in full support of HB 235.

Sincerely,

Marten Martensen
President AADA

HB

246

<TARGET><BILL>HB 246</BILL><SUBJECT>HB 246</SUBJECT><COMM>HTRA27</COMM></TARGET>

REPRESENTATIVE BILL THOMAS
ALASKA STATE LEGISLATURE DISTRICT 5
e-mail: Representative.Bill.Thomas@legis.state.ak.us
webpage: www.akrepublicans.org/thomas/

State Capitol
Juneau AK, 99801-1182
907-465-3732
888-461-3732
FAX 907-465-2652

Sponsor Statement for HB 246 An Act Naming Certain Bridges

Cordova is located in the Copper River Valley and its residents have a strong sense of duty. Duty to country and duty to their people. It is that sense of duty that has spurred the people of Cordova to serve in every major war of the 20th century. It is also that sense of duty that compelled an Eyak elder to nearly singlehandedly preserve the Eyak language for future generations. It is also this sense of duty that prompted the City of Cordova to ask the state to name 15 of its unnamed Cordova-area bridges after some of their finest residents.

In honor of the brave young men who served and made the ultimate sacrifice for their country, the City of Cordova has requested that 14 of their unnamed bridges be named for each of the sons that they have lost. They are:

World War I
James Bennet
William M. Jones
Steve Green
Lucian Platt
Mathhew Anderson
W.H. Mumby
John W. Jones

World War II
Patrick B. Burchett
Norman D. Osbourne
Leonard F. Olson

Vietnam
David Henry Elisovky
David Allen Lape
Warren Allen Paulsen
Michael Dean Banta

The City of Cordova has also requested that the bridge over the Eyak River be named after Marie Smith Jones. Marie Smith Jones was an Eyak elder who worked tirelessly to preserve the Eyak language. She left behind one of the most comprehensive records of any aboriginal language that exists today.

Naming these bridges after some of Alaska's finest residents is the least we can do to thank them for their service and their sacrifice. I urge your support of HB 246.

CITY OF CORDOVA, ALASKA
RESOLUTION 05-11-23

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA, SUPPORTING NAMING FOURTEEN OF THE BRIDGES ALONG THE COPPER RIVER HIGHWAY AFTER VETERANS FROM CORDOVA WHO WERE KILLED IN ACTION IN WWI, WWII AND THE VIETNAM WAR AND NAMING THE EYAK RIVER BRIDGE AFTER MARIE SMITH JONES, THE LAST FULL-BLOODED EYAK AND THE LAST NATIVE SPEAKER OF THE EYAK LANGUAGE, WHO DIED IN 2008.

WHEREAS, the City of Cordova, wishes to support naming the following fourteen bridges recognized by their mile posts along the Copper River Highway after the 14 men whose names are listed beside each bridge mile post designation and naming the Eyak River Bridge at Mile 5.7 after Marie Smith Jones; and

BRIDGE NUMBER	NAME	MILE POST	HONORED PERSON TO BE NAMED AFTER
381	EYAK RIVER	5.7	Marie Smith Jones
348	SCOTT GLACIER NO. 1	7.5	Michael Dean Banta
349	SCOTT GLACIER NO. 2	7.6	
350	SCOTT GLACIER NO. 3	8.1	Warren Allen Paulsen
351	SCOTT GLACIER NO. 4	8.5	
352	SCOTT GLACIER NO. 5	9.2	David Alen Lape
406	SCOTT GLACIER NO. 6	9.5	
407	SCOTT GLACIER NO. 7	9.7	David Henry Elisovky
408	SCOTT GLACIER NO. 8	10	
409	SCOTT GLACIER NO. 9	10.4	Leonard F. Olson
410	SCOTT GLACIER NO. 10	10.8	
411	SCOTT GLACIER NO. 11	11	Norman D. Osborne
230	SHERIDAN GLACIER NO. 3	14.8	
367	SHERIDAN GLACIER E CHANL	16.3	Patrick A. Burchett
395	ALGANIK SLOUGH	22.3	
4026	SALMON CREEK CULVERTS	23.9	
331	COPPER RIVER (FLAG PT WST)	26.7	John W. Jones
1187	COPPER RIVER (FLAG PT E)	26.9	W.H. Mumby
332	COPPER RIVER (RND ISLAND)	27.6	Matthew Anderson
333	COPPER DELTA	33.7	
334	COPPER DELTA	34.6	Lucian Platt
336	COPPER DELTA	35.6	
339	COPPER DELTA	36.2	Steve Green
340	COPPER DELTA	36.5	
342	COPPER DELTA	37	William M. Jones
344	COPPER DELTA	37.6	
345	COPPER DELTA	37.9	James Bennett
206	MILLION DOLLAR BRIDGE	48.6	

WHEREAS, the City of Cordova, wishes to honor these brave men for their honor, duty and loyalty to their City, State and Country; and

WHEREAS, the City of Cordova, in support of naming these bridges, wishes to immortalize these fine men, as inspirations to present and future Cordovans and Alaskans; and

WHEREAS, the City of Cordova, in support of naming the Eyak River Bridge after Marie Smith Jones, wishes to immortalize her and her invaluable impact on so many Alaska Natives, Cordovans and Alaskans by helping to preserve her heritage for future generations.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Cordova, Alaska, does hereby support naming these above listed bridges after our honored Cordovan Veterans killed in action; and

BE IT FURTHER RESOLVED that the City Council of the City of Cordova, Alaska does hereby support appropriately naming the Eyak River Bridge after Marie Smith Jones a woman who left behind a comprehensive record of the now-extinct Eyak language; and

BE IT FURTHER RESOLVED that the City Council of the City of Cordova will forward this Resolution upon its passage to the Alaska State Legislature for final action in naming these bridges.

PASSED AND APPROVED THIS 1st DAY OF JUNE, 2011.

Jim Kallander, Mayor

CITY OF CORDOVA CORPORATE SEAL JULY 8, 1909 ALASKA

ATTEST:

Susan Bourgeois, City Clerk

AMERICAN BATTLE MONUMENTS COMMISSION

THE WORLD WAR II HONOR ROLL

Leonard F. Olson

Staff Sergeant, U.S. Army

Service # 39199039

328th Infantry Regiment, 26th Infantry Division

Entered the Service from: Washington
Died: 25-Apr-45
Buried at: Plot E Row 5 Grave 15
Cambridge American Cemetery
Cambridge, England

Awards: Purple Heart with 2 Oak Leaf Clusters

World War I

James Bennett:

Born on April 7, 1892 in Canada – died on June 29, 1918, Company C, 18th Engineers Railway Regiment; formerly a Copper River and Northwest Railway Engineer.

William M. Jones:

Born on March 1, 1895 in Remsen, NY. Died on July 25, 1918
Buried in Remsen, NY Acceidental death on troop train in France
Company C, Thirty first Engineers; formerly a Copper River and Northwest locomotive fireman

Steve Green:

Born on July 22, 1894 in Russia. Died October 22, 1918 at Camp Dodge
Died from influenza at Camp Dodge, Iowa. Formerly a Copper River and Northwest Railway longshoreman. Company C, 14th infantry

Lucian Platt:

Born on January 28, 1892 in Baltimore Maryland
Died on October 9, 1918 in Camp Humprheys, VA from pneumonia
2nd Lt. US Army; formerly a shift boss at Coffey, Mine, Kennecott Copper Company

Matthew Anderson:

Born on March 18, 1892 in Denmark
Died on October 28, 1918; formerly a fisherman (no more detail)

W.H. Mumby:

Died in action in October/early November 1918 (no details)

John W. Jones:

Born on November 22, 1893 in Remsen NY
Died on November 3, 1918 at Argonne Forest, France in battle
Buried in Remsen NY. Marine Corps. Formerly a Copper River and Northwest Railway transportation checker

provided by: City of Cordova

World War II

Patrick A. Burchett:

Born on December 19, 1921 in Cordova
Died in April 1945 accidental death in a motor vehicle accident in Asiatic Area.
Staff Sergeant; Army Air Force; Son of Jerry Allen

Norman D. Osborne:

Born on September 1, 1921 in Cordova
Died on April 13, 1945 in Okinawa; Private U.S. Army
Son of Ben and Andrine Osborne

Leonard F. Olson

Died April 25, 1945 in Luxembourg from wounds received in action on January 6, 1945
Sgt. 328th Regiment, 26th Yankee Division, Son of Leander Olson

Vietnam

David Henry Elisovky:

Born on July 24, 1947.
Died January 23, 1966 in Vietnam from sniper fire.
Sergeant 101st Airborne Division; First Brigade
Military Merit Medal and Gallantry Cross with Palm Awarded posthumously
Son of Mrs. Olga Anderson

David Alen Lape:

Born on September 28, 1911
Died November 27, 1967 in Vietnam, mortar attack.
Warrant Officer, Army Reserve
Son of Kelly and Violet Lape

Warren Allen Paulsen:

Born on August 10, 1944; Died June 24, 1969 in Vietnam
Boatswain 'S Mate Navy; son of George and Lucy Paulsen (living in Valdez at the time of his death)

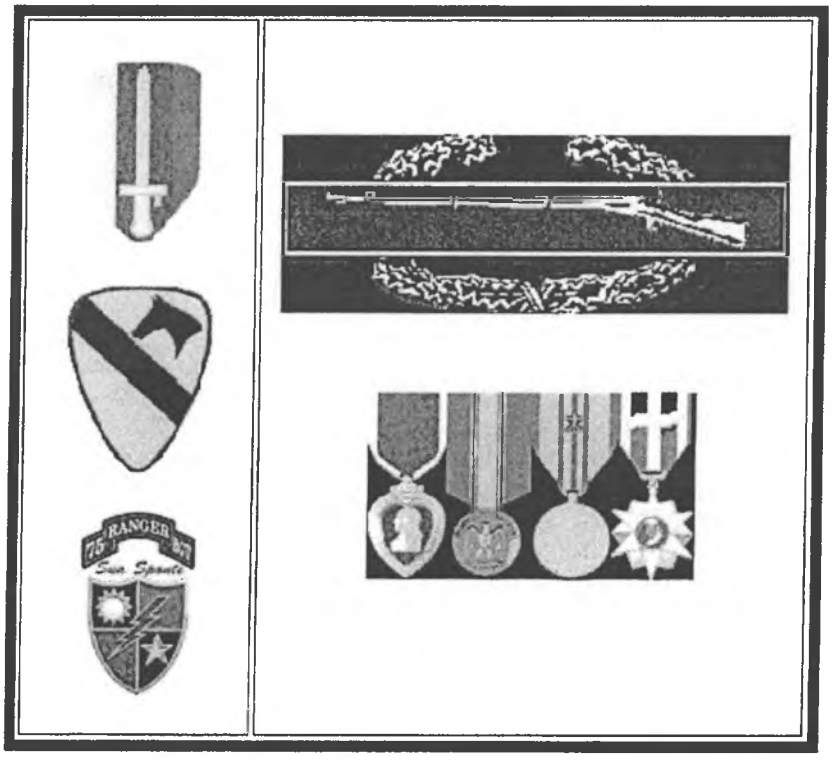
Michael Dean Banta

Born on October 5, 1949; Died October 2, 1970 in Vietnam
Private Company H. Infantry Rangers, 1st Calvary Division
Son of Robert and Joanne Banta

Provided by: City of Cordova

Michael Dean Banta

Private First Class
H CO, 75TH INFANTRY, 1ST CAV DIV, USARV
Army of the United States
Cordova, Alaska
October 05, 1949 to October 02, 1970
MICHAEL D BANTA is on the Wall at Panel 07W Line 105
See the full profile for Michael Banta



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Warren Paulsen

Boatswain 3rd Class
PBR-8141, RIVDIV 554, TF 116, USNAVFORV
United States Navy
Valdez, Alaska
August 10, 1944 to June 23, 1969
WARREN PAULSEN is on the Wall at Panel 21W Line 001
See the full profile for Warren Paulsen

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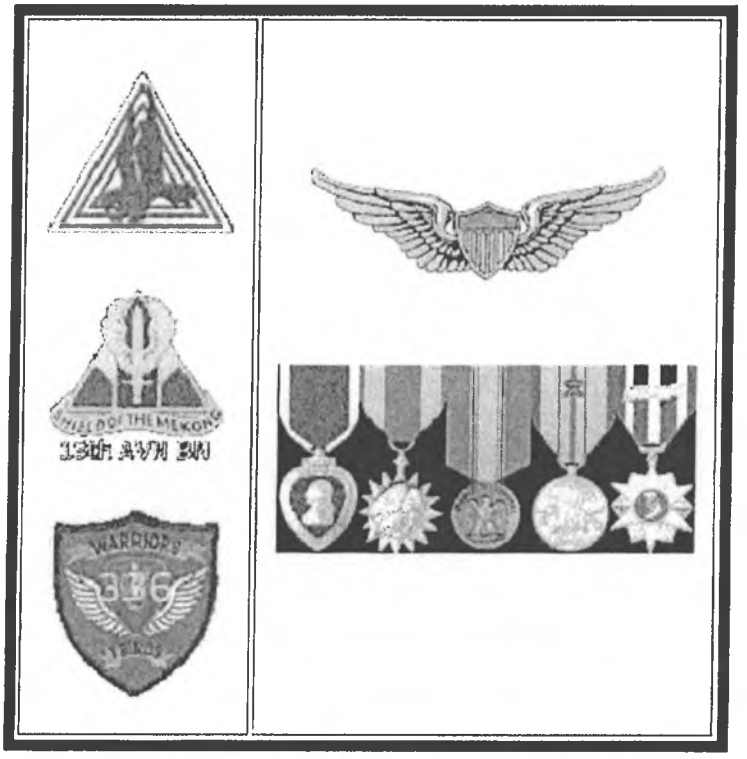
David Alen Lape

Warrant Officer
336TH AHC, 13TH AVN BN, 164TH AVN GROUP, 1ST AVIATION BDE, USARV
Army of the United States
Cordova, Alaska
September 28, 1944 to November 27, 1967
DAVID A LAPE is on the Wall at Panel 30E Line 097
See the full profile for David Lape



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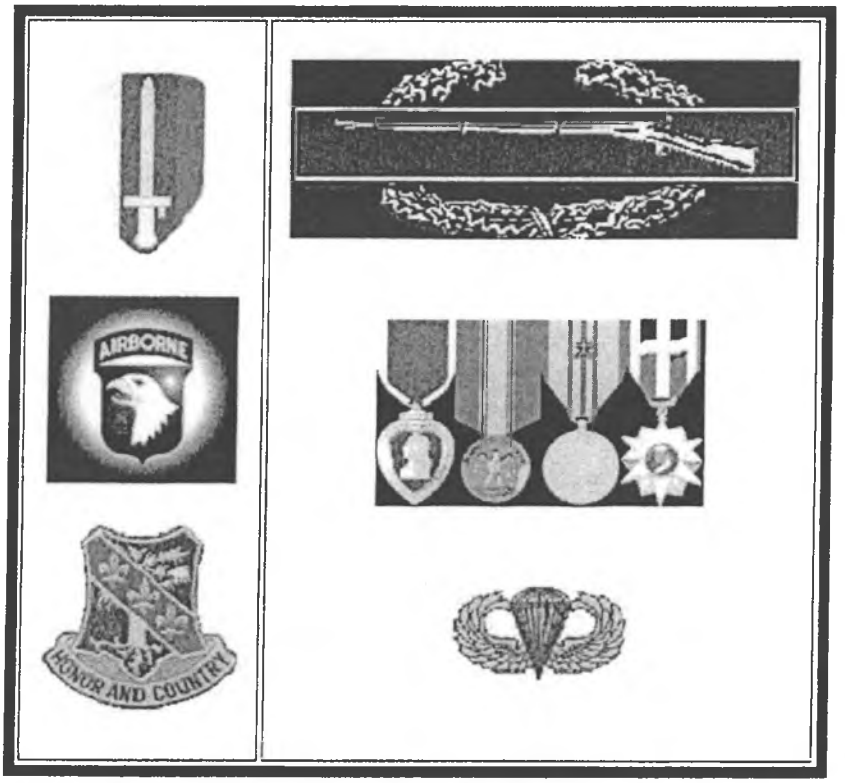
David Henry Elisovsky

Sergeant
C CO, 2ND BN, 327TH INFANTRY, 101ST ABN DIV, USARV
Army of the United States
Cordova, Alaska
July 24, 1947 to January 23, 1966
DAVID H ELISOVSKY is on the Wall at Panel 04E Line 083
See the full profile for David Elisovsky



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HB 248

<TARGET><BILL>HB 248</BILL><SUBJECT>HB 248</SUBJECT><COMM>HTRA27</COMM></TARGET>

Alaska State Legislature

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Toll-Free (800) 491-4527

Representative Alan Dick

House District 6

Sponsor Statement

HB 248: Al Wright Airport (Minto)

Al Wright was born at Tanana Crossing on April 26, 1925 to Arthur and Myrtle Wright, missionaries in the Minto Flats area. Arthur Wright was Athabascan Indian and Myrtle was white. Mrs. Wright was one of the first nurses in the villages. In 1930 the family moved to Minto.

The Wright family lived a subsistence lifestyle. In Minto his dad tried to start a school. He had a hard time because the kids had to go back to seasonal subsistence camps. Each child would bring a stick of wood as tuition. When the wood ran out that ended the school day.

When Al was nine, they moved to Nenana where his father started work in the shipyard. His family also cut and sold wood for $8.00 a cord with a Sears&Roebuck wood saw. They dragged the wood with a model-T vehicle back to the village to sell.

Al was 15 when he started in construction on defense projects all over Interior Alaska. He had no formal training and learned as he went along. His skills were in high demand on the defense projects, however he wanted to join the Army. The only way he could leave his job was to quit the construction work and get drafted. When he got out of the Army, he found out he could get his pilot's license with the G.I. bill. He originally started for fun, but never got away from flying.

His first plane was a 65 Taylorcraft. One day a man asked to charter him to pick up furs. He said, "boy, this is the way to make money." From then on he started hauling trappers and developing a business. His first charter was $20.00 an hour with fuel, plane and pilot. He taught himself to fly with floats. With no formal training, his first flight was to pick up a dying man in a Minto fish camp. He flew about 200 hours before he was forced to get an official float

rating. He had trouble getting ratings and licenses, because he had little education. He struggled his whole life because he never learned how to read well, write or spell. He quit school after the sixth grade as he took on more seasonal work with the family.

Al started Wright's Air Service in 1950 which continued to grow in Interior Alaska. His focus was on maintaining high standards with maintenance and with his employees. He was the critical link for scheduled mail and charter flights to about 20 villages. Wright's Air today is a well-known charter operation in the Interior, supporting government surveys, seasonal camps, firefighting, land surveying and hunting expeditions. In 1983 Al sold his airline to long-time friend and pilot, Bob Burcell. Bob continues to run the airline with the same old time values, kindness and respect Al had for his people and villages.

HB 249

<TARGET><BILL>HB 249</BILL><SUBJECT>HB 249</SUBJECT><COMM>HTRA27</COMM></TARGET>

Alaska State Legislature

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Representative Alan Dick

House District 6

Sponsor Statement

HB 249: Koyukuk Station Veterans' Airport

The original village of Koyukuk, primarily all Koyukon Athabascan Indians, was established around 1867. It used to be called Koyukuk Station, because a military telegraph line was constructed along the North side of the Yukon, and Koyukuk became the site of the telegraph station. In naming the airport, the residents also wish to honor the many Native military veterans who have served their country.

Koyukuk is located on the Yukon River, 30 miles west of Galena and 290 air miles from Fairbanks. It is adjacent to the Koyukuk and Innoko River Refuges.

The Russian traders were a big influence in this area, opening a trading post around 1880. Roman Catholic Missionaries also had a major impact on the Athabascans. The first school was constructed in 1939, this resulted in the Koyukon people living in the village year around.

Up until then, the Koyukon Athabascans lived a subsistence lifestyle, moving among seasonal fish and game camps. They moved as the wild game migrated. Most of the people who settled here were from up the Koyukuk River, as far as the Dolbi River, which is close to Huslia. Even when people settled in Koyukuk they continued to travel up the Koyukuk to winter trapping camps and returned in the spring.

The Native name for Koyukuk is, Meneelghaadze T'oh. Meneelghaadze is the name of the mountain at Koyukuk. Madeline Solomon, now deceased Elder from Koyukuk, had said the mountain was named Meneelghaadze, because long ago, the Koyukon people used to go get clay at the mountain and mix with bird feathers to make clay pots. Eliza Jones an Elder from Koyukuk said that in Athabascan, "T'oh" would be

added on, meaning at the base of the mountain. Meneelghaadze T'oh means, "at the base of the Koyukuk Mountain."

Today Koyukuk people are still living a subsistence lifestyle. The main employment is the local government, clinic, school, store and any firefighting and construction seasonal jobs.

HB

255

<TARGET><BILL>HB 255</BILL><SUBJECT>HB 255</SUBJECT><COMM>HTRA27</COMM></TARGET>

ALASKA STATE LEGISLATURE

REPRESENTATIVE BILL THOMAS
REPRESENTATIVE LES GARA

To: Representative P. Wilson
From: Representative Bill Thomas
Representative Les Gara
Re: HB 255 Hearing Request
Date: January 17, 2012

Dear Representative Wilson:

We respectfully request a hearing on HB 255 in the House Transportation Committee. Accompanying this request are the required materials for the bill hearing.

Rose Foley, aide to Rep. Gara, is the contact person for this legislation. She can be reached at 465-2647.

Please contact either office if you need any additional information or have any questions.

Sincerely,

Representative Bill Thomas

Representative Les Gara

January-May: State Capitol • Juneau, AK 99801-1182 • (907) 465-2647 • Fax (907) 465-3518
June-December: 716 W. 4th Avenue • Anchorage, AK 99501• (907) 269-0106• Fax (907) 269-0109
Representative_Les_Gara@legis.state.ak.us

ALASKA STATE LEGISLATURE

REPRESENTATIVE LES GARA
REPRESENTATIVE BILL THOMAS

House Bill 255
Sponsor Statement

Alaska's Ban on Texting, and Other Typing and Reading Words on Video Screens.

In December of 2011 one court ruled that Alaska's current law, which bans looking at video screens and increases the criminal penalties for injuries when they are caused by that conduct, was not worded clearly. Other courts have indicated they may rule similarly. The ruling stated that the current law did not bar texting while driving a moving vehicle.

This bi-partisan legislation reestablishes what the 2008 Legislature intended – that typing or reading messages on a video screen is covered by Alaska law as criminal conduct. It is widely recognized that texting while driving a vehicle can kill or severely injure innocent people, as well as the driver. This bill is crafted to remain consistent with the existing legislation. It exempts certain emergency uses and mapping devices, and simply adds that the law passed in 2008 banning using video screens in a moving vehicle also includes a ban on typing or reading on a computer, cell phone, or other video or computer screen in a moving vehicle. The language is written so that similar activities on social media sites will be covered, and prohibited while people are driving a vehicle.

The bill recognizes that other legislators have filed legislation on a separate subject – talking on and dialing cell phones while driving. Alaska currently has no per se ban on that activity. This bill does not address that issue at all. It leaves the debate on that subject for the bills on that subject that have been filed. The bill is simply aimed at clarifying the law passed in 2008 so that activity such as texting or reading texts is banned.

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LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

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Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM January 17, 2012

SUBJECT: Sectional Analysis of HB 255 (Work Order No. 27-LS1165\I)

TO: Representative Les Gara
Attn: Rose Foley

FROM: Doug Gardner
Director

You have requested a sectional summary of HB 255. As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Section one of the bill amends the uncodified law of Alaska by adding a new section providing for a statement of purpose by the legislature regarding the bill. In essence, the statement of purpose reflects that while the legislature is of the opinion that AS 28.35.161 currently prohibits the use of a cellular telephone, computer, personal data assistant or any other similar means for texting or communicating while driving a motor vehicle, that the purpose of the bill is to further clarify that use of these types of devices in the manner currently provided by AS 28.35.161, is prohibited conduct.

Section 2. Section two of the bill adds the phrase "while texting, while communicating on a computer" to AS 28.35.162(a) to clarify that texting or communicating on a computer is included as prohibited conduct by the existing language of the bill." Section two of the bill also splits the offense into two prosecution theories of prohibited conduct. The first theory utilizes the existing language of the statute regarding the prohibited conduct of driving a motor vehicle while the vehicle has a television, video monitor, portable computer, or any other similar means capable of providing a visual display that is in full view of the driver in a normal driving position while the vehicle is in motion and the monitor or visual display is operating while the person is driving. The second prosecution theory added by the bill by adding a new subsection (a)(2) to AS 28.35.161, prohibits the conduct of driving a motor vehicle while the person is reading or typing a text message or other nonvoice communication on a cellular telephone, personal data assistant, computer or any other similar means capable of providing a visual display that is in view of the driver in a normal driving position while the vehicle is in motion and the person is driving.

Section 3. Section three amends the existing language of AS 28.35.161(b) to make the existing language of this subparagraph, which restricts installation of equipment set out in either AS 28.35.161(a)(1) or 28.38.161(a)(2), consistent with the additional language added by section two of the bill.

Section 4. This section of the bill replaces the existing use of the term "verbal" with "voice," to clarify that this bill continues, as AS 28.35.161 does at present, to allow the conduct of for example "voice" communication on a cellular telephone or other device, as distinguished from the existing prohibited conduct as clarified by section two of the bill, which includes texting, typing a text message or reading a text message, watching television etc., while driving.

DDG:plm
12-026.plm

ALASKA STATE LEGISLATURE

REPRESENTATIVE LES GARA
REPRESENTATIVE BILL THOMAS

House Bill 255
Expected Witnesses

- Representative from the District Attorney's Office
- Individuals yet to be identified. A full list of expected witnesses will be provided prior to the first hearing.

January-May: State Capitol • Juneau, AK 99801-1182 • (907) 465-2647 • Fax (907) 465-3518
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Kenai Judge Throws Out Texting-While-Driving Case

December 22, 2011 | By Matthew Simon | Channel 2 News

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KENAI, Alaska — A Kenai judge says the 2008 law intended to make texting-while-driving illegal is not enforceable.

The state's screen device law does not include the word "text." Lawmakers say by not mentioning texting in the part of the bill allowing people to talk on phones means it is an implied illegal action.

However, on Dec. 1 Magistrate Jennifer Wells cited the lack of the word texting as the specific reason for tossing out the case against a man charged with texting-while-driving.

"Whether the 25th Legislature did, indeed, intend the statute to prohibit texting, or whether the statute has gotten the reputation because legislators and law enforcement wish this were true, is perhaps irrelevant," Wells writes. "From the court's perspective, because A.S. 28.35.161 creates misdemeanor and felony penalties, it is particularly important that the statute be clear."

"And we all thought that included texting," says Rep. Les Gara, D-Anchorage. "We intended for that to include texting."

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If a state appeal of Wells ruling fails, Gara plans on making a proposal.

"Probably the smartest thing to do is, and the quickest way to fix this for the legislature, is find a criminal bill that's about to pass. Add an amendment to it that clarifies that we meant for texting to be illegal while you're driving."

The amendment, Gara says, would have language specifying all typing while driving is illegal.

For Rep. Mike Doogan, D-Anchorage, that is not good enough.

"All of the evidence we have is letting people talk on the cell phone while driving is a bad idea, Doogan says.

Like the National Transportation Safety Board, Doogan wants an all out ban on drivers using cell phones. His bill, and others like it, have stalled in Juneau.

"The first time there is a four car pileup that kills a bunch of people, that bill's going to pass," Doogan says. "But do I think it's going to pass before that, not really."

Gara says he is just trying to remove politics from the process by focusing on what lawmakers intended to originally accomplish.

"We should not allow people to text while they're driving," Gara says. "That leads to death. That leads to serious injury."

Anchorage Police Spokesperson Marleen Lammers says the department has only issued 10 screen violation tickets for this year.

Department of Law lawyers disagree with the Kenai judge. According to Gara their lawyers say they still intend to continue prosecuting cases, and most state courts will continue to hear them.

House Finance Co-Chair Bill Stolze, R-Chugiak, was one of the few lawmakers who voted against this law back in 2008.

"I voted that way because the law failed to keep up with changing technology," Stolze says. "I don't know if his (Gara) proposal is well thought out because we haven't been effective at trying to define technology."

House Speaker Mike Chenault, R-Nikiski, agrees with Gara, saying the law was intended to stop texting-while-driving and should be revised if there is any lingering confusion.

"I can see that happening, if there's a question in the law," Chenault says. "Rep. Gara's solution would work."

However, when it comes to other cell phone bills stalling in the legislature, Chenault says there are already existing laws protecting drivers.

"We don't need a law outlawing all cell phone use," Chenault says.

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Opinion

Tuesday, Jan. 10, 2012

It's time to explicitly ban texting while driving in Alaska

By **Charles Ward**

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A rather quirky decision by a Kenai judge last month created some wiggle room for those of us (yes, us, because I've done it too) who stupidly choose to text, email or Facebook while behind the wheel.

Fortunately, one of the first bills prefiled for consideration in the 2012 legislative session aims to tighten up any ambiguity in a law that certainly seemed on the surface to bar all kinds of silly behind-the-wheel activities, including texting.

Currently, Alaska state law prohibits driving if "the vehicle has a television, video monitor, portable computer, or any other similar means capable of providing a visual display that is in full view of a driver in a normal driving position while the vehicle is in motion; and ... the monitor or visual display is operating while the person is driving." While the law does have exemptions — 11 in fact — for screens that provide information like the car's status, GPS information and people making voice calls, texting is not given an express exemption. For most folks, texting without looking at a screen is all but impossible. Siri and other voice recognition software might change that, and perhaps there are some touch typists for tiny keyboards, but those special cases are 1) unusual and 2) don't violate the intent of the law, which is to keep drivers' eyes on the road, not on an electronic device.

Nevertheless, Magistrate Jennifer Wells ruled the law as written wasn't enough to explicitly ban texting while driving, the Associated Press reported on Dec. 25, 2011. Usually, the terms "activist judge" and "legislating from the bench" are code for "the judge ruled against my side," but here, it seems Wells is reading vagueness into the law that just isn't there. The AP reported she believed the law was vague because California wrote two separate laws, one covering distracting screens and the other banning texting. Why Wells decided to be persuaded by California's solution to a

problem Alaska's legislators answered for their own state is for her to answer. But it strikes of reaching for a different solution to a problem the Alaska Legislature had already figured out. Simply put, anyone who looks at a screen to text should have run afoul of Alaska's statute, and been subject to a citation if caught.

Regardless of whether the ambiguity is real or imagined, hopefully it will no longer exist come the Legislature's adjournment in April (May? June?). Reps. Les Gara and Bill Thomas have introduced House Bill 255, which explicitly bans texting while driving. Hopefully, it winds its way through the Legislature this term and onto Gov. Sean Parnell's desk for his signature, because texting while driving is a practice I and every other driver needs to end. It creates a great danger — not only to ourselves, but others on the road.

Distracted driving is a contributing factor in half, or 3 million, of the traffic accidents in the U.S. in a given year, according to AAA. Car and Driver magazine conducted a June 2009 test that suggested texting while driving (even just reading the texts) can be more dangerous than drunken driving. There's simply no way to keep both eyes on the road when typing on a tiny keyboard or reading a screen, and the practice needs to not just stop, but be stopped by law enforcement because of the danger created to everyone on the road, not just the texter/driver.

Many driving laws are tradeoffs between safety and convenience, otherwise we'd be required to drive 10-ton roll cages at 5 mph down Egan Drive after a daily inspection by a state trooper. At one extreme, the National Transportation Safety Board recently called for the outright ban of all cell phone usage while driving — talking, texting, hands-free, the works. A complete ban would be overkill and would face incredibly tough sledding in state legislatures. But a ban on texting while driving would get rid of one of the worst road distractions out there, while still leaving the convenience of mobile communication as an option. Texting while driving has been banned once in Alaska, but if it takes different wording in a new law to make the prohibition stick, it's worth the Legislature's time. Let's hope we see quick action on the Gara/Thompson bill this term.

• Charles Ward is Deputy Managing Editor of the Juneau Empire. His views do not necessarily reflect the views of its editorial board.

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Texting while driving: Legislature should clear up ambiguous law

12.27.11 - 11:50 pm
Editorial

Texting while driving is foolish.

It's dangerous.

It shows willful disregard for the safety of others.

Alaska's legislators and Gov. Sean Parnell apparently agreed on all of that when they approved a bill in 2008 outlawing texting while driving. At least, that's what they thought they were doing.

It turns out the law, according to a couple of judges, doesn't actually use the words "texting while driving." That led a Kenai judge to dismiss a case brought against a 21-year-old driver who had been charged under the law. And a judge in Fairbanks has advised magistrates to not accept cases brought under the law because of some ambiguity.

No one can possibly argue that texting while driving should be a permissible practice.

The fastest way to clear this up is for the Legislature to quickly approve clear language during its next session, which opens in January. The state is appealing the decision of the Kenai judge, but the judicial process can consume quite a bit of time before an issue is resolved. The Legislature can act quicker.

And it should.

The U.S. Centers for Disease Control and Prevention found in a 2010 study that 9 percent of U.S. drivers reported they "regularly" or "fairly often" text or email while driving. The agency also noted "Texting while driving is especially dangerous because it combines visual, manual and cognitive distractions."

The Legislature has already had the debate on this topic. There's no need to rehash the issue.

What is needed is a quick fix and some clear language so we can reduce the prevalence of texting while driving.

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Anchorage Daily News

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Police say driver in fatal accident was texting

By KYLE HOPKINS
(12/09/11 19:37:30)

The 19-year-old charged in a fatal Anchorage hit-and-run had been texting on her iPhone when her car struck and killed a village man on Easter Sunday, police say.

"OMG OMG OMG," Ashley Nichole Bashore texted to a friend shortly after the crash that knocked pedestrian Hubert Tunuchuk, 28, out of his shoes and into the intersection, according to paperwork filed Thursday by state prosecutors.

Instead of stopping or calling 911, prosecutors say, Bashore drove to a friend's house where she said her SUV had "hit a mangy Rottweiler without a collar."

Arrested Wednesday night following a months-long investigation, Bashore pleaded not guilty Thursday to three felonies: Criminally negligent homicide, leaving the scene of an accident and tampering with evidence.

The tampering charge stems from Bashore's attempt to delete text messages sent in the days after the April 24 collision, prosecutors say.

Bashore entered the courtroom in tears, attempting to hide her face with shackled hands. A bailiff warned a distraught woman in the gallery to stop trying to communicate with Bashore, who sat sobbing at the end of a line of prisoners. She pulled her prison shirt to her face, her fingernails painted a soft green.

Several of Tunuchuk's family members watched from the back of the room.

"Everybody's affected by what happened. Her family. My family. Everyone involved," said his aunt, Esther Stauffer. "I just feel so sorry for her. She's so young. If she had made the right choice when that happened, then perhaps we wouldn't be here today."

Esther's husband, Geoffrey, said he feels sorry for the 19-year-old too. But he's also angry.

"I feel like maybe she's just scared for herself. She tried to hide this and we lived the last six months not knowing if they were ever going to be able to charge the person," Geoffrey Stauffer said.

The village of Chefornak, a Yup'ik community of about 400 people in Western Alaska, sent Tunuchuk to the state vocational-technical school in Seward to study power plant operations. He was in Anchorage on April 24 with friends to celebrate Easter and planned to stay at the Stauffers' house, the couple said.

Early Sunday morning, Tunuchuk was intoxicated and walking behind two friends westbound on the Tudor Road overpass above the Seward Highway, according to a document filed by prosecutors. Had he been driving, his blood-alcohol level would have been above the legal limit, said traffic

investigator Michael Busey.

Tunuchuk was in the roadway, near the narrow sidewalk curb of the overpass, according to prosecutors. A Hyundai Sante Fe driven by Bashore approached heading eastbound, prosecutors say.

As Bashore came across the overpass, the front of the SUV struck Tunuchuk on the passenger side, prosecutors say. Tunuchuk was thrown into the intersection where the Seward Highway off-ramp meets Tudor. Busey could not say how far he traveled. At some point before or after the collision, the Sante Fe drove up onto the curb, the investigator said.

Someone called 911 at about 3:15 a.m. to report the incident, police said at the time.

Tunuchuk survived for about three hours, according to police.

"We thought at first he was going to make it. ... Unfortunately he just lost too much blood," said Geoffrey Stauffer, who along with his wife placed a cross at the scene of the crash. It's still there.

Police say Bashore fled the scene, driving to a friend's house and telling the story of hitting a dog. She smelled of marijuana following the accident, according to the police investigation. But Busey said there's no way to determine whether she was high the night of the collision.

Police had few leads at first, prosecutors said, but a piece of trim from the Sante Fe and a Crimestoppers tip soon led police to the vehicle. While Bashore is not the registered owner of the SUV, she drove it on a regular basis, Busey said.

Police seized Bashore's iPhone, finding that all texts sent before April 26, two days after the collision, had been deleted, according to prosecutors and police. A review of her phone records revealed Bashore was "likely texting immediately before or at the time of the collision," according to paperwork filed by prosecutors.

Bashore eventually told a friend that she had hit a person and did so because she was texting, according to the prosecutor's memo.

A profile for Bashore appears on exploretalent.com, a website where hopeful performers post resumes and photos. She wants to be a model and once appeared in a horror movie filmed in the Butte, the profile says. "I enjoy swimming, biking, instant messaging and texting with friends," the profile says.

An Anchorage grand jury handed up the three-count indictment of Bashore on Wednesday -- more than seven months after the hit-and-run. Busey and another traffic investigator arrested Bashore on Wednesday night at her home in West Anchorage, a police spokesman said.

Efforts to establish details of the crash, along with DNA testing, the phone seizure and review by prosecutors all contributed to the length of the investigation, Busey said.

"Putting it all together just takes time, unfortunately," he said.

Before her arrest in the hit-and-run, Bashore had no criminal record as an adult. Three months after the collision that killed Tunuchuk, she was ticketed for speeding more than 20 mph over the speed limit, court records show.

Tunuchuk was about two weeks from graduating from the power plant operations training, his aunt said. He had planned to spend a couple of months fishing in Bristol Bay before returning to the

village, she said.

Bashore's bail was set at $2,500 cash with a court-ordered third-party custodian required for release, a police spokesman said. Bashore is also forbidden from driving while on bail, he said.

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KTVA CBS 11 News Anchorage, AK

Print this article

Fairbanks Head-on Crash is Attributed to Drunken Texting

Originally printed at http://www.ktva.com/news/local/Fairbanks-Head-on-Crash-is-Attributed-to-Drunken-Texting--114660904.html

By Fairbanks Daily News-Miner
January 26, 2011

FAIRBANKS - An early morning head-on collision on Phillips Field Road is being blamed on an untimely text message by a suspected drunken driver.

Roger Dean Ostbloom, 40, was reportedly sending a text message from his phone on Sunday while driving his Ford F-150 pickup westbound and drifted into the oncoming lane of traffic. Ostbloom looked up and realized he was about to collide with a Chevy Avalanche.

Fairbanks Police arrived at 12:29 a.m. to find both vehicles with severe front-end damage.

Adam Strom, the driver of the Avalanche, suffered a broken femur in the accident and was taken to Fairbanks Memorial Hospital for surgery.

Ostbloom told police he was texting and saw the oncoming vehicle immediately before impact. Strom said he slowed in an attempt to avoid a collision.

Ostbloom, who was not hospitalized, also smelled of alcohol and had watery eyes and slurred speech, according to charging documents. A chemical test showed he had a breath-alcohol content of 0.097, slightly more than the legal limit of 0.08.

He was charged with driving a motor vehicle with a screen device operating, a law that makes texting while driving illegal. He was also charged with felony second-degree assault and driving under the influence of alcohol.

It's been illegal to text while driving in Alaska since 2008, but texting arrests remain uncommon in Alaska. Two local people were arrested for the offense last year, but neither was involved in an accident.

Cindy Cashen, administrator for the Alaska Highway Safety Office, said studies show texting while driving is a particularly risky form of "distracted driving." Authorities, however, are rarely in a position to blame texting as the primary cause of an accident.

"Unfortunately, the data doesn't show it's a very serious problem, but that's because it's very difficult to enforce," Cashen said.

Contact staff writer Jeff Richardson at 459-7518.

dailynews.com

nation and world

Many drivers admit to behavior they say is dangerous

By Ashley Halsey III
The Washington Post

Posted: 01/06/2012 12:00:00 AM PST

WASHINGTON — American drivers once again have identified their enemy as themselves.

When quizzed in an annual survey, they have admitted they often are guilty of the very behaviors they view as a menace on the road.

Almost everyone said that drunken driving was unacceptable, and three-quarters described drunken drivers as a serious threat. Yet 14 percent of them said that within the year, they had driven with an alcohol level probably near or above the legal limit, AAA's Foundation for Traffic Safety reported.

The June survey of 3,147 people used online technology said to create a representative cross-section of the U.S. population. People were asked about their driving habits in the month, or year, preceding that.

Cellphone use and sending text messages were dangerous, 94 percent said, but more than a third said they had read texts or e-mails while driving. A quarter of them also said they had sent messages. Two-thirds said they had talked on their cellphones, and a third said they do so regularly.

"This 'Do as I say, not as I do' attitude that persists among drivers needs to change before we can experience a traffic-safety culture where safe driving is the norm," Peter Kissinger, head of the foundation, said in a statement.

The foundation said that 74 percent of drivers felt it was unacceptable to go more than 15 mph above the speed limit on a freeway, but more than half admitted they had done that.

Although

94 percent said the same excessive speeding was unacceptable on a residential street, a quarter of them admitted they had gone more than 15 mph above the limit.

Nearly all drivers said that when a traffic light turns red, people should stop if they can do so safely, but 37 percent said they had run a red light.

Falling asleep behind the wheel was identified as a serious problem by 96 percent of drivers, but a third of drivers said they had nodded off at least once.

The safety value of a seat belt has been long established, and 86 percent of drivers agreed they should be used, but almost a quarter of drivers said they had not used one at least once in the month before they were surveyed. Nineteen percent said they had failed to do so more than once.

Recent federal data showed that 32,885 people

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were killed in vehicle crashes in 2010, the lowest number in 60 years. The drop has been attributed to better safety features in vehicles: seat-belt improvements, safer air bags, better vehicle stabilization, advancements in highway design, and high-profile campaigns against drunken and distracted driving.

"We are moving in the right direction when it comes to safety on our roads, but we need to do much more," Kissinger said. "Changing driver behaviors is not rocket science. It's harder."

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1/23/12

Cindy Cashen

National Highway Traffic Safety Administration (NHTSA) Policy Statement

The primary responsibility of the driver is to operate a motor vehicle safely. The task of driving requires full attention and focus. Drivers should resist engaging in any activity that takes their eyes and attention off of the road for more than a couple of seconds. In some circumstances even a second or two can make all the difference in a driver being able to avoid a crash.

Of special concern is the use of electronic entertainment and communication devices, especially cell phones. The relative risks of the various tasks drivers engage in are still being assessed, but in general the safest course of action is to refrain from using a cell phone while driving, which includes talking, dialing, and **texting.** NHTSA recommends that States prohibit novice drivers from using electronic communication devices (including cell phones) during the learners and intermediate stages of a three-stage graduated driver license (GDL) program.

Cell phone use compared to other tasks

Most crashes involve a relatively unique set of circumstances that make precise calculations of risk for engaging in different behaviors very difficult. Thus, the available research does not provide a definitive answer as to which behavior is riskier. Different studies and analyses have arrived at different relative risk estimates for different tasks. However, they all show elevated risk (or poorer driving performance) when the driver is distracted. It is also important to keep in mind that some activities are carried out more frequently and for longer periods of time and may result in greater risk.

The main offenders

Every driver has from time-to-time had their attention drawn away from the driving task. The choice to engage in non-driving tasks is usually under the individual's control and some people do so more frequently. The younger, inexperienced drivers under 20 years old have the highest proportion of distraction-related fatal crashes. They are not alone. At any have the highest proportion of distraction-related fatal crashes. They are not alone. At any given moment during the daylight hours, over 800,000 vehicles are being driven by someone using a hand-held cell phone. People of all ages are using a variety of hand-held devices, such as cell phones, mp3 players, personal digital assistants, and navigation devices, when they are behind the wheel.

Emergency use

As a general rule, drivers should make every effort to move to a safe place off of the road before using a cell phone. However, in emergency situations a driver must use their judgment regarding the urgency of the situation and the necessity to use a cell phone while driving.

Some research findings show both activities to be equally risky, while others show cell phone use to be more risky. A significant difference between the two is the fact that a passenger can monitor

the driving situation along with the driver and pause for, or alert the driver to, potential hazards, whereas a person on the other end of the phone line is unaware of the roadway situation.

Federal laws

Generally, distraction laws fall under the jurisdiction of individual States. However, President Obama has issued an executive order prohibiting federal employees from texting while driving on government business or with government equipment. In addition, contractors conducting government business are prohibited from texting while conducting business on behalf of the government

In addition, in January 2010, the Federal Motor Carrier Safety Administration enacted an interim ban that prohibits commercial vehicle drivers from texting while behind the wheel. In March 2010, a proposed rule was announced that would make that ban stronger and more durable.

Although not a law, DOT recently launched a national campaign to encourage the public to get involved in ending distracted driving. "Put It Down" focuses on the key messages that drivers can't do two things at once, everyone has a personal responsibility to pay attention while behind the wheel, and the implementation of legislation and high visibility enforcement will lead to increased consequences for distracted driving.

According to the Governor's Highway Safety Association (GHSA), drivers visibly manipulating electronic devices (such as for texting) at any given moment has more than doubled from .04% to 1%" (Curbing Distracted Driving: 2010 Survey of State Safety Programs, 2010).

State Laws

Text messaging is banned for all drivers in 35 states and the District of Columbia. In addition, novice drivers are banned from texting in 7 states (Alabama, Mississippi, Missouri, New Mexico, Oklahoma, Texas, and West Virginia) and school bus drivers are banned from text messaging in 3 states (Mississippi, Oklahoma, and Texas).

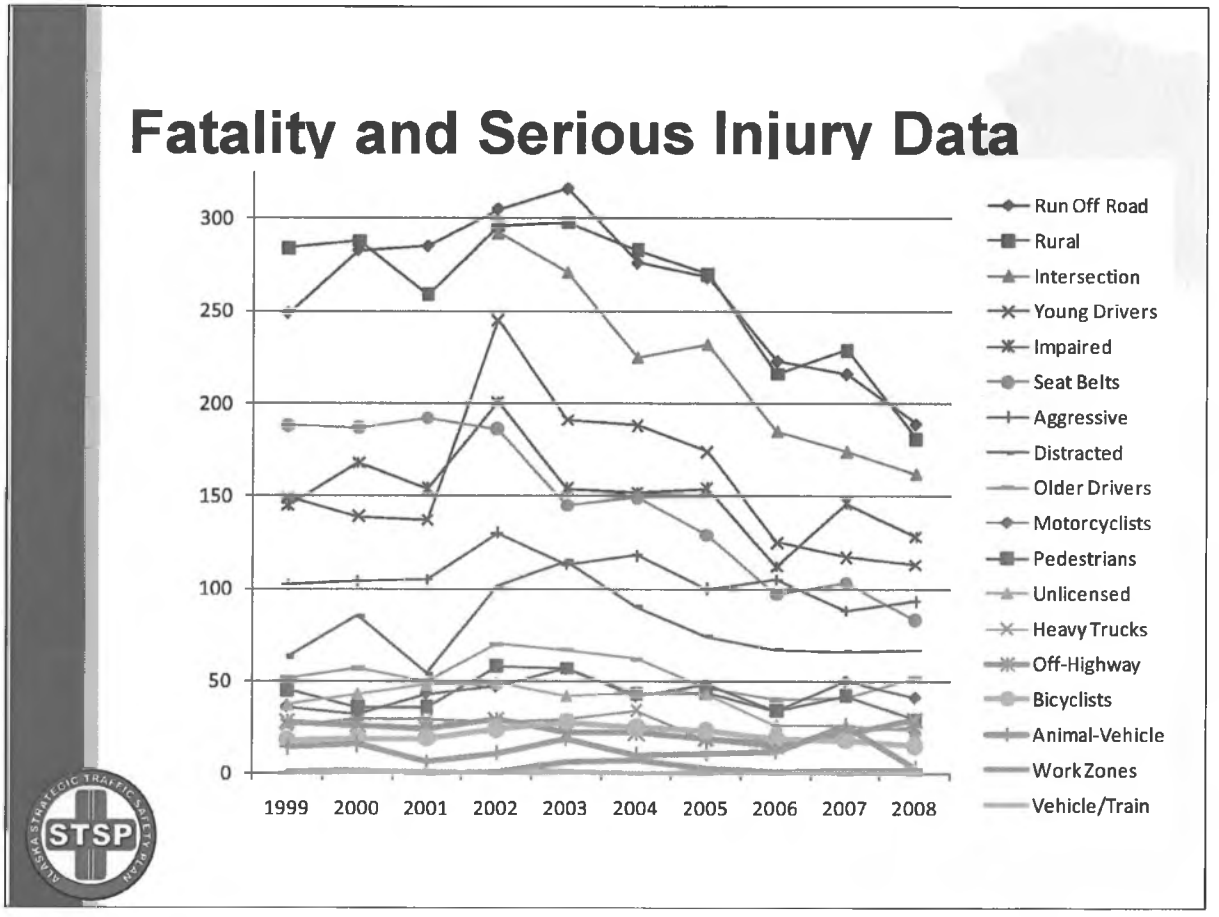
Alaska Statistics (Highway Analysis System)

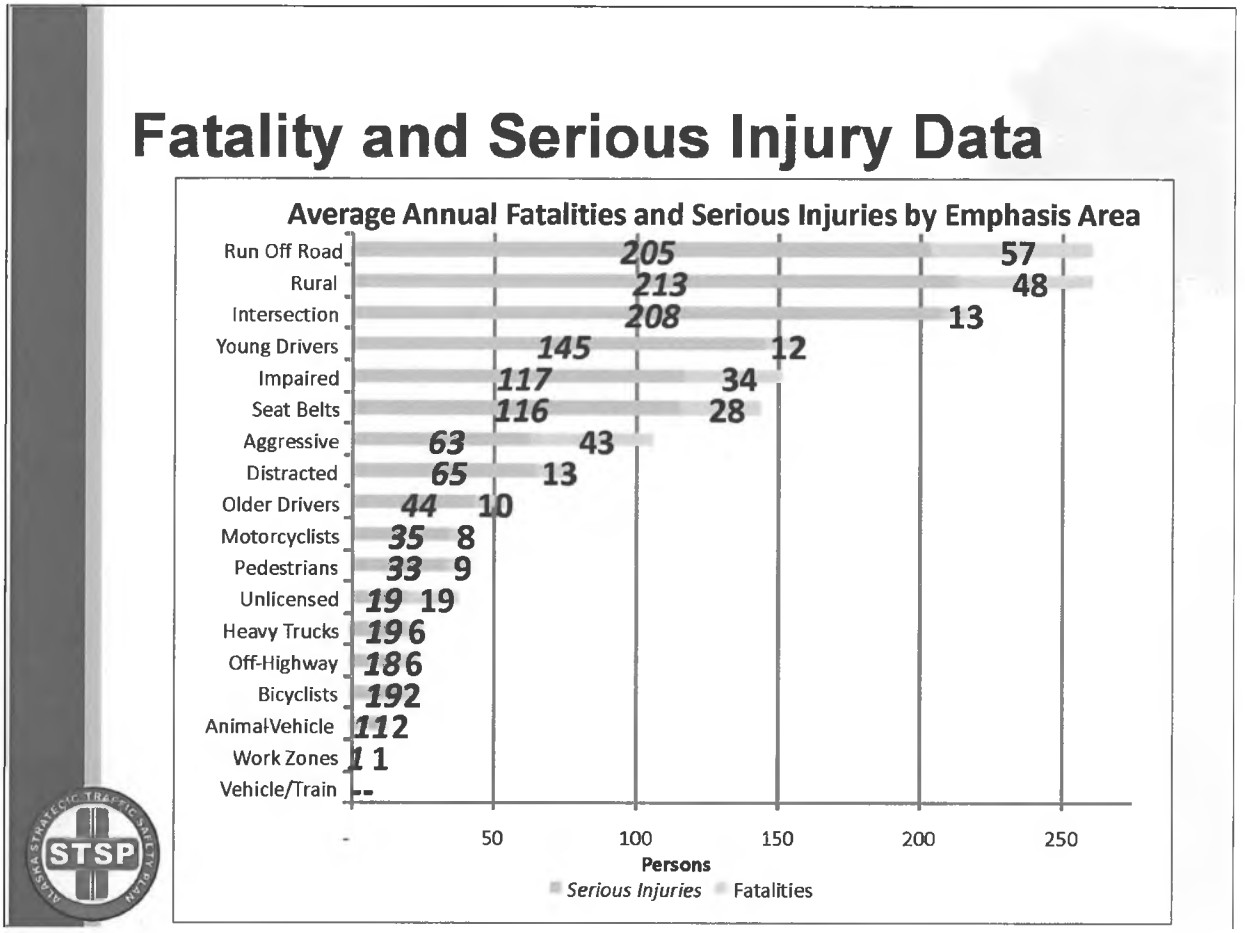
- From 2002-2009 there were a total of 89,770 motor vehicle crashes in Alaska, of which **442 motor vehicle crashes** involved cell phone use.
- Of the 442 cell phone involved crashes, 245 crashes resulted in property damage only, 175 crashes resulted in minor injuries, 20 crashes resulted in major injuries, and 2 crashes were fatal.
- From 2002-2009 there were **282 non-fatal injuries** in traffic crashes involving cell phone use.

National Statistics (NHTSA)

- Driver distraction was reported to have been involved in 16 percent of all *fatal crashes* in 2008 according to data from the Fatality Analysis Reporting System (FARS).
- An estimated 21 percent of *injury* crashes were reported to have involved distracted driving, according to data from the General Estimates System (GES).
- The portion of drivers reportedly distracted at the time of the fatal crash increased from 8 percent in 2004 to 11 percent in 2008.

The following charts are from the 2011 Alaska Strategic Traffic Safety Plan draft:





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HB 258

<TARGET><BILL>HB 258</BILL><SUBJECT>HB 258</SUBJECT><COMM>HTRA27</COMM></TARGET>

Representative Reggie Joule
Alaska State Legislature District 40

HB 258 Use of Naturally Occurring Asbestos

CSHB(TRANS) v.E Sectional Analysis

Section	Statute	Change	Purpose or Effect
1	Uncodified Law	Add new section	Legislative Findings and Purpose
2	AS 09.65	Add new section AS 09.65.245	**Liability Immunity** Creates immunity on civil action or claims for civil damages based alleged asbestos related death, injury, illness or disability in specific circumstances certain persons and the State Liability Immunity is provided to persons owning, exacting, supplying, transporting or using gravel or aggregate material containing NOA if the following apply: 1) Gravel or aggregate material contains 0.25 % by mass or less of NOA. 2) The use of gravel was in compliance with Department's SOP If not in compliance, lawsuits can only be brought against those that have direct control or responsibility for the compliance requirements A lawsuit cannot be brought against the State for the approval of plan
3	AS 18.31	Add New section AS 18.31.250	**The use of NOA material in private construction projects** The use of NOA material must: 1) Be tested using bulk test method prescribed by Department of Transportation and Public Facilities 2) Contain more than 0 (zero) equal or less than 0.25 by mass 3) In order for a private contractor to use NOA and the project is not state project the principal contractor/person of legal authority for the project must: a. Prepare and submit specific plans demonstrating compliance with DOT&PF SOP b. Approval by DOT&PF must be granted before the extraction

			and use of gravel in project can begin for project
4	44.42	Add new section AS 44.42.400	**Use of Materials - Administration** The Department of Transportation shall designate one employee in the Commissioner's Office to oversee the duties in AS 44.42.400 – 44.42.430 and be the point of contact for all projects using NOA gravel. The individual shall: 1) Maintain a database of state known sites containing NOA 2) Known sites free from NOA gravel within reasonable proximity to known NOA gravel sites 3) Sites a NOA free gravel with 25 miles of a community that has a proposedsed project 4) A list of community with NOA gravel occurances 5) Annually transmit and publish to the commissioner and Department website all current projects for which a plan has been submitted for using NOA gravel. 6) A list of all known projects intended to be undertaken by the state and municipalities in the next 5 years that intends to use NOA gravel a. The list will contain suggestions for potential locations to stockpile NOA free gravel for future use in future projects and estimated costs 7) Annually provide a report on all monitoring and mitigation results from project's contractors, DOTP&F, DEC, DHSS, DLWF for projects with active plans
	44.42	Add new section AS 44.42.410	**Use of Materials – Site Specific Use** A contractor that intends to use identified and tested NOA gravel shall submit a site specific plan to DOT&PF to include the following: 1) Describe the manner in the contractor's plan conforms to the standards adopted by DOT&PF 2) Demonstrate how the contractor's plan of construction and maintenance practices comply with AS 44.42.420 (b)(5) and meets all laws applicable for handling NOA gravel

			3) Outlines the long term maintenance on the completed project and dedicated responsibility of ensuring human health and air quality are not compromised by the use of NOA gravel 4) Describe how NOA gravel will used and contained underneath or buried under the project so asbestos fibers cannot become airborne or transferred outside the project area 5) If requirements in complying with previous subsection (4) are economically unreasonable, plan will describe how the NOA gravel will be used and sealed from the surface including chip sealed or mixed with asphalt to prevent fibers from become airborne or transferred outside the project area 6) If requirements in complying with previous subsections (4) and (5) are economically unreasonable, plan will describe how the NOA gravel will be used to prevent fibers from become airborne or transferred outside the project area DOTP&F in its operating procedures applicable to a project that is defined by AS 35.95.100 and intends to use NOA gravel shall: 1) The contractor responsible for the project prepare and submit a plan conforms to the standards and requirements adopted by DOT&PF developed under AS 44.42.420 2) The plan must be approved before extraction of NOA gravel The use of NOA gravel is only approved through a submit construction plan when it is determined that it is economically unreasonable to use NOA free gravel After the contractor has submited the site specific plan to DOT&PF and the plan has been approved through regulations and standards adopted by DOT&PF with consultation from DEC, DHSS, and DLWF DOTP&F will

			return a monitoring and mitigation plan with the site specific plan to the contractor. To qualify for the immunity provided in AS 09.65.245 the party that has direct control or responsibility for the project will have comply with mitigation and monitoring plan developed by DOTP&F. On approval of the site specific plan DOT&PF will do the following: 1) Return a copy of the plan to the contractor including; a. The monitoring and mitigation plan under AS 44.42.410 (d) b. Recommend methods for reducing exposure to airborne fibers c. Copies of the US OSHA Mine Safety and Health Administration & EPA recommended practices for handling and use of gravel material containing NOA 2) A of the construction plan to the mayor of manager of municipality affected by the use of NOA The contractor shall submit to the department the results of any testing performed in accordance with the site specific plan and any mitigation measures undertaken
	44.42	Add new section AS 44.42.420	**<u>Regulations</u>** DOTP&F will consult with DEC, DHSS, DLWF to develop, implement, and revise statewide standards to regulate the use of NOA gravel in transportation projects and public facilities as long as the NAO gravel is .025 or less. 1) The standards adopted must include the follow procedures: a. Completing site investigations and characterizations of proposed projects including development descriptions and appropriate laboratory practices b. Review designs alternatives , preparing and evaluating

			comparative costs analyses for using NOA free gravel c. Evaluating human health concerns and documentation of methods, means and practices of handling NOA gravel to ensure workplace safety and air compliance d. Prepare designs and specifications for facilities involving NOA gravel e. Outlining construction operation and maintenance practices to meet legal requirements for usage of NOA gravel
	44.42	Add new section AS 44.42.430	**Definitions** "Asbestos" "Contractor"
5	Uncodified Law	Add new section	**Interim Project Authorization** Authorizes certain projects to move forward on projects with a site specific plan approved by interim standards established by DOT&PF with consultation from DEC, DHSS, DLWF Interim Project Authorization ends December 31, 2012
6	Uncodified Law	Add new section	**Interim Standards for Bulk Testing** Until DOTP&F adopts and prescribes a method of testing the department shall use California Air Resources Board Method 435
7	AS 01.10.70	Effective Date	**Immediately**

Representative Reggie Joule

Alaska State Legislature District 40

Ambler Major Construction Projects Delayed/On Hold due to Naturally Occurring Asbestos

1. **Airport Extension ***
2. **Replace Grizzly Bridge ***
3. **Solid Waste Site ***
4. Riverbank Erosion in of front of town
    a. Impacting power lines AVEC/OTZ
5. North and South Loop Replacements
6. Existing Roads maintenance
7. School playground
8. Future home sites

(*)Reflects Legislative Priority for Ambler

AIP Project Schedule
2011-2013
FAA Airports Division, Alaskan Region
(Last saved: August 15, 2011)

http://www.faa.gov/airports/alaskan/aip/media/aip_project_list.pdf

STATE OF ALASKA - NORTHERN REGION

AMBLER AFM

Project: Extend primary and crosswind runways, clear runway visibility zone, expand runway safety areas, construct new apron, construct new SREB, and relocate airport access road. Project delayed until a suitable material source can be found that does not contain asbestos.

Construction Start: 2014

Likely Completion Date: 2015

Sponsor/POC: AKDOT Ryan Anderson 451-5129

Airports POC: Matt Freeman, 271-5455

ATO POC: Ed Vey, 271-3056

FAA Flight Procedures POC: Kyle Christiansen, 271-5187

NAS Impacts: Existing VASI's.

AVN Impacts: Update all IAP's. Need new runway data by end of 2006.

Alaska State Legislature

Representative Peggy Wilson
House District 2
Putting Alaska's Families First

FAX TRANSMITTAL SHEET

TO: LegLegal — Attn: Emily FAX# 2029

DATE: 3-1-12 FROM: Becky Rooney

SUBJECT: CS HB 358 ver X

Total Pages (including cover sheet) 4

Here are the conceptual amendments as discussed. I look forward to seeing the draft.

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June-Dec, Wrangell: PO Box 109 • Wrangell, AK 99929 • *ph:* (907) 874-3088 • *fax:* (907) 874-3055
Rep.Peggy.Wilson@legis.state.ak.us • http://www.akrepublicans.org/wilson/ • 1-800-686-3824

Conceptual Amendment 3 By Gruenberg

Page 9, line 19 after "recorded."

Add " The contractor shall submit to the department the results of any monitoring or testing performed in accordance with the site-specific use plan and ~~nay~~ any mitigation measures undertaken."

Conceptual Amendment 2 Passed

By: Gruenberg

Page 8, line 15 after "location." Passed

Insert " A plan for construction with gravel or other aggregate material determined to have a content ~~of more than zero~~ greater than or ~~and less than or~~ equal to 0.25 percent of naturally occurring asbestos by mass may not be approved unless the department determines that it is economically unreasonable to undertake the construction project with gravel or other aggregate material free from naturally occurring asbestos."

"economically unreasonable?"

check w/ bill drafters to make this amendment positive instead of a dbl negative.

asbestos by mass may be approved

leg intent pg2

Conceptual Amendment 1

By Gruenberg

Page 3, line 20, following "defendants."

Delete "(a) A civil action or claim for damages or costs alleging an asbestos-related death, injury, illness or disability or alleging asbestos-related property damage or any other asbestos-related damages may not be brought against a defendant, including the state,"

Insert "(a) A civil action or claim for damages or costs alleging a death, injury, illness, disability, property damage, or any other damages resulting from the use of gravel or other aggregate material that contains naturally occurring asbestos may not be brought against a defendant, including contractors meeting the requirements of the program or the state,"

Representative Reggie Joule
Alaska State Legislature District 40

Changes between Version E and Version X

1) **Pg 3 lines 13-16**
   a. This is legislative intent to both clarify the program is voluntary and provides immunity only for projects that comply with a site specific plan
2) **Pg 3 line 27, pg 4 line 29,**
   a. Establishes the NOA as .25 and above
   b. All Gravel containing .24 or less is considered "non-occurring asbestos" gravel or "clean" gravel
3) **Pg 4 line 1**
   a. Connects the immunity liability to 3rd party construction projects and site specific plans
4) **Pg 4 line 19-20, pg 10 line 23-24**
   a. Adds the definition of Natural Occurring Asbestos
5) **Pg 5 line 10-14**
   a. Establishes the connection and need for 3rd party contractor to maintain the monitoring and mitigation plan if required to preserve immunity
6) **Pg 6 line 5-6**
   a. The database will require the list of projects completed using NOA materials and the data collected and turned in to DOT after project completion
7) **Pg 6 line 27-28**
   a. Department of Law recommendation to connect the liability provisions to the site specific plan for 3rd party projects
8) **Pg 7 line 27 – 29**
   a. Department of Law recommendation to connect the liability provisions to the site specific plan for DOTP&F
9) **Pg 8 line 13 – 15**
   a. Requires DOT&PF to start the process once they receive the plan
10) **Pg 8 line 22-24**
   a. Connects the liability provisions to the site specific plan for DOTP&F
11) **Pg 8 line 30 – 31**
   a. Requires that all data collected by contractor be submitted to DOTP&F for 3rd party projects
12) **Pg 9 line 11 – 19**
   a. Requires contractors to provide documentations and record on the title of property the use of NOA gravel use

27-LS0400\E
Nauman
2/19/12

CS FOR HOUSE BILL NO. 258( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVE JOULE

A BILL

FOR AN ACT ENTITLED

"An Act directing the Department of Transportation and Public Facilities to develop and implement standards and operating procedures, evaluate site-specific use plans, develop and maintain an information database that includes locations of gravel or other aggregate material that contains naturally occurring asbestos, gravel or other aggregate material free from naturally occurring asbestos, and suggests locations to stockpile gravel or other aggregate material free from naturally occurring asbestos, and transmit reports related to the use in the construction and maintenance of transportation projects and public facilities and in the construction of projects by public and private entities of gravel or aggregate materials that contain a limited amount of naturally occurring asbestos, and authorizing use on an interim basis of those materials for certain transportation projects and public facilities; relating to certain claims arising out of or in connection with the use of gravel or aggregate materials containing a limited amount

of naturally occurring asbestos; and providing for an effective date."

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

*** Section 1.** The uncodified law of the State of Alaska is amended by adding a new section to read:

LEGISLATIVE FINDINGS AND PURPOSE. (a) The legislature finds that

(1) gravel or similar aggregate material is constantly in demand for major construction and maintenance of state and local transportation projects and public facilities and for all types of construction by public and private entities;

(2) naturally occurring asbestos may be found in sources of gravel and similar aggregate material throughout the state;

(3) while airborne asbestos fibers are a significant threat to workplace safety and public health and are subject to close regulation by federal and state authorities under 42 U.S.C. 7401 - 7671q (Clean Air Act) and 15 U.S.C. 2601 - 2692 (Toxic Substances Control Act), use of materials containing naturally occurring asbestos in construction projects may be regulated by states;

(4) in communities that do not have sources of gravel or similar aggregate material that is free of naturally occurring asbestos, costs of construction are substantially increased because of the necessity of locating alternative sources of gravel or similar aggregate material and transporting that material to distant construction and maintenance sites; and

(5) a recent study suggests that, with careful use and close adherence to appropriate control strategies, state and local transportation projects and public facilities may be safely completed using sources of gravel or similar aggregate material containing a limited amount of naturally occurring asbestos; the study recommends that the Department of Transportation and Public Facilities establish standards and operating procedures through a statewide process that will apply to the use of gravel and aggregate material that contains asbestos by the department and by any public or private entity.

(b) It is the purpose of this Act

(1) to authorize and direct the Department of Transportation and Public Facilities to develop, implement, and, as circumstances may require or indicate, modify

standards and operating procedures to allow the use in the construction and maintenance of transportation projects and public facilities of gravel or aggregate material that contains a limited amount of naturally occurring asbestos, with the expectation that use of that material in a manner that is consistent with those standards and procedures may avoid significant risk to human health and eliminate significantly higher costs of construction and maintenance of projects and facilities associated with using only construction material that is free of asbestos;

(2) to establish that a person that uses gravel that contains a limited amount of naturally occurring asbestos shall prepare specific project plans that conform to the requirements of this Act and the department's standards and operating procedures; and

(3) to shield persons and the state, under certain conditions, from liability based on exposure to naturally occurring asbestos.

(c) It is not the purpose of this Act to authorize or provide civil immunity for the use of gravel or other aggregate material that contains more than 0.25 percent naturally occurring asbestos by mass.

*** Sec. 2.** AS 09.65 is amended by adding a new section to read:

Sec. 09.65.245. Immunity for certain persons supplying or using gravel or other aggregate material; limitations on asbestos-related actions against defendants. (a) A civil action or claim for damages or costs alleging an asbestos-related death, injury, illness, or disability or alleging asbestos-related property damage or any other asbestos-related damages may not be brought against a defendant, including the state,

(1) based on the ownership of land from which gravel or other aggregate material is extracted that, when tested using a bulk method prescribed by the Department of Transportation and Public Facilities by regulation, is determined to have a content of more than zero and less than or equal to 0.25 percent naturally occurring asbestos by mass; or

(2) for an act or omission occurring in the course of extracting, supplying, transporting, or using gravel or other aggregate material containing naturally occurring asbestos when the act or omission was in compliance with the requirements of AS 18.31.250 or AS 44.42.410(b) and (d), as applicable.

(b) A civil action or claim based on noncompliance with the requirements of

AS 18.31.250 or AS 44.42.410(b) or (d) for damages or costs alleging an asbestos-related death, injury, illness, or disability or alleging asbestos-related property damage or any other asbestos-related damages may only be brought against a defendant that has direct control over or responsibility for compliance with the requirements of AS 18.31.250 or AS 44.42.410(b) and (d).

(c) A civil action or claim for damages or costs alleging an asbestos-related death, injury, illness, or disability or alleging asbestos-related property damage or any other asbestos-related damages may not be brought against any state agency for an act or omission occurring in the course of approving a site-specific use plan or in the course of developing or approving a monitoring plan or a mitigation plan.

(d) In this section, "asbestos" has the meaning given in AS 18.31.500.

*** Sec. 3.** AS 18.31 is amended by adding a new section to read:

Article 2A. Use of materials containing naturally occurring asbestos.

Sec. 18.31.250. Use of materials containing naturally occurring asbestos. (a) Use of gravel or other aggregate material that, when tested using a bulk test method prescribed by the Department of Transportation and Public Facilities by regulation, is determined to have a content of more than zero percent and less than or equal to 0.25 percent of naturally occurring asbestos by mass, may qualify for immunity in a civil action under AS 09.65.245.

(b) To qualify for the immunity provided under AS 09.65.245, before initiating a construction project not subject to AS 44.42.410(b) that will use gravel or other aggregate material that contains naturally occurring asbestos within the limits of (a) of this section, the principal construction contractor or, in the absence of an identified principal construction contractor, the person having legal authority for the design and construction of the project, shall prepare and submit to the Department of Transportation and Public Facilities specific project plans demonstrating compliance with the standards adopted by the department under AS 44.42.420 and the requirements of the site-specific use plan under AS 44.42.410. Before extraction of gravel or other aggregate material may begin, the plan must be approved and returned to the contractor by the department.

*** Sec. 4.** AS 44.42 is amended by adding new sections to read:

Article 3A. Use of Materials Containing Naturally Occurring Asbestos.

Sec. 44.42.400. Administration. The department shall

(1) designate a single employee who reports to the commissioner to oversee the duties assigned to the department in AS 44.42.400 - 44.42.430 and to serve as the point of contact for inquiries related to projects using gravel or other aggregate material containing naturally occurring asbestos;

(2) maintain a database of

(A) sites in the state known to contain naturally occurring asbestos;

(B) known sources of gravel or other aggregate material free from naturally occurring asbestos within reasonable proximity to known sites of naturally occurring asbestos;

(C) known sources of gravel or other aggregate material free from naturally occurring asbestos within 25 miles of a community for all known projects the state or a municipality intends to undertake within 25 miles of the community in the next five years where the state or municipality intends to use gravel or other aggregate material containing naturally occurring asbestos; and

(D) known communities that do not have reasonable access to gravel or other aggregate material free from naturally occurring asbestos;

(3) annually transmit to the commissioner and publish on the department's Internet website a report containing

(A) a listing of all current projects for which a plan has been submitted under AS 18.31.250 or AS 44.42.410(b);

(B) a listing of all known projects intended to be undertaken by the state or a municipality in the next five years where the state or municipality intends to use gravel or aggregate material containing naturally occurring asbestos;

(C) suggestions for potential locations to stockpile gravel or other aggregate material free from naturally occurring asbestos for use in future projects and an estimate of the cost of stockpiling that gravel; and

(D) suggestions for potential locations, in coordination with ongoing state and municipal construction projects, to stockpile gravel or other aggregate material free from naturally occurring asbestos for future projects and an estimate of the cost of stockpiling that gravel; and

(4) annually provide a report on the monitoring and mitigation data transmitted by contractors to the department under AS 44.42.410(f) and the results of site monitoring performed by the department to the Department of Environmental Conservation, the Department of Health and Social Services, and the Department of Labor and Workforce Development.

Sec. 44.42.410. Site-specific use plan. (a) A principal construction contractor intending to use gravel or other aggregate material that, when tested using a bulk test method prescribed by the department in regulation, is determined to have a content of more than zero percent and less than or equal to 0.25 percent of naturally occurring asbestos by mass shall submit a site-specific use plan to the department that

(1) describes the manner in which the proposed use of gravel or other aggregate material that contains naturally occurring asbestos conforms to the standards adopted under AS 44.42.420(b);

(2) demonstrates how the proposed construction operation and maintenance practices comply with those that are required and those that are minimally acceptable, as described in AS 44.42.420(b)(5), and otherwise meet requirements of law applicable to the handling of compounds that contain asbestos;

(3) outlines how, as a component of long-term maintenance on the completed project or facility, the department may reasonably ensure that human health and air quality are not compromised by the use of the gravel or other aggregate material that contains naturally occurring asbestos;

(4) describes how the gravel or other aggregate material to be used can be contained underneath the project or buried so that asbestos fibers cannot become airborne or otherwise transferred outside of the project area, except as provided in (5) and (6) of this subsection;

(5) if the requirements in (4) of this subsection are economically unreasonable, describes how the gravel or other aggregate material to be used will be

sealed, including chip sealing or mixing with asphalt, in order to prevent asbestos fibers from becoming airborne or otherwise transferred outside of the project area, except as provided in (6) of this subsection; and

(6) if the requirements under (4) and (5) of this subsection are economically unreasonable, describes how the gravel or other aggregate material will be used in order to prevent asbestos from becoming airborne or otherwise transferred outside of the project area.

(b) The department, in its operating procedures applicable to a project that is a transportation facility, including a public highway, airport, or pipeline or railroad track bed, or a public work, as that term is defined in AS 35.95.100, and for which the contractor intends to use gravel or other aggregate material that, when tested using a bulk testing method prescribed by the department in regulation, is determined to have a content of more than zero and less than or equal to 0.25 percent of naturally occurring asbestos by mass, shall require that

(1) the principal construction contractor submit a plan that details the use of gravel or other aggregate material in the construction or maintenance of the transportation project or public facility in accordance with the requirements of (a) of this section and regulations developed under AS 44.42.420;

(2) before the extraction of the gravel or aggregate material containing naturally occurring asbestos may begin, the plan be approved and returned to the principal construction contractor by the department.

(c) A plan for construction with gravel or other aggregate material determined to have a content of more than zero percent and less than or equal to 0.25 percent of naturally occurring asbestos by mass may not be approved unless the department determines that it is economically unreasonable to undertake the construction project with gravel or other aggregate material free from naturally occurring asbestos.

(d) On receiving a plan that meets the requirements of (a) and (c) of this section and the regulations adopted under AS 44.42.420, the department, in consultation with the Department of Environmental Conservation, the Department of Health and Social Services, and the Department of Labor and Workforce Development, shall develop a monitoring and mitigation plan for the project. If the

site-specific use plan is approved, the monitoring and mitigation plan developed by the department shall be attached to the site-specific use plan. To qualify for the immunity provided in AS 09.65.245, the party that has direct control over or responsibility for the monitoring or mitigation shall comply with the monitoring or mitigation plan developed by the department.

(e) On approval of a site-specific use plan, the department shall

(1) return to the principal construction contractor, a copy of the site-specific use plan, including

(A) the monitoring and mitigation plan developed under (d) of this section;

(B) recommended methods for reducing exposure to airborne asbestos fibers; and

(C) copies of the United States Occupational Safety and Health Administration, United States Mine Safety and Health Administration, and United States Environmental Protection Agency recommended practices for handling and use of gravel or other aggregate material containing naturally occurring asbestos;

(2) provide a copy of the site-specific use plan, including the monitoring and mitigation plan, to the mayor or manager of a municipality affected by the use of gravel or other aggregate material containing asbestos.

(f) The contractor shall submit to the department the results of any monitoring or testing performed in accordance with the site-specific use plan and any mitigation measures undertaken.

Sec. 44.42.420. Regulations. (a) The department, after consultation with the Department of Environmental Conservation, Department of Health and Social Services, and Department of Labor and Workforce Development, shall prescribe in regulation a bulk testing method for gravel or other aggregate material containing naturally occurring asbestos.

(b) The department, after consultation with the Department of Environmental Conservation, Department of Health and Social Services, and Department of Labor and Workforce Development, shall develop, implement, and revise statewide

standards to regulate the use in the construction and maintenance of transportation projects and public facilities of gravel or aggregate material that, when tested using a bulk test method prescribed by the department by regulation, is determined to have a content of more than zero percent and less than or equal to 0.25 percent of naturally occurring asbestos by mass. The standards adopted under this subsection must include procedures for

(1) completing site investigations and characterizations of proposed projects, including the development and description of appropriate laboratory practices;

(2) reviewing design alternatives and preparing and evaluating appropriate comparative cost analyses that consider the use of gravel or other aggregate material that does not contain naturally occurring asbestos;

(3) evaluating human health concerns arising out of gravel or other aggregate material that contains naturally occurring asbestos and documentation of methods and means to be used during periods of handling of the gravel or other aggregate material to ensure compliance with appropriate workplace safety and air quality standards relating to the project;

(4) preparing designs and design specifications for facilities involving use of gravel or other aggregate material that contains naturally occurring asbestos;

(5) outlining construction operation and maintenance practices that are required and those that are minimally acceptable to meet requirements of law applicable to the handling of compounds that contain asbestos.

Sec. 44.42.430. Definitions. In AS 44.42.400 - 44.42.430,

(1) "asbestos" has the meaning given in AS 18.31.500;

(2) "principal construction contractor" means the person having legal authority for the design and construction of the project.

* **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to read:

INTERIM PROJECT AUTHORIZATION. (a) Notwithstanding AS 18.31.250, added by sec. 3 of this Act, to ensure early application of the policy described in sec. 1 of this Act to a limited number of appropriate construction projects until the development and

implementation of initial standards under AS 44.42.420 and the administrative requirements of AS 44.42.400, added by sec. 4 of this Act, for projects not subject to AS 44.42.410(b), if, under (b) of this section, the Department of Transportation and Public Facilities prepares and adopts interim standards and requires its contractors to prepare site-specific plans for the use of gravel or other aggregate material that, when tested using the bulk method prescribed in sec. 6 of this Act, is determined to have a content of more than zero and less than or equal to 0.25 percent naturally occurring asbestos by mass in transportation projects and public facilities, the department shall apply those standards to a person described in AS 18.31.250 for a project that is not subject to AS 44.42.410(b).

(b) Notwithstanding AS 44.42.410(b), added by sec. 4 of this Act, to ensure early application of the policy described in sec. 1 of this Act to a limited number of appropriate transportation projects and public facilities until the development and implementation of initial standards under AS 44.42.420 and the administrative requirements of AS 44.42.400, after consultation with the Department of Environmental Conservation, Department of Health and Social Services, Department of Labor and Workforce Development, and appropriate federal agencies, the Department of Transportation and Public Facilities may prepare and adopt interim standards and operating procedures and may require of its contractors the preparation of site-specific plans for the use of gravel or other aggregate material that when tested using the bulk method prescribed in sec. 6 of this Act, is determined to have a content of more than zero and less than or equal to 0.25 percent naturally occurring asbestos by mass.

(c) The authority granted by (a) and (b) of this section expires December 31, 2012.

*** Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to read:

INTERIM STANDARDS FOR APPLICATION OF ASBESTOS BULK TESTING. Until the Department of Transportation and Public Facilities adopts and prescribes a method of bulk testing under AS 44.42.420(a), added by sec. 4 of this Act, the department shall use California Air Resources Board Method 435, Determination of Asbestos Content of Serpentine Aggregate, adopted on June 6, 1991, as that standard has effect on the effective date of this Act, as the basis for determining the asbestos content of a bulk sample or for interim use as authorized by sec. 5 of this Act.

*** Sec. 7.** This Act takes effect immediately under AS 01.10.070(c).

27-LS0400\X
Nauman
2/28/12

CS FOR HOUSE BILL NO. 258( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVE JOULE

A BILL

FOR AN ACT ENTITLED

"An Act directing the Department of Transportation and Public Facilities to develop and implement standards and operating procedures, evaluate site-specific use plans, develop and maintain an information database that includes locations of gravel or other aggregate material that contains naturally occurring asbestos, gravel or other aggregate material free from naturally occurring asbestos, and suggests locations to stockpile gravel or other aggregate material free from naturally occurring asbestos, and transmit reports related to the use in the construction and maintenance of transportation projects and public facilities and in the construction of projects by public and private entities of gravel or aggregate material that contains naturally occurring asbestos, and authorizing use on an interim basis of that material for certain transportation projects and public facilities; providing immunity for landowners, extractors, suppliers, transporters, and contractors for certain actions or claims arising in connection with the use of gravel or

aggregate material containing naturally occurring asbestos; and providing for an effective date."

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

*** Section 1.** The uncodified law of the State of Alaska is amended by adding a new section to read:

LEGISLATIVE FINDINGS AND PURPOSE. (a) The legislature finds that

(1) gravel or similar aggregate material is constantly in demand for major construction and maintenance of state and local transportation projects and public facilities and for all types of construction by public and private entities;

(2) naturally occurring asbestos may be found in sources of gravel and similar aggregate material throughout the state;

(3) while airborne asbestos fibers are a significant threat to workplace safety and public health and are subject to close regulation by federal and state authorities under 42 U.S.C. 7401 - 7671q (Clean Air Act) and 15 U.S.C. 2601 - 2692 (Toxic Substances Control Act), use of materials containing naturally occurring asbestos in construction projects may be regulated by states;

(4) in communities that do not have sources of gravel or similar aggregate material that is free of naturally occurring asbestos, costs of construction are substantially increased because of the necessity of locating alternative sources of gravel or similar aggregate material and transporting that material to distant construction and maintenance sites; and

(5) a recent study suggests that, with careful use and close adherence to appropriate control strategies, state and local transportation projects and public facilities may be safely completed using sources of gravel or similar aggregate material that contains naturally occurring asbestos; the study recommends that the Department of Transportation and Public Facilities establish standards and operating procedures through a statewide process that will apply to the use of gravel and aggregate material that contains asbestos by the department and by any public or private entity.

(b) It is the purpose of this Act

(1) to authorize and direct the Department of Transportation and Public

Facilities to develop, implement, and, as circumstances may require or indicate, modify standards and operating procedures to allow the use in the construction and maintenance of transportation projects and public facilities of gravel or aggregate material that contains naturally occurring asbestos, with the expectation that use of that material in a manner that is consistent with those standards and procedures may avoid significant risk to human health and eliminate significantly higher costs of construction and maintenance of projects and facilities associated with using only construction material that is free of asbestos;

(2) to establish that a person that uses gravel that contains naturally occurring asbestos may prepare specific project plans that conform to the requirements of this Act and the department's standards and operating procedures; and

(3) to shield persons and the state, under certain conditions, from liability based on exposure to naturally occurring asbestos.

(c) This Act creates a voluntary program and provides civil immunity for the use of gravel or other aggregate material that contains naturally occurring asbestos for contractors meeting the requirements of the program; nothing in this Act mandates a contractor to submit a site-specific plan or to adhere to the requirements of a plan approved by the department.

*** Sec. 2.** AS 09.65 is amended by adding a new section to read:

Sec. 09.65.245. Immunity for certain persons supplying or using gravel or other aggregate material; limitations on asbestos-related actions against defendants. (a) A civil action or claim for damages or costs alleging an asbestos-related death, injury, illness, or disability or alleging asbestos-related property damage or any other asbestos-related damages may not be brought against a defendant, including the state,

(1) based on the ownership of land from which gravel or other aggregate material is extracted that, when tested using a bulk method prescribed by the Department of Transportation and Public Facilities by regulation, is determined to have a content equal to or greater than 0.25 percent naturally occurring asbestos by mass; or

(2) for an act or omission occurring in the course of extracting, supplying, transporting, or using gravel or other aggregate material containing naturally occurring asbestos when the act or omission was in compliance with the

requirements of AS 18.31.250 or AS 44.42.410(b), as applicable, and AS 44.42.410(a) and (d) and applicable regulations developed under AS 44.42.420.

(b) A civil action or claim based on noncompliance with the requirements of AS 18.31.250 or AS 44.42.410(b), as applicable, and AS 44.42.410(a) and (d) and applicable regulations developed under AS 44.42.420 for damages or costs alleging an asbestos-related death, injury, illness, or disability or alleging asbestos-related property damage or any other asbestos-related damages may only be brought against a defendant that has direct control over or responsibility for compliance with the requirements of AS 18.31.250 or AS 44.42.410(b), as applicable, and AS 44.42.410(a) and (d) and applicable regulations developed under AS 44.42.420.

(c) A civil action or claim for damages or costs alleging an asbestos-related death, injury, illness, or disability or alleging asbestos-related property damage or any other asbestos-related damages may not be brought against any state agency for an act or omission occurring in the course of approving a site-specific use plan or in the course of developing or approving a monitoring plan or a mitigation plan under AS 44.42.410.

(d) In this section,

(1) "asbestos" has the meaning given in AS 18.31.500;

(2) "naturally occurring asbestos" means asbestos-containing material that has not been processed in an asbestos mill.

*** Sec. 3.** AS 18.31 is amended by adding a new section to read:

Article 2A. Use of materials containing naturally occurring asbestos.

Sec. 18.31.250. Use of materials containing naturally occurring asbestos. (a) A principal construction contractor or, in the absence of an identified principal construction contractor, person having legal authority for the design and construction of a project may qualify for immunity in a civil action under AS 09.65.245 for the use of gravel or other aggregate material that, when tested using a bulk test method prescribed by the Department of Transportation and Public Facilities by regulation, is determined to have a content of equal to or greater than 0.25 percent of naturally occurring asbestos by mass.

(b) To qualify for the immunity provided under AS 09.65.245, before

initiating a construction project not subject to AS 44.42.410(b) that will use gravel or other aggregate material that contains naturally occurring asbestos, the principal construction contractor or, in the absence of an identified principal construction contractor, the person having legal authority for the design and construction of the project, shall prepare and submit to the Department of Transportation and Public Facilities specific project plans demonstrating compliance with the standards adopted by the department under AS 44.42.420 and the requirements of the site-specific use plan under AS 44.42.410. Before extraction of gravel or other aggregate material may begin, the plan must be approved and returned to the contractor by the department.

(c) To preserve the immunity provided under AS 09.65.245, the principal construction contractor or, in the absence of an identified principal construction contractor, the person having legal authority for the design and construction of the project, shall adhere to the site-specific use plan approved by the department and the monitoring and mitigation plan created by the department.

*** Sec. 4.** AS 44.42 is amended by adding new sections to read:

Article 3A. Use of Materials Containing Naturally Occurring Asbestos.

Sec. 44.42.400. Administration. The department shall

(1) designate a single employee who reports to the commissioner to oversee the duties assigned to the department in AS 44.42.400 - 44.42.430 and to serve as the point of contact for inquiries related to projects using gravel or other aggregate material containing naturally occurring asbestos;

(2) maintain a database of

(A) sites in the state known to contain naturally occurring asbestos;

(B) known sources of gravel or other aggregate material free from naturally occurring asbestos within reasonable proximity to known sites of naturally occurring asbestos;

(C) known sources of gravel or other aggregate material free from naturally occurring asbestos within 25 miles of a community for all known projects the state or a municipality intends to undertake within 25 miles of the community in the next five years where the state or municipality intends

to use gravel or other aggregate material containing naturally occurring asbestos;

(D) known communities that do not have reasonable access to gravel or other aggregate material free from naturally occurring asbestos; and

(E) all data collected under the requirements of AS 44.42.410(e)(1)(B), by project;

(3) annually transmit to the commissioner and publish on the department's Internet website a report containing

(A) a listing of all current projects for which a plan has been submitted under AS 18.31.250 or AS 44.42.410(b);

(B) a listing of all known projects intended to be undertaken by the state or a municipality in the next five years where the state or municipality intends to use gravel or aggregate material containing naturally occurring asbestos;

(C) suggestions for potential locations to stockpile gravel or other aggregate material free from naturally occurring asbestos for use in future projects and an estimate of the cost of stockpiling that gravel; and

(D) suggestions for potential locations, in coordination with ongoing state and municipal construction projects, to stockpile gravel or other aggregate material free from naturally occurring asbestos for future projects and an estimate of the cost of stockpiling that gravel; and

(4) annually provide a report on the monitoring and mitigation data transmitted by contractors to the department under AS 44.42.410(e)(1)(B) and the results of site monitoring performed by the department to the Department of Environmental Conservation, the Department of Health and Social Services, and the Department of Labor and Workforce Development.

Sec. 44.42.410. Site-specific use plan. (a) To qualify for the immunity provided under AS 09.65.245, a contractor intending to use gravel or other aggregate material that, when tested using a bulk test method prescribed by the department in regulation, is determined to have a content of equal to or greater than 0.25 percent of naturally occurring asbestos by mass shall, after consulting with the owner of the land

on which the gravel containing naturally occurring asbestos will be placed, submit a site-specific use plan to the department that

(1) describes the manner in which the proposed use of gravel or other aggregate material that contains naturally occurring asbestos conforms to the standards adopted under AS 44.42.420(b);

(2) demonstrates how the proposed construction operation and maintenance practices comply with those that are required and those that are minimally acceptable, as described in AS 44.42.420(b)(5), and otherwise meet requirements of law applicable to the handling of compounds that contain asbestos;

(3) outlines how, as a component of long-term maintenance on the completed project or facility, the department may reasonably ensure that human health and air quality are not compromised by the use of the gravel or other aggregate material that contains naturally occurring asbestos;

(4) describes how the gravel or other aggregate material to be used can be contained underneath the project or buried so that asbestos fibers cannot become airborne or otherwise transferred outside of the project area, except as provided in (5) and (6) of this subsection;

(5) if the requirements in (4) of this subsection are economically unreasonable, describes how the gravel or other aggregate material to be used will be sealed, including chip sealing or mixing with asphalt, in order to prevent asbestos fibers from becoming airborne or otherwise transferred outside of the project area, except as provided in (6) of this subsection; and

(6) if the requirements under (4) and (5) of this subsection are economically unreasonable, describes how the gravel or other aggregate material will be used in order to prevent asbestos from becoming airborne or otherwise transferred outside of the project area.

(b) To qualify for and preserve the immunity provided under AS 09.65.245, the department, in its operating procedures applicable to a project that is a transportation facility, including a public highway, airport, or pipeline or railroad track bed, or a public work, as that term is defined in AS 35.95.100, and for which the contractor intends to use gravel or other aggregate material that, when tested using a

bulk testing method prescribed by the department in regulation, is determined to have a content equal to or greater than 0.25 percent of naturally occurring asbestos by mass, shall require that

(1) the contractor submit a plan that details the use of gravel or other aggregate material in the construction or maintenance of the transportation project or public facility in accordance with the requirements of (a) of this section and regulations developed under AS 44.42.420;

(2) before the extraction of the gravel or aggregate material containing naturally occurring asbestos may begin, the plan be approved and returned to the contractor by the department;

(3) the contractor adhere to the monitoring, mitigation, and site-specific use plans.

(c) The department shall review each submitted site-specific use plan and shall work toward approving or disapproving the plan, taking into consideration the construction season in the project location. insert #2

(d) On receiving a plan that meets the requirements of (a) of this section and the regulations adopted under AS 44.42.420, the department, in consultation with the Department of Environmental Conservation, the Department of Health and Social Services, and the Department of Labor and Workforce Development, shall develop a monitoring and mitigation plan for the project. If the site-specific use plan is approved, the monitoring and mitigation plan developed by the department shall be attached to the site-specific use plan. To qualify for the immunity provided in AS 09.65.245, the party that has direct control over or responsibility for the monitoring or mitigation shall comply with the monitoring or mitigation plan developed by the department.

(e) On approval of a site-specific use plan, the department shall

(1) return to the contractor, a copy of the site-specific use plan, including

(A) the monitoring and mitigation plan developed under (d) of this section;

(B) a requirement that all asbestos-related data collected by the contractor during or after construction be submitted to the department;

(C) recommended methods for reducing exposure to airborne asbestos fibers; and

(D) copies of the United States Occupational Safety and Health Administration, United States Mine Safety and Health Administration, and United States Environmental Protection Agency recommended practices for handling and use of gravel or other aggregate material containing naturally occurring asbestos;

(2) provide a copy of the site-specific use plan, including the monitoring and mitigation plan, to the mayor or manager of a municipality affected by the use of gravel or other aggregate material containing asbestos.

(f) Within 60 days after completing a project in accordance with a site-specific plan approved by the department, the contractor shall record in the recording district where the property is located a document that includes a description of the affected property, a reference to the most recent recorded conveyance of that property, and a notice indicating the presence of naturally occurring asbestos, and stating that subsequent interest holders may have legal obligations with respect to preventing the naturally occurring asbestos from becoming airborne or otherwise transferred. The contractor shall provide written notification to the department and the landowner that the document has been recorded.

Sec. 44.42.420. Regulations. (a) The department, after consultation with the Department of Environmental Conservation, Department of Health and Social Services, and Department of Labor and Workforce Development, shall prescribe in regulation a bulk testing method for gravel or other aggregate material containing naturally occurring asbestos.

(b) The department, after consultation with the Department of Environmental Conservation, Department of Health and Social Services, and Department of Labor and Workforce Development, shall develop, implement, and revise statewide standards to regulate the use in the construction and maintenance of transportation projects and public facilities of gravel or aggregate material that, when tested using a bulk test method prescribed by the department by regulation, is determined to have a content equal to or greater than 0.25 percent of naturally occurring asbestos by mass.

The standards adopted under this subsection must include procedures for

(1) completing site investigations and characterizations of proposed projects, including the development and description of appropriate laboratory practices;

(2) reviewing design alternatives and preparing and evaluating appropriate comparative cost analyses that consider the use of gravel or other aggregate material that does not contain naturally occurring asbestos;

(3) evaluating human health concerns arising out of gravel or other aggregate material that contains naturally occurring asbestos and documentation of methods and means to be used during periods of handling of the gravel or other aggregate material to ensure compliance with appropriate workplace safety and air quality standards relating to the project;

(4) preparing designs and design specifications for facilities involving use of gravel or other aggregate material that contains naturally occurring asbestos;

(5) outlining construction operation and maintenance practices that are required and those that are minimally acceptable to meet requirements of law applicable to the handling of compounds that contain asbestos.

Sec. 44.42.430. Definitions. In AS 44.42.400 - 44.42.430,

(1) "asbestos" has the meaning given in AS 18.31.500;

(2) "contractor" means the principal construction contractor, or in absence of an identified principal construction contractor, the person having legal authority for the design and construction of the project;

(3) "naturally occurring asbestos" means asbestos-containing material that has not been processed in an asbestos mill.

*** Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to read:

INTERIM PROJECT AUTHORIZATION. (a) Notwithstanding AS 18.31.250, added by sec. 3 of this Act, to ensure early application of the policy described in sec. 1 of this Act to a limited number of appropriate construction projects until the development and implementation of initial standards under AS 44.42.420 and the administrative requirements of AS 44.42.400, added by sec. 4 of this Act, for projects not subject to AS 44.42.410(b), if,

under (b) of this section, the Department of Transportation and Public Facilities prepares and adopts interim standards and requires its contractors to prepare site-specific plans for the use of gravel or other aggregate material that, when tested using the bulk method prescribed in sec. 6 of this Act, is determined to have a content equal to or greater than 0.25 percent naturally occurring asbestos by mass in transportation projects and public facilities, the department shall apply those standards to a person described in AS 18.31.250 for a project that is not subject to AS 44.42.410(b).

(b) Notwithstanding AS 44.42.410(b), added by sec. 4 of this Act, to ensure early application of the policy described in sec. 1 of this Act to a limited number of appropriate transportation projects and public facilities until the development and implementation of initial standards under AS 44.42.420 and the administrative requirements of AS 44.42.400, after consultation with the Department of Environmental Conservation, Department of Health and Social Services, Department of Labor and Workforce Development, and appropriate federal agencies, the Department of Transportation and Public Facilities may prepare and adopt interim standards and operating procedures and may require of its contractors the preparation of site-specific plans for the use of gravel or other aggregate material that when tested using the bulk method prescribed in sec. 6 of this Act, is determined to have a content equal to or greater than 0.25 percent naturally occurring asbestos by mass.

(c) The authority granted by (a) and (b) of this section expires December 31, 2012.

*** Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to read:

INTERIM STANDARDS FOR APPLICATION OF ASBESTOS BULK TESTING. Until the Department of Transportation and Public Facilities adopts and prescribes a method of bulk testing under AS 44.42.420(a), added by sec. 4 of this Act, the department shall use California Air Resources Board Method 435, Determination of Asbestos Content of Serpentine Aggregate, adopted on June 6, 1991, as that standard has effect on the effective date of this Act, as the basis for determining the asbestos content of a bulk sample or for interim use as authorized by sec. 5 of this Act.

*** Sec. 7.** This Act takes effect immediately under AS 01.10.070(c).

27-LS0400\T
Nauman
3/1/12

CS FOR HOUSE BILL NO. 258(TRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE TRANSPORTATION COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVE JOULE

A BILL

FOR AN ACT ENTITLED

"An Act directing the Department of Transportation and Public Facilities to develop and implement standards and operating procedures, evaluate site-specific use plans, develop and maintain an information database that includes locations of gravel or other aggregate material that contains naturally occurring asbestos, gravel or other aggregate material free from naturally occurring asbestos, and suggests locations to stockpile gravel or other aggregate material free from naturally occurring asbestos, and transmit reports related to the use in the construction and maintenance of transportation projects and public facilities and in the construction of projects by public and private entities of gravel or aggregate material that contains naturally occurring asbestos, and authorizing use on an interim basis of that material for certain transportation projects and public facilities; providing immunity for the state and for landowners, extractors, suppliers, transporters, and contractors for certain actions or claims arising in connection with the

use of gravel or aggregate material containing naturally occurring asbestos; requiring contractors to report certain asbestos-related data to the Department of Transportation and Public Facilities; and providing for an effective date."

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

*** Section 1.** The uncodified law of the State of Alaska is amended by adding a new section to read:

LEGISLATIVE FINDINGS AND PURPOSE. (a) The legislature finds that

(1) gravel or similar aggregate material is constantly in demand for major construction and maintenance of state and local transportation projects and public facilities and for all types of construction by public and private entities;

(2) naturally occurring asbestos may be found in sources of gravel and similar aggregate material throughout the state;

(3) while airborne asbestos fibers are a significant threat to workplace safety and public health and are subject to close regulation by federal and state authorities under 42 U.S.C. 7401 - 7671q (Clean Air Act) and 15 U.S.C. 2601 - 2692 (Toxic Substances Control Act), use of materials containing naturally occurring asbestos in construction projects may be regulated by states;

(4) in communities that do not have sources of gravel or similar aggregate material that is free of naturally occurring asbestos, costs of construction are substantially increased because of the necessity of locating alternative sources of gravel or similar aggregate material and transporting that material to distant construction and maintenance sites; and

(5) a recent study suggests that, with careful use and close adherence to appropriate control strategies, state and local transportation projects and public facilities may be safely completed using sources of gravel or similar aggregate material that contains naturally occurring asbestos; the study recommends that the Department of Transportation and Public Facilities establish standards and operating procedures through a statewide process that will apply to the use of gravel and aggregate material that contains asbestos by the department and by any public or private entity.

(b) It is the purpose of this Act

(1) to authorize and direct the Department of Transportation and Public Facilities to develop, implement, and, as circumstances may require or indicate, modify standards and operating procedures to allow the use in the construction and maintenance of transportation projects and public facilities of gravel or aggregate material that contains naturally occurring asbestos, with the expectation that use of that material in a manner that is consistent with those standards and procedures may avoid significant risk to human health and eliminate significantly higher costs of construction and maintenance of projects and facilities associated with using only construction material that is free of asbestos;

(2) to establish that a person that uses gravel that contains naturally occurring asbestos may prepare specific project plans that conform to the requirements of this Act and the department's standards and operating procedures; and

(3) to shield persons and the state, under certain conditions, from liability based on exposure to naturally occurring asbestos.

(c) This Act creates a voluntary program and provides civil immunity for the use of gravel or other aggregate material that contains naturally occurring asbestos for contractors meeting the requirements of the program; nothing in this Act mandates a contractor to submit a site-specific plan or to adhere to the requirements of a plan approved by the department.

*** Sec. 2.** AS 09.65 is amended by adding a new section to read:

Sec. 09.65.245. Immunity for certain persons supplying or using gravel or other aggregate material; limitations on asbestos-related actions against defendants. (a) A civil action or claim for damages or costs alleging a death, injury, illness, disability, property damage, or any other damages resulting from the use of gravel or other aggregate material that contains naturally occurring asbestos may not be brought against a defendant, including a contractor meeting the requirements of the program or the state,

(1) based on the ownership of land from which gravel or other aggregate material is extracted that, when tested using a bulk method prescribed by the Department of Transportation and Public Facilities by regulation, is determined to have a content equal to or greater than 0.25 percent naturally occurring asbestos by mass; or

(2) for an act or omission occurring in the course of extracting,

supplying, transporting, or using gravel or other aggregate material containing naturally occurring asbestos when the act or omission was in compliance with the requirements of AS 18.31.250 or AS 44.42.410(b), as applicable, and AS 44.42.410(a) and (d) and applicable regulations developed under AS 44.42.420.

(b) A civil action or claim based on noncompliance with the requirements of AS 18.31.250 or AS 44.42.410(b), as applicable, and AS 44.42.410(a) and (e) and applicable regulations developed under AS 44.42.420 for damages or costs alleging an asbestos-related death, injury, illness, or disability or alleging asbestos-related property damage or any other asbestos-related damages may only be brought against a defendant that has direct control over or responsibility for compliance with the requirements of AS 18.31.250 or AS 44.42.410(b), as applicable, and AS 44.42.410(a) and (e) and applicable regulations developed under AS 44.42.420.

(c) A civil action or claim for damages or costs alleging an asbestos-related death, injury, illness, or disability or alleging asbestos-related property damage or any other asbestos-related damages may not be brought against any state agency for an act or omission occurring in the course of approving a site-specific use plan or in the course of developing or approving a monitoring plan or a mitigation plan under AS 44.42.410.

(d) In this section,

(1) "asbestos" has the meaning given in AS 18.31.500;

(2) "naturally occurring asbestos" means asbestos-containing material that has not been processed in an asbestos mill.

*** Sec. 3.** AS 18.31 is amended by adding a new section to read:

Article 2A. Use of materials containing naturally occurring asbestos.

Sec. 18.31.250. Use of materials containing naturally occurring asbestos. (a) A principal construction contractor or, in the absence of an identified principal construction contractor, person having legal authority for the design and construction of a project may qualify for immunity in a civil action under AS 09.65.245 for the use of gravel or other aggregate material that, when tested using a bulk test method prescribed by the Department of Transportation and Public Facilities by regulation, is determined to have a content equal to or greater than 0.25 percent of naturally

occurring asbestos by mass.

(b) To qualify for the immunity provided under AS 09.65.245, before initiating a construction project not subject to AS 44.42.410(b) that will use gravel or other aggregate material that contains naturally occurring asbestos, the principal construction contractor or, in the absence of an identified principal construction contractor, the person having legal authority for the design and construction of the project, shall prepare and submit to the Department of Transportation and Public Facilities specific project plans demonstrating compliance with the standards adopted by the department under AS 44.42.420 and the requirements of the site-specific use plan under AS 44.42.410. Before extraction of gravel or other aggregate material may begin, the plan must be approved and returned to the contractor by the department.

(c) To preserve the immunity provided under AS 09.65.245, the principal construction contractor or, in the absence of an identified principal construction contractor, the person having legal authority for the design and construction of the project, shall adhere to the site-specific use plan approved by the department and the monitoring and mitigation plan created by the department.

* **Sec. 4.** AS 44.42 is amended by adding new sections to read:

Article 3A. Use of Materials Containing Naturally Occurring Asbestos.

Sec. 44.42.400. Administration. The department shall

(1) designate a single employee who reports to the commissioner to oversee the duties assigned to the department in AS 44.42.400 - 44.42.430 and to serve as the point of contact for inquiries related to projects using gravel or other aggregate material containing naturally occurring asbestos;

(2) maintain a database of

(A) sites in the state known to contain naturally occurring asbestos;

(B) known sources of gravel or other aggregate material free from naturally occurring asbestos within reasonable proximity to known sites of naturally occurring asbestos;

(C) known sources of gravel or other aggregate material free from naturally occurring asbestos within 25 miles of a community for all

known projects the state or a municipality intends to undertake within 25 miles of the community in the next five years where the state or municipality intends to use gravel or other aggregate material containing naturally occurring asbestos;

(D) known communities that do not have reasonable access to gravel or other aggregate material free from naturally occurring asbestos; and

(E) all data collected under the requirements of AS 44.42.410(f)(1)(B), by project;

(3) annually transmit to the commissioner and publish on the department's Internet website a report containing

(A) a listing of all current projects for which a plan has been submitted under AS 18.31.250 or AS 44.42.410(b);

(B) a listing of all known projects intended to be undertaken by the state or a municipality in the next five years where the state or municipality intends to use gravel or aggregate material containing naturally occurring asbestos;

(C) suggestions for potential locations to stockpile gravel or other aggregate material free from naturally occurring asbestos for use in future projects and an estimate of the cost of stockpiling that gravel; and

(D) suggestions for potential locations, in coordination with ongoing state and municipal construction projects, to stockpile gravel or other aggregate material free from naturally occurring asbestos for future projects and an estimate of the cost of stockpiling that gravel; and

(4) annually provide a report on the monitoring and mitigation data transmitted by contractors to the department under AS 44.42.410(h) and the results of site monitoring performed by the department to the Department of Environmental Conservation, the Department of Health and Social Services, and the Department of Labor and Workforce Development.

Sec. 44.42.410. Site-specific use plan. (a) To qualify for the immunity provided under AS 09.65.245, a contractor intending to use gravel or other aggregate material that, when tested using a bulk test method prescribed by the department in

regulation, is determined to have a content equal to or greater than 0.25 percent of naturally occurring asbestos by mass shall, after consulting with the owner of the land on which the gravel containing naturally occurring asbestos will be placed, submit a site-specific use plan to the department that

(1) describes the manner in which the proposed use of gravel or other aggregate material that contains naturally occurring asbestos conforms to the standards adopted under AS 44.42.420(b);

(2) demonstrates how the proposed construction operation and maintenance practices comply with those that are required and those that are minimally acceptable, as described in AS 44.42.420(b)(5), and otherwise meet requirements of law applicable to the handling of compounds that contain asbestos;

(3) outlines how, as a component of long-term maintenance on the completed project or facility, the department may reasonably ensure that human health and air quality are not compromised by the use of the gravel or other aggregate material that contains naturally occurring asbestos;

(4) describes how the gravel or other aggregate material to be used can be contained underneath the project or buried so that asbestos fibers cannot become airborne or otherwise transferred outside of the project area, except as provided in (5) and (6) of this subsection;

(5) if the requirements in (4) of this subsection are economically unreasonable, describes how the gravel or other aggregate material to be used will be sealed, including chip sealing or mixing with asphalt, in order to prevent asbestos fibers from becoming airborne or otherwise transferred outside of the project area, except as provided in (6) of this subsection; and

(6) if the requirements under (4) and (5) of this subsection are economically unreasonable, describes how the gravel or other aggregate material will be used in order to prevent asbestos from becoming airborne or otherwise transferred outside of the project area.

(b) To qualify for and preserve the immunity provided under AS 09.65.245, the department, in its operating procedures applicable to a project that is a transportation facility, including a public highway, airport, or pipeline or railroad track

bed, or a public work, as that term is defined in AS 35.95.100, and for which the contractor intends to use gravel or other aggregate material that, when tested using a bulk testing method prescribed by the department in regulation, is determined to have a content equal to or greater than 0.25 percent of naturally occurring asbestos by mass, shall require that

(1) the contractor submit a plan that details the use of gravel or other aggregate material in the construction or maintenance of the transportation project or public facility in accordance with the requirements of (a) of this section and regulations developed under AS 44.42.420;

(2) before the extraction of the gravel or aggregate material containing naturally occurring asbestos may begin, the plan be approved and returned to the contractor by the department;

(3) the contractor adhere to the monitoring, mitigation, and site-specific use plans.

(c) The department shall review each submitted site-specific use plan and shall work toward approving or disapproving the plan, taking into consideration the construction season in the project location.

(d) The department may not approve a plan for construction with gravel or other aggregate material determined to have a content equal to or greater than 0.25 percent of naturally occurring asbestos by mass unless the department determines that it is economically unreasonable to undertake the construction project with gravel or other aggregate material free from naturally occurring asbestos.

(e) On receiving a plan that meets the requirements of (a) and (d) of this section and the regulations adopted under AS 44.42.420, the department, in consultation with the Department of Environmental Conservation, the Department of Health and Social Services, and the Department of Labor and Workforce Development, shall develop a monitoring and mitigation plan for the project. If the site-specific use plan is approved, the monitoring and mitigation plan developed by the department shall be attached to the site-specific use plan. To qualify for the immunity provided in AS 09.65.245, the party that has direct control over or responsibility for the monitoring or mitigation shall comply with the monitoring or mitigation plan

developed by the department.

(f) On approval of a site-specific use plan, the department shall

(1) return to the contractor, a copy of the site-specific use plan, including

(A) the monitoring and mitigation plan developed under (e) of this section;

(B) a requirement that all asbestos-related data collected by the contractor during or after construction be submitted to the department;

(C) recommended methods for reducing exposure to airborne asbestos fibers; and

(D) copies of the United States Occupational Safety and Health Administration, United States Mine Safety and Health Administration, and United States Environmental Protection Agency recommended practices for handling and use of gravel or other aggregate material containing naturally occurring asbestos;

(2) provide a copy of the site-specific use plan, including the monitoring and mitigation plan, to the mayor or manager of a municipality affected by the use of gravel or other aggregate material containing asbestos.

(g) Within 60 days after completing a project in accordance with a site-specific plan approved by the department, the contractor shall record in the recording district where the property is located a document that includes a description of the affected property, a reference to the most recent recorded conveyance of that property, and a notice indicating the presence of naturally occurring asbestos, and stating that subsequent interest holders may have legal obligations with respect to preventing the naturally occurring asbestos from becoming airborne or otherwise transferred. The contractor shall provide written notification to the department and the landowner that the document has been recorded.

(h) The contractor shall submit to the department the results of any monitoring or testing performed in accordance with the site-specific use plan and any mitigation measures undertaken.

Sec. 44.42.420. Regulations. (a) The department, after consultation with the

Department of Environmental Conservation, Department of Health and Social Services, and Department of Labor and Workforce Development, shall prescribe in regulation a bulk testing method for gravel or other aggregate material containing naturally occurring asbestos.

(b) The department, after consultation with the Department of Environmental Conservation, Department of Health and Social Services, and Department of Labor and Workforce Development, shall develop, implement, and revise statewide standards to regulate the use in the construction and maintenance of transportation projects and public facilities of gravel or aggregate material that, when tested using a bulk test method prescribed by the department by regulation, is determined to have a content equal to or greater than 0.25 percent of naturally occurring asbestos by mass. The standards adopted under this subsection must include procedures for

(1) completing site investigations and characterizations of proposed projects, including the development and description of appropriate laboratory practices;

(2) reviewing design alternatives and preparing and evaluating appropriate comparative cost analyses that consider the use of gravel or other aggregate material that does not contain naturally occurring asbestos;

(3) evaluating human health concerns arising out of gravel or other aggregate material that contains naturally occurring asbestos and documentation of methods and means to be used during periods of handling of the gravel or other aggregate material to ensure compliance with appropriate workplace safety and air quality standards relating to the project;

(4) preparing designs and design specifications for facilities involving use of gravel or other aggregate material that contains naturally occurring asbestos;

(5) outlining construction operation and maintenance practices that are required and those that are minimally acceptable to meet requirements of law applicable to the handling of compounds that contain asbestos.

Sec. 44.42.430. Definitions. In AS 44.42.400 - 44.42.430,

(1) "asbestos" has the meaning given in AS 18.31.500;

(2) "contractor" means the principal construction contractor, or in

absence of an identified principal construction contractor, the person having legal authority for the design and construction of the project;

(3) "naturally occurring asbestos" means asbestos-containing material that has not been processed in an asbestos mill.

*** Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to read:

INTERIM PROJECT AUTHORIZATION. (a) Notwithstanding AS 18.31.250, added by sec. 3 of this Act, to ensure early application of the policy described in sec. 1 of this Act to a limited number of appropriate construction projects until the development and implementation of initial standards under AS 44.42.420 and the administrative requirements of AS 44.42.400, added by sec. 4 of this Act, for projects not subject to AS 44.42.410(b), if, under (b) of this section, the Department of Transportation and Public Facilities prepares and adopts interim standards and requires its contractors to prepare site-specific plans for the use of gravel or other aggregate material that, when tested using the bulk method prescribed in sec. 6 of this Act, is determined to have a content equal to or greater than 0.25 percent naturally occurring asbestos by mass in transportation projects and public facilities, the department shall apply those standards to a person described in AS 18.31.250 for a project that is not subject to AS 44.42.410(b).

(b) Notwithstanding AS 44.42.410(b), added by sec. 4 of this Act, to ensure early application of the policy described in sec. 1 of this Act to a limited number of appropriate transportation projects and public facilities until the development and implementation of initial standards under AS 44.42.420 and the administrative requirements of AS 44.42.400, after consultation with the Department of Environmental Conservation, Department of Health and Social Services, Department of Labor and Workforce Development, and appropriate federal agencies, the Department of Transportation and Public Facilities may prepare and adopt interim standards and operating procedures and may require of its contractors the preparation of site-specific plans for the use of gravel or other aggregate material that when tested using the bulk method prescribed in sec. 6 of this Act, is determined to have a content equal to or greater than 0.25 percent naturally occurring asbestos by mass.

(c) The authority granted by (a) and (b) of this section expires December 31, 2012.

*** Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to

read:

INTERIM STANDARDS FOR APPLICATION OF ASBESTOS BULK TESTING. Until the Department of Transportation and Public Facilities adopts and prescribes a method of bulk testing under AS 44.42.420(a), added by sec. 4 of this Act, the department shall use California Air Resources Board Method 435, Determination of Asbestos Content of Serpentine Aggregate, adopted on June 6, 1991, as that standard has effect on the effective date of this Act, as the basis for determining the asbestos content of a bulk sample or for interim use as authorized by sec. 5 of this Act.

*** Sec. 7.** This Act takes effect immediately under AS 01.10.070(c).

Representative Reggie Joule
Alaska State Legislature District 40

Sponsor Statement for HB 258
Naturally Occurring Asbestos in Gravel

HB 258 authorizes and regulates the use of gravel or aggregate material that contains naturally occurring asbestos (NOA). There are documented cases of NOA being found in several areas of the state, including Juneau, along the Dalton Highway and Ambler. Discovery of NOA in local gravel pits has delayed and, in Ambler's case, halted construction projects. The use of NOA in construction projects may be regulated by states. Virginia and California have been regulating NOA for many years. With the passage of HB 258, the discovery of NOA in local gravel sources and the cost of transporting non-NOA gravel and material will not impact the success and completion of construction projects and important future state infrastructure in Rural Alaska.

Several large projects are on the state's horizon that will require the use of large amounts of gravel. These large projects are in mineral rich areas of the state critical to the future development of Alaska. Most notably, it is estimated that the gas pipeline alone may use 50 to 60 million cubic yards of new gravel. Many miles of the Dalton Highway will be reconstructed in support of the project, requiring additional gravel. In Rural Alaska, almost all airport construction and upgrades require material from local gravel sources; a new small airport can use up to 25,000 cubic yards of gravel. The use of NOA gravel and materials should be resolved before it becomes an issue during the actual construction process of any of these large future projects.

HB 258 directs the Department of Transportation and Public Facilities to develop and implement statewide regulations and standard operating procedures (SOP) to allow for the use of NOA for both State and private construction projects. HB 258 will balance the needs of moving Alaska forward; building critical infrastructure, completing construction projects while protecting the health of Alaskan workers and communities.

Naturally Occurring Asbestos in Alaska and Experiences and Policy of Other States Regarding its Use

A joint project
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September 2009

Final Report

Institute of Northern Engineering

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Front cover photo: Asbestos at material site MS 105 on the Dalton Highway

Contents

EXECUTIVE SUMMARY **1**
INTRODUCTION **4**
BACKGROUND **6**
Asbestos History 6
Asbestos Regulations 8
NESHAP 8
AHERA 9
TSCA 9
OSHA 9
DOT 10
MSHA 10
Alaska 11
Other States 11
Relevancy of Regulations 11
Naturally Occurring Asbestos 11
Geologic Occurrence of Asbestos Minerals 12
NOA in USA 13
Analytical Methods for Quantifying Asbestos in Soils 16
Polarized Light Microscopy (PLM) 16
Transmission Electron Microscopy (TEM) 17
Scanning Electron Microscopy (SEM) 18
CARB Method 435 18
EPA Region 1 Proprietary Soil Characterization 18
Analytical Methods for Quantifying Asbestos in Air 18
Phase Contrast Microscopy (PCM) 19
Transmission Electron Microscopy (TEM) 19
Elutriator Method 19
NOA AND EFFECTS ON ALASKAN CONSTRUCTION PROJECT **21**
Historical Alaska NOA Incidents 21
Ambler 23
Alaskan Construction Projects 27
Alaska Gravel Needs 27
Balance between Existing and new MS 29
Mineralogy of Alaska with respect to asbestos 29
Map of mineral occurrences that may contain NOA and their location with respect to transportation corridors 30
Index Map 31
Map A, Northern Alaska 32
Map B South Central 33
Map C, Southeast and panhandle 34
Conclusions and recommendations regarding future projects. 35
OTHER STATES NOA REGULATIONS **37**
Virginia 37

California 39
Other States 45
NOA CONTROL STRATEGIES AND TECHNOLOGIES 46
EPA Facts Sheet: Methods for Reducing NOA Exposure[51] 46
Manage In Place 47
Separation 47
Dust Suppression 48
Reducing Vehicle Traffic and/or Speed 48
Water Application 49
Increasing Moisture Content 49
Covering or Capping of Installed NOA 50
Palliatives 50
Gravel Replenishment 52
Paving 52
Durable Surfacing Materials 53
Road Maintenance 53
Control Strategies for long term management of in place NOA. 54
Education 54
Analysis with Discussion 55
CONCLUSIONS AND RECOMMENDATIONS 65
REFERENCES 67

APPENDEXICES

1. California Regulation
    a. ATCM I
    b. ATCM II
2. Virginia Regulation
    a. Directive I
    b. Directive II
3. Excel file with USGS 2009 Alaska Resource Data File is available electronically from the authors.

EXECUTIVE SUMMARY

Naturally Occurring Asbestos (NOA) occurs in mineral deposits in Alaska. Some localities in Alaska do not have gravel sources that are NOA-free, which impacts the cost of heavy construction projects such as roads and airports. Because airborne asbestos fibers are a significant human health risk, mining and industrial use of asbestos is rare in the United States. Disposition of existing asbestos materials in industry and buildings is tightly regulated by federal and state authorities. The use of NOA is not regulated by federal agencies or most states. Determining if NOA can be safely used in heavy construction materials and what can or should be done with NOA materials that are already in place are complex questions. The ultimate answer depends on propensity for the NOA in each scenario to actually release asbestos fibers that may be inhaled by humans, which in turn depends on the amount and type of asbestos mineral, how it is handled in processing, and how it is maintained. Practical analysis of this depends on laboratory analysis, as well as regulation or control of operations. Implementation of these requires stakeholder education and cooperation and agency oversight. This report summarizes these from the perspective of the Alaska Department of Transportation (ADOT).

Some key points:

- NOA is present in many states, but only a few have regulations governing its use.
- There are many regions in Alaska that have minerals in surface rocks that may contain asbestos and asbestos has been discovered in many locations in Alaska.
- Gravel is constantly in demand for heavy construction projects, if a major project, such as the gas pipeline is built, it will require very large quantities of gravel
- All future material site exploration should consider the possibility of encountering NOA, and those areas indicated by mapping as possible NOA minerals should be carefully investigated.
- California, which does have NOA regulations, uses a threshold asbestos concentration, below which the material is not considered NOA. If the material is NOA, regulations cover its use. Virginia is similar.
- Starting with a site-specific plan and then covering the material and reducing dust are key features of those regulations, if NOA is over the threshold asbestos content.
- We present a review of dust suppression and capping techniques, many of which might be useful, depending on the situation.
- Education of the public and worker training are important components of any NOA plan.

The key conclusion is that NOA can be used in many projects, but precautions are needed, especially a plan for its use. Considering the importance of NOA to ADOT's mission we recommend that the ADOT take the lead in a statewide effort to develop an appropriate NOA policy and program by coordinating a stakeholders working group effort. NOA programs in other states were developed with input from industry, public health, environmental and state organizations and agencies. The outputs of the NOA programs included source characterization, geologic mapping, standardized operating procedures (SOP), program exemption procedures, and local authority. Successful implementation of a NOA program will require significant commitment and change in industry, operational, management, design and construction practices for use of NOA materials. To insure comprehensive input and facilitate stakeholder "buy in," the statewide working group should include federal and state, and local government, as well as industry, community and public health interested parties.

Here we assume that in order for projects that must use NOA to proceed, the ADOT must have a standard or SOP that contains the goals and guidelines that the ADOT must follow in order to use NOA safely. The SOP in turn would require a specific action plan for each project. Of course other project owners could use the ADOT's SOP. Thus, the ADOT's goal with the NOA working group is to develop an SOP that is directed towards ADOT projects, but also satisfies the goals the various stakeholders. We note here that protecting the public health and safety is the overarching goal the ADOT's operations, but the ADOT's approach via building safe roads and airports is different than, for example, the EPA's approach of limiting public exposure to carcinogens. The goals and charges of all the agencies can be reconciled into a workable SOP, but the coordination effort should not be underestimated.

Here is a putative outline of the SOP required for safe use of NOA and the steps likely required to garner wide stakeholder approval of the SOP.

1. The SOP includes
    a. site investigation and characterizations
        i. Laboratory practices
    b. review of design alternates to use non-NOA materials
        i. Cost analysis
    c. evaluation of human health concerns and agency involvement
    d. designs that use NOA
        i. typical drawings and specifications
    e. acceptable construction practices
        i. typical contract provisions
        ii. QA/QC
    f. acceptable and required O&M practices
        i. State forces
        ii. Local forces
    g. O&M and other issues related to in-place NOA

h. the administrative procedures for the entire process, including lines of authority and approval authority
    i. interagency communications
    ii. documentation

2. For each project or situation
    a. a site specific NOA plan
    b. including outline construction specifications or O&M procedures
    c. public involvement and education
    d. QA/QC

However to be successful, the SOP must be acceptable to

- The agencies who may have some jurisdiction or be involved
- The DOT design, construction and O&M staff and experts
- The contractors and material site owners and suppliers
- The general public
- Involved and concerned public.

Thus, we recommend the ADOT take the lead and develop a NOA Action Plan that involves a consultant to the DOT. Here are the main steps of that Action Plan that will lead to a workable SOP:

- Outline the SOP
- Contact all interested parties and notify them of the Action Plan and request a statement of their interest
- Meet with all the major players and discuss the issues – either at a roundtable or individually
- Prepare a draft of the SOP and an example Site Specific Plan for ADOT review
- Distribute the draft to interested stakeholders
- Hold a meeting to review the draft and discuss comments and changes
- Determine if new laws or regulations are needed
- If not, the ADOT promulgates the SOP
- If new laws or regulations are needed, ADOT starts the process.

INTRODUCTION

Asbestos is a term for naturally occurring silicate minerals with long, thin fibrous crystals that were historically mined and utilized in a wide-variety of manufactured products because of favorable chemical and physical properties. By the 1980s inhalation of asbestos fibers was found to be a human carcinogen responsible for diseases such as asbestosis, mesothelioma and lung cancer and the mining and use of asbestos in manufactured products was banned. While mining and manufacturing has since ended in the United States, Naturally Occurring Asbestos (NOA) is a constituent of some rocks and soils existing in varying types and quantities in several locations throughout the nation including Alaska. The United States Occupational Safety and Health Administration (OSHA) regulates asbestos exposure in the workplace; however, federal regulations do not address non-occupational exposure from NOA. Due to the lack of regulatory guidance associated with NOA, some states with substantial NOA concerns, such as California, have implemented state-wide regulations controlling the use of soils with NOA.

Due to geography, land mass, limited road systems and relatively sparse and scattered population centers within Alaska, NOA has not been a historical concern for the state. However, over the past several years NOA has been encountered in Alaska and has impacted state projects (e.g. Dalton Highway, Ambler, etc). Meanwhile the Alaska Department of Transportation & Public Facilities (ADOT) has an ever-increasing demand for gravel and rock to construct and repair the state's roads and airports. Large construction projects such as the proposed gas line or railroad extension will require gravel and rock source development.

The ADOT contracted with the Institute of Northern Engineering (INE) of the University of Alaska Fairbanks through the Alaska University Transportation Center to report on the available background information in Alaska and a literature search of information from other states that have similar NOA issues. INE contracted with Nortech Environmental, an Alaska consulting firm, to provide expertise in asbestos issues in Alaska, and to perform the literature search and consultations with other states.

This paper reviews NOA background, analytical issues, policies and regulations that have been considered and/or implemented by other authorities involved with NOA and who have developed NOA policy options. Identified NOA control strategies and technologies are evaluated and analyzed according to their effectiveness, enforcement, affordability and consistency with emerging US standards and ADOT programs. The literature is clear that NOA gravels can be used safety with proper workforce training, understanding and implementation of appropriate control strategies and technology. Implementation of effective Alaskan NOA policies, including development of any SOP to deal with NOA,

will require program consensus, including an educational component, and must involve all stakeholders in the NOA issue (resource owner, owner, designer, contractor, local, regional and state government, and communities) in a holistic approach.

BACKGROUND

Asbestos History

The word 'asbestos' is of Greek origin and has the meaning "inextinguishable" or "indestructible." Today asbestos is the commercial term for a group of silicate minerals consisting of magnesium, calcium and iron all with fibrous tendencies. The favorable properties of asbestos were known and utilized by the ancient Greeks and Romans, Europeans throughout the Middle Ages, and most of the industrial world by the modern era. Asbestos was added in manufactured material for thermal and electrical insulation as well as for strength and chemical stability. These favorable traits lead to the continued use of asbestos in manufactured products through the industrial expansion of the 20th Century. By mid-1960 a high frequency of respiratory disease within the asbestos mining, manufacturing, shipbuilding and construction industries began to gain the attention of medical researchers.

Asbestos is naturally occurring in many parts of the world and was historically mined as raw ore. After the ore was segregated, the asbestos was broken down into fibers and fiber bundles during a milling process, and then further refined depending on the use. Asbestos was included in the manufacture of thermal piping insulation and spray-applied fireproofing as well as resilient floor coverings, acoustical materials, gaskets, plaster, vermiculite, joint compound, wall board, roofing products, industrial mastics, textile and friction productions such as automotive brakes.

In mineralogy, the word 'asbestos' describes a series of magnesium silicate minerals that naturally occur in fibrous form or 'asbestiform.' The six varieties of recognized asbestos minerals comprise two mineralogical groups: serpentines and amphiboles. The only variety of serpentine asbestos is chrysotile or 'white asbestos,' while the amphibole group has five mineral varieties: amosite or 'brown asbestos' (cummingtonite-grunerite asbestos), crocidolite or 'blue asbestos' (riebeckite asbestos), anthophyllite asbestos, tremolite asbestos and actinolite asbestos. Amosite and crocidolite are the trade names used for the asbestos varieties of the cummingtonite-grunerite and riebeckite series respectively. The name 'Amosite' originated as an acronym for "Asbestos Mines of South Africa."

Chrysotile is the predominant asbestos variety used commercially in the United States. Chrysotile has a crystal structure of a sheet of silicate rolled into a straw-like, hollow tube. The property creates a hydrophilic or 'water loving' tendency, and therefore water is often used to reduce airborne chrysotile fiber concentrations during processing and removal activities. Crocidolite and Amosite are the two additional asbestos varieties exclusively mined and intentionally added to commercial products. The other three forms of amphibole asbestos are generally found in trace amounts and are often described as a contaminant in mining operations. The crystal structure of amphiboles is a chain structure of

magnesium and silicon ions that form into long straight fibers. The molecular arrangement makes the amphiboles hydrophobic or 'water fearing' and difficult to wet and therefore, water is somewhat less effective as dust control with this group.

Asbestos has become a serious health and safety concern due to widespread use in manufactured products; many of which are still used today. The primary pathway of exposure for asbestos is inhalation of airborne fibers; ingestion is generally a minor pathway. Particles smaller than 10 μm in aerodynamic diameter, such as asbestos fibers, are known to readily enter the lungs. Asbestos dust may also be ingested directly into the mouth during respiration, hand-mouth contact while eating or smoking, or indirectly by swallowing of mucus. Dermal exposure to asbestos has been known to cause irritation; however, no serious health effects from skin exposure have been identified.

Asbestos is known to cause or contribute to fibrosis and malignancies of the lung and other organs. The U. S. Environmental Protection Agency (EPA) has classified asbestos as a Group A human carcinogen meaning sufficient evidence exists to connect exposure and human carcinogenicity. Exposure to airborne asbestos has been linked to Asbestosis- a debilitating, non-malignant lung disease; mesothelioma – a rare cancer of the chest and abdominal lining, and cancers of the lung, esophagus, stomach, colon and other organs. Other conditions associated with asbestos exposure are build-up of fluid in the lungs known as pleural effusion and deposits in the pleural cavity called pleural plaques.

Data from asbestos work exposure suggests the risks of asbestosis and lung cancer are "dose-dependent" meaning they decrease proportionately with a decrease in total asbestos exposure. Mesothelioma however is not recognized as a dose-response related illness and has been linked to primarily amphibole asbestos exposure.

The time between exposure and resulting disease is known as the latency period, and typically spans between ten and forty years. The age at which asbestos exposure occurs is relatively unimportant for determining the lifetime risk of lung cancer. On the other hand, the age at which asbestos exposure occurs is very important in determining the lifetime risk of developing mesothelioma. The earlier exposure occurs, the more time mesothelioma has to develop; thus the concern for asbestos exposure to school children.[1]

Asbestos exposure and cigarette smoking increases the lung cancer rate significantly above the rate due to either smoking (ten times) or asbestos exposure (five times) alone. A smoker routinely exposed to asbestos experiences a synergistic effect from the two thereby increasing their risk of developing a lung disease by fifty to ninety times more than a person who does not smoke and is not exposed to asbestos. OSHA standards require employers of workers who

are exposed to asbestos to be provided information packets on smoking cessation programs and to ban smoking in all workplaces where any asbestos exposure is possible.

Asbestos Regulations

Although NOA is not regulated per se, here we review the most important asbestos regulations. The EPA regulates asbestos products primarily under three laws:

- Clean Air Act (CAA), at 40 CFR 61 Subpart M – National Emission Standard for a Hazardous Air Pollutant – Asbestos (NESHAP);
- Toxic Substances Control Act (TSCA), at 40 CFR 763 Asbestos; and
- Asbestos Hazard Emergency Response Act (AHERA) which amended TSCA in 1986.

Asbestos is further regulated by several federal agencies and some Alaska agencies.

NESHAP

The asbestos NESHAP regulates the emission of asbestos from the workplace into ambient air primarily during removal activities, building renovation/demolition and associated waste disposal operations. The NESHAP allows no visible emission of asbestos from the workplace during any regulated activity.

Three key NESHAP concepts are 'asbestos-containing material' (ACM), 'friable' material, and 'Regulated ACM' (RACM). A material is defined as ACM if it contains more than 1% asbestos as determined by polarized light microscopy (PLM) analysis. Untested materials identified as suspect by an accredited inspector must be Presumed ACM (PACM). Friable is defined as a material that, when dry, can be crumbled, pulverized, or reduced to powder by hand pressure. Nonfriable materials are subdivided into Category I nonfriable (packings, gaskets, asphalt roofing products and resilient floor covering) and Category II nonfriable (such as wallboard, cement asbestos products, asbestos-containing plasters, and any nonfriable ACM not listed in Category I). Category II nonfriable ACM are materials that may become friable during handling or disposal.

RACM includes all friable ACM, nonfriable ACM that has become friable, Category II materials that will be made friable by the proposed activity and all Category I materials that will be subjected to operations causing fibers to become airborne. Prior to the demolition or renovation of any non-exempt structure in the United States, the owner or operator of the facility must inspect for the presence of asbestos, including Category I and II non friable ACM. NESHAP requires building owners and operators to notify the EPA (or a designated state agency) before demolishing any non-exempt structure. In addition, it requires a ten day advance notification if scheduled activities will disturb equal or greater than (≥) 260 linear feet on pipes, ≥160 square feet on surfaces and ≥35 cubic feet of debris of RACM. The NESHAP standard also prohibits emissions of asbestos to the outside air and requires emission control procedures and appropriate work

practices during collection, packaging, transportation and disposal of regulated ACM waste.

AHERA

EPA issued regulations pursuant to the 1986 Asbestos Hazard Emergency Response Act (AHERA) in October of 1987. AHERA applies to public, nonprofit private and Defense Department kindergarten to twelfth grade school buildings. It requires them to conduct ACM inspections, develop comprehensive ACM management plans, and select asbestos response actions to deal with asbestos hazards. AHERA established a series of accredited personnel and set the training requirements for each. The AHERA occupational survey does not require inspection of all portions of the school (ie exterior, roof etc) nor the removal of asbestos identified, but does require that schools select and implement an appropriate response action for each identified asbestos hazard. The response action may be encapsulation, enclosure, removal or an approved Operations Maintenance and Repair Program (O&M Program). Encapsulation deals with applying a chemical coating or impregnation of the ACM building material in order to prevent any fiber release, while enclosure consists of sealing the ACM in an airtight structure. O&M Programs and Management in Place (MIP) are generally the most utilized and preferred response method until the ACM has become deteriorated or will be impacted by renovation activities thus requiring removal.

The Asbestos School Hazard Abatement Reauthorization Act (ASHARA) was enacted on November 28, 1990. ASHARA amended AHERA to require accreditation for any person who inspects for ACM in a public or commercial building, or who designs or conducts a response action with respect to friable ACM in such a building. ASHARA does not require building owners to conduct inspections for asbestos-containing materials in public and commercial buildings; however, should the owner decide to conduct an inspection an accredited inspector must be used.

TSCA

EPA's Asbestos Ban and Phase Out Rule (ABPO) (40 CFR 763 Subpart I) was published in the Federal Register on July 12, 1989, under TSCA. The rule was to prohibit the importation, manufacture and processing of 94 percent of all remaining asbestos products in the United States over a period of seven years, beginning in 1990. However, the U.S. Fifth Circuit Court of Appeals vacated most of the ABPO and remanded it to EPA in October 1991. EPA subsequently banned several paper products and has used general TSCA authority to control re-introduction of asbestos products into the market place.

OSHA

OSHA currently has three standards for asbestos exposure. The general industry standard, 29 CFR 1910.1001, applies to all occupational exposures to asbestos in all industries except the shipyard and construction industries. This

standard would apply to workers handling NOA if exposures were above the PELs. The shipyard standard, 29 CFR 1915.100, applies to asbestos exposure in all shipyard work and the construction standard, 29 CFR 1926.1101, applies to asbestos exposure in all construction work, including demolition and building maintenance.

All three standards are similar, with each standard setting two permissible exposure limits (PEL), the time-weighted average (TWA) and the excursion limit (EL). The TWA is 0.1 fiber per cubic centimeter of air (f/cc) averaged over an eight-hour period, while the EL is 1.0 f/cc averaged over a 30-minute period where exposure is likely to be the greatest. Each standard specifies training, medical monitoring and recordkeeping requirements for employers of workers who are exposed to asbestos. Differences exist primarily in the areas of effective dates for worker training, medical monitoring, and in work practices specific to the industry. The construction standard is the most detailed and divides asbestos work into classes, I-IV, based on the type of the material, the work being performed, how the material will be impacted, and the amount of ACM involved in the work. For all construction work scheduled to impact PACM or ACM, a competent person must conduct an initial exposure assessment to determine employee worst-case exposure and to establish the engineering controls, work practices, and personal protective equipment that may be required. The standard also supplements the OSHA Hazard Communication Standard (29CFR 1910.1200 and 29 CFR 1926.59) by requiring building and facility owners to notify prospective contractors and subcontractors, tenants, and the owner's own employees about the presence, location and amount of PACM and ACM in the building. This standard requires owners to conduct asbestos inspection or surveys so that the necessary information is available for compliance with notification requirements. The General Industry Standards would apply to workers handling NOA if there exposure were over the PEL.

DOT

The U.S. Department of Transportation (DOT) regulates the transportation of hazardous materials including friable asbestos under the Hazardous Materials Transportation Act (HTMA). DOT's hazardous materials regulations (HMR) are found at 49 CFR 171-180. These regulations require the proper packaging, labeling, shipping manifests, marking, placarding and trained employees associated with shipping of ACM and waste. Proper shipping papers must accompany asbestos-containing shipments with packages properly marked and labeled with the Class 9 diamond. The markings must include the North American identification number, NA2212, and the proper DOT descriptive name (RQ, Asbestos 9, NA2212, PG III). Laboratory samples in shipment are exempt from the regulations, except for the packaging requirements of 49 CFR 173.4.

MSHA

As of April 29, 2008, the U.S. Department's of Labor Mine Safety and Health Administration (MSHA) revised exposure limits on asbestos for miners. The

ruling changes health standards for asbestos exposure at metal and nonmetal mines, surface coal mines and surface areas of underground coal mines. The new ruling lowered MSHA's permissible exposure limits to match those of OSHA. The previous MSHA PEL of 2.0 f/cc was once the same as OSHA's; however, MSHA has not made continuing amendments to the standard in past years which reduced the PEL to 1.0, 0.5, 0.2 and eventually 0.1 f/cc. In addition, the ruling allowed for Phase Contrast Microscopy (PCM) to analyze airborne asbestos samples and Transmission Electron Microscopy (TEM) to reanalyze samples found to be above the PEL via PCM.

Alaska

The Alaska Department of Labor (ADOL) has adopted, with a few modifications, the federal regulations OSHA for asbestos and asbestos removal activities. Federal government has delegated authority to the Alaska Department of Environmental Conservation (ADEC) to implement federal programs which extend the NESHAP, ASHARA and AHERA requirements and the Alaska Department of Occupation Safety and Health (AKOSH) to oversee worker protection.

Other States

Some states have adapted more stringent AHERA and OSHA type regulations, and in some large metropolitan areas the city regulates asbestos and asbestos abatement directly. Other states such as California have developed statewide policies concerning issues not addressed in Federal regulations such as Naturally Occurring Asbestos (NOA) found in soils and rock.

Relevancy of Regulations

None of these regulations, except California and Virginia, discussed elsewhere, apply directly to NOA as likely to be encountered by the AK DOT. The MSHA and ADOL/OSHA regulations apply regarding worker exposure, if workers were exposed over the PEL. The detailed ADOL/OSHA regulations regarding asbestos demolition and disposal do not apply to NOA.

Naturally Occurring Asbestos

Naturally Occurring Asbestos (NOA) has been generally accepted as the generic term to identify any of the six (Chrysotile, Amosite, Crocidolite, Actinolite, Tremolite, Anthophyllite) varieties of asbestos when encountered in natural geological deposits. Asbestos is not chemically altered through a refining process to obtain the hazardous end product we encounter in manufactured goods; but rather raw asbestos ore is mined and crushed down into a usable form. Consequently, NOA describes the location of asbestos (in situ rock and soil) rather than a variety of asbestos.

The mineralogical community uses the term "asbestiform" to describe the morphology of a mineral which has longitudinal parting and can be split into individual fibers. Not all asbestiform minerals are regulated varieties of asbestos; however, all regulated asbestos are asbestiform. Asbestiform minerals consist of fibers that grow almost exclusively in one dimension, are easily bent and occur as bundles of smaller fibers which are called fibrils. This bundling effect of asbestiform minerals is used as a unique distinguishing feature. Asbestiform minerals are long and thin, with aspect ratios of typically 20:1 to 100:1 or greater. Most asbestiform fibers are less than 0.1 microns in width, and nearly all are less than 0.5 micron. Individual asbestiform fibers are visible only with the aid of a microscope. It is important to note these forms became regulated due mainly to their presence in commercial products and several other asbestiform minerals exist, in addition to the six regulated forms, and may be encountered in natural deposits and pose heath hazards similar to that of the regulated varieties.

Geologic Occurrence of Asbestos Minerals

Metamorphic rocks are the result of the transformation of a protolith (existing rock) in a process called metamorphism during which the protolith is subjected to heat and pressure causing profound physical and/or chemical change. Prior to the transformation, the protolith may begin as sedimentary rock, igneous rock or another older metamorphic rock. A large portion of the Earth's crust is composed of metamorphic rocks which are classified by texture and by chemical and mineral assemblage. They may be formed simply by being deep beneath the Earth's surface, subjected to high temperatures and the great pressure of the rock layers above it. They can be formed by tectonic processes such as continental collisions which cause horizontal pressure, friction and distortion or when rock is heated up by hot molten rock, magma, from the Earth's interior, later referred to as igneous intrusion.

Serpentines (Chrysotile) are a magnesium silicate, while amphiboles are generally iron-magnesium silicates with varying amounts of sodium and calcium. If the protolith contains these chemical components asbestos formation is more likely than those that do not. All rocks which have this chemical composition have the potential to contain amphibole asbestos or serpentine asbestos; however, the non-asbestiform varieties of these minerals considerably more dominant than asbestiform.[2]

Asbestos minerals are generally associated with ultramafic rocks and their metamorphic protolith, including serpentinite (serpentine rock). Ultramafic rocks are those igneous rocks composed mainly of iron-magnesium silicate minerals, such as olivine and pyroxene. They include the rock types dunite, peridotite, pyroxenite, and hornblendite. Ultramafic rocks form in high-temperature and high-pressure environments deep beneath the earth's surface. By the time they are exposed at the earth's surface, ultramafic rocks have typically undergone a type of metamorphism known as serpentinization, a process that alters the

original iron-magnesium minerals to one or more waterbearing magnesium silicate minerals (lizardite, antigorite, chrysotile) that belong to the serpentine mineral group. The mineral chrysotile is often present as asbestos in the resulting rock. Metamorphism of ultramafic rocks and serpentinite may also lead to the formation of amphibole asbestos minerals. Conditions favorable for asbestos formation may occur repeatedly during the metamorphic process and, consequently, it is very common for at least a small quantity of asbestos to be present in metamorphosed ultramafic rock bodies. [3]

While generally associated with serpentinite and ultramafic rocks, chrysotile asbestos may less commonly occur in other rocks that originally contained the minerals olivine and pyroxene. These include metamorphosed mafic plutonic rocks like gabbro or mafic volcanic rocks such as basalt that are commonly associated with ultramafic rocks or serpentinite. Chrysotile and the amphibole forms of asbestos may also form in magnesium-rich limestones and dolomites which are metamorphosed carbonate rocks. The amphibole asbestos minerals are most commonly found in metamorphosed ultramafic rocks, including serpentinite, and in metamorphosed mafic plutonic rocks, metamorphosed mafic volcanic rocks, metamorphosed iron-rich chert, and metamorphosed ironstones. In many of these geologic environments, Asbestos is thought to be more likely found where changes in the geology occur such as near geologic contacts, along dike boundaries, or near inclusions of different rocks or in fault and shear zones where natural fluid flow has been enhanced. [3]

Asbestos minerals may also be found in sedimentary rocks, stream sediments, or soils derived from parent materials that contain asbestos. Alluvial deposits that contain asbestiform materials are likely to be found in any watershed that drains ultramafic rocks.[4]

Soils derived from parent materials that contain chrysotile asbestos and amphibole asbestos may also contain asbestos fibers and are an important potential source of airborne asbestos. Weathering and leaching reduce the amounts of asbestos in soils over time, yet little is known about the rates of weathering and leaching of asbestos in soil environments. Available information suggests that substantial reductions in the amount of chrysotile may take hundreds or thousands of years, depending on the soil environment, and somewhat longer for amphibole asbestos. [2]

NOA in USA

In the United States, the presence of asbestos or asbestiform minerals in rocks has been identified in 20 states, and mined in 17 states in the last 100 years. [5] In addition to known previous mining locations, reports of asbestos or other fibrous minerals has been identified through geological surveys and other miscellaneous encounters. The United States Geological Survey (USGS) has an ongoing effort of compiling these sites and locating them on maps that are available on its web-

site at http://tin.er.usgs.gov/mrds[6]. The sites on these maps give an indication of the major areas of concern, which are most particularly located along the Appalachian and Rocky Mountains as well as in the Western Cordillera. In some of these areas, such as California and Virginia, the NOA issue has been known for some time and local agencies have responded in a variety of ways such as implementing state and local policies and regulations for testing and handling suspect and known NOA. The health risks associated with NOA are based on the potential for exposure. The exposure pathway of greatest concern is through inhalation, which requires the asbestos to become airborne. Experts believe that natural factors such as wind erosion pose little threat to human exposure, but rather disturbance of NOA-containing rock and soil under dry conditions. Because of this health risks are generally quantified though activity-based sampling on a site-specific basis. Below is a list of some areas in the US where NOA has been identified, and local responses to the occurrence:

Virginia

In 1987 the presence of NOA in Fairfax County, Virginia, was brought to the attention of the Fairfax County Air Pollution Control Division (Fairfax APCD) during the construction of an underground parking garage. As a result from the NOA-containing rock being drilled and crushed with no mitigation controls in place, the entire construction project was reportedly covered with NOA-containing dust. Several drill operators experienced itching and skin irritation which through subsequent medical and geological investigations was determined to be caused by tremolite asbestos fibers. The Fairfax County Soil Science Office later performed sampling and found a vein of asbestiform actinolite and tremolite comprising 10.9 square miles. Since the NOA discovery, Fairfax County has implemented NOA-specific policies regarding construction project that will impact soil.[7]

California

Serpentinite is California's official state rock and the source of much of the NOA found there. El Dorado Hills, a community in the Sierra foothills near Sacramento is a community that has had ongoing NOA issues associated with fibrous amphiboles in bedrock and soils since 1999. Reports have indicated that airborne concentrations of asbestos regularly reach levels of concern through non-construction activities such has recreation and gardening. In February 2002, during a construction project at a local school, veins of asbestos-containing minerals were discovered. The school soil was remediated that summer, but in September 2003, the EPA carried out activity-based sampling which involved measuring NOA in the breathing zone during recreational activities around the school which yielded varying results of airborne asbestos concentrations. Results underwent criticism for analysis methods and definition of asbestiform vs non-asbestiform minerals; however, a generally consensus was reached that a potential health risk existed for asbestos exposure existed in the area.[8]

Minnesota

Silver Bay, located on the shore of Lake Superior, served as a processing mill for Northeastern Minnesota's is rich in iron-ore mining operations. Historically the lake not only served as a steady water supply, but also as a dump site for the mine tailings. Amphiboles are known to be present in this area iron-oxide ore, and mineral fibers were later detected in the air and water supply of several towns, including Duluth. In 1975 after ongoing legal battles, the 8th Circuit Court of Appeals instituted the "control-city" standard where air monitoring at Silver Bay was required to yield results equal to or less than the control city; in this case St. Paul. [8]

New Jersey

A milling facility associated with a marble and limestone quarry near Sparta, NJ has been accused of emitting fibrous tremolite in dust generated from milling and quarry activities. The geology of the area suggests that amphibole minerals are present; however, emissions testing illustrated that the tremolite mineral present was non-asbestiform. Samples were later collected from homes in close proximity to the quarry which did not yield conclusive evidence that asbestos had migrated from the quarry or milling operation. Analysis methods and the definition of asbestos were again scrutinized; however, the quarry and milling facility are still operational.[8]

Washington

On Sumas Mountain in western Washington State a major low-moving landslide is occurring in altered serpentinite rock near the headwaters of Swift Creek. The landslide material contains both asbestiform and non-asbestiform lizardite, resulting in chrysotile being the asbestiform mineral of concern. Erosion resulting from the slide releases large quantities of sediment into the drainage and eventually the area river. To prevent flooding, the river is routinely dredged and staged in piles along the river. This staged material has historically been utilized as a local source of fill and has formed an area used for recreational activities. In 2006, the US EPA engaged in activity-based sampling in which three activities involving different levels of disturbance of the dredged material were simulated for this study: loading and unloading of dredged material with heavy equipment, shoveling and raking dredged material over a surface, and recreational activity, such as biking, jogging and walking on the dredged materials. Sampling indicated that a potential health risk regarding airborne asbestos fibers existed for several of the activities. In 2007, the US EPA released a fact sheet warning residents to limit their exposures through avoiding contact with the dredged materials. [8]

Montana

Libby is a small town located in the northwest corner of Montana approximately 35 miles East of Idaho and 65 miles south of Canada. In the 1880's, gold miners discovered vermiculite near Libby, and by 1920 the Zonolite Company had formed and began mining the vermiculite. Vermiculite is used in many common commercial products, including attic insulation, fireproofing materials, masonry fill, and as an additive to potting soils and fertilizers. In 1963, W.R. Grace purchased the Zonolite mining operation which remained in production until 1990.[9] In the fall of 1999, a series of newspaper articles state the ore deposit contained small amounts of asbestiform amphiboles. In response to these articles, the EPA sent an Emergency Response Team to Libby in November 1999 to address the asbestos concerns. The vermiculite ore mined from Libby was contaminated with fibrous amphiboles consisting of tremolite and the asbestiform amphiboles winchite and richterite. [8]Tremolite is a regulated form of asbestos; however, papers by Meeker[10] and Gunter[11] concluded that tremolite made up less than 10% of the amphibole population suggesting the winchite and richterite likely contributed to the increase in asbestos related illness affecting the former Libby miners. Multiple studies yielded results illustrating that rates of lung cancer, asbestosis and mesothelioma were about 2.5 times higher in the Libby miners than expected. [8]

EPA implemented a program to inspect all Libby properties for elevated asbestos levels. Between 2002 and 2003, approximately 3500 properties were inspected, with 12,000 soil samples being collected. As of 2009, the EPA has completed cleanups at over 1100 properties including the vermiculite processing plants and other "highly contaminated" public areas with an estimated 100 large property cleanups scheduled for the 2009 constructed season.[9]

Analytical Methods for Quantifying Asbestos in Soils

Various types of microscopic analysis are used to determine the amount of asbestos present in soils. The most common forms are discussed below. Additionally, variations exist for each method depending on sample preparation and counting methods utilized.

Polarized Light Microscopy (PLM)

PLM analysis is the standard method used to test for the presence or absence of asbestos in building materials. PLM results report a visual estimation of the weight percentage of asbestos in a sample. PLM analysis typically begins by viewing a sample under a stereoscope at 10X – 50X magnification; fibrous sub-samples are then selected to be viewed under a light microscope at 100X – 500X magnification. By correctly interpreting light interactions, analysts can accurately distinguish asbestos from non-asbestos materials (glass, cellulose) as well as

identify the variety of asbestos present. Accuracy of this method depends on the uniformity of the material, the type of analysis and the analyst's experience. "Point Counting" considered more accurate than standard PLM is one variation of the method where the analyst views a set number of grid points and documents the material present. The number of points that have asbestos versus no asbestos determines the percentage of asbestos reported. [12]

Common forms of PLM analysis are not applicable for materials which contain highly varied, non-uniform and non-manufactured materials such as soils, gravels, dusts or large quantities of fibers smaller than 0.25 µm.

Transmission Electron Microscopy (TEM)

TEM is capable of identifying the largest range of asbestos fibers/structures of all Electron Microscopy analysis and can differentiate between asbestos and non-asbestos fibers/structures. TEM is used for air, bulk, dust and soil sampling. TEM analysis utilizes an electron microscope for which the level of magnification can resolve down to10 nanometer (nm) particles and can identify asbestos particles by appearance, chemical composition and crystalline structure. Depending on the variation of TEM analysis results are either a visual estimation of a weight percent, or are "semi-quantitative" based on actually weighing the sample then estimating the weight of asbestos found by the fibers size and density.

In addition to bulk sample analysis, TEM is also used to analyze microvac (ASTM D-5755) and wipe (ASTM D-6480) samples. These sampling techniques are common to quantify asbestos levels in settled dust. Both methods require settled dust to be collected from a known surface area. The laboratory analysis consists of digesting the media (filter or wipe) in solution and analyzing via TEM. Samples can be qualitatively analyzed which yields an "absent" or "present" result for asbestos and notes the types of asbestos observed. Samples can also be analyzed qualitatively for which the solution with the digested media is diluted known magnitudes until asbestos fibers can be accurately counted with the microscope. By using known sampling surface areas, dilution factors and analysis areas, the microscopist can calculate the amount of asbestos structures present per square centimeter (st/cm^2) of dust. While this method is a very useful tool in determining the concentration of asbestos in settled dust, concentrations of asbestos in settled dust are not regulated by any agency since the asbestos is neither airborne nor present in a building material.

TEM allows for more accurate identification of much smaller fibers than PLM analysis. EPA method 600/R-93/116, Section 2.5[13] summarizes the TEM bulk analysis. Many laboratories have developed their own methods to provide a full quantitative analysis of bulk samples via TEM.

Scanning Electron Microscopy (SEM)

SEM is primarily used for asbestos analysis for air and dust samples with the asbestos fibers being identified using their chemical composition and appearance. Asbestos fibers too small to be detected using light microscopy can be seen.[14] SEM can be used to observe particle down to approximately 0.1 µm. SEM has not historically been heavily used for regulatory purposes; however, recently it has become more popular for studying amphiboles in their natural setting.[15]

CARB Method 435

The California Air Resources Board (CARB) adopted a NOA-specific testing method in 1990 known as CARB Method 435. (M435 or CARB 435) California currently requires this method for the analysis of gravels or mineralized soils to detect the presence of asbestos. In this method, the soil/aggregate sample is weighed, dried, milled (crushed to fine powder) and then analyzed by PLM or TEM. The CARB method is designed to detect "loose" asbestos fibers, unlike sieving methods which are used to analyze ACM mixed in soil.[16]

PLM analysis utilizes either a 400 or 1000 point count to obtain a level of detection of 0.25% and 0.1% respectively. The PLM resolution is only accurate down to 0.25 µm; asbestos fibers/bundles smaller than that (specifically amphiboles) will not be detected using PLM. For the CARB 435 TEM Method the sample is weighed, dried, milled, put into suspension and analyzed. Results are given in percent asbestos by mass with sensitivities down to 0.001%.[17]

CARB 435 results are considered representative of the worst case conditions when the NOA aggregate becomes pulverized due to handling, use application or natural conditions.

EPA Region 1 Proprietary Soil Characterization

This is a proprietary method that separates and analyzes the different portions of the sample. PLM or TEM analysis may be used for the final analysis but the method includes observations of the fractions of materials present, classification by particle size and source categories, including organic, man-made, geological and asbestos materials. Since this method does not alter the materials present for analysis, results represents the materials as they exist in their natural setting. EPA Region 1 Soil Characterization provides a visual estimation of the weight percentage.[18]

Analytical Methods for Quantifying Asbestos in Air

Typically asbestos air samples are collected by "pulling" a known rate of air through a 25mm cassette by either an electric or battery operated vacuum pump. The air is forced through either a 0.45 micron (µm) (TEM) or 0.8 µm (PCM) mixed cellulose ester (MCE) filter which is then analyzed for asbestos fibers/structures

by TEM or PLM respectively. The concentration of airborne asbestos is calculated by the density of asbestos present on the filter and the volume of air sampled.

Phase Contrast Microscopy (PCM)

PCM (NIOSH 7400 Method) sampling method is a very common form of determining airborne fiber concentrations using a light microscope. The PCM method counts all fibers meeting the criteria of greater than 5 (µm) in length and 0.3 µm in diameter and meet the 3:1 aspect ratio (whether asbestos fibers or not) and reports results in fibers per cubic centimeter (f/cc) of air. PCM only counts fibers that are present in the fields observed, and does not identify the type of fiber (asbestos, cellulose, fiberglass, ect).[19]

This method is widely used for monitoring airborne fiber concentrations during asbestos removal/impacting projects, including determining OSHA approved worker exposures through a time-weighted average (TWA). TWA's calculate the average concentration of fibers a given worker was exposed to during his/her work shift.

Transmission Electron Microscopy (TEM)

For TEM air sampling analysis, the same collection procedure is used as with PCM sampling, except the cassette filter has a smaller pour size and results are reported in asbestos structures per square millimeter (Str/mm^2).[20] The results are reported in Str/mm^2 since the analysis includes all asbestos particles 0.5 microns and larger in length and may not necessarily be fibers. TEM allows for the analysis of very fine fibers while simultaneously determining their chemical composition and crystalline structure.

TEM Method 7402[21] is typically used when a PCM sample is found to have elevated fiber levels. Method 7402 analyzes a separate piece of the same cassette filter under an Election Microscope, opposed to a light microscope, which allows the analyst to determine if there is actually an elevated level of asbestos fibers, or if the fiber level was elevated due to a high number of miscellaneous fibers meeting the PCM counting criteria. This method is a useful complimentary tool to the PCM 7400 Method.

Elutriator Method

The Elutriator Method (Superfund EPA 540-R-97-028) begins by sieving the soil sample into fine a course fragments. The fine soil fractions are then placed in a closed tumbler chamber where any respirable dust created during tumbling is collected on air cassettes. The cassettes are then analyzed via TEM by ISO 10312[22] counting rules which are designed for samples collected from ambient

conditions, specifically indoors. This method is used to identify the amount of respirable fibers present within a soil sample.[18]

NOA AND EFFECTS ON ALASKAN CONSTRUCTION PROJECT

Historical Alaska NOA Incidents

Alaska has large known deposits of ultramafic and serpentine mineral ore located throughout the state. The documented cases of NOA encounters in the state have been limited and comparatively small. The potential for larger and more serious incidents can be expected to increase as public and professional awareness examine proposed activities with more scrutiny and existing material sites are exhausted and new site are developed. The following is a brief synopsis of several known NOA incidents in Alaska.

Juneau

In 2005, NOA was found to be present in Juneau's city-run Stabler's Point Rock Quarry causing several contractors to stop using the material until additional information and guidance was made available. Stabler's Point consists of the hardest local rock, metamorphosed mafic volcanic rock, which has been known to historically contain NOA. According to a Memorandum issued by the City/Borough of Juneau in 2005, scattered veins of asbestos-containing rock have also been reported in the following Juneau quarries: Lemon Creek, Treadwell, Upper and Lower Fish Creek and Bonnie Brae. The city believes that asbestos is likely to be present in most Juneau areas with high quality rock.[32]

Of the initial samples collected from the Stabler's Quarry two were found to contain tremolite asbestos at 3% and 5%.[33] Later some samples were also found to contain actinolite asbestos.[34] Blasting and rock crushing operations, which are known to release asbestos fibers from rock, had been occurring on a regular basis for several years prior to the discovery of NOA at the quarry. A private consulting firm hired by one of the contractors utilizing the quarry later stated given the presence of asbestos at the quarry, and the limited air sampling performed, it would appear as though workers were occasionally exposed to airborne asbestos levels in excess of workplace exposure standards.[34]

The rock aggregate obtained from the Stabler's Quarry was used for several years on a variety of private and commercial construction projects throughout the Juneau area and was a topic of concern for many local residents. In addition, aggregate collection (blasting) and refining (crushing) methods used were performed under general conditions meaning no methods were implemented to reduce airborne fiber concentrations during work activities. Since the discovery of NOA at the Stabler's Quarry, sampling efforts have been performed as well as requiring the use of wet methods and respirators for quarry workers.

As in most situations, once NOA was discovered activity was stopped until an assessment could be performed. In the Juneau case, the majority of the asbestos-containing gravel aggregate was used in construction projects where it would not be left exposed. The quarry itself implemented engineering controls

such as PPE for workers and the use of wet methods. In addition, attempts were made to focus mining efforts on portions of the quarry which yielded the lowest concentrations of NOA. Material from this mine is currently only used on projects where it will not remain exposed after completion; such as paved road construction. The City of Juneau originally was researching the possibility of implementing local NOA regulations; however, as of yet no regulations have be made.

Dalton Highway

As described by Perkins et al[5] the Dalton Highway (formerly known as the Haul Road) was constructed in the early 1970's and runs adjacent to the Trans-Alaska Pipeline connecting the Prudhoe Bay oil fields of Alaska's North Slope to the state highway system near Fairbanks. Most of the Dalton Highway is unpaved and is primarily utilized by pipeline employees and truckers supplying the oil fields.

In 2000, the Alaska Department of Transportation & Public Facilities (ADOT) awarded a contract to replace culverts and bridge abutments and to add surfacing material to approximately 20 miles of gravel road from Milepost (MP) 90 to 111 on the Dalton Highway. The project utilized surfacing gravel from a material site (MS) located at MP 105. The project contractor constructed a 1 to 2 foot thick gravel pad at MP 107 for a project staging area and temporary housing site since the closest permanent habitation was located approximately 70 miles away. An estimated 30 truckloads of gravel had been removed from MS 105 before workers noticed several large pieces of fibrous material suspected to be asbestos, after which aggregate extraction from this site was terminated.

After ultramafic rock containing actinolite and tremolite asbestos was confirmed at MS 105, concerns about worker exposure on the project site, as well as potential exposure in the temporary living quarters due to cross-contamination arose. Furthermore, questions were raised on how to safely complete the project, as well as address public health concerns for driving on the Dalton Highway. The project contractor retained a consultant to assess the problem, recommend work plan modifications, provide necessary worker training, perform exposure monitoring and reporting.

Results from the assessment included close to 700 breathing zone air samples collected from workers; 3% of which had asbestos fiber concentrations at or near 0.1f/cc per the NIOSH 7400 PCM[19] method. 36 of those samples were additionally analyzed via NIOSH 7402[21] (modified TEM analysis) which illustrated approximately 40% of the fibers observes were asbestos. Results concluded that workers who impacted the material the greatest, such as bulldozer and grader operators, were at the highest risk of exposure. Asbestos fiber release from rock crushing operations would have presumably been higher. Samples for potential motorist exposure were collected under conditions simulating "worse case scenario" - driving with windows open while following heavy equipment

which produced a visible dust cloud – indicated fiber concentrations well below the OSHA PEL.

The discovery of NOA at MS 105 on the Dalton Highway incurred significant delays and added millions of dollars to the project costs. After the assessment was completed, the MS 105 was abandoned for a MS which yielded non-NOA gravel to complete the project. The new MS was tested for the presence of NOA prior to starting work. Existing portions of road bed constructed with NOA along the project length were identified and capped with NOA-free material. Work practices and method of construction was modified to minimize worker exposure and NOA accessibility.

Similar to Juneau, the NOA concern at Material Site 105 on the Dalton Highway was discovered after workers had begun to remove and use the material. During this project; however, the NOA-containing aggregate was used to construct the gravel pad for temporary living quarters, as well as to resurface approximately 20 miles of the unpaved Dalton Highway. The NOA assessment for this project illustrated that some workers were at risk of being exposed to asbestos above regulatory limits, but motorist traveling down the gravel highway, in a "worse case scenario" were not. Regardless of the remoteness of the area and the low health risk it posed to the public, it was agreed that known NOA-containing gravel on the highway would be capped and work practices would be modified to address NOA exposure concerns during project construction. Equipment and camp facilities were decontaminated and workers were provided training. MS 105 was no longer utilized as an aggregate source for the remainder of the project and has been closed indefinitely as an aggregate source.

Ambler

Ambler is Kowagniut Inupiat Eskimo village located in northwestern Alaska along the North bank of the Kobuk River. Ambler is approximately forty-five miles north of the Arctic Circle, one hundred and forty miles east of Kotzebue and three hundred and twenty miles northwest of Fairbanks.

In 2003, the ADOT was conducting routine soil testing in preparation for a scheduled Ambler project requiring the use of gravel aggregate. Tests results reported the presence of chrysotile asbestos in the aggregate samples taken from the local gravel pit. This was the only available gravel aggregate source for Ambler and consequently had previously been used to construct the community airport, roads and utility systems. The pit is commercially owned by the local development corporation (NANA), who closed and placarded the pit soon after the NOA discovery.

All roads in Ambler, including the airport runways, are finished with unpaved gravel surfaces. All-terrain vehicles (ATV's) are the most prevalent means of transportation and create substantial visible dust, generated from the unpaved

community road surfaces, during summer months. In 2007, the Agency for Toxic Substances and Disease Registry (ATSDR) performed an exposure investigation[35] primarily focused on ATV generated dust and potential asbestos exposure for both ATV riders and the general public. The assessment concluded that exposure to visible dust generated from the Ambler roadways created a higher than average health risk concerning asbestos.

In addition to the asbestos related health concerns, several community projects which require the use of the gravel aggregate have subsequently been put on hold or cancelled. In 2004, a multi- year effort was undertaken by R&M Consultants to locate an aggregate source free of NOA. However, no location within a reasonable distance (15-25 miles) was identified that would definitively yield non-NOA aggregate.[36] Since the NOA discovery in 2003, the gravel pit has been restricted from use. Due to the inability to use gravel for regular maintenance, the Ambler runway began to dilapidate until the crown had lost its vertical rise and ruts and potholes became increasingly prevalent and obnoxious due to lack of drainage and replenishing aggregate. The runway was also a major source of dust emissions from the airplanes prop wash during take off and landing. The runway was operated by ADOT that concluded runway repairs were required to continue safe operations. ADOT also decided due to the NOA concern in the community they would apply a dust-suppressing poly synthetic palliative called Durasoil to the surface of the runway after the repairs were complete. ADOT had experienced positive results using this form, and variety, of dust suppressant in other remote areas of Alaska to control fugitive dust. Since no non-NOA containing aggregate sites were available, the known NOA-containing quarry was utilized as the aggregate source for the runway repairs. A consultant was retained to assist with a Ambler public meeting, the development of NOA project work plan, training of project workers, community relations during construction while oversight, monitoring and project reporting. Monitoring documented a Negative Exposure Assessment (NEA) with no air sampling results exceeding the OSHA PEL at any point during the project.[37]

Since the discovery of chrysotile in the Ambler gravel pit, the following NOA-related investigative efforts have been performed to date:

- **Asbestos at Ambler Material Pit Preliminary Assessment**.[38] Alaska Department of Health & Social Services, Division of Public Health, Section of Epidemiology, October 23, 2003.
    - Chrysotile asbestos discovered in Ambler quarry during routine soil testing.
    - Quarry was closed indefinitely.
- **Limited Health Survey**.[39] Alaska Department of Labor and Workforce Development, Occupational Safety & Health Labor Standards and Safety Division, November 2003.
    - School area soil, interior dust and air samples confirmed Chrysotile NOA

- Recommended material site cap, school cleaning, HEPA filtration and administrative controls to control summer risk

- **Ambler Airport Rehabilitation: Airport Materials Site Investigation**.[36] R&M Consultants. 2004 Geotechnical Report.
  - Soil boring was performed around Ambler area to find an alternative, non-NOA gravel source. Results indicated that no non-NOA gravel source was available within reasonable distance to Ambler.
- **Naturally Occurring Asbestos Summary of Requirements and Recommendations.**[40] Alaska Native Tribal Health Consortium (ANTHC). August 2005
- **Public Health Evaluation and Assessment – Interim Report**.[41] May 20, 2005. Middaugh, John P.
  - Medical records review for residents of Ambler, Kobuk, Shungnak and Kiana, to see if asbestos-related diseases had occurred
  - No asbestos-related diagnoses on death certificate; no mesothelioma cases dating back to 1970
  - On review of chest X-ray, nine people with pleural plaques suspicious for asbestos exposure were identified.
- **Investigation of Possible Environmental Asbestos Exposure in Northwest Alaska – Interim Report**.[42] Chimonas, Marc; Middaugh, John and Arnold, Scott. June 15, 2005: Alaska Division of Public Health
  - Expert review of 130 chest X-rays from villagers 50 and older; interviews conducted
  - Twenty-one individuals with either pleural plaques or pulmonary fibrosis suspicious for asbestos exposure. Some were exposed to asbestos occupationally.
  - Not possible to definitively establish or exclude environmental asbestos exposure as a cause of disease
- **Exposure Investigation Final Report**.[35] Agency for Toxic Substances and Disease Registry. June 2007
  - Chrysotile NOA confirmed in gravel used to construct roads
  - Ambient sampling confirmed airborne NOA, but not likely to be a public health concern
  - Visible airborne dust levels behind four-wheelers exposed trailing riders to a high-level of respiratory exposure and confirmed public health concerns.
- **Federal Aviation Administration, Ambler Airfield, Alaska Winter Exposure Assessment.**[43] ***NORTECH*** Environmental Engineering, Health & Safety. June 2008 Report.
  - FAA technician tasks were performed while personal and area air samples were running. Results indicated area fiber concentrations were below 0.01 f/cc while the personal TWA was below 0.10 f/cc.
  - Frequent cleaning of facilities was recommended.

- **Federal Aviation Administration, Ambler Airfield, Alaska Summer Exposure Assessment**[44] ***NORTECH*** Environmental Engineering, Health & Safety. August 2008 Report.
    - FAA technician tasks were performed while personal and area air samples were running. Results indicated area fiber concentrations were below 0.01 f/cc while the personal TWA was below 0.10 f/cc. Area samples were also collected while planes landed/took off with all results below 0.01 f/cc.
    - Frequent cleaning of facilities was recommended.
- **Ambler Airport Dust Suppression**.[37] ***NORTECH*** Environmental Engineering, Health & Safety in association with R&M Consultants. November, 2008 Report.
    - Utilized NOA-containing gravel to resurface runway using "wet methods" as needed. Palliative applied to runway surface for dust suppression.
    - Personal and area air monitoring illustrated the PEL and clearance concentrations were not exceeded.

In addition to the studies listed above, a *Naturally Occurring Asbestos Dust Control Working Group* has been established as a result of the Ambler NOA. This working group is a consortium of federal, state and local groups who help to manage and oversee NOA-related projects and concerns in Ambler in the interest of public safety. The group consists of the City of Amber, ANTHC, ATSDR, USRD, HIS, Maniilaq, DOH and ADOT.

Ambler is located between the Jade Mountains and the Cosmos Hills; small mountain ranges along the southern slopes of the Brooks Range. The rocks in these mountains are mineral-rich and contain large ore deposits. Bornite, reportedly one of the world's richest copper deposits, exists within these ranges and major jade deposits are found in the Jade Mountains. Serpentine rocks, commonly containing asbestos, have been mapped in both these ranges.[45, 46] An asbestos mine was temporarily operated at Asbestos Mountain in the Cosmos Hills near Kobuk. The asbestos has apparently been eroded from these rocks and transported throughout the area by glaciers, water and wind. Sedimentary deposits have been found with varying concentrations of asbestos throughout the area.[36]

The NOA found in Ambler poses many issues not previously encountered in Alaska. Ambler requires the use of gravel to maintain the limited road system, runway, public utilities and local projects. With no apparent asbestos-free gravel sources within a reasonable distance and only year round air travel access identifying methods to use NOA safety are significant to the regional corporation source owner and local community. ADOT held public meetings in Ambler to obtain feedback, report progress and provide information regarding NOA, asbestos health hazards, risk and effective methods to reduce exposure (avoidance of visible dust clouds, road watering, regular household cleaning to

remove visible dust accumulations, removing footwear prior to entering homes and driving slower on the roads, etc).

Alaskan Construction Projects

The presence of NOA and its effects on construction projects in general, as well as its effects on certain Alaskan Construction projects, are noted in other sections. Here we examine the occurrence of NOA in Alaska and its likely effect on future construction projects. Most heavy construction projects such as dams, roads, airports, pipelines, and railways require large quantities of natural materials, sand, rock, and fill soil. These materials are excavated, processed, and transported to the sites where they are needed. Ideally the transport distance from excavation to installation and the processing steps are minimized. In any case, the excavation, processing, and transport are key cost drivers in most heavy construction projects. If material sources proximate to the project have NOA or are likely to contain NOA, the project owners and designers must make a decision to obtain NOA-free materials further from the project at a greater cost, or to use the NOA materials and make allowances for handing the NOA material in such a manner to keep airborne asbestos fibers and their human health hazards to a minimum. Other sections of this report deal with methods of ameliorating fiber release from NOA-containing materials after they have been installed and regulations in other states that have established standards for NOA materials that establish benchmark concentrations, which, together with prudent work methods, are protective of human health.

This chapter will: examine the need for gravel and similar materials in Alaska, discuss the mineralogy of Alaska with respect to asbestos, present a map of mineral occurrences that may contain NOA and their location with respect to transportation corridors, and examine the implications for projects. Finally we will present some conclusions.

Alaska Gravel Needs

Many heavy construction projects move large quantities of soil within their right of way. These are often called "unclassified materials." Over these are then placed "classified" or "select" materials. The exact definition and qualities of these material are dependent on the particular type of project and its specifications. These materials generally must be imported from off the right of way, usually from special "material sites." Here we will just refer to those imported materials collectively as "gravel." We will discuss them in relation to historical and known current demands for gravel, as well as estimates for future projects.

Highways

Here we discuss some likely gravel needs in the DOT's Northern Region. Currently, for projects on the highway system, there is gravel available, although

it may involve a longer haul distance. Generally, these sources have not been checked for NOA. New sources are needed for the routine maintenance (M&O) activities and routine construction projects. DOT Northern Region used 2 million CY from 64 different material sites in 2007 and 1.6 million CY from 40 different materials sites in 2008.[23] The DOT generally has enough material for maintenance and operations (M&O) and new projects, although most new projects are improvements to existing roads. The large rocks used to armor stream banks and other hydraulic structures is known as "rip rap" and rocks large enough for rip rap are usually scarce.

The Trans Alaska Pipeline System (TAPS) and future 48"Gas Pipeline

The TAPS project used 73 million CY of gravel, total. The workpad required 32 million CY. [24] Of that, the Dalton Highway (Haul Road) required about 13 million CY for its prism. Many access roads to material sites were required for Haul Road construction, and may have been counted in either the Haul Road number or not. Certainly the 225 access roads were counted in the 73 million CY. Thus, if the Haul Road and its material sites were counted in, the TAPS project would have required 50 to 60 million CY of gravel without the Haul Road. The most likely route of the proposed gas line will follow the Dalton Highway and the Alaska Highway, there will not be a major new highway. However we do not believe that Alyeska will allow the gas pipeline to use Alyeska's workpad or construct close to TAPS, therefore new workpads and many new access roads will be required. There will be new camp pads, airports, and compressor stations. Not counting the DOT upgrade work, we estimate that the gas line will need to mine 50 to 60 million CY of new gravel. (Referring the annual DOT usage, the new pipeline will require 25-fold the annual DOT requirement, and most of that in the first year or two of construction).

Special highway construction

If the gas line is built, AK DOT will need to reconstruct many miles of substandard road. Large sections of the Dalton Highway need reconstruction.

Airports

Virtually all airport construction and upgrades require material from local sources. In some locations material is barged in from long distances, but this is expensive. There are about 256 bush airports owned by the ADOT.[25] A new small airport may require 25,000 CY of gravel. In addition, gravel is needed for access roads and maintenance of both the runway and the access roads.

Railroad Extension

There is currently a study regarding extending the Alaska Railroad from Fairbanks to Delta (90 miles) and from Delta through Canada (200 miles).[26] A rough estimate for that yields 14 million CY of fill, gravel, and ballast for the main line. Much of the line would be close to the Alaska Highway. However access roads, camps, and ancillary structures – there will be many bridges – may require another 5 million CY.

Mining and other industry

Mining needs gravel for access roads. Smaller mines generally have some material available on-site, but major new mines will require gravel from outside the mine. Extrapolation from Alyeska's numbers (73 million CY in 800 miles) one could say 91,000 CY per mile of new infrastructure. That would include main road and roads to gravel sources and pads for ancillary structures. Minimizing haul distances is economical, which tends to increase the number of material sites. Two new material sites per mile might be a good estimate.

Balance between Existing and new MS

Most of the smaller scale road maintenance is done with existing gravel sources. The volume is generally not large and the costs of opening a new pit are often greater than the haul costs from a more distant pit. A major project will require a lot of gravel and thus justify the extra costs of opening closer pits. Besides direct costs, safety is an important consideration when hauling of gravel on an active highway, and minimizing the number of construction rigs on a traveled highway is good practice.

Since the existing open material sources are just adequate for current needs, it is clear that many new gravel sources will be needed if any of the major projects come to fruition.

Mineralogy of Alaska with respect to asbestos

"Asbestos" is a commercial term, not the name of a particular chemical or geological rock type. While there are six asbestos types that are regulated due to known human health effects, there are other, similar minerals that are not regulated. Some of these may likewise have adverse health effects. Within minerals of a certain chemistry, some of the mineral may have crystallized into large crystals or masses, while other portions may have crystallized in fibers or bundles of fibers. In general, "Asbestos is defined as certain minerals that have crystallized in a finely fibrous habit, in bundles of easily separable fibers and/or fibers which are composed of smaller diameter fibrils, and with a hair-like elongated shape resembling organic fibers, with exceptionally smooth faces and displaying unusual adamantine or silky luster" [8]

As noted by Gosen[31] asbestos is most commonly defined as the asbestiform variety of several specific, naturally occurring, hydrated silicate minerals. Asbestos typically includes chrysotile, the asbestiform member of the serpentine group, and several members of the amphibole mineral group, including, but not limited to, the asbestiform varieties of (1) riebeckite (commercially called crocidolite), (2) cummingtonite-grunerite (commercially called amosite), (3) anthophyllite (anthophyllite asbestos), (4) actinolite (actinolite asbestos), and (5) tremolite (tremolite asbestos). Other amphiboles are known to occur in the

fibrous or asbestiform habit,[27] such as winchite, richterite[30] and fluoro-edenite,[29,28] but usually they have not been specifically listed in the asbestos regulations. The many different ways that asbestos and asbestiform and other related terms have been described are summarized in Lowers and Meeker.[30]

The geological conditions necessary for the formation of NOA have been reviewed and the rock types known to host NOA include serpentinites, altered **ultramafic** and some **mafic** rocks, dolomitic marbles and metamorphosed dolostones, metamorphosed iron formations, and alkalic intrusions and carbonatites.[31] In summary, there are many types of minerals that might contain asbestos, and these include rock types very common in Alaska.

Map of mineral occurrences that may contain NOA and their location with respect to transportation corridors

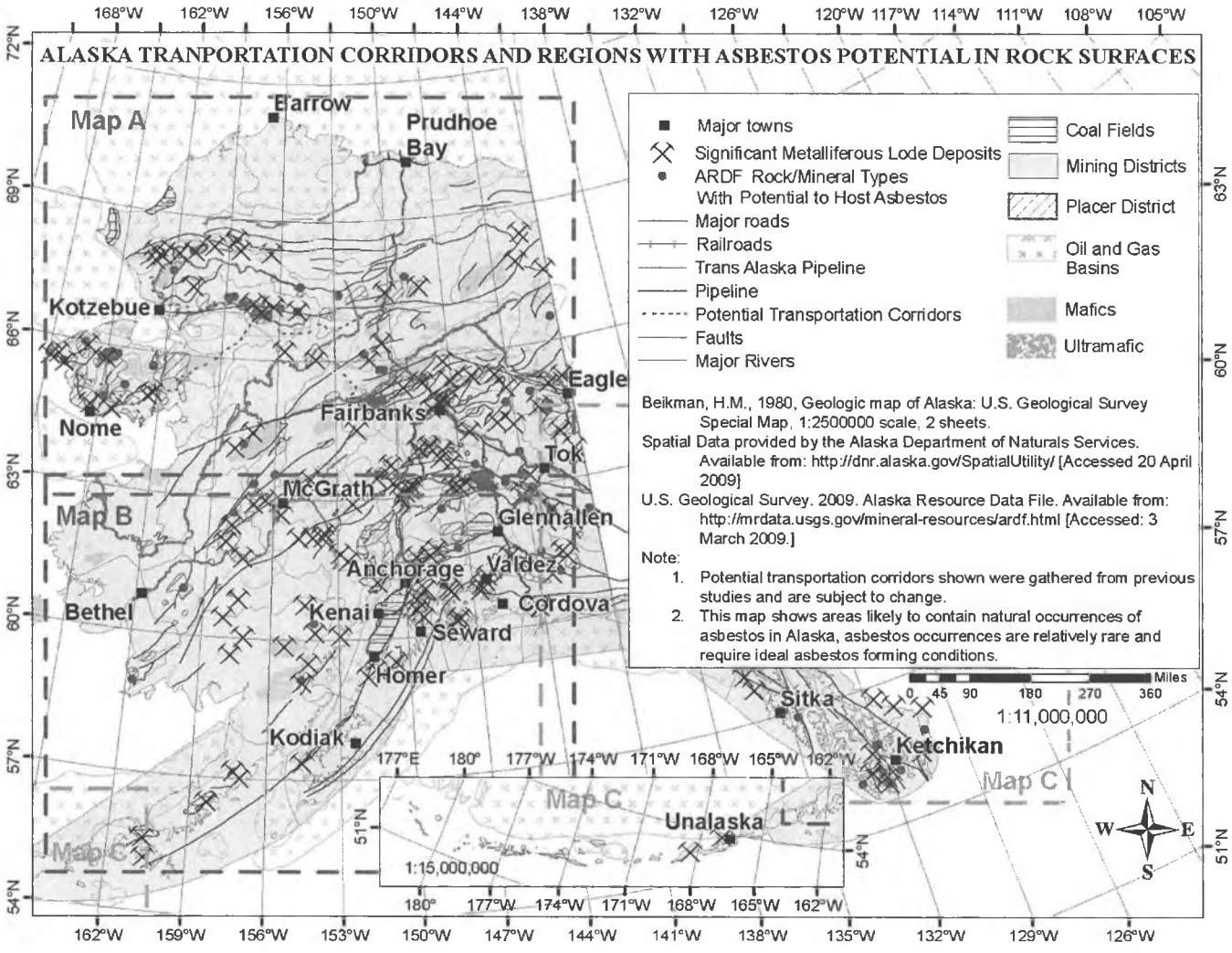
Next follows some maps that show the regions of Alaska that may contain asbestos, based on the mineral type. The mineral types are taken from the above reference sources, and the mineral locations are based on the USGS map, *Geologic map of Alaska, U.S. Geological Survey Special Map, by H. M. Beikman, 1980*. In addition, in Appendix 3, is the USGS database of all geological exploration and mining that identified asbestos. These have been mapped along with the transportation corridors identified by ADOT planning. Note the northern region had more detailed planning maps.

It is important to realize that the map is of the bedrock, or parent material. If the rock erodes, it will move down-gradient via colluvial or alluvial transport. Thus asbestos might be found in sites distant from the origins.

The first map is an index, and the following three maps show greater detail.

Acknowledgement
The work of Kyle Obermiller, an undergraduate student in UAF's Geological Engineering program on the geological mapping was appreciated and is hereby acknowledged.

Index Map


ALASKA TRANPORTATION CORRIDORS AND REGIONS WITH ASBESTOS POTENTIAL IN ROCK SURFACES
Major towns
Significant Metalliferous Lode Deposits
ARDF Rock/Mineral Types With Potential to Host Asbestos
Major roads
Railroads
Trans Alaska Pipeline
Pipeline
Potential Transportation Corridors
Faults
Major Rivers
Coal Fields
Mining Districts
Placer District
Oil and Gas Basins
Mafics
Ultramafic
Beikman, H.M., 1980, Geologic map of Alaska: U.S. Geological Survey Special Map, 1:2500000 scale, 2 sheets.
Spatial Data provided by the Alaska Department of Naturals Services. Available from: http://dnr.alaska.gov/SpatialUtility/ [Accessed 20 April 2009]
U.S. Geological Survey. 2009. Alaska Resource Data File. Available from: http://mrdata.usgs.gov/mineral-resources/ardf.html [Accessed: 3 March 2009.]
Note:
1. Potential transportation corridors shown were gathered from previous studies and are subject to change.
2. This map shows areas likely to contain natural occurrences of asbestos in Alaska, asbestos occurrences are relatively rare and require ideal asbestos forming conditions.
Miles
0 45 90 180 270 360
1:11,000,000
Map A
Map B
Map C
Barrow
Prudhoe Bay
Kotzebue
Nome
Fairbanks
Eagle
Tok
McGrath
Glennallen
Anchorage
Valdez
Cordova
Bethel
Kenai
Seward
Homer
Kodiak
Sitka
Ketchikan
Unalaska
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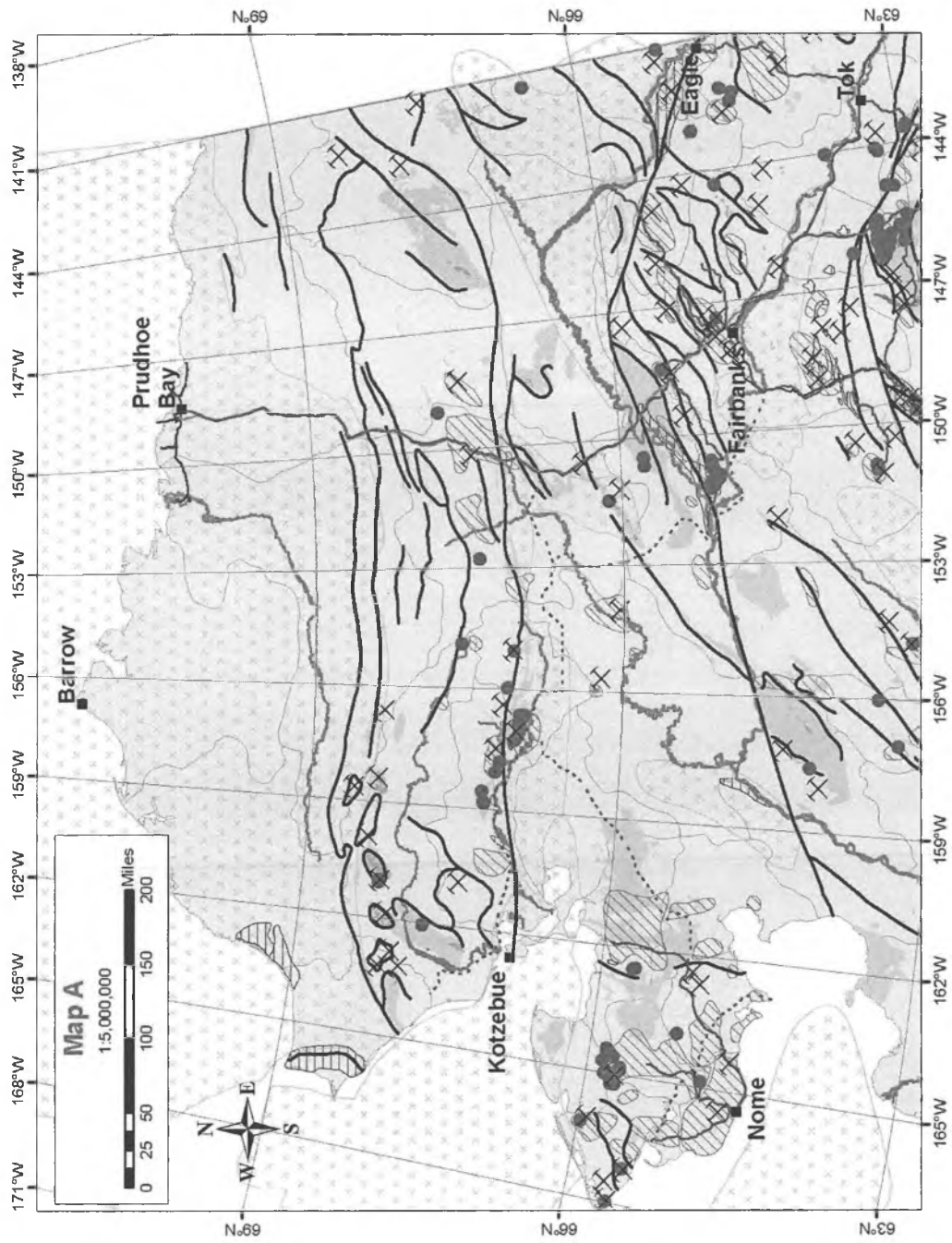
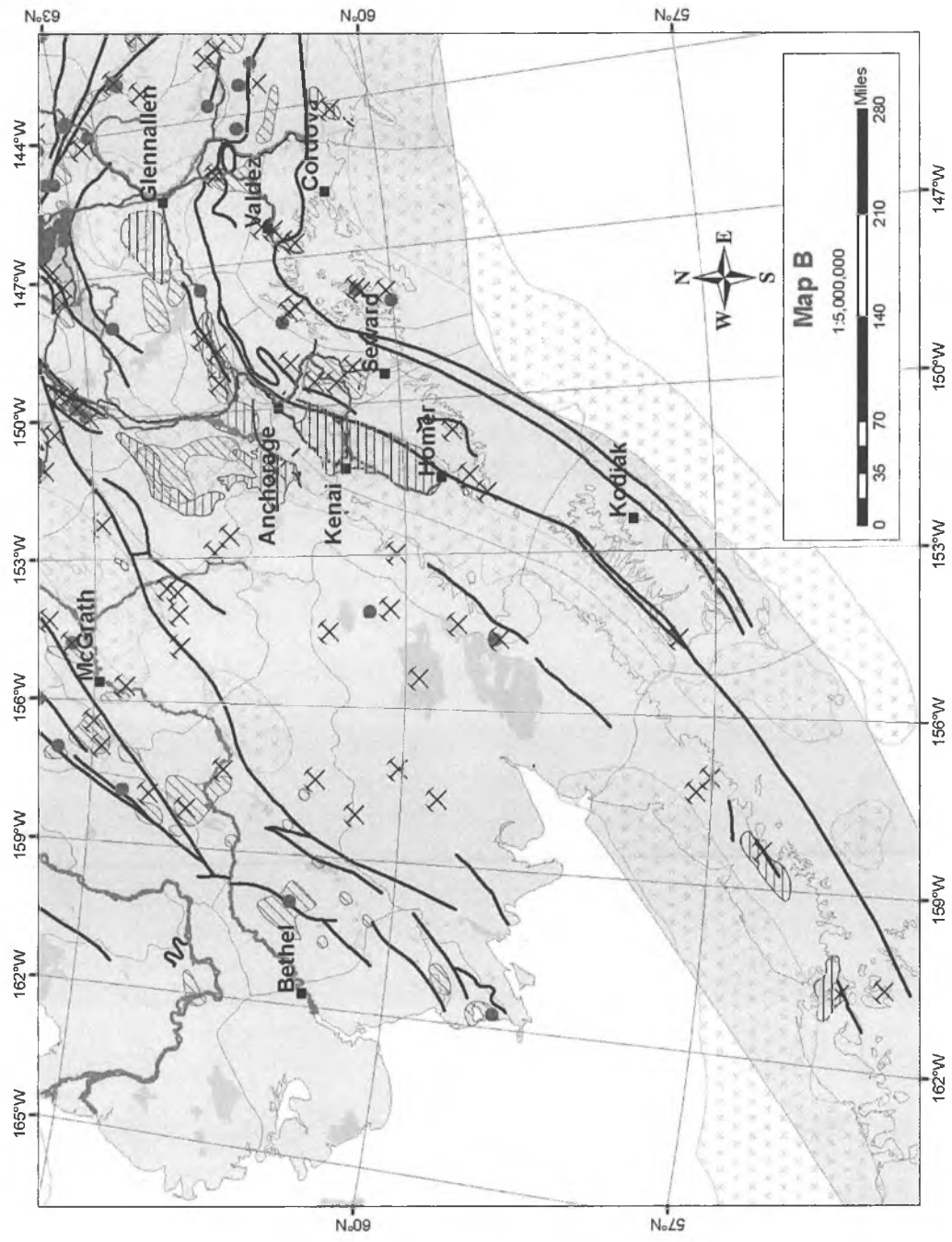


Map A, Northern Alaska



Map B South Central

Map C, Southeast and panhandle

Conclusions and recommendations regarding future projects.

It is clear that many of Alaska's current transportation corridors traverse regions containing minerals that may contain NOA. Although Alaska is a huge state, as a practical matter, gravel must be obtained reasonably close to the project. It is also clear that large quantities of gravel will be needed for future projects. While not all the areas that mineralogy mapping has identified as possible asbestos sources will contain asbestos, the mining and geological exploration done in those areas has identified that asbestos is found in these regions. Since asbestos was often found during the exploration for other minerals, it seems likely that asbestos is fairly common in those regions. We know of projects such as Ambler and the Dalton Highway that have been impeded by NOA, thus it is reasonable to expect future projects to be impeded, if they traverse areas with mafic and ultramafic rock and other minerals as identified on the map.

While finding NOA in pre-construction geological exploration is usually a negative for the project, its untoward effects are paltry compared to finding asbestos once construction using the material has started. Therefore all projects that use gravel or other mineral resources in areas identified with mafic or ultramafic rock, or down-gradient or downstream from those minerals must include analysis for asbestos as part of the material site exploration process. If asbestos is identified, its type and extent should be quantified, if possible.

If asbestos is found the project managers must make a decision. Non-asbestos containing earth materials should be used if possible. However if material without asbestos is not readily available, the project managers must make a decision about using the material with NOA or, presumably, importing non-NOA material, or perhaps rerouting or abandoning the project. Using the guidelines and information presented in other sections of this paper will help. Reiterating the key conclusion – if a project's material source is in a region identified on the maps in these chapters as likely to contain asbestos, the material site exploration phase must include an assessment of the material site for asbestos.

Footnote to Chapter
Summary of Asbestos Minerals

Table 1 Summary of minerals where fibrous crystal form or cleavage has generated concern (not an exhaustive list) Mineral Asbestiform or fibrous probability Remarks Serpentine minerals Chrysotile Always Most common type of asbestos; almost the only form mined today Antigorite Rare Amphibole minerals Riebeckite Probable (crocidolite) Previously mined as asbestos in South Africa, Australia and Russia, but not common elsewhere Cummingtonite-grunerite Probable (amosite) Previously mined as asbestos in South Africa. Non-asbestiform habit is common Tremolite-actinolite Probable Widespread occurrence both as asbestiform and non-asbestiform habits, but only rarely mined as abestos Winchite-richterite Probable Rarely encountered Anthophyllite Probable Previously mined as asbestos in Finland and in the eastern USA. Often associated with talc. Arfvedsonite, fluor-edenite, etc. Possible Rarely encountered Zeolites Erionite, mordenite Almost always fibrous Not considered as asbestos, rarely encountered Clay minerals Palygorskite, sepiolite Fibrous habit possible or common Not considered as asbestos, rarely encountered Others Brucite, wollastonite, talc, balangeroite Fibrous habit possible or common Not considered as asbestos, and, except for talc, rarely encountered

Table 1 Summary of minerals where fibrous crystal form or cleavage has generated concern (not an exhaustive list)

Mineral	Asbestiform or fibrous probability	Remarks
Serpentine minerals		
Chrysotile	Always	Most common type of asbestos; almost the only form mined today
Antigorite	Rare	
Amphibole minerals		
Riebeckite	Probable (crocidolite)	Previously mined as asbestos in South Africa, Australia and Russia, but not common elsewhere
Cummingtonite-grunerite	Probable (amosite)	Previously mined as asbestos in South Africa. Non-asbestiform habit is common
Tremolite-actinolite	Probable	Widespread occurrence both as asbestiform and non-asbestiform habits, but only rarely mined as abestos
Winchite-richterite	Probable	Rarely encountered
Anthophyllite	Probable	Previously mined as asbestos in Finland and in the eastern USA. Often associated with talc.
Arfvedsonite, fluor-edenite, etc.	Possible	Rarely encountered
Zeolites		
Erionite, mordenite	Almost always fibrous	Not considered as asbestos, rarely encountered
Clay minerals		
Palygorskite, sepiolite	Fibrous habit possible or common	Not considered as asbestos, rarely encountered
Others		
Brucite, wollastonite, talc, balangeroite	Fibrous habit possible or common	Not considered as asbestos, and, except for talc, rarely encountered

OTHER STATES NOA REGULATIONS

Several large areas of asbestiform mineral deposits exist in the United States. These deposits host both serpentine and/or amphibole minerals in mafic and ultramafic rock formations and have varying concentrations of asbestos. Some states have implemented policies in order to safely address NOA concerns while attempting to limit adverse affects on projects in which NOA-containing rock will be impacted.

Virginia

Fairfax County has adopted a two stage approach for dealing with local NOA. The Fairfax County Health Department, Air Pollution Control Division (Fairfax APCD) oversees the potential public health concern associated with exposure to asbestos generated from construction activities. They enforce the Fairfax APCD Control Requirement Directives 1 and 2 for Construction Activities in Actinolite/Tremolite Soil Sources (CRD 1 and 2). The Virginia Department of Labor and Industry, Occupational Health Division (VDLI) regulates the interior of the construction site as it pertains to employee exposure under the Asbestos Standard, 29 CFR 1926.1101. These two agencies work in concert to control the emissions of asbestos fibers during work activities. The program is founded in the approach of proper disposal and capping of both the NOA source and constructed project. The following is a brief summary of CRD 1 and 2:

Directive 1 – Standards of performance for Actinolite/tremolite soil sources

1. Compliance Plan - A written compliance plan must be submitted to the Fairfax APCD for review and approval before work begins on the construction project.

2. Dust Control - Effective dust control must be practiced at all times.

3. Air Monitoring – Air monitoring must be performed during all phases of earthwork involving actinolite or tremolite containing material and comply with ambient air concentration standards for asbestos.

4. Disposal and Cap - An appropriate, safe, disposal site must be used to dispose of actinolite or tremolite contaminated soils whether they are to remain on site or be removed. All final disposal areas and the finished grade of the developed land shall be covered with six inches of clean compacted material.

5. Notification – Sufficient notice of asbestos shall be given to all employees and contractors on the site in compliance with the OSHA Asbestos Standard (29 CFR 1926.1101).

Directive 2 – Monitoring and Reporting Requirements

1. Monitoring requirements
    a. The monitoring and sample analysis will be conducted by competent personnel and closely supervised by an experienced individual certified with NIOSH 582 course training or equivalent [we should expound on that]
    b. Air monitoring samples will be collected.
    c. Project Reports of the perimeter, area, and personal monitoring results will be submitted to the Fairfax County Health Department.

2. Project Reporting Requirements
    a. A written description of the work activities.
    b. Diagram of the Construction Project.
    c. Air Monitoring Results.
    d. Violations to Directive 1 detected by air monitoring

3. A 24-hour average standard for asbestos ambient air concentrations is calculated

John Yetman was interviewed on the effectiveness of Fairfax County's NOA program, as well as public and commercial response. Mr. Yetman is a Senior Environmental Health Specialist with the Fairfax County Health Department, and has managed the county's NOA program for over 20 years. The NOA program described above has been in effect in Fairfax County since 1993. The NOA found in Fairfax County is typically beneath several feet of clay, so the program is designed exclusively for excavation and soil impacting activities. The soils of Fairfax County have been mapped, with known NOA encompassing 11 square miles of the 400+ square mile county. The geological maps are reportedly accurate to +/- 500 feet. If excavation/soil impacting activities are to occurring within this 11 square mile area, the contractor is required to submit a compliance plan as mentioned above.

The compliance plan describes location and activities associated with the project, dust control methods and worker and public safety controls. If the project is located within the NOA area per the soil map, the contractor is required to have a compliance plan approved through the county health department. If the project site is located within 500 feet of the mapped boundary, the contractor may submit a limited compliance plan which outlines the same requirements as the full plan; however, implementation of the plan is only required if suspect NOA is discovered.

Dust control consists primarily of applying water and/or slowing operations so that no visible dust is present. Air monitoring is required at all times soil impacting activity is occurring which consist of both area and personal sampling using PCM cassettes and analysis. The area monitoring is performed at several points on the perimeter of the "work zone", a term used to describe the area of

the jobsite that has controlled access from the public. Area monitoring is a 24-hour average with the Fairfax County Air Pollution standard being 0.02 f/cc. Personal samples are also collected from workers inside the work zone to determine and 8-hour TWA with a maximum allowable fiber concentration of 0.10 f/cc. All air monitoring is required to be performed by a third party. All air monitoring results are required to be submitted in a final close out report; however, exceedences in airborne fiber concentrations are reported to the county health department immediately. Samples with elevated fiber levels may be further analyzed using Method 7402 which utilizes TEM to determine if the fibers meeting the PCM counting rules are asbestos.

Mr. Yetman explained that NOA-containing soils are encouraged to remain onsite; however, soils can be utilized as fill for other jobsites located within the known NOA area. If soils are removed from Fairfax County, it is strongly recommended the contractor inform the recipient of the possible contamination in the soil, and obtain a signature of acknowledgement.

Directive 1 also requires that 6 inches of clean cap be applied to all disturbed soils within the NOA area. Allowances are made when the soil is to be covered with vegetative-sod, in which case only 3 inches of cap is required.

Mr. Yetman felt that the program has been very successful for the county. He explained that the public and local contractors have become accustom to the NOA requirements, and they very rarely experience issues. He also noted that fiber level exceedences have become less common as contractors have developed effective means for dealing with dust suppression.

The "backbone", as described by Yetman, of Fairfax County's NOA management plan is the county soil map. This is an efficient way to identify if NOA will be a concern for the project, and if a compliance plan is required. Additionally, Mr. Yetman explained that the Health Department makes certain to explain the liability associated with removing NOA-containing material offsite, or outside of Fairfax County, which has seemed to reduce this occurrence.

California

The State of California Air Resources Board (CARB) has implemented regulations designed to significantly decrease the chances that asbestos in soil and rock can become airborne, and thus minimizing public exposure to asbestos. These state regulations are referred to as the Airborne Toxic Control Measures. (ATCM's) The first ATCM applies to surfacing applications and was originally adopted in 1990, but was amended in 2001. The second ATCM applies to construction, grading, quarrying and surface mining operations.

According to the CARB's Implementation Guidance Document for the Asbestos Airborne Toxic Control Measure for Surfacing Applications[47], the first Asbestos

ATCM prohibits the sale or use of restricted material for unpaved surfacing unless it has been tested and found to have an asbestos content that is less than 0.25 percent. The ATCM defines restricted materials as aggregate material extracted from an ultramafic (or ultrabasic) rock unit as shown on referenced geologic maps; ultramafic rock including serpentine; or aggregate material shown to have an asbestos content of 0.25 percent or more; or any mixture containing 10% ultramafic/serpentine materials.

The test method required to determine the asbestos content is either CARB Method 435 or a method approved by the CARB's Executive Officer. If restricted material is being sold or supplied for surfacing purposes, the producer of the material (quarry operator) is required to provide the recipient the following information: the amount of material sold or supplied; the dates the material was sold or supplied, sampled and tested; and a statement verifying that the asbestos content of the material is less than 0.25 percent. Anyone who sells or supplies restricted material, but did not extract the material from the ground, must provide all of the above information with the exception of the date that the material was sampled and tested. If restricted material is being sold or supplied for non-surfacing purposes the supplier must notify the recipient with a warning statement that the material may contain asbestos.

The amended ATCM contains the following surfacing exemptions:

- sand and gravel operations;
- roads located at quarries and mines;
- maintenance operations on existing roads;
- emergency road repairs;
- asphalt and concrete materials;
- landfill operations;
- results of a geologic evaluation;
- steep surfaces with limited access;
- surfacing applications in remote locations;
- roads located at construction sites; and
- riprap (material placed along water course or shoreline to prevent erosion)

The amended ATCM also allows the district authority to require geologic evaluation for the presence of rocks that may contain asbestos and the authority to require testing of any aggregate material for its asbestos content. This authority would typically be exercised if there is credible evidence indicating the potential presence of asbestos outside of an ultramafic rock unit.

There are two possibilities for the regions with mapped mafic or ultramafic rock, either the asbestos content is ≥0.25% or the asbestos content is <0.25. If the asbestos content is <0.25%, the material can be used for surfacing or any other use, if the material has ≥0.25% asbestos, its use is restricted. Minerals taken from mapped areas are restricted and must be tested and certified prior to use. In addition to mapped restricted areas the program includes a number of

exemptions and has district authority to implement regional priorities. The 0.25 threshold was derived from the detection limit per the test method. Since only PLM 400 point count is required, if one fiber is observed in the counting area the sample has 0.25% asbestos. If fibers are observed outside of the counting area, the sample is reported as having "trace" amounts of asbestos present, and be considered <0.25% asbestos.

Any person who sells, supplies, or offers for sale or supply restricted material for non-surfacing applications must provide with each sale or supply a written receipt containing the following statement:

"WARNING!
This material may contain asbestos.
It is unlawful to use this material for surfacing or any application in which it would remain exposed and subject to possible disturbances.
Extreme care should be taken when handling this material to minimize the generation of dust."

Thus, NOA-containing material may be used for construction projects as long as the affected material is not to remain exposed. If NOA-containing aggregate is used for road construction, the dust suppressing method used, such as capping, must be designed to last for an extended period of time (ie greater than 5 years). Asphalt or concrete would suffice as an appropriate method, while water application or other short-term palliatives would not.

If an approved asbestos bulk test method has been used to perform two or more tests on any one volume of aggregate material, whether by the same or a different person, the arithmetic average of these test results shall be used to determine the asbestos content of the aggregate material.

The sampling frequency required for determining the asbestos content of any aggregate material is required to be the following unless the APCO approved an alternate testing frequency.

- Storage Piles and Conveyer Belts – Minimum of 3 random grab samples per 1000 tons
- Aggregate Covered Surfaces – Minimum of 3 random grab samples per
    - 1 mile of road
    - 1 acre of surface area
    - 2 miles or 2 acres of road shoulder

The second ATCM, which applies to construction, grading, quarrying, and surface mining operations was adopted in July, 2002. This ATCM requires more stringent dust control measures at these operations. For example, an approved dust mitigation plan may be required, depending on the size of the project, or proximity to a receptor such as a hospital, school, day care center, work site, business, residence or permanent campground. The requirements for road

construction and maintenance differ somewhat from those for general construction and grading (e.g., development of a shopping center). Other requirements of the proposed ATCM address post-construction stabilization of disturbed areas. These areas must be revegetated, paved, or covered with at least three inches of non-asbestos-containing material. NOA-containing material may be transported if the loads are adequately wetted or covered with tarps.

According to the CARB's Regulatory Advisory: Asbestos Airborne Toxic Control Measure for Construction, Grading, Quarrying and Surface Mining[48], the second California ATCM applies to road construction and maintenance, construction and grading operations, and quarries and surface mines when the activity occurs in an area where naturally-occurring asbestos is likely to be present according to currently published NOA maps. Areas are subject to the regulation if they are identified on maps published by the department of Conservation as ultramafic rock units or if the Air Pollution Control Officer (APCO) or owner/operator has knowledge of the presence of ultramafic rock, serpentine, or naturally-occurring asbestos on the site. The ATCM also applies if ultramafic rock, serpentine, or asbestos is discovered during any operation or activity.

Road construction and maintenance operations are required to use dust control measures for a specified set of emission sources and prevent visible emissions from crossing the project boundaries. California has local air pollution control or air quality management districts which must also be notified before any work begins. For construction and grading projects that will disturb one acre or less, the regulation requires several specific actions to minimize emissions of dust such as vehicle speed limitations, application of water prior to and during the ground disturbance, keeping storage piles wet or covered, and track-out prevention and removal. Construction projects that will disturb more than one acre must prepare and obtain district approval for an asbestos dust mitigation plan. The plan must specify how the operation will minimize emissions and must address specific emission sources. Regardless of the size of the disturbance, activities must not result in emissions that are visible crossing the property line. Quarries and surface mines must also obtain district approval for an asbestos dust mitigation plan which must address specific emission sources. In addition, they must meet specific opacity standards for certain types of equipment and ensure that there are no emissions visibly crossing the property line.

Records related to the applicability of the regulation or compliance with the specific provisions of the regulation or the asbestos dust mitigation plan must be kept for seven years. The results of any air monitoring or bulk sampling required by the district, any bulk sampling to document the applicability of, or compliance with, the regulation, and any other records specified in the dust mitigation plan must be reported to the district.

The second ATCM has the following exemptions:

- Homeowners and tenants working on their own residential property

- Agricultural operations and timber harvesting
    - Except for the construction of roads and structures in connection with agricultural and timber operations

In addition, districts may grant an exemption under any of the following conditions:

- A geological evaluation demonstrates that ultramafic rock or serpentine is not likely to be found;
- Road construction and maintenance activities in a remote location;
- The processing of rock from an alluvial deposit.
- For emergency road repairs, district notification may be delayed.

CARB's Manager of Emissions Evaluations, Robert Krieger, provided feedback on California's NOA regulations. Mr. Krieger explained that while the state of California has developed the ATCM's, it is the responsibility of the local air pollution district authority to implement and regulate, and the districts have the option of placing more stringent requirements than the ATCM's. While asbestos has several definitions, California has taken a conservative approach that any asbestos exposure is harmful, thus the ATCM's designed to reduce or eliminate asbestos exposure to the public; consequently, imposing the 0.25% standard. Additionally, districts can implement air sampling requirements for projects encountering NOA; the ATCM does not address air monitoring requirements.

Mr. Krieger mentioned that historically when NOA was discovered on a school's property it had been removed. More recently, however, this practice has been determined to be costly and unnecessary. If NOA-containing material is found to be on a school's property, or is used as fill during a construction project, it must be covered with a minimum of 12 inches of clean fill. Projects not on school grounds where NOA-containing material is used a 3 inch layer of clean fill is required.

John Clinkenbeard, a Certified Professional Geologist (C.P.G.) for the State of California, explained the USGS has developed geological maps of the entire state of California available at 1:250,000 resolution. At this resolution, a boundary line on the map is approximately 1,000 feet wide and the smallest area resolution is 25 acres. When the local district authority reviews a construction permit, they reference these maps to evaluate if the proposed project site falls with in areas of known ultramafic or serpentine formations, or an area with known asbestos present. If the project is to occur in an area of concern the ATCM applies. If the project area is outside of the known areas of concern, the project site must undergo a geological evaluation by a third party C.P.G. Evaluations are also used when the project location is close to the boundary line, or the Contractor believes that asbestos is not present. California is presently working on increasing the statewide geological map resolution to 1:100,000; however, this project is not anticipated on being completed for several years. Some districts have funded mapping efforts in order to obtain a 1:24 map resolution.

After discussing NOA in Alaska, Mr. Clinkenbeard referenced Airborne Visual Inferred Spectroscopy (AVIRIS) as a possible geological mapping option. Imaging spectroscopy is a new tool that can be used to map specific materials by detecting specific chemical bonds. As a result it is an excellent tool for environmental assessments, mineral mapping and exploration, vegetation communities/species and health studies, and general land management studies.[49] The AVIRIS technology is aircraft-mounted and can collect data at a rate of 2 square kilometers per second. While this technology may not be feasible for Alaska's entire landmass, project specific uses may prove to be beneficial.

Jeff Wright with the CARB was contacted regarding M435 asbestos testing. The M435 method was developed in 1990 and was designed to detect serpentine asbestos in gravel/soil. The ATCM's requirements result in a large quantity of soil and gravel being tested for the presence of asbestos per M435; therefore, many testing laboratories throughout the state perform this analysis. CARB performed an interlaboratory study of California laboratories which offered the M435 testing. Samples were "spiked" with a known amount of asbestos and sent to the labs for analysis. The results of the study indicated vast discrepancies in the sample results.[50] All the laboratories included in the study were national accredited to analyze asbestos, however; M435 is unique from other test methods and while all the labs where adhering to M435 protocol, several different varieties of milling and homogenizing equipment was used. Mr. Wright explained that increased sample pulverization has been known to decrease asbestos concentrations via PLM analysis because the fibers are reduced in size to the point where they no longer meet the definition of a fiber; in contrast, asbestos concentration results per TEM analysis tend to increase. Because NOA is typically not uniform in samples, after the material has been milled sample homogenization should occur. PLM analysis examines only a small fraction of the sample, and TEM examines approximately one millionth of that, making homogenizing the samples an extremely important process.

Mr. Wright explained that California is in the process of undergoing several changes to M435. The proposed changes are as followed:

- Sampling
    - Bias field sampling per the discretion of the C.P.G.
        - Perform "target sampling" which focuses on areas or materials most likely to contain NOA opposed to "random" sampling in which the NOA may not be sampled
- Processing
    - Formulate a M435 accreditation for testing laboratories
        - California is working with NVLAB to develop an M435 accreditation

        - Require specific equipment to be used for the pulverizing and homogenizing processes
- Analysis
    - Move away from quantitative analysis
        - Results would be reported as "present" or "absent"
    - Additional analysis
        - If PLM observes no asbestos, require the sample to be analyzed via TEM

Other States

The following states either have, or are in the process of implementing NOA regulations: Massachusetts, New Hampshire, Pennsylvania, and Texas.

NOA CONTROL STRATEGIES AND TECHNOLOGIES

The following are a number of NOA control strategies and technologies that can be used to ameliorate asbestos release from NOA and NOA-containing material. After presenting some general information generated by the federal EPA, the items are divided into manage-in-place, dust suppression methods, covering or capping, and road maintenance. Finally, long term maintenance requires some public education.

EPA Facts Sheet: Methods for Reducing NOA Exposure[51]

Below is a list of methods recommended by the EPA to reduce asbestos exposure resulting from NOA. These are general methods, and must be applied on a project-specific basis:

- *Wet road surfaces with water using trucks, hoses, or sprinklers*
- *Wet piles of excavated material and cover them with tarps, plastic sheeting, or other items*
- *Continuously mist the work area*
- *Install wind barriers around the work area*
- *Clean or decontaminate equipment and vehicles to ensure that no equipment or workers track soil out of the work area (a gravel pad, tire shaker, or wheel wash system may be used to clear soil from vehicles)*
- *Wet the work area using a spray system attached directly to rock cutting or drilling equipment, such as a fine-mist sprayer or a variable-rate fogger nozzle*
- *Excavate utility trenches to an adequate depth and backfill them with clean soil so that future repair work will not need excavation into potential NOA-containing materials*
- *When transporting NOA-containing materials, avoid overloading trucks; keep the material below the top of each truck compartment and cover material with a tarp*
- *Limit personnel and vehicle access to the work area*
- *Identify NOA-containing areas with signs*
- *Reduce driving speed*
- *Reduce drilling or excavating speeds*
- *Excavate during periods of calm or low winds*

Roads and Parking with NOA in place and for unpaved roads and parking areas:

- *Cover roads with non-NOA-containing rock, chemical sealants or dust suppressants, chip seals, limestone aggregate, petroleum sealants, or asphalt cement paving*

- *Wet road surfaces with water*
- *Install windbreaks or berms*
- *Reduce driving speed*
- *Avoid dusty areas, especially in windy conditions*

And throughout communities:

- *Cover areas of rock and soil with clean soil, rock, vegetation, or other material*
- *Pave over unpaved walkways, driveways, or roadways containing NOA*
- *Landscape areas with vegetation, such as NOA-tolerant plants, and add a layer of organic mulch or NOA-free soil. Water plants often until they are established to minimize erosion*
- *Water garden areas before digging*
- *Keep windows and doors closed on windy days and during periods when nearby rock or soil may be disturbed, such as during construction*
- *Limit track-in by using entryway (door) mats, and wipe down pets before they enter buildings to reduce the amount of soil tracked indoors*
- *Allow children to play in outdoor areas only if the area has a ground covering, such as wood chips, mulch, sand, pea gravel, grass, asphalt, shredded rubber, or rubber mats*
- *Relocate outdoor activities to areas that do not contain NOA (walk, run, hike, and bike only on paved trails)*
- *Avoid dusty areas, especially in windy conditions*

Manage In Place

The ideal method for managing NOA material is in place and undisturbed; especially if the NOA material is not exposed. Fairfax County, Virginia, for example has a large NOA deposit which exists beneath non-NOA material. Unless this material is required to be impacted through construction or other activities, Fairfax County has taken the position to leave the material in place. NOA does not pose a health risk if it remains in a location where asbestos fibers cannot become airborne; such as beneath non-NOA material.

Separation

A variation on manage-in-place is to separate the NOA from associated non-NOA materials. Separation and excavation of the NOA materials for a source of gravel aggregate might serve as a control method, if the locations are known and the amounts are small. However this method seldom practical, since NOA deposits commonly extend miles, if not hundreds of miles. Excavation is generally only utilized as amelioration method when soils with known NOA are required to be impacted for projection such as road and building construction and utility work. Excavation requires the disturbance of the NOA, hence the potential for airborne exposure.

Dust Suppression

If NOA material is required to be disturbed, dust generating activities should be limited at all times. The most common engineering control used to reduce dust levels, hence airborne asbestos exposure, is the use of water and/or wet methods during NOA-related activities. The following is a list produced by the EPA of engineering and work practices that reduce exposure to NOA on excavation, grading, or utility work at construction sites.[51]

Reducing Vehicle Traffic and/or Speed

Dust emissions from unpaved road surfaces are directly proportional to the number of vehicles traveling on it, thus, reducing the amount of traffic will in turn reduce the amount of dust generated. By implementing weight or use restrictions on vehicles traversing the unpaved road could significantly limit the amount of traffic on a NOA-containing unpaved road and in some circumstances it may be possible to remove an unpaved road, or section of road, from service to the general public. An example of this type of control was recently imposed by the City of Kotzebue, in an effort to reduce particulate matter smaller than 10 microns in diameter (PM_{10}) emissions, where anyone under the age of 14 is prohibited from operating off road vehicles on city streets unless accompanied by an adult on the same vehicle.[52]

The rate at which a vehicle travels on an unpaved surface is also proportional to the amount of dust generated[53] meaning the efficiency of speed reduction as a dust control measure increases as the speed is reduced. For example, if the base speed is 40 miles per hour, a reduction to 20 miles per hour results in a 65% reduction in dust emissions; a further reduction to 15 miles per hour results in an 80% reduction in dust emissions. [54] Vehicular speed reduction can be achieved through posted signage coupled with enforcement and/or roadway manipulation such as speed bumps. The initial implementation of both these methods would be minimal, with immediate results. Major costs associated with these methods include increased travel time and additional law enforcement. While enforcement of these methods may be difficult in some rural Alaska communities, it may be a very practical, enforceable and effective for reducing airborne asbestos at quarries, construction sites and more densely populated areas.

In a best case scenario, at optimal conditions, both of these control methods would still not address the issue of exposed NOA on the roadway. Substantial amounts of dust would still be produced during dry conditions and natural elements such as wind would continue to make asbestos airborne. In most situations, these methods should be either approached as interim responses, or used in combination with other methods.

Water Application

Federal regulations require the use of "wet methods" when impacting ACM's which have potential of releasing asbestos into the air. Due to the moisture, particles/fibers adhere to each other through the surface tension of connecting water droplets and the adhesion of droplets to particles/fibers reducing the amount of emissions released during impact. The same principle applies to NOA-containing unpaved road systems; if they remain wet, dust emissions will be minimal. The easiest and most effective way to accomplish this is direct application of water to the surface of the roadway.

A large water source exists in most communities throughout Alaska. While more heavily populated areas have the required means to extract and apply water in sufficient quantities, many smaller communities do not. Often times some form of water application system can be implemented; however, may be too laborious to continue for long term.[55] In Amber, for example, no water trucks or large tanks were available for water application on so a simple gravity feed system was utilized. This system consisted of 4 - 275 gallon interconnected square plastic containers (totes) placed in the back of a truck which were filled with water from the Kobuk River and attached to a perforated pipe on the back of the truck.[37]

Applying water to surfaces provides effective, but short-term reductions in dust generation with water typically needing to be re-applied ever 0.5 – 12 hours depending on temperature and humidity. It has been determined that regular, light watering is more effective than less frequent, heavy watering.[55]

If the necessary equipment and water source are available, wetting unpaved surfaces can be greatly reduce dust emissions while remaining cost effective. Additionally, if wetting were coupled with one or both of the traffic control methods, evaporation from the roads surface would occur slower and dust emissions would be lower yet. Continuing costs would include equipment maintenance and workers performing the application. If equipment is not available, start up costs could be significant. Wetting is a practical control method to be used as a construction project control method or a short-term solution. Due to water having to be continuously applied to keep the surface moist, alternate long term control strategies should be investigated.

Increasing Moisture Content

The application of deliquescent salts such as calcium chloride, magnesium chloride and sodium chloride (common rock salt) are also implemented as dust control methods. These salts absorb moisture from the atmosphere and when mixed with surfacing soils will keep the treated soils at higher moisture content than untreated soils. For example at 77°F and 90% humidity calcium chloride will absorb more than 17 times its own weight in water.[53] Potential disadvantages to the use of these salts are that roads may become slippery when wet, vehicle corrosion may occur and roads may become more susceptible to freeze and

thaw damage. Additionally, salts applied for dust suppression initially penetrate the roads surface several centimeters, followed by a gradual rise to the surface by capillarity action, making them susceptible to being washed off by rain. Prolonged rainfall will leach the salts from the roadway, potentially impact groundwater and surface water quality, and attract wildlife potentially causing safety concerns. Typically if the proper buffer zone exists between the water and the treated area, water quality impacts will remain minimal.[54] The practical utility of an application of one of these salts is no more than one year.[53] Sodium chlorides generally considered less effective than either calcium or magnesium chloride. Application of these materials is generally required 1-2 times per season.

Several locations in Alaska have utilized calcium chloride for dust control in recent years including Kotzebue, Teck Cominco's Red Dog Mine, and Haines, among other locations.[53] Environmental impacts of chlorides include metal corrosion, and degradation to nearby vegetation, surface, groundwater, and aquatic species.[53] In addition, because calcium chloride can substantially lower the freezing temperature of water, concentrations of the palliative in road soils can change the thermal stability of these soils.[53] This could potentially create issues in areas where extremely heavy loads are forced to wait until the road has completely frozen in order to supply adequate reinforcement such as on the Dalton Highway.

Covering or Capping of Installed NOA

Another common engineering control is to place a cover system (or cap) over the NOA. These materials may include non-NOA soil or rock, concrete, chemical sealants or dust suppressants, chip seals, limestone aggregate, petroleum sealants, asphalt paving, geotextiles, wood chips, mulch, sand, pea gravel, shredded rubber, rubber mats, and vegetation. Several factors, including cover material properties and site characteristics, affect the type of cover system appropriate for a particular area.

Palliatives

The majority of palliatives used on unpaved roads and airfields consist of chemicals designed to bind soil particulates together, formeing larger particles less likely to become airborne. Petroleum-based binders, organic nonpetroleum dust suppressants (lignins), electrochemical stabilizers, synthetic polymer products and pozzuolannic minerals comprise the main palliatives and our discussed further below:

Petroleum-based binders used as capping materials for dust suppression include emulsified asphalts, cutback asphalt (liquid asphalt), dust oils and modified asphalt emulsions.[55] These products are applied to the surface soil as a thin layer of asphalt which binds the soil particles together, consequently

waterproofing the road as well. Some binders increase the mass of fine particulates, instead of binding particles together. Both variations result in decreased emissions. When asphalt is used to bind particles together, the emulsified asphalt, because it is a mixture of asphalt and water in very small droplets, has the capability to penetrate unpaved road surfaces to coat more than just the surface particles, especially if the product is mechanically mixed into the top inch or two of road surface with a grader. Petroleum-based binders that contain fractions of lighter solvents, and especially those containing polycyclic aromatic hydrocarbons (many of which are carcinogens), can contaminate waterways if any migration of these lighter fractions occurs due to runoff.[53]

Organic non-petroleum dust suppressants include lignosulfonates, resins, and vegetable oils. Lignosulfonates originate from lignin, a complex compound which binds wood cells together as a natural polymer. Most commonly lignin is derived from wood fibers during paper manufacturing. Lignosulfonates bind surface soil particles together due to a combination of chemical and physical interactions. Lignosulfonates are known to greatly increase dry strength under dry conditions and retain effectiveness through extended dry periods. Generally 1-2 applications of lignosulfonates are required per season. Lignosulfonates are water soluble and will leach out of, or deeper into, roadway surface with rainfall and may become partially or totally destroyed.[55] These products are also corrosive to aluminum and its alloys unless calcium carbonate is added. Glacial tills contain low levels of clay and have low plasticity; consequently, lignosulfonates may be of limited value in controlling dust emissions from these soils. Furthermore, because lignosulfonates are derivatives of sulfuric acid, leaching may adversely impact watershed areas by affecting the acidity of water sources. Lignosulfonates are reported to not bind well on roads that had been treated previously with chloride compounds.[56]

Electrochemical stabilizers include sulphonated petroleum, ionic stabilizers, and enzymes. These products are intended to neutralize the ionic charges of clay-sized particles, thereby allowing electrostatic forces to bind the particles. Electrochemical stabilizers are generally effective regardless of climatic conditions.[55] To be effective, electrochemical stabilizers need to be worked into the road surface, requiring equipment that may not be available in remote rural communities. The performance of this material is dependent on fine-clay mineralogy which is unlikely to be encountered in most areas of Alaska.

Synthetic polymer products include polyvinyl acrylics and acetates that bind soil particles together and form a semi-rigid film on the road surface. These products are found as either a water soluble liquid or a powder intended to be mixed with water. Because synthetic polymer products are almost exclusively applied as a liquid, the material takes approximately 12-24 hours to cure during which time traffic should be kept minimal on application surfaces until the curing process is complete. Additionally, the product should be applied during a time of year when temperatures will not approach freezing, otherwise the curing process will not

work. The synthetic polymer products "Durasoil" was used as the dust suppressant in Ambler, as well as many other unpaved runways throughout northwest Alaska.[37] Synthetic polymer treatments are generally required once every 3-5 years.

Pozzolanic minerals, such as lime and cement, are typically added to non-plastic road surface material to produce a thin crust by agglomerating with fine dust particles. These stabilizers must be field mixed into the road material and compacted. These surfaces do increase the dry strength of material under dry conditions; however, once hardened it cannot re-harden if disturbed by abrasive forces, such as some off road vehicles and grading. Generally treatment with this method is applied once every ten years.

Gravel Replenishment

Asbestos-containing dust emissions from unpaved surfaces can be reduced by the addition of several inches of non-NOA containing gravel. This action would reduce the concentration of NOA on the surface; therefore, reduce the rate at which asbestos is allowed to become airborne.[57] Gravel provides a hard-wearing surface that shields underlying NOA from the abrasive forces of vehicle wheels. Traffic causes abrasion between the NOA and non-NOA aggregates, however, which over time creates fine dust. The degradation is somewhat dependent upon the hardness of the aggregate. Newly applied gravel will not reduce the strength of vortex airflows behind passing vehicles from entraining loose soil particles into the air. If the road-base is not well-constructed using crushed aggregate, surface gravel will be pushed down into the road surface by traffic, especially during wet conditions. If the road surface does not contain enough fine material of high cohesion to hold surface gravel in place, traffic can also cause surface gravel to be expelled laterally from the road's driving lanes. To be effective over more than a short period of time, new gravel applied to a road should be anchored to the road surface by incorporation into a cohesive surface layer through either well-graded aggregate mixes or by the use of soil adhesives (i.e., palliatives).[53]

In the event the newly applied gravel is lost to the roadway surface through vertical migration into non-cohesive soils, the use of geotextile fabrics may be of benefit. These fabrics are constructed of polymer threads that are very high in tensile strength, and are available in designs that either form.

Paving

Paving includes a variety of surfacing materials with the three general types being bituminous concrete, concrete and chip seals.

The most effective, and expensive, method currently available to control dust emissions from unpaved surfaces is the application of pavement or other durable materials to the road surfaces. Bituminous or Portland concrete provide durable

surface which prevents the abrasion of underlying soils. Bituminous concrete is a hot mixture of asphalt and well-graded aggregate, while Portland concrete is a composite material of cement, water and aggregate. Concrete requires less maintenance and is considered more durable than bituminous surfacing. Both methods are designed to support heavy traffic and unless the roadway typically carries 250 to 500 vehicles per day, the use of either of these paving options will likely not be cost effective.[55] Kotzebue has several roads which typically meet this "traffic quota" on a daily basis, and recently have had some of the main roads paved.[53] These forms of paving are not typically used on secondary roads, and would virtually never be considered for rural Alaska.

Chip seal surfaces, also called macadam, consist of one to three layers of aggregate and asphalt. Asphalt is sprayed over each aggregate layer as it is applied. After all the aggregate layers are in place with asphalt being applied over each individually, a covering of smaller stones is placed on top and then the entire system is compacted with the finished chip seal typically being 1 to 4 cm thick. Applying chip –sealing to an NOA-containing unpaved road would reduce dust emissions into the atmosphere because the chip sealant would bind the surface material. Annual dust control efficiencies of paved surfaces have been estimated by researchers to range from 90 to 99.9 percent.[57] A standard three-layered chip surface at 3.75 cm would be expected to last 10 years before additional surface treatment is required. Most chip seals require a second coat after 1 year and a third in approximately five years.

Durable Surfacing Materials

Fiberglass plates are used in cold climate oilfields to provide temporary road surfaces over native soil. These interlocking plates are typically manufactured in sections that are 14 feet long by 8 feet wide by 2 inches thick. The plates are designed to carry very heavy loads over short distances without the need to construct structural roadbeds in areas like northwestern Alaska, where construction aggregate is in very limited supply. The plates are expensive, costing about $2,000 per plate, but appear to have a significant lifespan.[58].Some questions exists, however, as to whether such plates are skid resistant at the vehicle speeds typical in rural communities.

Road Maintenance

The effectiveness of any dust suppressant applied to a road surface depends upon many factors such as type of road, traffic, intended uses climate, type of dust suppressant, drainage, and available maintenance resources. These factors must be considered together in the proper maintenance of a road that will safely and cost-effectively resist dust generation. For example, if the road surface is not well drained, water will puddle either on the road surface or in adjacent low spots. Standing water will float soil fines to the surface and distribute them across the roadway surface with passing traffic. Standing water adjacent to a roadway has

the potential to saturate the road sub-base, resulting in structural failure as evidenced by potholes. Aggregate in a roadway surface reduces tire forces on fine materials that increases the release of dust from a roadway. The loss of fines in the roadway surface leaves the aggregate unanchored and vulnerable to being pushed to the side of the road by tire forces. The success of palliatives to reduce dust depends on the repair and maintenance of good drainage on and adjacent to the road.[53]

Control Strategies for long term management of in place NOA.

Education

In rural communities throughout Alaska, the availability of law enforcement to assist in applicable dust suppressing methods is likely to be limited or non-existent. Imposing speed limits and vehicle use restrictions in these communities will be most effective if the residents of the community understand their purpose. Education about NOA and its potential health effects is a vital step in obtaining local support for any control method used. Education techniques for NOA-affected areas may include advertising, public meetings, information packets and making available NOA-knowledgeable experts. If residents understand the reasons for implemented controlled methods in their communities, a positive local response can result in social pressure applied throughout to adhere to new policies for the well-being of the community as a whole.

Residents in areas with geology favorable for NOA formation should be educated in basic NOA knowledge. In rural communities with a known NOA issue, such as Ambler, where airborne asbestos fibers from NOA are likely to be present, NOA general housekeeping and personal hygiene techniques should be implemented which requires specific education efforts. Education efforts could be carried out through State agencies or consulting firms with knowledge and experience with NOA. The cost for this effort would include travel to the subject community, preparation of materials (information packets) and potentially on-going assistance as new issues develop; however, these costs will be minimal considering many control methods are dependent on community support. If residents are unwilling to comply with newly imposed policies, any control method is likely to fail or have minimal effect.

Workers and the general public need to be properly educated regarding general housekeeping and persona hygiene practices appropriate for locals with NOA exposure potential. This control technologies include:

- Routine hand and clothes washing
- Boot/shoe removal at work and home
- Wet wiping and/or HEPA vacuum of visible dust accumulations as they develop
- Wet methods
- Controlling or avoiding visible NOA dust

Analysis with Discussion

Introduction

The asbestos standards, such as the training requirements for asbestos workers, were written on the premise of encounters solely in manufactured products. While the EPA has developed several documents to help increase knowledge and prevent exposure resulting from NOA, no Federal regulations have been implemented. This has resulted in several states implementing their own set of regulations and guidance documents. However, of the 20 states where NOA is known to exist, only a few have, or are beginning to, implement NOA regulations. The remaining states (such as Alaska) deal with NOA on a project-specific basis which typically exhibits substantial project delays and increased costs.

While there are limited general recommendations (see EPA NOA dust guidance), recommended NOA amelioration methods need to be selected on a site-specific basis because the exposure is dependent on a vast number of variables related to site specific conditions and work practices chosen for processing/handling. The single most important goal for almost all NOA-containing sites, materials, and systems is to prevent asbestos fibers from becoming airborne to eliminate respiratory exposure to asbestos. Several methods have been utilized to achieve this goal, with the main options being: manage in-place, dust suppression, cover or cap, and excavation/removal of NOA-containing material.

It is clear that gravel sources with NOA are present in Alaska and they have the potential to affect public health, project development and costs. At the same time it is well documented nationally and with Alaskan experience that use of proper NOA control strategies allow the safe employment of NOA materials. While past project experience in Alaska has not documented significant exposure or post project health concerns, NOA has been costly to some projects. This was primarily due to lack of advanced knowledge of NOA's presence, failure to characterize and notify, which resulted in changed conditions and non-competitive contract modifications after the contract has been awarded. Even if NOA is known during the project planning stages, the best course of action may not be clear because there are professional NOA geologic, risk and regulatory interpretations and definitional issues that will generate discussion and require resolution. The successful implementation of a NOA program will therefore require development and needs to involve training and transition for all involved including state, regional corporations, private resource owners, project designers, contractors, operation and maintenance staff, community and local residents.

Resource owners need to better understand their resource, develop the knowledge and marketing expertise to have it properly characterized and categorized for appropriate uses. Designer's need to develop the necessary project specifications requiring resource certification as well as contractor training and experience. Successful contractors need to learn how to develop

competitive work plans for safely utilizing NOA materials on project specific basis. For both companies and citizens in affected areas these changes include learning about the hazards and taking personal responsibility for controlling or avoiding activities creating airborne visible dust as well as implementing life style and work practice changes involving life style modifications such as housing/office boot/shoe removal, utilization of wet methods and HEPA filtration for routine cleaning of visible dust accumulations.

Liability

The liability of ADOT and suppliers of NOA materials may be divided into three:

1. Tort liability to individuals and organizations,
2. Contractors have additional liability to protect their workers and the public from the contractor's operations, and
3. Legal liability to agencies for failure to follow applicable laws and regulations.

Tort

If the ADOT's use of NOA damages an individual or organization, ADOT may incur tort liability. For example, if a resident of a village downwind from an ADOT airport that used NOA in the runway were to die of a disease known to be caused by asbestos exposure, the victims family might sue the ADOT. Although it takes years of heavy asbestos exposure to cause those diseases, and for most asbestos diseases asbestos is a "risk factor" not the sole cause, there are other causes, most notably smoking, sympathetic juries frequently find for the plaintiff, almost regardless of fault. Due to the tort reform movement, Alaska's current tort laws have reduced the windfall aspects of such suits, but they are certainly possible. Here we can suggest little except developing good standards for use of NOA, having review by all agencies concerned with health and environmental safety, then strictly documenting conformance. Such defensive practices will not make such suits impossible, but will make their defense much easier.

The owners of NOA materials sites face essentially the same tort issues as the ADOT. The question if this liability can be handed off from the owner to the ADOT is one that requires legal advice. California has a system of notification and paperwork that would seem to hand that liability off to the purchaser of the materials. We do not know if this has been tested in court. We doubt the CARB has the legal authority to change the state's tort laws. However, as above, conforming to established procedures is often a strong defense.

Contractors' liability

The contractors' liability to follow the state's labor laws regarding occupation health and safety are fairly straight-forward, if the NOA is mentioned in the project bid documents. The contractor's liability to third parties, such as the public, may be more complicated. The contractor's general liability insurance will defend them; however the contractor's insurance company will then try to recover

from the state and/or the material owner. This may be forestalled by appropriate contact terms regarding insurance, but clearly this is a item for expert risk management and legal advice. Finally, if the specifications do not make clear the need to get certain permits and the contractor's operations are impacted, the contractor may try recover from the ADOT for defective specifications.

Liability for laws and regulation compliance

CERCLA and RCRA deal with *wastes.* NOA is not a *waste* thus mining and incorporation of NOA does not come under either of those laws. However, for example, if the NOA mining segregated some materials that had a lot of asbestos from other materials, and thus had small mounds of asbestos materials on the site, might these mounds be waste piles? Here the regulatory standard is 1% asbestos, so if the mounds had less than 1% asbestos, they would not be asbestos under the CERCLA or RCRA regulations. Here the authors have not obtained further clarifications regarding mining and mine waste. While this would be the responsibility of the owner of the NOA materials site, these clarifications should be obtained in the next phase to enhance communications between the ADOT and the material site owners.

California Experiences

The California NOA regulations do address many issues and procedures that may bear on liability. The California NOA regulations separate the "notice requirements" into two categories; material intended for surfacing, and material not intended for surfacing. In addition to the notification variations, material intended for surfacing must have an asbestos content of <0.25% asbestos per the CARB 435 analysis, unless the surfacing application is considered one or more of the 11 surfacing ATCM exemptions. These notification requirements are intended to both "hand-off" liability to the purchasers and produce adequate documentation. (Signage and placard requirements for regulated material are intended more to prevent accidental misuse and/or handling than for recordkeeping or proof of receipt.)

Once the NOA-containing material is in the possession of the purchaser, it is their responsibility to provide adequate protection and training to the employees which handle the material. The end-use of the material is also the purchaser's responsibility at this point. They must insure they not only adhere to all OSHA, EPA, State and Local requirements during handling and transport, but also to their approved site specific Work Plan. The purchaser must also insure the material is approved by the regulating agency for its intended end use. Often the end use of the regulated material will managed by a third party where they would be in responsible charge of obtaining approval, permits, etc., for the materials end use and any required dust control strategies (capping, paving, etc.).

Resource owners and contractors have raised liability concerns regarding the sale and use of NOA materials. In some instances it is understood litigation may

already have been filed against NOA resource owners for the sale and use of NOA materials. This is a real concern that if not properly understood and addressed will impact the safe use of NOA materials and create unnecessary project costs. CERCLA Section 9604 provides for resource owner protection against naturally occurring hazards. Liability for resource processors and/or contractors can be addressed through their compliance with NOA program requirements. It is not possible to prevent all lawsuits and particularly frivolous filed cases. Therefore the effectiveness of the recommended NOA program to be developed will likely be tested legally and provide court interpretation and resolution of liability concerns.

Ambler, for example, is a unique case which would not completely comply with any of the existing 11 surfacing exemptions or the Construction, Grading, Quarrying and Surface Mining ATCM for California. While California's state NOA regulations are undoubtedly the most developed in the United States, it is unlikely the drafters/authors were required to take into account communities such as this. Had similar circumstances existed, certainly specific exemptions would have been established to address this. Alaska can look to, and even adopt, the California NOA regulations; however, scenarios exist in Alaska unlike anywhere else in the United States, and special provisions and/or exemptions will be a necessity of this future rule.

Examples of Liability

In the Swift Creek Washington case where NOA-containing Sumas Mountains would periodically experience landslides which flowed into the Swift Creek River where the material was dredged and staged along the shoreline to prevent flooding. There was no organization deemed the Responsible Party, and several federal, state and local agencies are currently involved in the Swift Creek NOA concern. It was determined that the EPA Superfund program had limitations on spending money on this type of cleanup because the material of concern was naturally-occurring. This makes NOA sites exempt by law from the EPA Superfund program, except where the material was moved by unnatural forces (ie construction, dredging). This caveat allowed the EPA to use funding to assist in the Swift Creek NOA concern.[60]

Libby, Montana, which has been declared an EPA Superfund site, has had ongoing federal cleanup efforts since 1999. In this case, processing mined vermiculite constituted the majority of the contamination; consequently, the asbestos was not viewed as naturally-occurring. In 2003, in a ruling issued by the District Court of Montana, the court said the mining company, W.R. Grace, was liable for costs related to the investigation and cleanup of asbestos contamination in Libby and ruled that the EPA's revised method for calculating indirect, or overhead, costs is appropriate and that those costs may be recovered from W.R. Grace. The ruling meant W.R. Grace was responsible to pay all of the $54.5 million in costs that the EPA incurred through December 31, 2001. Costs incurred after that date were to be resolved in future proceedings if disputed by

W.R. Grace. In May, 2009, W.R. Grace and three individual defendants were acquitted of criminal charges under the Clean Air Act alleging they conspired to conceal the health dangers posed by the contamination.[61]

NOA proposed for use

While NOA materials are known to be present in 20 of the 50 states, only a handful are moving ahead with implementing NOA regulatory control policies. Those states that have implemented NOA regulations have focused their programs on:

- Geologic mapping of "restricted" areas with materials likely to contain NOA
- Compliance level characterization of NOA free materials based on the limit of detection of less than 0.25% asbestos content
- Asbestos characterization sampling for use of materials from restricted areas
- Utilization Compliance Plan Submittal, Review and Approval
    - Source, transport route and work product
- Providing local authority to interpret program requirements site specifically and implement additional testing where necessary.
- Development of necessary program exemptions
    - area wide
    - regional

While education and training with regards to NOA exposure, work practices, and safe uses is key to any program, the submittal and approval of site specific compliance plans for approval by local authorities will insure the long term viability of an effective "living" program for that project's NOA.

NOA site specific work plan might note the availability and cost of NOA-free material as those affect project design options. Control technologies that eliminate or reduce exposure pathways might minimize individual project costs. The remoteness of many Alaska projects and absence of alternative transportation routes may require reasonable exemptions, based on a balance of benefits and risks.

Similarly, the concentration and variety of NOA will play a major role in determining the most cost effective control strategies. While federal regulations are indifferent to the form of asbestos, control methods for NOA should not be. Forms of asbestos that break apart and easily become airborne should be held to a higher standard than those which are tightly bound within a rock matrix. This highlights the importance of developing a consensus standard as well as mapping and sampling efforts to properly characterize specific asbestos materials present as well as the risk. The authors recognize this may be quite difficult in practice, but certain broad guidelines are possible and these may help project planners and designers.

NOA in place - control technologies

NOA control methods should start with the least expensive options first. In general terms there are four control methods: education, wetting, palliatives, and capping.

By itself and together will all the other control methods educational outreach to the staff, industry and general public regarding the hazards and methods of controlling or avoiding airborne dust is almost always advised. Outreach such as encouraging implementing speed controls and restrictions on vehicle use in sensitive areas (i.e., near schools, hospitals, and residential areas) and modifying life style habits to reduce personal exposure are all worthy of consideration.

If a road base lacks adequate drainage, the embankment will be weak and the effectiveness of dust control measures will be limited. Reconstructing unpaved roads to provide good drainage and a solid base is needed for dust palliatives, capping with clean material, or paving to be effective. If the road soils are of poor quality, geotextiles may be a feasible option to add support to the road surface. According to Succarieh,[54] expert professional advice about the road is often needed. The ADOT Local Technical Assistance Program (LTAP) may assist As part of the educational program it is recommended that the ADOT LTAP enhance their NOA knowledge and resources for distribution.

If sufficient equipment and manpower is available, watering roads during high dust periods should be performed; however, this is a short-term effective method of dust control and more long-term control methods should be investigated. Historical monitoring data illustrates that high dust generation rates are greatest during the two-month period following breakup, therefore, short term control measures like watering can provide limited benefits if impacted communities have access to watering equipment.[54]

Another control technology is application of dust palliatives. In order to obtain the greatest benefits from the application of dust palliatives, site-specific investigations of local traffic and soil is required. Investigations should begin with an assessment of the soils used to construct and surface the unpaved roads. The ADOT's LTAP, may assist rural communities with technical assistance and/or training on proper techniques for soil analyses useful in the palliative selection process. [54]

Some deliquescent salts and/or synthetic polymer products may provide adequate levels of dust control on unpaved roads. Again this depends heavily on the soil and traffic conditions in the respective community. These products have been tested in several locations in Alaska and have been demonstrated to provide varying control of dust emissions. Because the successful use of these products is dependent upon a number of factors that vary from community to

community, pilot tests of selected products for a summer season should be undertaken in affected communities before community-wide application is pursued. [54]

Contractor Feedback

Approximately 150 contractors in California who likely encounter NOA were contacted via email and asked to provide general feedback regarding associated California regulations. The email contained 5 basic questions in combination with a short narrative explaining the purpose of the inquiries. Only one of the contractors contacted replied, with limited applicable information. This contractor expressed the following when asked about their opinion on the California NOA regulations:

> *For the most part, the measures taken are reasonable and consist of greater than normal dust control through the use of more water on grade during earth moving operations and trenching.*

The contractor explained equipment "wash systems" are routinely utilized for decontaminating equipment prior to leaving a NOA site. Another precaution was capping the native material with either a hard surface (concrete, asphalt, ect) or "clean" soil. The thickness of the cap varies depending on the perceived threat of the asbestos, and when soil capping is used it is underlain with a warning fabric to prevent excavations being made into the NOA at a later date.

This contractor did not have certified asbestos workers on staff to perform the removal/handling of hazardous materials such as NOA. They stated their employees are trained to look for hazardous while work is being performed, and if material is encountered which may be hazardous it is either avoided or remediated by a qualified contractor. The following quote explains their route of action if hazardous materials are required to be abated:

> *When we do have a situation develop where hazardous materials are present and they need to be remediated then a proper contractor is brought into service under contract with the property owner keeping us out of the loop.*

To close, the contractor states the NOA regulations in California are not "unbearable" but do add additional costs to affected projects.

Future and Plan of Action

The regulatory authority utilized in the states evaluated included a state-wide program that was implemented across at the local, county level. Typically, multiple disciplines are involved including health, environmental and air pollution control divisions of the regulatory authority.

To date the Alaskan documented experiences in Juneau, Dalton and Ambler all involved transportation projects. Fortunately, once identified they were handled appropriately with additional assessment, training and work practice and product use modifications, each demonstrating once it is known, the NOA material can be safely used. However, while the experiences may not have resulted in any significant human exposures, the late identification resulted in changed conditions and costly non-competitive contract modifications. While NOA encounters in Alaska have been comparatively limited, the need for implementation of a state-wide NOA policy is reinforced by the lengthy, problematic and consequently expensive circumstances that have occurred due to lack of standard operating procedure and/or regulatory guidance. Road and pipeline pad construction and maintenance have and will be the largest future use of gravel resources. For these reasons it is recommended and appropriate for ADOT to take the lead in the further evaluation and development of NOA strategy alternatives and program development. It is anticipated and recommended that ADOT develop internal NOA operations and maintenance (O&M) and design standards for ADOT projects. For maximum effectiveness the department's internal policies and SOP for NOA should reflect a statewide, industry and regulatory consensus. These NOA standards will involve awareness education, resource characterization, acquisition, use as well as required training and development of design requirements, contractor's work practices and O&M practices.

It is readily apparent that the NOA concerns go well beyond the ADOT areas of responsibility involving all aspects of the local people, resource use and community. As demonstrated by other states moving to address NOA issues, a more holistic approach to NOA should involve public health, worker, community and environmental protection advocacy. The existing Alaskan "dust working group" comprised of regulatory and government stakeholders appears as a natural technical committee that could be expanded to include industry and be instrumental for the technical information exchange, development of a statewide NOA strategy(s) consensus and facilitate with the implementation of a successful statewide program.

Clearly the ADOT needs an SOP that that tells ADOT planners, designers and operators how to handle NOA, and this SOP will certainly call for a specific plan for each project. However in order for the SOP to be successful, it must be acceptable to all relevant state and federal agencies, and acceptable to all other stakeholders, such a contractors, materials site owners, and affected communities. Thus the first step is for the ADOT to formulate a NOA Action Plan to solicit comments and advice from all stakeholders, develop drafts of the SOP, circulate drafts to all stakeholders, and present the drafts to all stakeholders.

Working Group

Through the development of the NOA Action Plan (AP) the professional and technical issues can be resolved by the stakeholders working group and applied

with state conditions to existing programs developed elsewhere to develop an Alaskan specific program consensus and AP. It is recommended that the working group be comprehensive in make up and include all interested parties or stakeholders. Representatives from government, community and industry should be included. The following is considered a minimum list of known stakeholders that we recommend ADOT consider and include in forming a statewide stakeholder working group.

- BIA
- Alaska Geological Survey
- Denali Commission
- EPA
- ADOT
- ADEC
- DHSS
- Alaska Native Tribal Health Consortium.
- Alaska Tribal Air Call
- Denali Pipeline
- Alyeska Pipeline
- Native Corporations
- Village corporations in areas with NOA
- Community Health Consortium

Coordinating the working group and developing an NOA AP to achieve the goals and targets of these recommendations will require significant commitment and change in operational, management, building and behavioral practices at all levels of agencies and state government. For the AP to be successful, it must have both long term overarching goals and short term, manageable and achievable actions that have short delivery timelines. The statewide working group of stakeholders will be important to providing the forum for technology transfer, alternative strategy consideration, program development and successful implementation of the consensus achieved.

Work of the Working Groups

ADOT's initial working group purpose and scope of work should be fivefold:

- Inform stakeholders on NOA background and needs and solicit participation;
- Define existing NOA control strategies in use;
- Brainstorm actions that best meet all NOA stakeholders unique needs and objectives;
- Develop a Statewide government, industry and community NOA SOP
- Meet and present the SOP to all stakeholders
- Finalize the SOP and develop an example of a site-specific plan for Implementation

How to begin

The California regulations and EPA guidance are a good beginning to any NOA SOP. With some cut and paste and modification for remote projects and Alaskan conditions, those documents could form a draft of the SOP. However caution is needed to not present these or any document to the agencies as a fait accompli. Rather, all stakeholders, especially the relevant agencies, need to help ADOT define the issues and insure the final SOP does not conflict with the charge of any of those agencies

CONCLUSIONS AND RECOMMENDATIONS

This paper reviews NOA background, analytical issues, policies and regulations that have been considered and/or implemented by other authorities involved with NOA and have developed NOA policy options. Based on the analysis of the findings the following conclusions and recommendations have been developed.

- NOA gravels are present throughout the nation and in Alaska which have the potential to impact public health, project development and associated costs.
    - Transportation projects have been adversely impacted by NOA in Juneau, Ambler and on the Dalton Highway.
    - Material site investigations must check for NOA, especially in regions with mineral types likely to contain NOA.
- NOA gravels can be used safety with proper training, understanding and implementation of appropriate control strategies and technologies
    - Technical and regulatory interpretation and definitional issues remain
- Established state NOA programs evaluated have focused their programs on
    - Geologic mapping of "restricted" NOA areas
    - Characterization of NOA free materials based on the analytical procedure's limit of detection of less than 0.25% asbestos content
    - Source characterization sampling from restricted areas
    - If ≥0.25% asbestos, Compliance Plan Submittal and Approval should be required
    - Local authority enforcement to interpret program requirements site specifically and implement additional testing where necessary
    - Development of necessary program exemptions
    - States with NOA programs were developed across public health, environmental and air pollution divisions at the state level and implemented at the local, county level.

It is recommended that ADOT write an action plan to undertake development of a NOA SOP as the lead coordinating entity of a holistic statewide approach that involves all stakeholders and develops a statewide agency, industry and community consensus standard for NOA use. In order to do this, the ADOT should convene a statewide stakeholder's working group to resolve technical issues, work out a consensus on a state wide NOA program.

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HB 270

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House of Representatives

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Sponsor Statement

HB 270- Warning of Airport Exams/Scans

SCANNERS

The federal Transportation Security Administration has taken over areas of Alaska's hub airports in order to perform passenger screening.

- New screening procedures involve the use of both radiation emitting body scanners and non-medical physical examinations.
- Alaskans fly eight times more often than the national average. The result is many of the state's residents being exposed to scanner radiation more often than most Americans.
- There has not been reported neutral third-party oversight of installation, testing and recalibration by trained technicians for TSA body scanners.
- The cumulative effect of repeated exposure to scanner radiation on peoples' health is an unanswered question.

Unlike in the Lower 48, access to medical services requires frequent air travel by Alaska's rural residents, seniors, military personnel and veterans. Should a traveler have a prosthesis, a body irregularity or have undergone some types of surgery, the scanner will then signal for a thorough physical examination.

PHYSICAL EXAMINATION

Physical examinations are performed by the hands of TSA personnel, who lack medical training. The resulting examination may include the removal of prostheses and surgical bandages. Also, the unsanitary nature of the exam may result in the transmission of pathogens to the traveler. These can create public health hazards.

- Beyond physical harm, new TSA procedures are traumatic and demeaning.
- Unwanted touching of an abuse victim by TSA personnel may trigger traumatic re-victimization reactions.
- Alaska leads the nation in domestic violence and abuse.

HB 270 will require the State Department of Transportation to place an informational sign in each Alaska airport where TSA screening takes place. The sign's wording will warn passengers of the potentially dangerous screening procedures before they enter the TSA controlled screening area.

E-mail: Representative_Sharon_Cissna@legis.state.ak.us

The sign will let passengers know they are about be exposed to radiation from a device with possible unknown effects. Furthermore, the passenger may be subjected to a physical search that some find offensive. Knowledge is power. By informing passengers of what they will face by entering TSA controlled areas, Alaskans can decide for themselves if they are willing to be subjected to the dangers of screening. HB 270 will both empower and potentially protect the constitutional rights and health of the people of our state.

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MEMORANDUM January 26, 2012

SUBJECT: Sectional Summary for House Bill 270 (Airport Passenger Warning) (Work Order No. 27-LS1151\M)

TO: Representative Sharon Cissna

FROM: Doug Gardner
Director

You requested a sectional analysis for House Bill 270. As a preliminary matter, please note that a sectional analysis should not be considered an authoritative interpretation of the bill, and the bill itself is the best statement of its contents. HB 270 is a single-section bill that amends AS 02.15.050 by adding a new subsection (h).

Section 1 Section 1 of the bill that adds new subsection (h) to AS 02.15.050, requires the Department of Transportation, as part of the department's miscellaneous duties and powers related to administration of airports, to require each airport, where screening of passengers is being conducted by the U.S. Transportation Security Administration pursuant to TSA's authority in 49 U.S.C. 44901, to post a sign that measures 11 x 14 inches in size, and is posted within 30 feet of the entrance to a passenger screening area with a passenger warning that reads as follows:

> PASSENGER WARNING
> Each passenger entering this security screening area is subject to a physical search of the passenger's body by another person who may touch the passenger in a way that some passengers may find offensive and is also subject to a search by an electronic device that emits radiation used to produce an electronic image of the passenger that exposes or reveals physical characteristics of a person that are normally hidden by clothing and not normally visible to the public view.

So, in summary, Section 1 of HB 270:

- Directs DOT&PF to require airports where TSA is conducting screening of passengers under 49 U.S.C. 44901 to post the above warning;
- Provides the dimensions for the passenger warning statement (11 x 14 inches); and
- Requires posting of the above warning sign within 30 feet of the entrance to the passenger screening area.

DDG:plm
12-051.plm

Changes in Airport Passenger Screening Technologies and Procedures: Frequently Asked Questions

Bart Elias
Specialist in Aviation Policy

January 26, 2011

Congressional Research Service
7-5700
www.crs.gov
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CRS Report for Congress
Prepared for Members and Committees of Congress

Contents

Introduction 1
What Changes Have Been Made? 1
What Prompted These Changes? 1
What Is Advanced Imaging Technology and How Is It Being Used? 2
What Is the Funding for AIT? 2
How and Where Is AIT Being Deployed? 3
Where Else Is AIT Being Deployed? 3
Is AIT Effective? 3
Is AIT Efficient? 4
What Specific Changes Have Been Made to Pat-Down Procedures? 5
Why Do the New Screening Procedures Raise Privacy Concerns? 5
What Has Been Done to Allay Privacy Concerns? 6
What Concerns Have Been Raised Regarding Religious or Cultural Sensitivities? 7
Does WBI Have Potential Human Health Effects? 7
What Screening Options Do Passengers Have? 8
What If Passengers Have a Specific Complaint About Screening? 9
What Alternative Screening Techniques Are Available? 9
Have These Issues Been Addressed in Legislation? 10

Contacts

Author Contact Information 11

Introduction

In the autumn of 2010, the Transportation Security Administration (TSA) began deploying new technologies and procedures for screening passengers at airport checkpoints. Reports of negative public reaction to some of these changes have prompted intense congressional interest in TSA passenger screening. This report addresses some of these concerns.

What Changes Have Been Made?

During 2010, TSA introduced whole body imaging (WBI) systems at airport checkpoints around the United States. Previously, the systems were used only on a trial basis at a small number of airports. They are now in use as a primary screening method at most busy passenger airports.

These systems, which TSA refers to as advanced imaging technology (AIT) systems, capture an image of what lies underneath an individual's clothing. Critics have referred to this as a "virtual strip search."[1] If an individual considers this screening method too invasive or revealing or prefers not to undergo AIT imaging for any other reason, TSA provides the option of submitting to a pat-down search instead.

In response to aircraft bombing attempts and intelligence regarding terrorist explosives concealment methods, TSA also has changed pat-down procedures to more thoroughly inspect individuals for concealed items. The use of pat-down procedures has also become more frequent, including searches conducted at gates immediately prior to boarding.

What Prompted These Changes?

Because of improvements to prevent airline hijackings made since 9/11, TSA now regards explosives as the main threat to passenger airliners. The inability of walk-through metal detectors to screen for explosives has been seen as a critical weakness in aviation security.

In 2004, the 9/11 Commission recommended that TSA give priority attention to implementing technologies and procedures for screening passengers for explosives.[2] The bombing of two Russian airliners in August 2004, shortly after the release of the commission's report, focused considerable attention on this issue. Based on the 9/11 Commission's recommendation, Congress included provisions in the Intelligence Reform and Terrorism Prevention Act of 2004 (P.L. 108-458) directing TSA to improve checkpoint screening technologies capable of detecting explosives. TSA initially tested walkthrough portals that analyze samples of air passed over individuals for traces of explosives. However, TSA considered these systems to be unreliable in the airport environment and has more recently focused on WBI technologies.

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[1] For example, Jessica Ravitz, "Airport Security Bares All, Or Does It," CNN.com/travel, May 18, 2009, available at http://edition.cnn.com/2009/TRAVEL/05/18/airport.security.body.scans/?iref=mpstoryview.

[2] National Commission on Terrorist Attacks Upon the United States. *The 9/11 Commission Report*, New York, NY: W. W. Norton & Co., 2004.

On December 25, 2009, an air passenger, Umar Farouk Abdulmutallab, attempted to ignite an explosive device concealed in his underwear while on board a Detroit-bound commercial flight from Amsterdam. This incident prompted additional changes to security screening procedures. In addition to increasing its reliance on WBI as a primary screening technology, TSA has changed its pat-down search procedures and increased the use of pat-down searches.

What Is Advanced Imaging Technology and How Is It Being Used?

AIT systems are commonly referred to as whole body imaging systems or full-body scanners. The technology does not specifically identify explosives, but can reveal concealed items that would not be detected by walkthrough metal detectors, including explosives and non-metallic weapons. If a concealed item is detected, TSA procedures require that screeners[3] use additional inspection methods to determine whether the item is a threat. These methods may include pat-downs, visual inspection, or swabbing an individual's skin and/or clothing to obtain a sample to analyze for traces of explosives.

TSA has approved two AIT systems for operational use. One of those systems, the Rapiscan Secure 1000, uses a technology called X-ray backscatter; the other, the L-3 ProVision, uses millimeter wave imaging. Most fielded versions of these systems require the individual to assume only one pose to generate images, allowing screeners to detect any concealed items the person may be carrying. The ProVision system acquires multiple images whereas the Rapiscan Secure 1000 takes two images: a front view and a back view. A third system, the AS&E Smartcheck Z Backscatter system, was previously tested at airports but has not been evaluated by TSA for large-scale acquisition. One disadvantage of this system is that it requires the individual to stand in two poses to render front-view and rear-view images. Other vendors manufacture whole-body imaging systems using a variety of technologies, some of which are being evaluated to determine if they meet TSA's operational performance requirements.

What Is the Funding for AIT?

In FY2008, Congress established an airport checkpoint screening fund providing $250 million for advanced checkpoint technologies (see P.L. 110-53). Additional funding was provided in the regular FY2009 appropriations. The American Recovery and Reinvestment Act (ARRA) of 2009 (P.L. 111-5) included $1 billion for aviation security, of which $300 million went to accelerate the acquisition and deployment of whole-body imaging systems. In FY2010, $117 million was appropriated and the President's budget request for FY2011 sought $344 million for checkpoint technologies. Although these amounts also fund the purchase of next-generation X-ray equipment for screening carry-on bags, AIT accounts for a large share of checkpoint technology acquisition.

[3] TSA employees perform passenger and baggage screening functions at most airports. At some airports, these functions are performed by employees of private companies subject to TSA oversight.

How and Where Is AIT Being Deployed?

In October 2007, TSA began its initial field test of WBI screening at Phoenix Sky Harbor Airport.[4] In that trial, an X-ray backscatter system was offered as an alterative to pat-down searches for passengers selected for additional secondary screening. More extensive testing at various airports using both X-ray backscatter and millimeter wave systems commenced in 2008. Over the past two years, TSA has significantly expanded its deployment of AIT systems. As of January 2011, 486 AIT units had been deployed to 78 airports. The President's budget request for FY2011 sought funding for 503 additional units, to bring the nationwide total to roughly 1,000. While it is unclear what the nationwide mix of systems will be once all systems are deployed, individual airports appear to be receiving either millimeter wave or backscatter systems, but not both. Presently, the systems are not used in all screening lanes. System-wide, there are more than 750 screening checkpoints and over 2,000 screening lanes across 450 airports in the United States. TSA's goal is to have 1,800 units deployed across the country by the end of FY2014. It refers to this number as its full operating capability for AIT. An updated list of airports with AIT technology is available on TSA's website.[5]

Where Else Is AIT Being Deployed?

AIT systems are in operational use at a few foreign airports, primarily in Europe. In many cases, they are used solely to screen passengers traveling on U.S.-bound flights. Canada uses the systems in selected airports to screen both domestic and international passengers. The procedures and privacy protections vary from country to country. In addition to aviation security applications, AIT is being used at state and federal courthouses, correctional institutions, embassies, and border crossings, and by the Department of Defense, mostly overseas.

Is AIT Effective?

TSA generally regards AIT as an effective solution for detecting concealed threats carried by passengers. Its heavy investments in the technology indicate TSA's commitment to making AIT a central part of its strategy for detecting explosives at passenger checkpoints. TSA, in cooperation with the Department of Homeland Security's Transportation Security Laboratory, conducts laboratory and operational testing and evaluation of screening technologies. In the case of AIT, these methods include extensive performance studies using trained human observers under simulated and actual operational conditions. Approved AIT systems in use at airports have met TSA's operational requirements for threat detection. For security reasons, TSA's specific standards cannot be divulged publicly, although TSA officials have said that AIT performance was comparable to pat-down searches in operational tests.[6]

[4] John Lettice, "'Virtual Strip Search' Arrives at JFK and LAX," *The Register* (UK), April 22, 2008.

[5] http://www.tsa.gov/approach/tech/ait/faqs.shtm.

[6] U.S. Government Accountability Office, *TSA Is Increasing Procurement and Deployment of the Advanced Imaging Technology, but Challenges to This Effort and Other Areas of Aviation Security Remain*, GAO-10-484T, March 17, 2010.

Experts are divided about the effectiveness of AIT systems, and it remains unclear whether a WBI scan would have detected the explosives used in the 2009 Christmas Day bombing attempt.[7] Of particular concern is the potential that terrorists could use certain concealment tactics to evade detection by AIT. Modeling by independent researchers, based on publicly available performance estimates, found that certain concealed items—including types of explosives used in past terrorism attempts targeting aircraft—would be difficult, if not impossible, to detect using X-ray backscatter systems at current radiation exposure levels. They concluded that "[e]ven if exposure were to be increased significantly, normal anatomy would make a dangerous amount of plastic explosives with tapered edges difficult if not impossible to detect."[8] There is a separate debate as to whether the money appropriated for WBI would be better spent on intelligence-gathering.[9]

Is AIT Efficient?

TSA procedures for screening at walkthrough metal detectors can be cumbersome. Passengers are typically instructed to remove all metallic items, including cell phones, keys, coins, and sometimes even jewelry and belts with metal buckles. Since a December 2001 shoe-bombing attempt, passengers have been required to remove their shoes and place them with other carry-on items for X-ray screening. When passengers forget to remove metallic objects, the system can be slowed by nuisance alarms that must be resolved through secondary screening.

The procedures for AIT, as currently implemented, do not eliminate any of these requirements and impose additional requirements to remove non-metallic items, such as wallets, from pockets to minimize false positive determinations. Also, unlike metal detectors that passengers can move through quickly, WBI systems require passengers to assume a pose in front of the imager for several seconds. Since the systems are new and passengers are largely unfamiliar with them, TSA screeners must provide detailed instructions, adding to the time required to screen a passenger. If large numbers of passengers are required to undergo AIT screening, longer security lines could result. Additional delays could prompt complaints even from passengers who do not object to the screening methods. TSA points out, however, that AIT screening is much quicker and more efficient than a pat-down search. TSA also contends that AIT does not significantly impact checkpoint efficiency at current utilization levels because AIT screening is typically faster than screening of carry-on items.

TSA could minimize delays by using WBI only at times when security lines are short. However, such a strategy could lead to vulnerabilities if terrorists carrying explosives could time their entry into a screening lane to minimize the probability that they would undergo WBI screening.

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[7] U.S. Government Accountability Office, *Better Use of Terrorist Watchlist Information and Improvements in Deployment of Passenger Checkpoint Technologies Could Further Strengthen Security*, GAO-10-401T, January 27, 2010.

[8] Leon Kaufman and Joseph W. Carlson, "An Evaluation of Airport X-ray Backscatter Units Based on Imaging Characteristics," *Journal of Transportation Security*, published online November 26, 2010, available at http://www.springerlink.com/content/g6620thk08679160/.

[9] Jessica Ravitz, "Airport Security Bares All, Or Does It?," CNN.com/travel, May 18, 2009, available at http://edition.cnn.com/2009/TRAVEL/05/18/airport.security.body.scans/?iref=mpstoryview.

What Specific Changes Have Been Made to Pat-Down Procedures?

In October 2010, TSA announced revisions to its pat-down procedures to more thoroughly examine individuals for concealed threats.[10] Previously, TSA procedures called for screeners to use only the backs of their hands when inspecting sensitive areas. The new procedures involve using the front of the hand to search for concealed items and more detailed tactile inspection of areas higher on the thigh and in the groin area. The procedures routinely involve touching of buttocks and genitals.[11] As with prior procedures, all pat-downs are conducted by a same-sex screener, and passengers may opt for a screening in a private area. In congressional testimony on November 17, 2010, TSA Administrator John Pistole conceded that the methods are clearly more invasive than prior methods, but defended them as necessary to detect concealed threats and indicated that he has no intention of modifying the new techniques.

Why Do the New Screening Procedures Raise Privacy Concerns?

Polling data indicate that about 75% to 80% of Americans support the use of AIT at airport checkpoints.[12] However, AIT has met with objections from groups such as the American Civil Liberties Union, which has urged Congress to ban the use of whole body imaging technologies as a method for primary screening on the basis that "[p]assengers expect privacy underneath their clothing and should not be required to display highly personal details of their bodies."[13] In the United Kingdom, questions have been raised about whether whole body imaging of children violates child pornography laws.[14] So far, this particular aspect of privacy has not been the subject of detailed policy discussion in the United States, and children are not categorically excluded from WBI screening.

With regard to pat-down procedures, TSA has faced allegations of groping, singling out female passengers, and other abuses. In 2005, an extensive investigation by the Department of Homeland Security Office of Inspector General found that TSA adequately advised passengers of their rights under the pat-down procedures, and appropriately accommodated those rights. It also found that TSA's screener training for pat-down searches was adequate and that pat-downs were performed on proportionate numbers of males and females.[15] TSA logs and investigates complaints and tracks trends in complaint data to identify areas of concern and take remedial action as needed.

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[10] Transportation Security Administration, *TSA Statement on New Pat-down Procedures*, October 28, 2010.

[11] Derek Kravitz, "New Searches Too Personal for Some Air Travelers," *Washington Post*, November 13, 2010.

[12] See AIT polls at http://www.tsa.gov/approach/tech/ait/reading.shtm.

[13] Statement of Timothy D. Sparapani, ACLU Legislative Counsel, Before the Senate Committee on Commerce, Science, and Technology, Regarding the U.S. Transportation Security Administration's Physical Screening of Airline Passengers and Related Cargo Screening, April 4, 2006.

[14] Alan Travis, "New Scanners Break Child Porn Laws," *Guardian* (UK), January 4, 2010.

[15] Department of Homeland Security, Office of Inspector General, *Review and Audit of the Transportation Security Administration's Use of Pat-Downs in Screening Procedures (REDACTED)*, November 2005, OIG-06-10.

Nevertheless, TSA's new, more thorough pat-down procedures have brought complaints, as similar touching could constitute sexual assault in other circumstances.

Privacy arguments have been made about other airport screening procedures in the past, to no avail. Courts characterize a routine search conducted at an airport security checkpoint as a warrantless search, generally not subject to the constitutional prohibition against "unreasonable searches and seizures" by the federal government. Such a warrantless search, also known as an administrative search, has been found acceptable if it is "no more intrusive or intensive than necessary, in light of current technology, to detect weapons or explosives," is confined to that purpose, and if individuals may avoid the search by electing not to fly.[16] In more recent case law, the 9th Circuit Court of Appeals ruled that airport searches of passengers are reasonable and do not require consent, as "... requiring that a potential passenger be allowed to revoke consent to an ongoing airport security search makes little sense in a post-9/11 world. Such a rule would afford terrorists multiple opportunities to attempt to penetrate airport security by 'electing not to fly' on the cusp of detection until a vulnerable portal is found."[17] The Supreme Court, however, has not specifically ruled that airport screening searches are a constitutionally reasonable form of administrative search. More specific policy and legal analysis in the current context may be needed to address whether the new procedures are no more intrusive or intensive than necessary.

What Has Been Done to Allay Privacy Concerns?

TSA has long been aware of the potential privacy concerns regarding WBI systems. To allay some of these concerns, the millimeter wave systems used by TSA apply privacy filters that blur facial features. X-ray backscatter systems currently deployed use computer algorithms to render a "chalk outline" sketch of the individual and discernible concealed items.

TSA also has implemented procedures for remote viewing of WBI images. Under these procedures, the screener viewing the images cannot see the individual that was imaged and views the images in an enclosed space that is not in public view. Also, the systems in use by TSA have no capacity to store or transmit images, and screeners are prohibited from having any cameras or recording devices in their possession while viewing WBI images. Under TSA procedures, images are immediately deleted after the individual has been screened.

Proposed enhancements to further address the privacy issue involve technical advances. With fully or semi-automated threat detection capabilities, screeners might not have to view images at all, or might only have to view certain portions of an image to respond to automatically detected threats and anomalies. Automated detection capabilities are being currently being tested in the laboratory, and software modifications to existing AIT systems may be field-tested later this year. These modifications would display images of generic figures with boxes alerting screeners to potential threats rather than displaying actual body images.[18] Alternatively, additional distortion

[16] *United States v. Davis*, 482 F.2d 893-908 (9th Cir. 1973).

[17] *United States v. Aukai*, 497 F.3d 955-963 (9th Cir. 2007), p. 959.

[18] John Hughes, "U.S. Airports May Soon Test Body Scanner With Privacy Upgrades, TSA Says," *Bloomberg News*, January 13, 2011.

of the images to make them less revealing without compromising their ability to detect potentially dangerous concealed objects has been suggested, but has not been evaluated by TSA.[19]

What Concerns Have Been Raised Regarding Religious or Cultural Sensitivities?

TSA does not exempt individuals from screening procedures on the basis of religion or culture. Therefore, an individual must agree to either WBI screening or a pat-down search, even if these methods conflict with religious beliefs or cultural practices.

TSA has particular security concerns regarding loose-fitting clothing and headwear that could potentially conceal threats including explosives. Members of certain religious groups, including some Muslims, and certain cultures, including some African cultures, often wear loose fitting clothing. Additionally, certain religions and cultures sometimes require individuals to wear head coverings in public. Examples include hijabs worn by some Muslim women, yarmulkes worn by some Jewish men, and turbans worn by members of various religious groups.

TSA does not prohibit any individual from wearing loose-fitting clothing or head coverings when passing through a screening checkpoint. However, TSA screeners may select individuals for additional screening if they consider their clothing to be loose fitting enough or large enough to conceal a prohibited threat item. Similarly, TSA screeners may require additional screening and physical inspection of headwear. Because of these procedures, specific groups may believe that they are being targeted for additional screening on the basis of ethnic or cultural identity rather than on the basis of their loose-fitting clothing or headwear. Concerns may also arise during pat-down searches if passengers object to touching by screeners on religious or cultural grounds.

Does WBI Have Potential Human Health Effects?

Potential human health concerns apply to one of the two WBI systems now used by TSA, X-ray backscatter systems. TSA contends that the levels of ionizing radiation emitted by approved X-ray backscatter systems are well below levels considered safe for human exposure. The radiation exposure from a single X-ray backscatter image is said to be equivalent to the naturally occurring radiation received during two minutes flying at altitude aboard a commercial airliner.[20] Approved backscatter systems have been evaluated by the Food and Drug Administration's Center for Devices and Radiological Health, the National Institute of Standards and Technology, and the Johns Hopkins University Applied Physics Laboratory.

The controversy over exposure to X-ray backscatter persists. In April 2010, faculty members from the University of California, San Francisco, including prominent researchers in biochemistry, biophysics, X-ray imaging, and cancer research, expressed their concerns in a letter to President Obama's assistant for science and technology, John P. Holdren. They suggested that while the radiation dose received from X-ray backscatter imaging would be safe if it were

[19] Ashley Halsey III, "A Fix for TSA Scanning Worries?," *Washington Post*, November 22, 2010.

[20] http://www.tsa.gov/approach/tech/ait/faqs.shtm.

distributed throughout the body, it is instead concentrated only on the skin and underlying tissue, such that "the dose to the skin may be dangerously high."[21] The letter stated that older travelers and those with compromised immune systems may be at particular risk; that some females may be at higher risk of developing breast cancer; that the potential health effects on children, adolescents, pregnant women, and fetuses have not been fully assessed; that the proximity of the testicles to the skin raises concerns over possible sperm mutation; and that the effects on the cornea and the thymus gland have not been determined. It also cautioned that a system malfunction could potentially cause a very high radiation dose to be concentrated on a single spot. TSA and the Food and Drug Administration provided a lengthy response to the letter, asserting that the potential health risks from full-body screening using approved systems are minuscule, and that extensive independent data confirm that the systems do not present significant risk to public health.[22]

The millimeter wave systems used by TSA do not emit ionizing radiation, the type of radiation usually considered to have sufficient energy to modify the molecular structure of cells, which has been linked to various forms of cancer.[23] They therefore have not raised the same health concerns.

What Screening Options Do Passengers Have?

Statutes require TSA to administer the screening of passengers and property entering security controlled areas of airports. The statutes give TSA authority to define screening requirements subject to certain criteria.[24] Individuals entering security controlled areas without submitting to applicable screening procedures may be subject to civil and criminal penalties.[25]

Under its screening procedures, TSA allows those individuals selected to undergo WBI screening to instead opt to undergo a pat-down search. In some cases, passengers opting for WBI screening during primary screening may subsequently be required to undergo a pat-down search if there are anomalies in their images. For example, well-known humorist Dave Barry reported that he was instructed to undergo secondary pat-down screening after being told he had a "blurred groin."[26]

Once selected to undergo one of the enhanced screening methods, passengers are not given the option of selecting screening using a walk-through metal detector. Under current TSA procedures, once an individual has initiated the screening process, he or she must complete it. This means that if selected for WBI or a pat-down, the individual must undergo one of these two options. Also, if the individual is ordered to undergo a pat-down secondary screening to resolve a metal detector

[21] John W. Sedat, Ph.D., Marc Shuman, M.D., David Agard, Ph.D., and Robert Stroud, Ph.D., Letter to Dr. John P. Holdren, Assistant to the President for Science and Technology, April 6, 2010, available at http://www.whitehouse.gov/sites/default/files/microsites/ostp/ucsf-jph-letter.pdf.

[22] Department of Health and Human Services, Food and Drug Administration, Center For Devices and Radiological Health. Letter to Dr. John P. Holdren from John L. McCrohan, Deputy Director for Technical and Radiological Initiatives, and Karen R. Shelton Waters, Deputy Assistant Administrator/ Chief Administrative Officer, Transportation Security Administration, October 12, 2010, available at http://www.whitehouse.gov/sites/default/files/microsites/ostp/fda-backscatter-response.pdf.

[23] American Cancer Society, *Radiation Exposure and Cancer*, available at http://www.cancer.org/Cancer/CancerCauses/OtherCarcinogens/MedicalTreatments/radiation-exposure-and-cancer.

[24] See 49 U.S.C. § 44901.

[25] See 49 U.S.C. § 46314.

[26] "Humorist Dave Barry and His TSA Pat-Down," *All Things Considered*, NPR, November 19, 2010.

alarm or WBI image anomaly, then the individual must comply. The individual cannot simply exit from the screening area and then enter a different security lane in an attempt to avoid WBI screening or a pat-down search. If, after purchasing a ticket, a passenger decides not to fly because of these security requirements, any refund would be handled by the airline, subject to the specific terms of the contract of carriage between the passenger and the airline. This situation poses a considerable dilemma for individuals who have purchased nonrefundable tickets but are uncomfortable with both WBI screening and pat-down searches.

What If Passengers Have a Specific Complaint About Screening?

TSA encourages passengers to immediately notify a TSA supervisor or customer service manager to report complaints. The TSA Contact Center also provides a toll-free number (866-289-9673) and an online complaint form.[27]

If passengers believe their rights have been violated, TSA's Office of Civil Rights and Liberties is internally responsible for investigating claims of violations during checkpoint screening. Such claims may include violations of civil liberties, such as harassment, or violations of civil rights, such as discrimination on the basis of race, ethnicity, age, religion, gender, disability, or sexual orientation. After traveling, a passenger may file a formal complaint describing an incident with the TSA Office of Civil Rights and Liberties External Compliance Division.[28] Complaints may also be filed with the parent Department of Homeland Security's Office for Civil Rights and Civil Liberties.[29] TSA indicates that it will process external complaints filed up to 180 days after an alleged incident, but notes that delays in filing a complaint may significantly limit its ability to conduct a fact-finding investigation. Based on its investigation, TSA may take disciplinary action or other remedial action, such as additional screener training.

What Alternative Screening Techniques Are Available?

The primary alternative to WBI for explosives screening is explosives trace detection, particularly walkthrough explosives trace detection portals. TSA conducted field tests of such technology in 2004. However, citing reliability problems, TSA suspended further deployment, and it has not sought to acquire additional trace portal systems.

Canine teams offer another possible option for explosives detection. TSA, in coordination with state and local law enforcement, has, in total, more than 600 explosives detection canine teams, about 80% of which focus on aviation and air cargo screening. It plans to field more than 1,000 teams, with 90% focused on aviation, by the end of FY2011. However, these teams are not used

[27] See http://www.tsa.gov/contact/index.shtm.

[28] Transportation Security Administration, Office of Civil Rights and Liberties (TSA-6), External Compliance Division, 601 S. 12th Street , Arlington, VA 20598; e-mail: TSA.OCR-ExternalCompliance@dhs.gov.

[29] Department of Homeland Security, Office for Civil Rights and Civil Liberties, Review and Compliance, 245 Murray Lane, SW, Building 410, Mail Stop #0190, Washington, DC 20528; e-mail: civil.liberties@dhs.gov.

routinely for screening passengers and spend most of their time inspecting cargo and baggage and patrolling airport terminals. Although canine teams may be less objectionable to some individuals uncomfortable with WBI and pat-down searches, some individuals have a fear of or allergies to dogs. There also may be religious and cultural sensitivities regarding the use of dogs to search individuals. Large numbers of canine teams would be needed to make this a viable option for screening large numbers of air travelers. Further research may be needed to determine if canines provide an adequate level of screening. One complication is that dogs trained to sniff out explosives would not be capable of detecting other threats, such as nonmetallic weapons.

Have These Issues Been Addressed in Legislation?

In 2009, Representative Chaffetz introduced the Aircraft Passenger Whole-Body Imaging Limitations Act (H.R. 2027, 111th Congress), which would have prohibited the use of WBI for routine screening and would have assured passengers the option to select a pat-down search. The bill would also have prohibited the storage, transfer, sharing, or copying of any image of a passenger generated by a WBI screening system. This proposal was offered as an amendment (H.Amdt. 172) to the Transportation Security Administration Authorization Act (H.R. 2200) and was included in the version of that bill passed by the House on June 4, 2009 (see Section 215).

In contrast, Senator Bennett offered the Securing Aircraft From Explosives Responsibly: Advanced Imaging Recognition (SAFER AIR) Act of 2010 (S. 3536, 111th Congress) on June 24, 2010. That measure called for the expeditious deployment and use of AIT and other advanced technologies for primary screening of aircraft passengers, and would have given passengers the option of passing through a metal detector and undergoing pat-down screening instead of undergoing AIT screening. Although S. 3536 would have required AIT to be used as a primary screening method, whereas H.R. 2027 and H.R. 2200 would have prohibited it from use as a primary screening method, the bills had in common several concepts for protecting privacy. Many of these provisions paralleled current TSA practices.

On November 17, 2010, Representative Paul introduced the American Traveler Dignity Act of 2010 (H.R. 6416, 111th Congress). This bill would have barred TSA, TSA screeners, private airport security screeners, or others involved in the screening process to claim immunity from prosecution in a criminal or civil proceeding arising as the result of whole-body screening or a pat-down search. Representative Paul, in discussing the legislative proposal, asserted that TSA screeners should not be immune from laws pertaining to sexual assault; child pornography; and the endangering of others through the use of radiation-emitting machinery.[30]

[30] Representative Ron Paul, *Introducing the American Traveler Dignity Act*, available at http://paul.house.gov/index.php?option=com_content&task=view&id=1796&Itemid=60.

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Bart Elias
Specialist in Aviation Policy
belias@crs.loc.gov, 7-7771

HB

271

<TARGET><BILL>HB 271</BILL><SUBJECT>HB 271</SUBJECT><COMM>HTRA27</COMM></TARGET>

ALASKA STATE LEGISLATURE

Interim:
600 East Railroad Avenue
Wasilla, Alaska 99654
Phone (907) 373-1842
Fax: (907) 373-4729

Session:
State Capitol Building
Juneau, Alaska 99801-1182
Phone: (907) 465-2186
Fax: (907) 465-3818

REPRESENTATIVE WES KELLER
DISTRICT 14

HOUSE BILL 271
SPONSOR STATEMENT

"An Act relating to the state highway system and commercial motor vehicle requirements."

Pilot 1999 trucks

Alaska is always on the move. Be it across town or across the state, transportation is extremely important. For the small business owner nearly everything must be moved from somewhere and that is often done by truck. Today's truck laws were written years ago and have not kept up with technology. Today's roads and today's trucks are safer, more reliable and much easier to drive.

House Bill 271 is written to assist these small business owners who need a truck to move their inventory either from the import site, retailer, or wholesaler to their business or job site. These businesses are not in the trucking business but the state treats them that way.

Currently these smaller vehicles are classified as commercial and must have special license plates, which costs more. In some cases the driver must have a commercial driver's license (CDL) which costs more. In both cases these extra charges constitute a tax and do little to improve safety.

House Bill 271 changes the current statutory descriptions of commercial vehicles. Many newer modern trucks are designed for safety without the extra training required for a CDL. It is unnecessary and burdensome, for example, to require these drivers to have the same medical card as required for a semi driver hauling big loads to across the state. House Bill 271 gives the owners who use the trucks for work part time an opportunity to use them inside the State of Alaska without unnecessary government harassment.

E-Mail: Representative_Wes_Keller@legis.state.ak.us
Call Juneau Toll free: (800) 468-2186
Website: www.akrepublicans.org/keller/

Classes

Light Duty

Class 1

The **Class 1** truck (GVWR) ranges from **0 to 6,000 pounds.** Examples of trucks in this class include the Ford Ranger, Dodge Dakota and GMC Canyon.

Class 2

The **Class 2** truck (GVWR) ranges from **6,001 to 10,000 pounds.** Examples of vehicles in this class include the Dodge Ram 1500 and the Ford F-150.

Class 2 is subdivided into Class 2a and Class 2b, with class 2a being **6,001 to 8,500 pounds**,

Class 2b being **8,501 to 10,000 pounds**.

Class 2a is commonly referred to as a light duty truck, with class 2b being the lowest heavy-duty class, also called the light heavy-duty class.

Class 3

The **Class 3** (GVWR) ranges from **10,001 to 14,000 pounds.** Examples of vehicles in this class include the Dodge Ram 3500, Ford F-350 and the GMC Sierra 3500, both dual rear wheel and single rear wheel.

The Hummer H1 is another example of a single rear wheel Class 3 truck, with a GVWR of 10,300 lbs.

Medium Duty

Class 4

The **Class 4** truck (GVWR) ranges from **14,001 to 16,000 pounds** Examples of vehicles in this class include select Ford F-450 trucks, Dodge Ram 4500, and the GMC 4500.

Class 5

The **Class 5** truck (GVWR) ranges from **16,001 to 19,500 pounds.** Examples of trucks in this class include the International MXT, GMC 5500.[9] Dodge Ram 5500, and the Ford F-550

Class 6

The **Class 6** truck (GVWR) ranges from **19,501 to 26,000 pounds**. Examples of trucks in this class include the International Durastar, GMC Topkick C6500. and the Ford F-650

Heavy Duty

Class 7

Vehicles in **Class 7** and above require a Class B license to operate in the United States. These include GMC C7500 Their GVWR ranges from **26,001 to 33,000**.

Class 8

The **Class 8** truck (GVWR) is anything above **33,000 pounds**. These include all tractor trailer trucks.

U.S. Department of Transportation

Federal Motor Carrier Safety Administration

Commercial Vehicle Information Systems and Networks (CVISN)

Commercial Motor Vehicle (CMV)

Any self-propelled or towed vehicle used on highways in intrastate or interstate commerce to transport passengers or property:

- if it has a gross vehicle weight rating of 26,001 or more pounds; or
- if it is designed to transport more than 16 passengers, including the driver; or
- if it is used to transport hazardous materials (as defined in 49 U.S.C. App. 1801 et seq.) in quantity requiring placarding under federal regulation [2]

Commercial Motor Vehicle Safety Act (CMVSA)
Requires all states to meet the same minimum standards for testing and licensing drivers of commercial motor vehicles. The act also mandates uniform penalties and a central reporting system.

NFIB

The Voice of Small Business®

ALASKA

February 17, 2012

The Honorable Wes Keller
State Capitol Building
Juneau, Alaska 99801-1182

RE: House Bill 271

Dear Representative Keller:

On behalf of the National Federation of Independent Business/Alaska, I wish to respectfully share our support for House Bill 271. The National Federation of Independent Business is the largest small-business advocacy group in Alaska.

HB 271 raises the weight threshold on intra state commercial vehicles from 10,000 lbs to 14,000 pounds for inspection and safety regulation purposes. This will assist small contractors, i.e. lawn care, carpenters, plumbing & heating, small delivery vehicles and pilot cars. As you are aware, pick-up trucks and small step vans are getting larger and heavier and therefore bumping up over the current 10,000 pound limit and becoming by definition a commercial vehicle for inspection and regulation purposes.

Crossing the 10,000 pound threshold causes the driver to obtain a medical certification, complete daily vehicle inspection reports, perform or have performed annual inspections, and submit several other items on the vehicle to the state DOT to be in compliance. Currently, when over the 10,000 pound threshold, these vehicles are subject to Federal regulations that have been adopted into the Alaska Administrative Code. We feel that these vehicles do not need that level of scrutiny as typically they are operating in a limited geographical area and are not subject to the wear and tear that other larger commercial vehicles experience.

Increased regulation makes it more difficult for small businesses to survive. We appreciate your assistance in relieving small businesses from this potential of unnecessary regulation.

Sincerely yours,

Dennis L. DeWitt
Alaska State Director

Cc: Rep. Peggy Wilson
Aves Thompson

Jim Pound

From: Dave.Kezer@norcon.com
Sent: Monday, February 20, 2012 10:34 AM
To: Jim Pound

Jim,
As Vice President of a large Alaskan construction company I fully support this bill. The excessive regulation in our industry has caused cost to increase while productivity decreases all with very little value to the public at large. Arbitrary and excessive regulation by government is killing the economy of the this state and the country as a whole, and any attempt to curb government intrusion should be embraced.
Following are a few key points to consider.
Thanks

David M Kezer
Sr. Operations and Maintenance Manager
Vice President
NORCON Inc.
3725 Braddock, Fairbanks AK 99701
907-451-6739- Office
907-456-5425- FAX
907-590-0313- Cell

- Pick-up trucks and small step vans are getting larger and heavier and are bumping up over the current 10,000 pounds GVWR becoming, by definition, a commercial vehicle for inspection and safety regulation purposes.
- Pilot cars are those vehicles that accompany oversize loads to serve as an extension of the warning system for the oversize load and their work is almost always "intra state" and would fall under this legislation.
- This bump causes the driver to obtain a medical certification, complete daily vehicle inspection reports, perform or have performed annual inspections, the vehicle must submit several other items to the state DOT to be in compliance.
- When over the 10,000 pound GVWR threshold, these vehicles are subject to Federal regulations that have been adopted into the Alaska Administrative Code.
- When passed, this bill will exclude these commercial vehicles that are no more than 14,000 pound GVWR from the unnecessary regulation.
- This change does not change the commercial status of these intra state vehicles for purposes of registration with the Division of Motor Vehicles and therefore there is no fiscal impact on the state.

These vehicles do not need that level of scrutiny as typically they are operating in a limited geographical area and are not subject to the wear and tear that other larger commercial vehicles experience.

ASSOCIATED GENERAL CONTRACTORS of ALASKA

8005 Schoon Street • Anchorage, Alaska 99518
Telephone (907) 561-5354 • Fax (907) 562-6118

3750 Bonita Street • Fairbanks, Alaska 99706
Telephone (907) 452-1809 • Fax (907) 456-8599

February 18, 2012

Representative Wes Keller
State Capitol, Room 432
Juneau, AK 99801-1182

Re: HB 271

Dear Representative ~~Keller~~ Wes:

On behalf of the Associated General Contractors of Alaska, a construction trade association of over 650 business members, representing the majority of the construction industry in Alaska, thank you for sponsoring HB 271.

This proposed legislation would increase the weight threshold of commercial vehicle regulation and registration from the current 10,000 pounds Gross Vehicle Weight Rating (GVWR) to 14,000 pounds GVWR for inspection and safety regulation purposes. Pick-up trucks and small service vans are getting larger and heavier and are going over the current 10,000 GVWR and becoming a commercial vehicle by definition. When light trucks and service vans go over the 10,000 pound GVWR threshold, they become subject to a series of Federal regulations that have been adopted into the Alaska Administrative Code.

While these smaller vehicles have become larger and heavier over the past few years, industry advancements are also making them much safer than their lighter, smaller and older counterparts. These vehicles do not need the level of scrutiny of conventional "commercial vehicles" as typically they are operating in a limited geographical area and are not subject to the wear and tear that other larger commercial vehicles experience. This bill would help remove an unnecessary burden for small business owners and contractors.

Thank you for your sponsorship and support of HB 271.

Sincerely,

John MacKinnon
Executive Director
Associated General Contractors of Alaska

As vehicles have gotten larger and heavier, many vehicles now fall into the current definition of an intrastate commercial motor vehicle that have historically not been considered commercial vehicles such as pickup trucks, small step vans, small trailers, etc. One of the Alaska Trucking Associations legislative priorities is to change the definition of an intrastate commercial vehicle to reduce the regulatory burden on small businesses.

For purposes of commercial vehicle regulation and inspection, HB271 raises the weight threshold on intra state commercial vehicles from 10,000 pounds, Gross Vehicle Weight Rating (GVWR) to 14,000 pounds GVWR for inspection and safety regulation purposes. This is aimed at the small contractors, i.e. lawn care, carpenters, plumbing & heating, small delivery vehicles and pilot cars.

1. Pick-up trucks and small step vans are getting larger and heavier and are bumping up over the current 10,000 pounds GVWR becoming, by definition, a commercial vehicle for inspection and safety regulation purposes.

2. Pilot cars are those vehicles that accompany oversize loads to serve as an extension of the warning system for the oversize load and their work is almost always "intra state" and would fall under this legislation.

3. This bump causes the driver to obtain a medical certification, complete daily vehicle inspection reports, perform or have performed annual inspections, the vehicle must submit several other items to the state DOT to be in compliance.

4. When over the 10,000 pound GVWR threshold, these vehicles are subject to Federal regulations that have been adopted into the Alaska Administrative Code.

5. When passed, this bill will exclude these commercial vehicles that are no more than 14,000 pound GVWR from the unnecessary regulation.

6. This change does not change the commercial status of these intrastate vehicles for purposes of registration with the Division of Motor Vehicles and therefore there is no fiscal impact on the state.

7. These vehicles do not need that level of scrutiny as typically they are operating in a limited geographical area and are not subject to the wear and tear that other larger commercial vehicles experience.

Aves Thompson | Executive Director | Alaska Trucking Association | www.aktrucks.org
Office 907 276-1149 | Mobile 907 240-0114 | Fax 907 274-1946

HB

321

<TARGET><BILL>HB 321</BILL><SUBJECT>HB 321</SUBJECT><COMM>HTRA27</COMM></TARGET>

Alaska State Legislature
House of Representatives

Alaska State Capitol
Juneau, Alaska 99801-1182
1-800-922-3875 (toll free)
1-907-465-4588 (fax)

Interim Address
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(fax) 1-907-269-0193

Representative Sharon Cissna
District 22

Sponsor Statement

HB 321: State/Muni Airport Security Screening

Early December of 2012, the U.S. Department of Homeland Security's Transportation Security Administration (TSA) began the installation and use of full-body scanners at four Alaska hub airports.

Initial installations of invasive scanning machinery and physical hand- examination of passengers began in late October 2010 throughout the lower 48 States. Concerns have risen since that time of scanning equipment, not proven safe from radiation danger. Certain groups of passengers (those with physical changes from aging, health, diseases, military, accident, work, assault) have reported severe impacts from the current intensive touch of intimate body parts by insufficiently trained personnel.

During the many months since imposition of new airport screening procedures, first in the lower United States, and since December 2011 in Alaska, constituents have communicated to Legislators. They have reported personal losses of carry-on items, embarrassment, harm to themselves, their necessary medical equipment, of the inappropriate touch and treatment by TSA personnel.

Alaskans fly eight times more often than the national average. In addition, TSA has greater impact on Alaskan transportation mobility given the necessity to use commercial airlines for intra- and inter-state Alaskan travel.

HB 321: Adds a new section to Alaska's unmodified law to require all Alaska airports covered by TSA invasive screening to apply for participation in the U.S. authorized Screening Partnership Program (SPP) by December 31, 2013. Created by the federal government, the SPP has an application that is a simple three-page form. Inclusion in the SPP allows airports to opt out of TSA management of screening by specifically enabling privatization for airport screening. It will return high quality local control of the airport-managed passenger security screening. The bill also requires Alaska Department of Transportation to reimburse reasonable costs incurred by airports to complete the SPP application.

Opting out of TSA by participating in SPP will enhance security, bring local oversight, local accountability and local jobs to Alaskan residents to the state's key airports.

E-mail: Representative_Sharon_Cissna@legis.state.ak.us

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM February 10, 2012

SUBJECT: Sectional summary of draft requiring certain airports in the state to apply for the TSA opt-out program
(Work Order No. 27-LS1300\A)

TO: Representative Sharon Cissna

FROM: Hilary Martin
Legislative Counsel

You have requested a sectional summary of the above-described bill draft.

As a preliminary matter, note that a sectional summary of a bill draft should not be considered an authoritative interpretation of the bill draft and the bill draft itself is the best statement of its contents.

Section 1 adds a new section to uncodified law requiring the Department of Transportation and Public Facilities to apply for the federal security screening opt-out program by December 31, 2013. Section 1(b) requires any airport operated by a municipality in the state to apply for the opt-out program by December 31, 2013.

Section 2 requires the Department of Transportation and Public Facilities to reimburse a municipality the reasonable costs of applying for the opt-out program. This section also states that if there is not sufficient funds to fully reimburse the municipalities, the reimbursement shall be distributed pro rata among eligible recipients.

Section 3 provides an immediate effective date.

HVM:ljw
12-113.ljw

LEGISLATIVE RESEARCH SERVICES

Alaska State Legislature
Division of Legal and Research Services
State Capitol, Juneau, AK 99801

(907) 465-3991 phone
(907) 465-3908 fax
research@legis.state.ak.us

Memorandum

TO: Representative Sharon Cissna
FROM: Susan Haymes, Legislative Analyst
DATE: February 1, 2012
RE: TSA Screening - Opt-Out Provision
LRS Report 12.172

You wished to know if airports in the United States can opt out of using the Transportation Security Administration (TSA) security model and if so, what the application process involves. Specifically, you wished to know which airports have opted out of the TSA program.

In 2001, Congress passed the Aviation and Transportation Security Act (ATSA), which required the newly created Transportation Security Administration (TSA) to, among other things, screen air travelers to ensure certain items and passengers do not board commercial airliners (P.L. 107-71). The law also required the TSA to conduct a two-year pilot program to allow private companies, rather than TSA employees, to screen passengers and baggage at airports under federal supervision and regulation. The ATSA further provided that after two years the choice to "opt-out" of the TSA-operated program would become available to all airports. At the conclusion of the pilot program, which was conducted from 2002 to 2004 at five airports, the TSA created the Screening Partnership Program (SPP), to manage the private companies that provide screening services at eligible airports.[1] There are currently 16 airports that have successfully applied to participate in the SPP: Charles M. Schultz-Sonoma County (CA); Greater Rochester International (NY); Jackson Hole (WY); Kansas City International (MO); Key West International (FL); Roswell Industrial Air Center (NM); San Francisco International (CA); Sioux Falls Regional (SD); Tupelo Regional (MS); and seven airports in Montana: Dawson Community; Frank Wiley Field; Havre City County; Lewiston Municipal; L.M. Clayton; Sidney Richland Regional; and Wokal Field.[2]

The TSA continues to set the security protocols and standards for all commercial airports nationwide, including airports participating in SPP. Thus, private companies are required to comply with all federal screening procedures—including advanced imaging technology and enhanced pat downs. In other words, passengers are subject to the same screening process whether administered by private or TSA screeners.[3]

The Screening Partnership Program Application Process

All commercial airports with federal security screening are eligible to apply to participate in the SPP. The decision to approve an application and to award a private screening contract is at the discretion of the TSA administrator.[4] Once an application is approved, the TSA through a competitive bid process contracts with a private screening company to provide screening services at the eligible airport. The ATSA requires contract screeners to meet all of the requirements applicable to TSA screeners. The ATSA further mandates that private screening companies provide compensation and other benefits to their screeners that are not less than the level of compensation and other benefits provided to comparable federal employees.

In January 2011, TSA administrator John Pistole announced that he would not expand the SPP beyond the current 16 airports, and for the first time since the program began, denied the five airport applications—Bert Mooney (MT), Glacier Park

[1] More information on the SPP can be accessed at *http://www.tsa.gov/what_we_do/optout/index.shtm.*

[2] The five airports that participated in the pilot program are Greater Rochester International, Jackson Hole, Kansas City International, San Francisco International, and Tupelo Regional.

[3] The TSA's Federal Security Directors (FSDs) remain at SPP airports as federal employees and continue to be responsible for overseeing all screening operations at SPP airports. The mandate and role of the FSD is the same regardless of whether the screening workforce is composed of federal or private employees.

[4] We include a copy of the application as Attachment A. The application can be accessed at *http://www.tsa.gov/what_we_do/optout/spp_program_application.shtm.*

International (MT), Missoula International (MT), Springfield Branson National (MO), and Yellowstone (MT)—pending before the SPP. Mr. Pistole stated that he denied the applications because he did not "see any clear or substantial advantage" to expand the program. Subsequently, the TSA amended the application instructions as follows:

> Given the level of participation in the current program, and in order to maximize TSA's effectiveness as a Federal counterterrorism security agency, TSA is not inclined at this time to expand the Screening Partnership Program unless there are clear and substantial advantages to do so. Therefore, your application must explain how private screening at your airport will provide those clear and substantial advantages, while maintaining our high standards and meeting the threats of today and the future.[5]

In response to the TSA's decision to deny the applications, which appeared to be out of compliance with the ATSA, staff to the House Committee on Transportation and Infrastructure prepared a report on the SPP, which included a detailed comparison of security at San Francisco International Airport, a SPP participant, and the Los Angeles International Airport, which uses TSA employees.[6] The June 2011 report found that SSP screeners were more efficient, screening 65 percent more passengers for each employee than their government counterparts, and estimated that the government could save $1 billion over five years by using private screeners at the nation's 35 largest airports. The report further found that most countries separate oversight of aviation security—a government responsibility—and screening operations at airports, which are generally managed by private companies. Additionally, the report concluded the SPP application process was flawed and clear and substantial advantage existed to approve the applications denied by TSA.[7] All of the airports have since reapplied to participate in the SPP; as of today, no decision has been made on the applications.

Proponents of the private security program note that in addition to cost savings, private screeners provide better customer service and are more accountable. In a recent article in *The New York Times*, Mark VanLoh, director of the Kansas City aviation department, which uses private screeners for Kansas City International Airport, notes that if there is a problem at a checkpoint, he can make one call to the person in charge and get a response to the incident in minutes. He also cites cost savings, lower employee turnover, and better treatment of passengers as reasons Kansas City has fought to keep the private screener option.[8]

Screening Procedures at U.S. Airports

In 2010, the TSA introduced whole body imaging systems at airport checkpoints around the country. The systems, referred to as advanced imaging technology (AIT) systems, capture an image of what lies underneath an individual's clothing. Critics have referred to this as a "virtual strip search." If an individual considers this screening method too invasive or revealing or prefers not to undergo AIT imaging for any other reason, TSA provides the option of submitting to a pat-down search instead. As you are well aware, the new pat-down procedures are clearly more invasive.

---

[5] We include a copy of the application instructions as Attachment B. The application can be accessed at *http://www.tsa.gov/assets/pdf/Application_Instructions.pdf.*

[6] The chair of the House Committee on Transportation and Infrastructure, Representative John Mica (R-FL), is a vocal critic of the TSA screening program and has encouraged airports to become SPP participants. He argues, among other things, that the TSA is too large and unwieldy to provide efficient and quality customer service. Scott Powers, "U.S. Rep. John Mica supports Sanford airport's plan to ditch TSA," *Orlando Sentinel*, November 16, 2010.

[7] The report found that if federal screeners were able to process the same number of passengers as private screeners, 7,601 screeners could be cut from the Federal workforce, resulting in at least $1 billion in savings. The report discusses the applications of the five denied airports and the application of the Orlando Sanford International Airport in Florida. Orlando Sanford submitted an application on February 1, 2011, just days after Mr. Pistole's announcement. The airport resubmitted its application in December 2011, under the new clear and substantial standard. The 135-page report, "TSA Ignores More Cost-Effective Screening Model," June 3, 2011, can be accessed at *http://republicans.transportation.house.gov/Media/file/112th/Aviation/2011-06-03-TSA_SPP_Report.pdf.*

[8] Susan Stellin, "Gatekeepers Under Scrutiny," *The New York Times*, January 30, 2012. The article can be accessed at *http://www.nytimes.com/2012/01/31/business/lawmakers-push-for-more-private-screeners-at-airports.html?pagewanted=all.*

The TSA uses two types of imaging technology, millimeter wave and backscatter.[9] Backscatter technology, which projects low-level X-ray beams over the body and creates a reflection of the body displayed on the monitor. In response to health and privacy concerns regarding the first AIT system, the TSA began using millimeter wave technology, which bounces electromagnetic waves off of the body to create the same generic image for all passengers. The TSA has installed this new technology in several Alaska airports including Anchorage Fairbanks, Juneau, and Ketchikan. According to a recent article in the *Juneau Empire*, the new technology does not scan or x-ray inside the body, so that passengers with joint replacements, for example, can go through the new machines without a problem. We note that that the Government Accounting Office is scheduled to soon release a report on the effectiveness of AIT scanners.[10]

We hope this is helpful. If you have questions or need additional information, please let us know.

[9] The millimeter wave technology bounces electromagnetic waves off the body to create the same generic image for all passengers.) Backscatter technology projects low-level X-ray beams over the body to create a reflection of the body displayed on the monitor.)

[10] We include a copy of Congressional Research Service Report, "Changes in Airport Passenger Screening Technologies and Procedures: Frequently Asked Questions," Bart Elias, January 26, 2011 as Attachment C.

TRANSPORTATION SECURITY ADMINISTRATION

Application to Participate in the Screening Partnership Program

This application notifies the Transportation Security Administration (TSA) of an airport's intent to participate in the Screening Partnership Program (SPP). Airport operators may submit this application at any time.

The SPP was created in part to spur new and innovative ideas and opportunities to manage TSA operations more efficiently. Per the FAA Modernization and Reform Act of 2012 (P.L. 112-95), TSA is required to evaluate all SPP applications to determine if participation by an airport would affect the cost-efficiency or the effectiveness of screening of passengers or property at that airport and if participation by an airport would compromise security at that airport. TSA will make a determination on these points as part of the evaluation of responses from potential offerors prior to a contract award.

Acceptance of this application does not guarantee the requesting airport that a contract for private security screening will be awarded. In accordance with the Aviation and Transportation Security Act (ATSA), the decision to award a private security screening contract is at the discretion of the TSA Assistant Secretary.

TSA intends to select private security screening companies through an impartial competitive process. Airports granted privatization must transition to the private security screening company selected.

GENERAL INSTRUCTIONS:

- A separate application must be submitted for each individual airport location.
- An authorized representative of the airport or the airport owner must execute the application.
- The application requisite documentation must be completed in full to be considered for acceptance by TSA. Incomplete applications will delay the process. Questions 5 and 6 are optional.
- The application must be received at TSA Screening Partnership Program (SPP). (see Application Process Information)
- Please provide a copy of your application to the Federal Security Director for your airport.
- If your application includes Sensitive Security Information or confidential business information, please indicate in writing so that the information will be protected from public disclosure as appropriate. Further information regarding TSA policies and procedures for safeguarding and control of SSI is available at www.tsa.gov or http://www.tsa.gov.

APPLICATION PROCESS INFORMATION

The application can be submitted at any time, it is open enrollment. To download a copy of the **Screening Partnership Program Application** from the TSA website, please visit the following link: http://www.tsa.gov.

If completing the application electronically, be sure to save this data file locally with a unique name before-e-mailing the application. The application can be submitted by several different methods, all shown below. Adobe Professional will be needed to save the application.

Submission methods:

- **Electronic submissions (electronic mail / e-mail):**
  Submit the application to: opt-out@tsa.dhs.gov

- **Paper submissions:** Send the original signed copy of the application to this address:
  Randy Webb
  Transportation Security Administration (TSA)
  Attn: Screening Partnership Program
  601 South 12th Street, E9-138S (TSA-29)
  Arlington, VA 20598-6029

- **Facsimile submission:**
  Submit application to the following e-fax number (571) 227-1941

- **Application assistance:**
  To obtain telephone assistance regarding the application contact (571) 227-1861

Date: XXX

From: Airport Operator
Airport Name
Address
City, State Zip

To: Randy Webb
Transportation Security Administration (TSA)
Attn: Screening Partnership Program
601 South 12th Street, E9-138S (TSA-29)
Arlington, VA 20598-6029

Encl: Opt Out Application for XXX Airport

Subject: Request to Participate in the Screening Partnership Program for XXX Airport, City, State

This letter is to request participation of the XXX Airport in the Transportation Security Administration (TSA) Screening Partnership Program (SPP). I have enclosed the application required by TSA to begin the process of transitioning to a private screening workforce. I understand that TSA will evaluate this application and is not obligated to proceed with transitioning the XXX Airport to SPP if the application is not approved by the agency, or does not meet the criteria specified in section 44920 of Title 49, United States Code. Should additional information be required, I can be reached at the following:

Work phone:
Cellular phone:
Fax number:
Email address, if applicable:

Thank you for your consideration in this manner.

Sincerely,

Name

Submit by Email | Print Form

Transportation Security Administration

Application to Participate in the Screening Partnership Program

Application date: _____

Application pages submitted: _____

AIRPORT APPLICATION INFORMATION

Attach all supporting documentation to the application; use separate sheets if more detail is needed.

Basic Airport Information

Airport name _____

FAA airport identifier _____

Airport address _____

Airport operator _____
(Entity authorized to submit application)

Primary Airport Operator Contact

Name _____

Contact position _____

Contact telephone number & cellular number _____

Contact mailing address _____

Contact facsimile number _____

Contact e-mail address _____

Alternate Airport Operator Contact

Name _____

Contact position _____

Contact telephone number & cellular number _____

Contact mailing address _____

Contact facsimile number _____

Contact e-mail address _____

Application to Participate in the Screening Partnership Program

1. Indicate if the requesting airport operator seeks to be considered for providing the private security screening services at the airport. Airports interested in providing their own private security screening services must qualify according to criteria determined by TSA.

   a. _____ YES, the airport operator seeks to provide the private security screening services at the airport.

   b. _____ NO, the airport operator does not seek to provide the private security screening services at the airport.

2. Per the FAA Modernization and Reform Act of 2012 (P.L. 112-95), the operator shall provide a recommendation as to which company would best serve the security screening and passenger needs of the airport, along with a statement explaining the basis of the airport operator's recommendation. *Note: The recommendation provided below is for application purposes only. TSA is under no obligation to contract with the airport operator / authority's recommended vendor.*

   a. Airport operator's recommended company. Provide the company name and address.

   b. Statement explaining the basis of the operator's recommendation. Additional pages may be attached. *Note: In making the recommendation, the operator must consider that cost efficiency will normally be judged upon how the contract cost and cost of conversion compares to the cost of the federal operation for the airport.*

3. Will the airport operator seek a formal business relationship with the company identified in 2.a. (or any offeror) for passenger and property screening services? *Note: If the airport is seeking to partner with the recommended company, the airport cannot participate as an advisor in source selection activities.*

   a. _____ YES, the airport operator does seek a formal business relationship with this company (or any offeror) for passenger and property screening services. Explain the nature of the relationship below.

   b. _____ NO, the airport operator does not seek a formal business relationship with this vendor (or any offeror) for passenger and property screening services.

4. Does the airport operator have any scheduled activities planned within the next five years, such as, major construction? Does the city plan on hosting a major event that might require increased staffing at the airport (e.g., major sporting event, political convention, etc.) in the next five years?

   a. _____ YES, the following scheduled activities are planned within the next five years.

   b. _____ NO, the airport operator does not have any scheduled activities planned within the next five years.

5. Per the FAA Modernization and Reform Act of 2012 (P.L. 112-95), TSA is required to evaluate all SPP applications to determine if participation by an airport would compromise security at that airport. To assist TSA in evaluating your application, discuss how participating in SPP would not compromise security at the airport. *Note: The response to this question is optional.*

6. Per the FAA Modernization and Reform Act of 2012 (P.L. 112-95), TSA is required to evaluate all SPP applications to determine if participation by an airport would affect the cost-efficiency or the effectiveness of screening of passengers or property at that airport. To assist TSA in determining cost-efficiency and the effectiveness of screening of passengers and property at your airport, include potential areas where cost savings or efficiencies may be realized. Additional information may be attached. *Note: The response to this question is optional. TSA will make a determination on these points as part of the evaluation of responses from potential offerors prior to a contract award.*

7. Provide any additional information you would like TSA to consider during the evaluation of this application. Additional information may be attached.

Application to Participate in the Screening Partnership Program

Upon execution of this application, the authorized representative, (specified as the primary contact in this document), of the operator of the airport, (specified under Airport Application Information in this document) hereby requests the TSA Administrator to approve this application to have the screening of passengers and property at the airport, as cited under section 44901 of the Aviation and Transportation Security Act, to be carried out by the screening personnel of a qualified private screening company under a contract entered into with the TSA Administrator.

The airport operator understands that submission of this application is the first step in the process for acquiring private screening at the airport. If the application is accepted, the airport operator understands that any potential contract resulting from the submission of this application will be awarded and administered by TSA in accordance with the Competition in Contracting Act and the Federal Acquisition Regulation.

Signature

Date

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM February 6, 2012

SUBJECT: Opt out of TSA security program (Work Order No. 27-LS1300)

TO: Representative Sharon Cissna

FROM: Hilary Martin
Legislative Counsel

You have asked for a bill draft that would remove Alaska from the Transportation Security Administration's (TSA) administration and use a private security vendor. Through my research, I have come across some issues related to your request, and need more information before I can draft your requested bill.

49 U.S.C. § 44920 allows airports to opt-out of TSA screening and use a private screening company. The statute requires the airport operator to submit an application to the Under Secretary of Transportation for Security. The private screening company must meet the federal government screening standards and provide compensation and benefits not less than those offered by the federal government. The private screening company must also provide screening services equal or greater to those provided by TSA employees. The federal government would also provide supervisors to oversee screening of the private contractor.

Because the program is one that requires application to the federal government to get in the program and then approval of the application by the federal government, I'm not sure what direction I should take in drafting your bill. The state owns and operates the Anchorage and Fairbanks airports. I could draft a bill that would require the state Department of Transportation and Public Facilities to commence the process to opt out and start the procurement process to obtain a contractor. This would require the two airports to apply for the program, but the federal government could deny the application. Other airports with carrier services (and therefore subject to the TSA screening requirements, such as Juneau and Ketchikan), are mostly municipal owned or operated. The bill could require those airports to apply for the program, and perhaps the state could provide a grant program to cover the cost of the application as an incentive for the airports to apply.

A further complication is that even if an airport applies for opt-out and the application is approved, the airport would not be able to manage and run the screening. The federal statutes requires that the private screening company must be "owned and controlled by a citizen of the United States." 42 U.S.C. § 44920(d)(2). The airports in Alaska that are required to have screening are operated by either the state or a municipality. The state or

municipality is not a private citizen, and therefore would not be eligible to run the screening services. A separate private company would be used to run the screening services, so the airport (or the state or municipality) would not be running the screening.

The TSA Administrator, John Pistole, stated in January 2011 that the TSA would not expand the opt-out program beyond the current 16 airports "unless there are clear and substantial advantages to doing so." This means that any application by an airport in the state would likely be denied.

There is currently a federal bill, H.R. 1586, that would propose changes to the opt-out program to make it easier for airports to take advantage of the program. The bill would require that the Secretary approve an application unless the Secretary determines that the "approval would compromise security, detrimentally affect the efficiency or effectiveness of the screening of passengers or property at the airport, or otherwise adversely affect the mission of the [TSA]." While this new language would certainly make it easier to opt-out of TSA screening, it is far from certain that this bill will pass.

Please let me know how you would like to proceed on this request.

HVM:ljw
12-089.ljw

U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

John L. Mica
Chairman

James W. Coon II, Chief of Staff

Nick J. Rahall, II
Ranking Member

James H. Zoia, Democrat Chief of Staff

March 13, 2012

[redacted]

Dear [redacted]:

As you may know, Congress recently passed the FAA Modernization and Reform Act of 2012 (H.R. 658), and it was signed into law by the President on February 14, 2012. In addition to providing long-term funding and policy direction to the Federal Aviation Administration and aviation industry, this law also reforms the Screening Partnership Program (SPP) of the Transportation Security Administration (TSA). The SPP allows airports to opt-out of the "all-Federal" screening model, and instead use qualified private screeners under Federal supervision.

Given the newly enacted changes to the SPP and the importance of good customer service and efficiency for airport operators, the Act provides you with the opportunity to consider converting to a certified private screening operation. Our Committee is pleased to offer support should you consider such action at your airport.

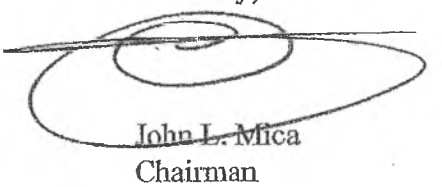
As you may know, San Francisco International Airport is the largest airport participating in the Screening Partnership Program. It has developed an outstanding reputation, and is a place where many true innovations, both in terms of security and customer service, were first developed and deployed. As is the case at San Francisco and other participating airports, screening services are provided by qualified private screening companies with strong TSA oversight and at no additional cost to the airports. This model is highly effective, provides true flexibility to respond to the changing needs of the airport, and has been praised by the airports currently participating in the SPP.

The reforms to the SPP included in the FAA reauthorization law that improve the program are quite specific. First, the Act states that the TSA shall approve SPP applications if the newly-enacted standards are met. Second, it allows each airport to provide greater input regarding the airport's preferred vendor when applying for this program. Third, it establishes clear standards by which SPP applications must be fairly and equitably measured. Fourth, it requires a timely review of SPP applications by the TSA. Fifth, it requires that the TSA provide transparency and constructive feedback to the airports, as well as to Congress, regarding the merits of each SPP application and the basis for any decision made by the TSA, including, if denied, how each application could be improved. It requires the TSA to reconsider airport applications denied last year by applying the new review process and standards. Finally, the TSA will continue to be responsible for all costs and liability protection for airports participating in the SPP. The Committee has asked TSA to provide specific guidelines on the new application process and criteria that must be met for the approval of an airport's application.

I strongly encourage you to look closely at this program and to consider what participating in the SPP can do for your airport and the travelers that you serve. Should your airport decide to pursue this course of action, I will lend my full support to your effort. I believe that opting to have screening services provided by a certified private screening company under TSA oversight will result in better customer service, improved employee morale, greater flexibility, and superior operational efficiencies. In addition, security will not be compromised while screening costs and oversight will continue to be the responsibility of the TSA.

It is both the intent and spirit of the law that the TSA should cooperate fully with airports that are applying to participate in the SPP and/or transitioning to the SPP. The Committee will be closely monitoring the actions of the TSA. Should any employee or official of the TSA take any action to thwart the intent of Congress, we encourage you to contact the Oversight and Investigations staff of the Committee to report such activities. My Aviation Subcommittee staff stands ready to assist you should you move forward with a decision to participate in this program. Please feel free to contact me, or the Aviation Subcommittee Staff Director Holly Woodruff Lyons at 202-226-3220, should you have any questions or concerns.

Sincerely,



John L. Mica
Chairman

The New York Times

http://www.nytimes.com/2012/03/16/us/airports-with-new-law-are-freer-to-split-from-tsa.html

March 15, 2012

New Law Clears the Way for Airports to Drop T.S.A. Screeners

By **RON NIXON**

WASHINGTON — A new law makes it easier for airports to replace federal screeners with private contractors, and several airports, after years of passenger complaints, are lining up to make the change.

The law was welcome news to Larry Dale, president and chief executive of Orlando Sanford International Airport, who said his airport's request to opt out of using Transportation Security Administration officers last year was denied by the federal government.

Mr. Dale said his desire to use private screeners in place of T.S.A. personnel was motivated by hundreds of complaints from passengers, and added that he had his own problems with the agency's screeners.

"We've visited a number of airports who have opted out of the T.S.A. screenings, and no one wants to go back," Mr. Dale said. "We think this will be more efficient and customer-friendly for us."

Since 2001, a little-known law has let airports seek permission to stop using federal screeners. But airport officials said that the T.S.A had been slow in allowing the switch, and last year the agency said it would stop accepting additional requests.

That angered Representative John L. Mica, Republican of Florida, whose district includes the Orlando Sanford airport. Mr. Mica, the chairman of the House transportation committee, included a provision in aviation legislation strengthening the ability of airports to use private screeners. The law passed last month.

A committee report found that private contractors could be more cost-effective than federal screeners. If the nation's top 35 airports switched to private contractors, the report said, taxpayers would save $1 billion over five years.

In its own report last year, the agency estimated that private screeners would cost 3 percent more than federal ones. The Government Accountability Office, an investigative arm of Congress, said the agency had overstated the financial benefits of using its own workers.

Douglas R. Laird, an aviation security consultant in Reno, Nev., said it was difficult to say whether T.S.A. officers had made air travel safer compared with private screeners.

"My gut feeling that it is a little bit better, but the jury is still out," Mr. Laird said, referring to the T.S.A. "But it does cost more. So is it worth the additional dollars? I haven't seen any empirical data that shows that it is."

Justin Harclerode, a spokesman for the House transportation committee, said the T.S.A.'s studies showed that the use of private contractors did not pose a security risk.

"They exceeded or provided the same level of security as T.S.A. screeners," he said.

Sixteen of the nation's 450 airports use private contractors, including larger ones like San Francisco International Airport as well as smaller ones like Jackson Hole Airport in Wyoming.

Those that want to leave the agency's screening program must prove to the federal government that contractors are more cost-effective and would not be detrimental to security. The private screeners have to follow T.S.A. guidelines and fall under its supervision, although the agency will not conduct private screeners' training. The T.S.A. will pay for the private screeners.

Officials at some of nation's busiest airports, including in the New York and Washington areas, said they had no desire to change.

Airlines or airports used to have private security companies to screen passengers. But questions were raised in 2001, after the attacks of Sept. 11, and federal inquires found that many private companies had hired untrained security guards. The T.S.A. was established, taking over screening at all airports.

The agency said it did not expect a flood of applications requesting a change to private screeners. It said it had 28 applications pending, which included just two since new law was approved last month.

The agency has grown less and less popular since it was created as passengers told horror stories about screenings by the workers. Earlier this year, it had to defend itself after stopping a passenger at McCarran International Airport in Las Vegas who tried to board a plane with a cupcake packaged in a jar. The agency said the icing on the cupcake was considered a gel and exceeded the amount allowed in carry-on luggage.

The agency's decision to use full-body scanners at many airports also brought a negative reaction amid concerns of radiation exposure, although the T.S.A says the machines are safe.

United States House of Representatives

Committee on Transportation and Infrastructure

OVERSIGHT AND INVESTIGATIONS STAFF REPORT

TSA Ignores More Cost-Effective Screening Model

Prepared for Chairman John L. Mica
U.S. House of Representatives
Committee on Transportation and Infrastructure
112th Congress

June 3, 2011

Key Findings

1. ***Taxpayers would save $1 billion over five years if the Nation's top 35 airports operated as efficiently as SFO does under the SPP model.*** 35 airports account for 75 percent of commercial passengers in the United States.[1] 34 of these airports operate under the federal model, while SFO operates under the SPP model. If federal screeners at each of these airports were able to process the same number of passengers that private screeners screen at SFO, then 7,601 screeners could be cut from the Federal workforce, resulting in at least $1 billion in savings from salaries alone.

2. ***SPP screeners are 65 percent more efficient than their federal counterparts.*** Private screeners at SFO process 65 percent more passengers per screener than their Federal counterparts at LAX. If federal screeners at LAX operated as efficiently as private screeners at SFO, the LAX screener workforce could be reduced by 867 full time equivalent (FTEs) positions (see Appendix 2).[2]

3. ***Taxpayers would save more than $38.6 million a year if LAX joined the SPP (see Table 1).*** A reduction of 867 FTEs at LAX would result in approximately $33.3 million in savings from salary alone.[3] $635,800 would be saved because the National Deployment Force would not need to be deployed to fill staffing gaps.[4] $4.6 million would be saved in reduced training and recruitment costs due to lower attrition rates. Total savings would exceed $38.6 million a year. This assessment did not take into account higher overtime and injury rates that are unique to the federal model because TSA officials refused to provide that information to Committee staff. Savings will increase once these factors are also considered.

4. ***TSA concealed significant cost factors unique to the federal screening model.*** Committee staff found that TSA dismissed significant cost factors unique to the all-federal model when conducting past cost comparisons of the SPP and federal models.[5] Specifically, TSA did not consider cost savings that would result from increased screener efficiencies or removing the need to deploy the NDF. In addition to these metrics, the Committee recommends that future cost comparisons also include an analysis of the rate of screener overtime charged due to poor scheduling, and costs paid out due to injury rates.[6]

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[1] *FAA Aerospace Forecast: Fiscal Years 2011-2031*, at 26.

[2] This number is calculated by dividing the annual number of passengers screened at LAX by the annual number of passengers-per-screener at SFO, and subtracting that number from the 2010 total number of FTE screeners at LAX.

[3] Committee staff used the average base screener salary for private screeners at SFO, or $38,480, as the base annual salary for screeners at both SFO and LAX.

[4] The National Deployment Force (NDF) is a team of mobile TSA screeners whose mission is to respond to emergencies at the Nation's airports due to heightened security or increased traffic. Increasingly, TSA has deployed the NDF to backfill staffing shortages at airports due to high attrition and poor screener allocation models. The NDF has never been deployed to a SPP airport.

[5] GAO: TSA Cost and Performance Study; GAO: TSA Revised Cost Comparison.

[6] Committee staff requested this information from TSA in order to include it in the report, however TSA officials refused the request.

5. ***TSA has hired 137,100 staff[7] since the agency's creation and spent more than $2 billion on recruiting and training costs (see Appendix 3).***[8] Due to high attrition, TSA has spent so much time managing itself that it has been unable to focus necessary resources on oversight and regulation of U.S. transportation security, in general. The SPP allows TSA to function as its creators in Congress originally intended—as a government regulator.

6. ***Clear and substantial advantage existed to approve five airport applications denied by TSA.*** Interviews with each of the five denied airport authorities found that significant advantages would have resulted from SPP participation including cost-savings, greater flexibility and responsiveness of screening staff, and improved customer service.

7. ***TSA's SPP application and evaluation process is flawed.*** The SPP application requires only a simple, one-sentence response from the airport operator to provide rationale for applying to the program. TSA officials did not communicate with or seek additional information from any of the airport authorities that were denied participation (see Appendix 5).

8. ***TSA does not have clear criteria to determine if a "clear or substantial advantage" exists to approve SPP applications.*** TSA officials could not have had sufficient information to determine if advantage existed to allow airport participation in the SPP. TSA refused to release the metrics used to evaluate SPP applications and TSA officials claim that applications were denied based on the "discretion of the Administrator."[9]

9. ***There is evidence that TSA officials erroneously claimed no communication with union representatives about the SPP.*** On February 1, 2011, Chairman Mica requested that Administrator Pistole provide all communications between DHS and TSA with labor union organizations and their representatives related to the SPP (see Appendix 6). Administrator Pistole responded on February 28, 2011, that "there are no such communications" (see Appendix 7).[10] However, there is a public history of union meetings and communications with DHS and TSA officials regarding the program, including an in-person meeting between American Federation of Government Employees (AFGE) representatives and DHS Secretary Janet Napolitano, where AFGE urged "the SPP program and policies be reviewed by senior leaders."[11] TSA officials also noted in an internal presentation that impact on the TSO workforce is a "justifiable reason" to end or limit the SPP program, stating that "TSOs at potential SPP airports face uncertainty about their job status."[12]

10. ***TSA officials recommended abolishing the SPP.*** Although the SPP is mandated statutorily through ATSA, documents obtained by the Committee confirm that TSA officials

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[7] E-mail from Tomeika Blackwell, Legislative Affairs, TSA, to Rachel Weaver, T&I Comm. (March 23, 2011).
[8] TSA officials did not comply with requests from Committee staff to provide the cost of recruiting and training screeners. Information obtained by the Committee related to these costs is all publicly available, and does not provide a complete representation, therefore this estimate is conservative.
[9] Briefing with TSA SPP Program Office (March 22, 2010).
[10] Letter from John S. Pistole, Administrator, TSA, to John L. Mica, Chairman, T&I Comm. (Feb. 28, 2011).
[11] AFL-CIO, *AFGE's Efforts Put SPP on Ice: TSA Ends Expansion of Airport Privatization Program*, The TSO Voice, Jan. 29, 2011 [hereinafter AFGE's Efforts Put SPP on Ice].
[12] TSA SPP Power Point.

recommended awarding new contracts at existing SPP airports for one year while the agency "resume(d) federalization efforts." [13]

11. ***Most of the rest of the world utilizes a SPP-like screening model at airports.*** The United States is one of the only countries in the world, along with governments in the Middle East and Africa that operates as security operator, administrator, regulator, and auditor at airports (see Appendix 1). Most international governments contract the role of airport security "operator" to qualified private screening companies, allowing the government to focus on setting standards, performing oversight, and enforcing regulations. International stakeholders report that this private-federal model drives innovation, increases performance, and lowers costs.

[13] *Id.*

HTTP://TRANSPORTATION.HOUSE.GOV/NEWS/PRARTICLE.ASPX?NEWSID=1551

NEWS » PRESS RELEASES

HOUSE LEADERS PUT TSA ON NOTICE FOR IMPLEMENTING REFORMS

March 13, 2012

Washington, DC – House Committee leaders today put the Transportation Security Administration (TSA) on notice that they expect the agency to implement reforms included in a new aviation law ensuring that airports can opt out of all-federal security screening.

House Transportation and Infrastructure Committee Chairman John L. Mica (R-FL), Oversight and Government Reform Committee Chairman Darrell Issa (R-CA), and National Security, Homeland Defense and Foreign Operations Subcommittee Chairman Jason Chaffetz (R-UT) **wrote** to TSA Administrator John Pistole today regarding the opt-out provision in the FAA Modernization and Reform Act of 2012 (H.R. 658). Mica introduced this legislation in the House, and the President signed it into law in February.

The new law protects and strengthens the rights of airports to select the security screening model in which certified private operators provide screening under federal standards and oversight. This opt-out program is known as the Screening Partnership Program.

"TSA attempted to shut down this cost-effective and more efficient screening model for airports," Mica said. "The private sector almost always performs more effectively and efficiently than the federal government, and Congress intended airports to have the option between all-TSA screening and private-federal screening. However TSA attempted to thwart the opt-out program established by Congress when it created the agency in 2001."

Last year, TSA denied applications from six airports that applied to opt out: Orlando Sanford International Airport, Springfield-Branson National Airport, Missoula International Airport, Glacier Park International Airport, Bert Mooney Airport, and West Yellowstone Montana Airport (the latter was able to successfully opt out last month).

A **report** released by the Transportation Committee in 2011 found the opt-out program to be 65% more efficient and would increase taxpayer savings by at least 42%. If the nation's top 35 airports opted out, taxpayers would save $1 billion over five years.

The new FAA law establishes clear criteria for TSA when considering opt-out applications, requires the agency to reconsider applications it baselessly denied, and ensures the rights of airports to select the private-federal screening model.

"Today, we have written to TSA Administrator Pistole citing his recent testimony to 'absolutely' work with Congress to improve the opt-out program through the implementation of this new law," Mica said.

To read the entire Mica/Issa/Chaffetz letter, click **here**.

In a separate letter, Mica also wrote today to airports across the country to ensure they know that under the newly signed aviation legislation, they have the right to opt out, and that the burden of proof is now on TSA to establish legitimate reasons why any airport's request should be denied.

Sixteen airports currently successfully operate under the opt-out program, and others are interested. Benefits of opting out, as reported by airports and by the investigative work of the U.S. Government Accountability Office and the Transportation Committee, include greater screening efficiencies and innovation, improved cost effectiveness, better customer service, improved employee morale, and greater flexibility for airports.

"TSA is a bloated bureaucracy of more than 65,000 federal workers with a track record of security blunders and failures," Mica said. "This agency has lost its way and has strayed from its security mission. It is top-heavy with 9,656 administrators in the field and 3,986 headquarters staff in Washington, DC making an average of $103,852 per year. The agency is too focused on personnel management on a massive scale, and not on setting the most effective security standards and analyzing intelligence. Ensuring that TSA can no longer arbitrarily deny airport requests to opt out is a critical reform. This agency must get out of the personnel business and into the security business."

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Congress of the United States

Washington, DC 20515

March 13, 2012

The Honorable John S. Pistole
Administrator
Transportation Security Administration
601 South 12th Street
Arlington, VA 20598

Dear Administrator Pistole:

On February 7, 2012, you testified at a hearing before the House Homeland Security Subcommittee on Transportation Security to discuss the Transportation Security Administration's (TSA) Screening Partnership Program (SPP). One recurring topic at the hearing was the SPP reform language found in section 830 of the Conference Report to H.R. 658, the FAA Modernization and Reform Act of 2012, P.L. 112-95 (Act), as passed by both chambers of Congress and signed into law by the President on February 14, 2012. At the hearing, you testified that you would "absolutely" work with Congress and with us to improve the SPP through your implementation of this law. Your commitment to comply with both the spirit and intent of the new law is welcomed. We again offer our assistance as the TSA implements this vitally important reform to the SPP.

The newly enacted reform to the SPP improves the program in a number of ways. First, the Act states that the TSA shall approve an SPP application if the newly-enacted standards are met. Second, it allows each airport to provide greater input regarding the airport's preferred vendor when applying for this program. Third, it establishes clear standards by which SPP applications must be fairly and equitably measured. Fourth, it requires a timely review of SPP applications by the TSA. Fifth, it requires that the TSA provide transparency and constructive feedback to the airports, as well as to Congress, regarding the merits of each SPP application and the basis for any decision made by the TSA, including, if denied, how each application could be improved. Finally, it requires the TSA to reconsider airport applications denied last year by applying the new review process and standards.

In the Act, it was the intent of Congress that the Screening Partnership Program be a viable option for airports wishing to opt-out of the all-Federal screening model. Airport operators have expressed tremendous interest in the SPP and that expansion beyond the small fraction of U.S. airports that currently participate in the SPP will allow the TSA to focus on security and oversight activities. The SPP reform language reinforces the original intent of Congress, when we created the opt-out program in the Aviation and Transportation Security Act, P.L. 107-71. Specifically, the standard for an airport's participation in the SPP is whether a qualified private company can provide screening services that are "equal to or better than those provided by the TSA" (49 U.S.C. 44920(d)), *not* whether screening by a qualified private company would provide a "clear or substantial advantage." This "equal to or better than standard" is reinforced in the SPP reform language, which states that SPP applications shall be approved if "[it] would not compromise security or detrimentally affect the cost-efficiency or the effectiveness of the screening of passengers or property at the airport."

It is important that TSA take steps to immediately reopen the SPP, reissue guidelines in compliance with the law, and begin the process of converting the screening program from its current model to the SPP operations under federal supervision as directed by H.R. 658. Please provide the Committees with a time table and outline to achieve this transition.

We thank you for your commitment to work with Congress to ensure the improvement of the SPP in accordance with the FAA Modernization and Reform Act of 2012, and we look forward to working with you to ensure the utmost efficiency and effectiveness of the Transportation Security Administration and the general welfare of our transportation security system.

If you have any questions, please contact Shant Boyajian of the Transportation and Infrastructure Committee staff at (202) 225-9446; or Mitchell Kominsky or Tom Alexander of the Oversight and Government Reform Committee staff at (202) 225-5074.

Sincerely,

John L. Mica, Chairman
Committee on Transportation and Infrastructure

Darrell Issa, Chairman
Committee on Oversight and Government Reform

Jason Chaffetz, Chairman
Subcommittee on National Security, Homeland Defense, and Foreign Operations

cc: The Honorable Peter T. King, Chairman
Committee on Homeland Security

The Honorable Mike D. Rogers, Chairman
Subcommittee on Transportation Security

The Honorable Elijah E. Cummings, Ranking Minority Member
Committee on Oversight and Government Reform

The Honorable Nick J. Rahall, II, Ranking Minority Member
Committee on Transportation and Infrastructure

The Honorable Bennie G. Thompson, Ranking Minority Member
Committee on Homeland Security

The Honorable Sheila Jackson Lee, Ranking Minority Member
Subcommittee on Transportation Security

The New York Times

http://www.nytimes.com/2012/03/16/us/airports-with-new-law-are-freer-to-split-from-tsa.html?_r=1&emc=eta1

March 15, 2012

New Law Clears the Way for Airports to Drop T.S.A. Screeners

By **RON NIXON**

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Since 2001, a little-known law has let airports seek permission to stop using federal screeners. But airport officials said that the T.S.A had been slow in allowing the switch, and last year the agency said it would stop accepting additional requests.

That angered Representative John L. Mica, Republican of Florida, whose district includes the Orlando Sanford airport. Mr. Mica, the chairman of the House transportation committee, included a provision in aviation legislation strengthening the ability of airports to use private screeners. The law passed last month.

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Montana airport gets rare TSA concession: Private screeners
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TSA shuts door on private airport screening program

January 29, 2011 | By Mike M. Ahlers and Jeanne Meserve, CNN

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Travelers go through a security checkpoint at Reagan National Airport in Arlington, Virginia.

A program that allows airports to replace government screeners with private screeners is being brought to a standstill, just a month after the Transportation Security Administration said it was "neutral" on the program.

TSA chief John Pistole said Friday he has decided not to expand the program beyond the current 16 airports, saying he does not see any advantage to it.

Though little known, the Screening Partnership Program allowed airports to replace government screeners with private contractors who wear TSA-like uniforms, meet TSA standards and work under TSA oversight. Among the airports that have "opted out" of government screening are San Francisco and Kansas City.

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The push to "opt out" gained attention in December amid the fury over the TSA's enhanced pat downs, which some travelers called intrusive.

Rep. John Mica, a Republican from Florida, wrote a letter encouraging airports to privatize their airport screeners, saying they would be more responsive to the public.

At that time, the TSA said it neither endorsed nor opposed private screening.

"If airports chose this route, we are going to work with them to do it," a TSA spokesman said in late December.

But on Friday, the TSA denied an application by Springfield-Branson Airport in Missouri to privatize its checkpoint workforce, and in a statement, Pistole indicated other applications likewise will be denied.

"I examined the contractor screening program and decided not to expand the program beyond the current 16 airports as I do not see any clear or substantial advantage to do so at this time," Pistole said.

He said airports that currently use contractor screening will continue to be allowed to.

Pistole said he has been reviewing TSA policies with the goal of helping the agency "evolve into a more agile, high-performance organization."

Told of the change Friday night, Mica said he intends to launch an investigation and review the matter.

"It's unimaginable that TSA would suspend the most successfully performing passenger screening program we've had over the last decade," Mica said Friday night. "The agency should concentrate on cutting some of the more than 3,700 administrative personnel in Washington who concocted this decision, and reduce the army of TSA employees that has ballooned to more than 62,000."

"Nearly every positive security innovation since the beginning of TSA has come from the contractor screening program," Mica said.

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HOUSE LEADERS PUT TSA ON NOTICE FOR IMPLEMENTING REFORMS

March 13, 2012

Washington, DC – House Committee leaders today put the Transportation Security Administration (TSA) on notice that they expect the agency to implement reforms included in a new aviation law ensuring that airports can opt out of all-federal security screening.

House Transportation and Infrastructure Committee Chairman John L. Mica (R-FL), Oversight and Government Reform Committee Chairman Darrell Issa (R-CA), and National Security, Homeland Defense and Foreign Operations Subcommittee Chairman Jason Chaffetz (R-UT) **wrote** to TSA Administrator John Pistole today regarding the opt-out provision in the FAA Modernization and Reform Act of 2012 (H.R. 658). Mica introduced this legislation in the House, and the President signed it into law in February.

The new law protects and strengthens the rights of airports to select the security screening model in which certified private operators provide screening under federal standards and oversight. This opt-out program is known as the Screening Partnership Program.

"TSA attempted to shut down this cost-effective and more efficient screening model for airports," Mica said. "The private sector almost always performs more effectively and efficiently than the federal government, and Congress intended airports to have the option between all-TSA screening and private-federal screening. However TSA attempted to thwart the opt-out program established by Congress when it created the agency in 2001."

Last year, TSA denied applications from six airports that applied to opt out: Orlando Sanford International Airport, Springfield-Branson National Airport, Missoula International Airport, Glacier Park International Airport, Bert Mooney Airport, and West Yellowstone Montana Airport (the latter was able to successfully opt out last month).

A **report** released by the Transportation Committee in 2011 found the opt-out program to be 65% more efficient and would increase taxpayer savings by at least 42%. If the nation's top 35 airports opted out, taxpayers would save $1 billion over five years.

The new FAA law establishes clear criteria for TSA when considering opt-out applications, requires the agency to reconsider applications it baselessly denied, and ensures the rights of airports to select the private-federal screening model.

"Today, we have written to TSA Administrator Pistole citing his recent testimony to 'absolutely' work with Congress to improve the opt-out program through the implementation of this new law," Mica said.

To read the entire Mica/Issa/Chaffetz letter, click **here**.

In a separate letter, Mica also wrote today to airports across the country to ensure they know that under the newly signed aviation legislation, they have the right to opt out, and that the burden of proof is now on TSA to establish legitimate reasons why any airport's request should be denied.

Sixteen airports currently successfully operate under the opt-out program, and others are interested. Benefits of opting out, as reported by airports and by the investigative work of the U.S. Government Accountability Office and the Transportation Committee, include greater screening efficiencies and innovation, improved cost effectiveness, better customer service, improved employee morale, and greater flexibility for airports.

"TSA is a bloated bureaucracy of more than 65,000 federal workers with a track record of security blunders and failures," Mica said. "This agency has lost its way and has strayed from its security mission. It is top-heavy with 9,656 administrators in the field and 3,986 headquarters staff in Washington, DC making an average of $103,852 per year. The agency is too focused on personnel management on a massive scale, and not on setting the most effective security standards and analyzing intelligence. Ensuring that TSA can no longer arbitrarily deny airport requests to opt out is a critical reform. This agency must get out of the personnel business and into the security business."

###

HB 345

<TARGET><BILL>HB 345</BILL><SUBJECT>HB 345</SUBJECT><COMM>HTRA27</COMM></TARGET>

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SPONSOR STATEMENT

House Bill 345

"An Act relating to regulations adopted by the Department of Administration waiving the commercial motor vehicle driving skills test for certain drivers

with military commercial motor vehicle experience."

HB 345 allows the state of Alaska to waive the commercial driver's license road skills test for Alaska military personnel who earned their driving experience operating commercial-grade vehicles in the armed services.

The modern U.S. military is a highly mobile force, depending on skilled drivers operating a wide range of vehicles, under often harsh conditions. Impending budget cuts and troop reductions mean thousands of Alaska service members, including active duty, Guard and Reserve, will soon be hanging up their uniforms to seek civilian jobs.

In Alaska, where many trades and occupations involve transportation of goods and people across challenging landscapes, a commercial driver's license (CDL) is a valuable credential that can offer a significant boost to those seeking to enter the civilian work force, whether in tourism, commercial fishing, construction, oil field services or other industries.

HB 345 seeks to help returning Alaska military personnel find good jobs, and to help Alaska businesses find qualified and credentialed employees, by acknowledging that many military drivers already possess the skills they need to be safe, productive civilian drivers.

HB 345 directs the Department of Administration to adopt regulations in accordance with Federal Motor Carrier Safety Administration guidelines, allowing the Alaska Division of Motor Vehicles to waive the road test in accordance with federal law.

DD-2-14

To be eligible for a waiver, a driver must have spent the last two years or more driving the kind of equipment he expects to use in a civilian job, must have worked in the past 90 days as a military driver and must meet federal exemption requirements outlined in CFR 383.77. He/she also cannot have ever had any license suspended or revoked, had more than one minor traffic violation, been convicted of any driving offense involving drugs or alcohol, or been convicted for any serious traffic violation involving an accident.

Alaskans who honed their driving skills while in service to our nation deserve to have that experience validated and honored in the civilian world. HB 345 is an important tool to help them get the credentials they need to land good civilian jobs, and to help Alaska employers hire skilled and motivated employees.

New York State Department of Motor Vehicles

CDL CERTIFICATION FOR MILITARY WAIVER OF SKILLS TEST

Waiver is available for ONLY up to ninety (90) days after discharge or for active military and active duty New York National Guard.

(bring copy of your DD-214 or NGB-22 military discharge or military ID card to DMV)

PART 1 – APPLICANT CERTIFICATION (please print)

Name: _____
Last First Middle

Social Security Number: _____ Date of Birth: _____ License ID Number: _____

I certify that during the 2-year period immediately preceding this date:

I have not had more than one driver's license in more than one jurisdiction at one time.

I have not had my license suspended, revoked, cancelled or denied.

I have not had any convictions for any of the disqualification offenses listed below:

- Any alcohol or drug related offenses
- Leaving the scene of an accident
- Commission of a felony involving the use of a motor vehicle
- Driving a commercial motor vehicle (CMV) when, as a result of prior violations committed operating a CMV, the driver's commercial driver license (CDL) is revoked, suspended, or canceled, or the driver is disqualified from operating a CMV
- Causing a fatality through the negligent operation of a CMV, including but not limited to the crimes of motor vehicle manslaughter, homicide by motor vehicle and negligent homicide
- Use of a motor vehicle in a felony involving the manufacturing, distribution or dispensing of a controlled substance
- Violations of state or local law relating to motor vehicle traffic control (other than a parking violation) arising in connection with any traffic accident and have no record of an accident in which I was at fault

I have not had more than one (1) conviction for any of the serious violations listed below:

- Following a vehicle ahead too closely
- Reckless driving
- Improper or erratic lane changes
- Excessive speeding (15 mph or more above the posted speed limit)
- Any violation for Railroad Highway Grade Crossing
- Driving a CMV without obtaining a CDL
- A violation arising in connection with a fatal accident
- Driving a CMV without the proper class of CDL and/or endorsements for the specific vehicle group being operated or for the passengers or type of cargo being transported
- Driving a CMV without a CDL in the driver's possession (Any individual who provides proof to the enforcement authority that issued the citation, by the date the individual must appear in court or pay any fine for such a violation, that the individual held a valid CDL on the date the citation was issued, shall not be guilty of this offense.)

I also certify that:

- I have not had my license or privilege to drive a motor vehicle suspended, revoked or cancelled during the immediately preceding 4 years.
- I have not been convicted of a violation of NRS 484.37955 (vehicular homicide).
- I have not been convicted during the immediately preceding 7 years of a violation of driving under the influence of alcohol or drugs.
- I have not had three (3) or more convictions of moving traffic violations during the immediately preceding 4 years.
- I have not been convicted of any of the offenses related to the use or operation of a motor vehicle which must be reported to the National Driver Register Problem Driver Pointer System during the immediately preceding 4 years (pursuant to the provisions of Parts 1327 et seq. of Title 23 of the Code of Federal Regulations).

I also certify that:

- I am regularly employed or was regularly employed within the last 90 days in a military position requiring operation of a commercial motor vehicle; and
- For at least two years immediately preceding this date if actively serving, or the date of my military discharge, I operated a vehicle of the same class and type as the one I want to be licensed to drive.

I certify I am qualified for the waiver of my driving skills under the conditions above, and that the information I have given is true. **IMPORTANT: Making a false statement in any license or non-driver ID card application, or in any proof or statement in connection with it, or deceiving or substituting, or causing another person to deceive or substitute in connection with such application, may subject you to criminal prosecution for a misdemeanor or felony under the Vehicle and Traffic Law and/or the Penal Law.**

Signature: ➧ _____ Date: _____

PART 2 - COMMANDING OFFICER'S CERTIFICATION

Name of CO: _____

Address: _____

Telephone: (____) _____

Applicant's Date of Qualification: from _____ to _____

Mark a "✓" in the box for the class(es) of vehicle(s) that the applicant operates and for the applicable endorsements:

Vehicle Class: ☐ A ☐ B ☐ C Endorsements: ☐ T ☐ P ☐ N ☐ H ☐ X

Experience Operating Commercial Motor Vehicles

Mark a "✓" in the box for the type(s) of vehicles the applicant has been driving:

☐ Tractor-trailer ..... Air brake equipped? ..... ☐ Yes ☐ No

☐ Truck-trailer (truck over 26,000 lbs.) ..... Air brake equipped? ..... ☐ Yes ☐ No

☐ Truck-trailer (truck does not exceed 26,000 lbs.) ..... Air brake equipped? ..... ☐ Yes ☐ No

☐ Single Vehicle ..... Air brake equipped? ..... ☐ Yes ☐ No

☐ Vehicle designed to transport 16 or more persons including the driver .... Air brake equipped? ..... ☐ Yes ☐ No

☐ Vehicle designed to transport 8 - 15 persons including the driver ..... Air brake equipped? ..... ☐ Yes ☐ No

Class A Vehicle - Any combination of vehicles with a GCWR of 26,001 pounds or more, provided the GVWR of the vehicle being towed is in excess of 10,000 pounds GVWR. This includes tractor-trailer and truck-trailer.

Class B Vehicle - Any single vehicle with a GVWR of 26,001 pounds or more, or any such vehicle towing a vehicle not in excess of 10,000 pounds GVWR.

Class C Vehicle - Any single vehicle or combination of vehicles that does not meet the definition of Class A or Class B, but that is designed to transport 16 or more people including the driver or is placarded for hazardous materials.

Endorsements: T - Doubles/Triples; P - Passengers; N - Tankers; H - Hazardous Materials; X - Hazardous Materials and Tankers

I certify that the applicant named in Part I is/was assigned in a job/assignment requiring operation of a commercial motor vehicle and that the information I have provided is correct. **IMPORTANT: Making a false statement in any license or non-driver ID card application, or in any proof or statement in connection with it, or deceiving or substituting, or causing another person to deceive or substitute in connection with such application, may subject you to criminal prosecution for a misdemeanor or felony under the Vehicle and Traffic Law and/or the Penal Law.**

Print Name/Rank: _____ Date: _____

Signature: ➧ _____ Date: _____

Authority of Article 136, Uniform Code of Military Justice or 10 U.S.C. 1044A

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Qualified vets can skip road test for CDL licenses

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As part of Gov. Andrew Cuomo's "experience counts" campaign, the state will waive road tests for veterans applying for a commercial driver's license if they have military experience operating a similar vehicle.

Active duty military and New York National Guard members are eligible for the waiver for up to 90 days following their discharge.

The waiver would eliminate the CDL road test requirement and $40 fee, but applicants must still take the written test and pay that $10 fee.

To be eligible, a veteran must:

» Have a valid driver's license.

» Be regularly employed, or have been regularly employed within the last 90 days in a military position requiring operation of a commercial motor vehicle.

» Have operated a vehicle similar to a civilian commercial vehicle for at least two years immediately preceding discharge from the military.

"In this economy, many returning soldiers have had difficulty in finding work," said state Department of Motor Vehicles commissioner Barbara J. Fiala.

"We hope that this small way of thanking them for their service, and recognizing that the skills they learned in the military are transferable to civilian jobs, will make things just a little easier for our returning veterans."

Applicants must fill out a CDL Certification for Military Waiver of Skills Test form (CDL-102), available at any DMV office or online at www.dmv.ny.gov/forms/cdl102.pdf.

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New Medical Certification Requirements
A Guide for Commercial Driver's License (CDL) Holders
General Information

Federal Motor Carrier Safety Administration
November 2011

What is changing? State driver licensing agencies (SDLAs) will be adding your medical certification status and the information on your medical examiner's certificate to your Commercial driver's license system (CDLIS) record.

When does this change start? This change starts on January 30, 2012

What is not changing? The driver physical qualification requirements are not changing.

What are CDL holders required to do?

1. You must determine what type of commerce you operate in. You must certify to your SDLA to one of the four types of commerce you operate in as listed below,

   - Interstate non-excepted: You are an Interstate non-excepted driver and must meet the Federal DOT medical card requirements (e.g. – you are "not excepted").

   - Interstate excepted: You are an Interstate excepted driver and do not have to meet the Federal DOT medical card requirements.

   - Intrastate non-excepted: You are an Intrastate non-excepted driver and are required to meet the medical requirements for your State.

   - Intrastate **excepted**: You are an Intrastate excepted driver and do not have to meet the medical requirements for your State.

2. If you are subject to the DOT medical card requirements, provide a copy of each new DOT medical card to your SDLA prior to the expiration of the current DOT medical card.

For more detailed information read the following:

Starting January 30, 2012 and no later than January 30, 2014, all CDL holders must provide information to their SDLA regarding the type of commercial motor vehicle operation they drive in or expect to drive in with their CDL. Drivers operating in certain types of commerce will be required to submit a current medical examiner's certificate to their SDLA to obtain a "certified" medical status as part of their driving record. CDL holders required to have a "certified" medical status who fail to provide and keep

up-to-date their medical examiner's certificate with their SDLA will become "not-certified" and they may lose their CDL.

New Medical Certification Requirements
A Guide for Commercial Driver's License (CDL) Holders
Frequently Asked Questions (FAQs)

Federal Motor Carrier Safety Administration
November 2011

The following FAQs will help you in determining how to meet the new Federal medical certification requirements:

Q. What must I do to comply with the new requirements for making my medical certification part of my CDL driving record?

A. Starting on January 30, 2012, when you:

- Apply for a CDL;
- Renew a CDL;
- Apply for a higher class of CDL;
- Apply for a new endorsement on a CDL; **or**
- Transfer a CDL from another State

You will be required to self certify to a single type of commercial operation on your driver license application form. Based on that self certification, you may need to provide your SDLA with a current medical examiner's certificate and show any variance you may have to obtain or keep your CDL.

Q. How do I determine which type of commercial motor vehicle (CMV) operation I should self-certify to my SDLA?

A. For the purpose of complying with the new requirements for medical certification, it is important to know how you are using the CMV. To help you decide, follow these steps:

Step 1: Do you, or will you, use a CDL to operate a CMV in **interstate** or **intrastate commerce**?

Interstate commerce is when you drive a CMV:

- From one State to another State or a foreign country;
- Between two places within a State, but during part of the trip, the CMV crosses into another State or foreign country; **or**
- Between two places within a State, but the cargo is part of a trip that began or will end in another State or foreign country.

Intrastate commerce is when you drive a CMV within a State and you do not meet any of the descriptions above for **interstate commerce**.

If you operate in both **intrastate commerce** and **interstate commerce**, you must choose **interstate commerce**.

Step 2: Once you decide you operate or will operate in **interstate commerce** or **intrastate commerce**, you must decide whether you operate (or expect to operate) in a **non-excepted** or **excepted** status. This decision will tell you to which of the four types of commerce you must self-certify.

Interstate Commerce:

You operate in **excepted interstate commerce** when you drive a CMV in interstate commerce only for the following excepted activities:

- To transport school children and/or school staff between home and school;
- As Federal, State or local government employees;
- To transport human corpses or sick or injured persons;
- Fire truck or rescue vehicle drivers during emergencies and other related activities;
- Primarily in the transportation of propane winter heating fuel when responding to an emergency condition requiring immediate response such as damage to a propane gas system after a storm or flooding;
- In Response to a pipeline emergency condition requiring immediate response such as a pipeline leak or rupture;
- In custom harvesting on a farm or to transport farm machinery and supplies used in the custom harvesting operation to and from a farm or to transport custom harvested crops to storage or market;
- Beekeeper in the seasonal transportation of bees;
- Controlled and operated by a farmer, but is not a combination vehicle (power unit and towed unit), and is used to transport agricultural products, farm machinery or farm supplies (no placardable hazardous materials) to and from a farm and within 150 air-miles of the farm;
- As a private motor carrier of passengers for non-business purposes ; **or**
- To transport migrant workers.

If you answered yes to one or more of the above activities as the **only** operation in which you drive, you operate in **excepted interstate commerce** and do not need a Federal medical examiner's certificate.

If you answered no to all of the above activities, you operate in **non-excepted interstate commerce** and are required to provide a current medical examiner's certificate (49 CFR 391.45),commonly referred to as a medical certificate or DOT card, to your SDLA. Most CDL holders who drive CMVs in interstate commerce are **non-excepted interstate commerce** drivers.

If you operate in both **excepted interstate commerce** and **non-excepted interstate commerce**, you must choose **non-excepted interstate commerce** to be qualified to operate in both types of interstate commerce.

Intrastate Commerce:

You operate in **excepted intrastate commerce** when you drive a CMV only in intrastate commerce activities for which your State of licensure has determined do not require you to meet the State's medical certification requirements.

You operate in **non-excepted intrastate commerce** when you drive a CMV only in intrastate commerce and are required to meet your State of licensure's medical certification requirements.

If you operate in both **excepted intrastate commerce** and **non-excepted intrastate commerce**, you must choose **non-excepted intrastate commerce.**

Step 3: Provide your SDLA with your self-certification of your operating status. If you self-certify to **non-excepted interstate** on or after January 30, 2012, you must provide your SDLA with either the original or copy of your current medical examiner's certificate as required by your SDLA.

If your medical examiner's certificate is only valid with a vision, diabetes or a skills performance evaluation variance granted by FMCSA, you may also be asked by your SDLA to provide a copy of that variance document.

Q. What if I am an existing CDL holder who does not have a license renewal, upgrade or transfer between January 30, 2012 and January 30, 2014?

A. You are responsible for following the three steps above and providing your SDLA with your self-certification of operating status by January 30, 2014. If required, you must also provide your current medical examiner's certificate and any variance document by January 30, 2014. Your SDLA will tell you how you can provide this information.

Q. After I provide my SDLA with my unexpired medical examiner's certificate, do I still have to carry an original or copy of my medical examiner's certificate?

A. Yes. Until the program is fully implemented on January 30, 2014, you will still have to carry an original or copy of the medical examiner's certificate and provide a copy to your employer for your driver qualification file.

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49 CFR 383.113 - REQUIRED SKILLS.

There is 1 rule appearing in the Federal Register. Select the Currency tab below to view.

CFR Currency Authorities (U.S. Code) Rulemaking

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(a) **Basic vehicle control skills.** All applicants for a CDL must possess and demonstrate basic motor vehicle control skills for each vehicle group which the driver operates or expects to operate. These skills should include the ability to start, to stop, and to move the vehicle forward and backward in a safe manner.

(b) **Safe driving skills.** All applicants for a CDL must possess and demonstrate the safe driving skills for their vehicle group. These skills should include proper visual search methods, appropriate use of signals, speed control for weather and traffic conditions, and ability to position the motor vehicle correctly when changing lanes or turning.

(c) **Air brake skills.** Except as provided in § 393.95, all applicants shall demonstrate the following skills with respect to inspection and operation of air brakes:

(1) **Pre-trip inspection skills.** Applicants shall demonstrate the skills necessary to conduct a pre-trip inspection which includes the ability to:

(i) Locate and verbally identify air brake operating controls and monitoring devices;

(ii) Determine the motor vehicle's brake system condition for proper adjustments and that air system connections between motor vehicles have been properly made and secured;

(iii) Inspect the low pressure warning device(s) to ensure that they will activate in emergency situations;

(iv) Ascertain, with the engine running, that the system maintains an adequate supply of compressed air;

(v) Determine that required minimum air pressure build up time is within acceptable limits and that required alarms and emergency devices automatically deactivate at the proper pressure level; and

(vi) Operationally check the brake system for proper performance.

(2) **Driving skills.** Applicants shall successfully complete the skills tests contained in § 383.113 in a representative vehicle equipped with air brakes.

(d) **Test area.** Skills tests shall be conducted in on-street conditions or under a combination of on-street and off-street conditions.

(e) **Simulation technology.** A State may utilize simulators to perform skills testing, but under no circumstances as a substitute for the required testing in on-street conditions.

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49 CFR 383.77 - SUBSTITUTE FOR DRIVING SKILLS TESTS.

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At the discretion of a State, the driving skill test as specified in § 383.113 may be waived for a CMV operator who is currently licensed at the time of his/her application for a CDL, and substituted with either an applicant's driving record and previous passage of an acceptable skills test, or an applicant's driving record in combination with certain driving experience. The State shall impose conditions and limitations to restrict the applicants from whom a State may accept alternative requirements for the skills test described in § 383.113. Such conditions must require at least the following:

(a) An applicant must certify that, during the two-year period immediately prior to applying for a CDL, he/she:

(1) Has not had more than one license (except in the instances specified in § 383.21 (b));

(2) Has not had any license suspended, revoked, or canceled;

(3) Has not had any convictions for any type of motor vehicle for the disqualifying offenses contained in § 383.51(b) ;

(4) Has not had more than one conviction for any type of motor vehicle for serious traffic violations; and

(5) Has not had any conviction for a violation of State or local law relating to motor vehicle traffic control (other than a parking violation) arising in connection with any traffic accident, and has no record of an accident in which he/she was at fault; and

(b) An applicant must provide evidence and certify that:

(1) He/she is regularly employed in a job requiring operation of a CMV, and that either:

(2) He/she has previously taken and passed a skills test given by a State with a classified licensing and testing system, and that the test was behind-the-wheel in a representative vehicle for that applicant's driver's license classification; or

(3) He/she has operated, for at least 2 years immediately preceding application for a CDL, a vehicle representative of the commercial motor vehicle the driver applicant operates or expects to operate.

[53 FR 27649, July 21, 1988, as amended at 55 FR 25606, June 22, 1990; 67 FR 49760, July 31, 2002]

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U.S. Department of Transportation
Federal Motor Carrier Safety Administration

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Hours-of-Service Regulations

NOTE: A new Hours-of-Service (HOS) Proposed Rulemaking was published on December 29, 2010. For details, visit the HOS Proposed Rule page to view the complete rulemaking, summary of changes, FAQs, and other related information.

Related Links
Retention of Supporting Docs & Use of Electronic Mobile Devices Policy
How to Participate in HOS Listening Sessions
FMCSA Announces HOS Listening Sessions - News Release January 4, 2010
HOS News Release - November 18, 2008
HOS Regulations
Maximum Driving Time for Passenger-carrying Vehicles

The Hours-of-Service regulations (49 CFR Part 395) put limits in place for when and how long commercial motor vehicle (CMV) drivers may drive. These regulations are based on an exhaustive scientific review and are designed to ensure truck drivers get the necessary rest to perform safe operations. FMCSA also reviewed existing fatigue research and worked with organizations like the Transportation Research Board of the National Academies and the National Institute for Occupational Safety in setting these HOS rules.

The regulations are designed to continue the downward trend in truck fatalities and maintain motor carrier operational efficiencies. Although the HOS regulations are found in Part 395 of the Federal Motor Carrier Safety Regulations, many States have identical or similar regulations for intrastate traffic.

Who must comply with the Hours-of-Service Regulations?
Most drivers must follow the HOS Regulations if they drive a commercial motor vehicle, or CMV.

In general, a CMV is a vehicle that is used as part of a business and is involved in interstate commerce and fits *any* of these descriptions:

- Weighs 10,001 pounds or more
- Has a gross vehicle weight rating or gross combination weight rating of 10,001 pounds or more
- Is designed or used to transport 16 or more passengers (including the driver) not for compensation
- Is designed or used to transport 9 or more passengers (including the driver) for compensation
- A vehicle that is involved in interstate *or* intrastate commerce and is transporting hazardous materials in a quantity requiring placards is *also* considered a CMV.

HOS Reference Materials

- Interstate Truck Driver's Guide to HOSNew!
- Interstate Passenger Carrying Driver's Guide To Hours of ServiceNew!
- Frequently Asked Questions
- Logbook Examples [PDF]
- HOS Final Rule [Federal Register Notice PDF]
- Recordkeeping Forms

Summary of the Hours-of-Service Regulations

The following table summarizes the HOS regulations for property-carrying and passenger-carrying CMV drivers.

HOURS-OF-SERVICE RULES	
Property-Carrying CMV Drivers	Passenger-Carrying CMV Drivers
11-Hour Driving Limit May drive a maximum of 11 hours after 10 consecutive hours off duty.	**10-Hour Driving Limit** May drive a maximum of 10 hours after 8 consecutive hours off duty.
14-Hour Limit May not drive beyond the 14th consecutive hour after coming on duty, following 10 consecutive hours off duty. Off-duty time does not extend the 14-hour period.	**15-Hour On-Duty Limit** May not drive after having been on duty for 15 hours, following 8 consecutive hours off duty. Off-duty time is not included in the 15-hour period.
60/70-Hour On-Duty Limit May not drive after 60/70 hours on duty in 7/8 consecutive days. A driver may restart a 7/8 consecutive day period after taking 34 or more consecutive hours off duty.	**60/70-Hour On-Duty Limit** May not drive after 60/70 hours on duty in 7/8 consecutive days.
Sleeper Berth Provision Drivers using the sleeper berth provision must take at least 8 consecutive hours in the sleeper berth, plus a separate 2 consecutive hours either in the sleeper berth, off duty, or any combination of the two.	**Sleeper Berth Provision** Drivers using a sleeper berth must take at least 8 hours in the sleeper berth, and may split the sleeper-berth time into two periods provided neither is less than 2 hours.

Find this page at: http://www.fmcsa.dot.gov/rules-regulations/topics/hos/index.htm

DL-398 (3-09)

MILITARY COMMERCIAL DRIVER'S LICENSE (CDL) SKILLS TEST WAIVER APPLICATION

MUST BE A PENNSYLVANIA RESIDENT TO APPLY

pennsylvania
DEPARTMENT OF TRANSPORTATION

- **Applicant must complete Sections A, B, and D. Section C needs to be completed if military license does not clearly define the type(s) of vehicle(s) authorized to operate.**
- **See reverse side for REQUIRED ORIGINAL documents (b(2)) needed in section C below.**

A APPLICANT INFORMATION List all information as it appears on your Pennsylvania Driver's License or Learner's Permit

DRIVER'S LICENSE NUMBER	LAST NAME	JR./ETC

FIRST NAME	MIDDLE NAME

DATE OF BIRTH			TELEPHONE NUMBER (8:00 a.m. to 4:30 p.m.)	E-MAIL ADDRESS
MONTH	DAY	YEAR		

B CERTIFICATION

I certify that subject to the limitations and requirements of 49 CFR 383.77 (relating to the substitute for driving skills tests), I meet all certifications required for waiver under 49 CFR 383.77 and certify the following:

1. I certify that I am a member of the active or reserve components of any branch or unit of the armed forces of the United States or a veteran who received an honorable discharge from any branch or unit of the active or reserve components of the armed forces of the United States. . . . . ❑

2. I certify that I am or was regularly employed in a position in the armed forces of the United States requiring operation of a commercial motor vehicle. . . . . ❑

3. I certify that I legally operated, for at least two years immediately preceding application for a commercial driver's license, a vehicle representative of the commercial motor vehicle that I operate or expect to operate either under exemption from this Commonwealth's commercial driver's license requirement provided by the Pennsylvania Vehicle Code, Title 75 Section 1607(b)(2) (relating to requirement for commercial driver's license) or the equivalent exemption of another state or while on active duty in a foreign jurisdiction. . . . . ❑

C DRIVER QUALIFICATION REPORT (Authorized Military Personnel MUST complete if military license does not clearly define type(s) of vehicle authorized to drive; see reverse side for the required original documents to process DL-398 Military CDL Skills Test Waiver.)

I certify that _____ meets the Federal Motor Carrier Safety
Applicant Name

Regulations contained in 49 CFR 383.113(a,b,c)(1,2) relating to "Required Skills" and also meets the requirements contained in 49 CFR 383.135(b) relating to "Minimum Passing Scores" for a commercial driver's license. Your signature certifies that the above named applicant has successfully performed the required skills and has achieved the minimum passing score necessary to operate a commercial motor vehicle as prescribed in the Federal Motor Carrier Safety Regulations 49 CFR 383.113 and 49 CFR 383.135.

_____ _____
Signature of Provost Marshall/Company Commander/Department Head/OIC — Print Name

_____ _____ _____ _____
Title — Location — Phone Number — Date

D SIGNATURE

I certify under penalty of law that all information given on this application is true and correct. I hereby acknowledge this day that I have received notice of the provisions of Section 3709 of the Vehicle Code. (See reverse for provisions.)

SIGN HERE

_____ _____ _____
APPLICANT SIGNATURE — PHONE NUMBER — DATE

WARNING: Misstatement of fact is a misdemeanor of the third degree punishable by a fine of up to $2,500 and/or imprisonment up to 1 year (18 PA C.S., Section 4904(b)).

How to Obtain Your CDL Learner's Permit

You must be a Pennsylvania resident to apply for a Pennsylvania CDL Learner's Permit. To apply for a CDL Learner's Permit:

- Complete the DL-31CD Form (Application for CDL Learner's Permit), available on PennDOT's Driver and Vehicle Services Web site, ww.dmv.state.pa.us.
- Mail your completed DL-31CD Form with appropriate fee to the Bureau of Driver Licensing, P.O. Box 68272, Harrisburg, PA 17106-8272.
- When you receive the Knowledge Test Authorization Letter, you may visit your nearest Driver License Center to take the applicable knowledge tests.
- After all required knowledge testing is complete, please refer to the **"Required Original Documents to Process DL-398 Military CDL Skills Test Waiver"** section below.

NOTE: If your Pennsylvania Driver's License expires within the next six months, you will be required to renew your Pennsylvania CDL or Non-CDL before your application for a CDL Learner's Permit can be processed.

Required Original Documents to Process DL-398 Military CDL Skills Test Waiver

You must submit a completed DL-398 Form (Application for Military CDL Skills Test Waiver), to upgrade to a CDL or upgrade your current CDL privilege. To obtain a DL-398 Form, visit PennDOT's Driver and Vehicle Services Web site, www.dmv.state.pa.us, and select the Forms and Publications link at the top of the home page. Once you've completed the DL-398 Form, you must visit your near Driver License Center with the following original documents.

Required Documents

a) Valid PA Non-CDL or CDL

b) Military Driver's License that clearly defines the types of vehicles you are/were authorized to drive. If not clearly defined, additional documentation is required such as:

1) Verification of Military Experience and Training Document (VMET) that clearly defines the types of vehicles you are/were authorized to drive, that lists the Gross Vehicle Weight Rating (GVWR), Gross Vehicle Weight (GVW), and if the vehicle(s) are equipped with air brakes that you are/were licensed to operate in the military (this form can be obtained by military personnel only by visiting www.dmdc.osd.mil), or:

2) Documentation of the types of vehicles you operated or are/were licensed to operate in the military, that lists the Gross Vehicle Weight Rating (GVWR), Gross Vehicle Weight (GVW), and if the vehicle(s) are equipped with air brakes that you are/were licensed to operate in the military. The explanations need to be on military letterhead, signed by your Provost Marshall, Company Commander, Department Head or OIC and section C on the DL-398 Form must be completed by your Provost Marshall, Company Commander, Department Head or OIC.

c) DD-2 (Active Duty Military ID Card) or DD-214 (within 2 years of Honorable Discharge)

d) DL-398 (Application for Military CDL Skills Test Waiver)

How to Transfer Your Out-of-State Driver's License to Pennsylvania

To qualify for the Military CDL Skills Test Waiver, you must be a Pennsylvania resident. Please visit the New Resident/Relocating Information Center on PennDOT's Driver and Vehicle Services Web site, www.dmv.state.pa.us, and select "Moving into Pennsylvania" link or contact PennDOT's Customer Call Center at; 1-800-932-4600, TDD 1-800-228-0676 (in state); or 1-717-412-5300, TDD 1-717-412-5380 (out-of-state). You will also need to complete the DL-180R Form for Non-CDL or DL-180RCD Form for CDL transfers. These forms are available on PennDOT's Driver and Vehicle Services Web site, or may be obtained by visiting your nearest Driver License Center. You must appear in person at a Driver License Center to transfer your out-of-state driver's license to Pennsylvania. Driver License Centers only accept check or money order for payment. If you have lost your out-of-state driver's license, you must contact your home state DMV to obtain an original Driver Abstract.

SECTION 3709 OF THE VEHICLE CODE

Section 3709 provides for a fine of up to $300 for dropping, throwing or depositing, upon any highway, or upon any other public or private property without the consent of the owner thereof or into or on the waters of this Commonwealth, from a vehicle, any waste paper, sweepings, ashes, household waste, glass, metal, refuse or rubbish or any dangerous or detrimental substance, or permitting any of the preceding without immediately removing such items or causing their removal.

For any violation of Section 3709, I may be subject to a fine of up to $300 upon conviction, including any violation resulting from the conduct of any other persons present within any vehicle of which I am the driver.

U.S. Department of Transportation
Federal Motor Carrier Safety Administration

Send to Printer

Summary of Hours-of-Service (HOS) Regulations

Who Must Comply

Most drivers must follow the HOS Regulations if they drive a commercial motor vehicle, or CMV.

In general, a CMV is a vehicle that is used as part of a business and is involved in interstate commerce and fits *any* of these descriptions:

- Weighs 10,001 pounds or more
- Has a gross vehicle weight rating or gross combination weight rating of 10,001 pounds or more
- Is designed or used to transport 16 or more passengers (including the driver) not for compensation
- Is designed or used to transport 9 or more passengers (including the driver) for compensation
- A vehicle that is involved in interstate *or* intrastate commerce and is transporting hazardous materials in a quantity requiring placards is *also* considered a CMV

HOS Final Rule

The Hours of Service of Drivers Final Rule [Download PDF Version] was published in the Federal Register on December 27, 2011. The **effective** date of the Final Rule is **February 27, 2012**, and the **compliance date** of selected provisions is **July 1, 2013**. The links below provide more details regarding the HOS Final Rule:

Download HOS Reference Materials

- HOS News Release
- Question and Answers
- Logbook Examples (PDF) New
- HOS Regulations - Part 395
- Final Rule (PDF)
- Regulatory Impact Analysis (PDF)
  - Appendices A-E (PDF)
- Environmental Assessment (PDF)
  - Appendices A-E (PDF)

Summary of Changes of HOS Final Rule Published in December 2011

The table below [Download PDF Version] summarizes the differences between the prior HOS Rule and the new HOS Final Rule published in December 2011:

PROVISION	PRIOR RULE	FINAL RULE - COMPLIANCE DATE JULY 1, 2013
Limitations on minimum "34-hour restarts"	None	(1) Must include two periods between 1 a.m.- 5 a.m. home terminal time. (2) May only be used once per week.
Rest breaks	None except as limited by other rule provisions	May drive only if 8 hours or less have passed since end of driver's last off-duty period of at least 30 minutes. [HM 397.5 mandatory "in attendance" time may be included in break if no other duties performed]
PROVISION	**PRIOR RULE**	**FINAL RULE - COMPLIANCE DATE FEBRUARY 27, 2012**
On-duty time	Includes any time in CMV except sleeper-berth.	Does not include any time resting in a parked vehicle (also applies to passenger-carrying drivers). In a moving property-carrying CMV, does not include up to 2 hours in passenger seat immediately before or after 8 consecutive hours in sleeper-berth.
Penalties	"Egregious" hours of service violations not specifically defined.	Driving (or allowing a driver to drive) 3 or more hours beyond the driving-time limit may be considered an egregious violation and subject to the maximum civil penalties. Also applies to passenger-carrying drivers.
Oilfield exemption	"Waiting time" for certain drivers at oilfields (which is off-duty but does extend 14-hour duty period) must be recorded and available to FMCSA, but no method or details are specified for the recordkeeping.	"Waiting time" for certain drivers at oilfields must be shown on logbook or electronic equivalent as off duty and identified by annotations in "remarks" or a separate line added to "grid."

Summary of HOS Regulations (Valid Until July 1, 2013)

The following table [Download PDF Version] summarizes the HOS regulations for property-carrying and passenger-carrying CMV drivers.

HOURS-OF-SERVICE RULES	
Property-Carrying CMV Drivers	**Passenger-Carrying CMV Drivers**
11-Hour Driving Limit May drive a maximum of 11 hours after 10 consecutive hours off duty.	**10-Hour Driving Limit** May drive a maximum of 10 hours after 8 consecutive hours off duty.
14-Hour Limit May not drive beyond the 14th consecutive hour after coming on duty, following 10 consecutive hours off duty. Off-duty time does not extend the 14-hour period.	**15-Hour On-Duty Limit** May not drive after having been on duty for 15 hours, following 8 consecutive hours off duty. Off-duty time is not included in the 15-hour period.
60/70-Hour On-Duty Limit May not drive after 60/70 hours on duty in 7/8 consecutive days. A driver may restart a 7/8 consecutive day period after taking 34 or more consecutive hours off duty.	**60/70-Hour On-Duty Limit** May not drive after 60/70 hours on duty in 7/8 consecutive days.
Sleeper Berth Provision Drivers using the sleeper berth provision must take at least 8 consecutive hours in the sleeper berth, plus a separate 2 consecutive hours either in the sleeper berth, off duty, or any combination of the two.	**Sleeper Berth Provision** Drivers using a sleeper berth must take at least 8 hours in the sleeper berth, and may split the sleeper-berth time into two periods provided neither is less than 2 hours.

Find this page at: http://www.fmcsa.dot.gov/rules-regulations/topics/hos/index.htm

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Alaska Statutes.
Title 28. Motor Vehicles
Chapter 33. Commercial Motor Vehicles
Section 100. License to Drive Commercial Motor Vehicle.

previous: Section 33. Presumptions and Chemical Analysis of Breath or Blood.
next: Section 110. Notification Requirements For Drivers of Commercial Motor Vehicles.

AS 28.33.100. License to Drive Commercial Motor Vehicle.

(a) A person may not drive a commercial motor vehicle until the person applies for and is issued a license for that purpose under AS 28.15.041. The department may not issue a license to drive a commercial motor vehicle unless the applicant

(1) is at least 19 years of age, to operate in intrastate commerce, or at least 21 years of age, to operate in interstate commerce;

(2) has held a valid driver's license at least one year before the date of application or meets the experience qualifications established by the department;

(3) has successfully completed all required driving tests and written and physical examinations;

(4) either does not have a driver's license issued by another jurisdiction or surrenders all driver's licenses issued by other jurisdictions; and

(5) is domiciled in this state.

(b) In addition to the information required under AS 28.15.111 , a commercial driver's license shall

include information determined by the United States Secretary of Transportation to be appropriate to identify the licensee.

(c) A person who has been a state resident for 30 days or longer may not drive a commercial motor vehicle under the authority of a commercial driver's license issued by another jurisdiction.

(d) The licensing requirements of this section are in addition to the requirements imposed on a school bus driver under AS 28.15.046 .

(e) The department shall disqualify a person for a period of 60 consecutive days, and shall reevaluate the person's application or license to drive a commercial motor vehicle, if the department determines that the person knowingly provided false information required under

(1) this section or AS 28.15 in an application to the department for a commercial driver's license; or

(2) AS 28.33.110 (c) in an application for employment.

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Note to HTML Version:

This version of the Alaska Statutes is current through December, 2007. The Alaska Statutes were automatically converted to HTML from a plain text format. Every effort has been made to ensure their accuracy, but this can not be guaranteed. *If it is critical that the precise terms of the Alaska Statutes be known, it is recommended that more formal sources be consulted.* For statutes adopted after the effective date of these statutes, see, Alaska State Legislature If any errors are found, please e-mail Touch N' Go systems at E-mail. We hope you find this information useful.

This page has been updated: 08/26/2011 15:52:29

Skip to main content

Alaska Department of Administration
Division of Motor Vehicles

COMMERCIAL DRIVER LICENSE (CDL)

Endorsements | Medical / Vision | Transferring a CDL | Type

You must be domiciled in the State of Alaska in order to obtain or renew an Alaska CDL. (Domicile = ALASKA MUST be your true, fixed and permanent home, and principal residence to which you intend to return whenever you are absent.)

If you live in **RURAL** Alaska, please **CLICK HERE** for additional information.

Transportation Worker Identification Credentials (TWIC) are issued by the Department of Homeland Security and are not available through DMV.

- Commercial Driver Manual

ORIGINAL ALASKA COMMERCIAL DRIVER LICENSE (CDL)

A background check is required if you wish to obtain a hazardous materials endorsement or renew a CDL with a hazardous materials endorsement.

A commercial driver license (CDL) is required for a resident of Alaska who is driving a vehicle intrastate (19 & above) or interstate (21 & above) with a gross vehicle weight rating (GVWR) of 26,001 pounds or more. If you will be driving a vehicle designed to carry 16 or more passengers, or transporting hazardous materials, regardless of the GVWR, a CDL is required. A commercial driver may have only one license and that license must be issued by their home state. Those exempted from the commercial driver licensing requirements include drivers of recreational, military and emergency vehicles. Farm vehicles are exempt if controlled and operated by a farmer, used to transport agricultural products or machinery to and from a farm, not used in for-hire or contract carrier operations, and if driven no further than 150 miles from the farm.

Your social security number is required to obtain a CDL. The commercial driver license fee is $100.00. There is a $25.00 non-refundable fee for those requiring a road test. Road test appointments may be scheduled in any State DMV office or using our Online Services. In the Municipality of Anchorage, commercial tests are administered by the Center for Employment Education (CEE). Call 279-8451 for an appointment. Outside the Municipality of Anchorage, please contact your local DMV, schedule your road test online or click HERE for additional 3rd Party Testers.

An applicant must be at least twenty-one years of age at the time of application and must have held a valid driver license for at least one year. For an intrastate license, the applicant must be at least nineteen years of age. An applicant must pass the road, vision and written test prior to issuance of the CDL. For further information about obtaining a commercial driver license, please address your questions to: E-mail ALASKA DMV

TRANSFERRING A CDL FROM ANOTHER STATE

Welcome to Alaska! Please be sure to obtain an Alaska license within 30 days of your arrival if you intend to make Alaska your home. If you do not have any intention of becoming a resident of Alaska (Seasonal worker, etc.) you must have a valid CDL from your home state in order to drive a Commercial Motor Vehicle in Alaska.

To transfer a CDL from another state to Alaska, you must:

- Complete an **Application for Alaska Driver License, Permit or State Identification** (Form 413) and an **Application for Commercial Driver License** (Form 415).
- Provide proof of the following: Date of birth, legal name, social security number and your physical address IN ALASKA.
- Surrender your valid license from another state. (Cannot be expired for over 1 year.)
- Pass the written "Rules of the Road" test to convert to an Alaska license. (20 questions)
- Pass the "Hazardous Materials" test if you have that endorsement and wish to keep it.

  Effective January 31, 2005, you are required to pass a background check in order to obtain or retain a hazardous materials endorsement.
- Pass any knowledge tests for endorsements that you wish to add to your license and do not have on your current license. Some endorsements require a road test.
- Pass a vision test.
- Pay the $100.00 fee for an ALASKA CDL.

Note: If your CDL from another state has been expired **over <u>one</u> year**, you must pass ALL written tests that apply to the type of license you wish to obtain. A road test is required if the license has been expired over five years.

NEW CDL MEDICAL CARD & VISION REQUIRMENTS

Please see the following for information on CDL Medical Cards.

FMCSA New Medical Certification Requirements
A Guide for Commercial Driver's License (CDL) Holders
General Information and Frequently Asked Questions (FAQs)

Medical Report: DOT FORMS

Vision requirements for a CDL are 20/40 or better. If you do not meet the requirements, you *may* be eligible for a waiver for INTRASTATE, ONLY. Vision Waiver Application

TYPES OF COMMERCIAL DRIVER LICENSE'S AND ENDORSEMENTS:

- **Class A/CDL** - May operate a combination of a motor vehicle and one or more other vehicles with a GCWR of greater than 26,000 pounds where the combined GVWR of the vehicle or vehicles being towed is greater than 10,000 pounds; a holder of a Class A/CDL license may also operate a Class B/CDL, Class C/CDL, or Class D vehicle. (Examples: 18 wheelers, log trucks)
- **Class B/CDL** - May operate a motor vehicle with a GVWR of greater than 26,000 pounds, or a motor vehicle with a GVWR of greater than 26,000 pounds that is towing a vehicle with a GVWR of 10,000 pounds or less; a holder of a Class B/CDL license may also operate a Class C/CDL or Class D vehicle. (Examples: dump trucks, cement mixer, box trucks, motor coaches)
- **Class C/CDL** - May operate any single motor vehicle, or a combination of a motor vehicle and one or more other vehicles not meeting the definitions of Class A/CDL or B/CDL, but is either designed to transport 16 or more passengers, including the driver, or is placarded under hazardous materials regulations in 49 C.F.R. Part 172, Subpart F, revised as of October 1, 2009; a holder of a Class C/CDL may also operate a Class D vehicle.

ENDORSEMENT CODE, TEST REQUIREMENTS & ENDORSEMENT TYPE

H - Knowledge & Background Check (Background check - Effective 1/31/05)
Hazardous material in placardable amounts.

N - Knowledge - Hauling liquids in bulk (Tank)

P - Knowledge & Skills (road test) - Transporting more than 15 passengers

S - Knowledge & Skills (road test) - School Bus

T - Knowledge - Double or Triple Trailers

X - Knowledge & Background Check (Background check - Effective 1/31/05)
Combination of N and H endorsements

Federal Website

REV. 1/23/2012

Department of Motor Vehicles

CDL Skills Test Exemption for Military Applicants

Active duty, recently separated (within 90 days of application), or reservist military personnel may be allowed an exemption from the CDL driving skills test based on their holding of a military license, which authorizes operation of military vehicles that are representative of a commercial motor vehicle of a similar class.
Military personnel described above will be granted an exemption from the CDL skills test provided he or she meets all criteria required under Federal Motor Carrier Safety Regulations (FMCSR). This exemption applies only to the CDL skills test and does not include any testing requirements for public transportation, school bus, or hazardous material.
All applicants must pass the required knowledge test(s) based on the type of vehicle to be driven. Knowledge tests will be provided at no fee if the applicant is in active duty status, or meets the current military fee exemption criteria. Applicants must also provide information on all states where they were previously licensed during the past 10-years.
All applicants must present the following:

- Valid Connecticut operator's license
- Valid Form OF-346 (U.S. Government Motor Vehicle Operator Identification Card)
- Military Identification Card or DD-214 if recently separated
- Letter from commanding officer indicating which CMV class (A, B, or C) is representative of the military vehicle the applicant is licensed to operate
- Medical certification dated within 2 years (actual physical or medical certification card)
- Completed DMV Forms B-88 (fee waiver) and R-229A (application for CT license)
- Color Photograph (passport-size)
- Social Security card or proof of SSN
- Certification Form (will be issued at the branch office)

The US Government license must indicate the type of vehicle(s) and the vehicle capacity that the applicant is qualified to operate. In order to qualify for the exemption, the capacity must be at least 26,001 lbs. GVWR.
The applicant must certify the following:

- They have operated a vehicle representative of the commercial motor vehicle that they currently operate or expect to operate for at least two (2) years immediately preceding this application for the CDL. Evidence must be included such as: a letter from the applicant's employer; or test results from another state.

OR

- They are regularly employed in a job requiring operation of a CMV and have either previously taken and passed a skills test given by a State with a classified licensing and testing system and that the test was behind the wheel in a representative vehicle for the applicant's license classification.

AND

- They do not have more than one (1) license; have not had any license suspended, revoked, or cancelled; have not had a conviction in any type of motor vehicle for the **disqualifying offenses*** found in 383.51(b); have not had more than one (1) conviction for **serious traffic violations**** in any type of motor vehicle; have not had any conviction for a violation of State or local law relating to motor vehicle or traffic control (other than a parking violation) arising in connection with any traffic accident and have no record of an accident in which they were at fault.

*** 383.51 – Disqualifying Offenses- Conviction for:**

- being under the influence of alcohol while operating a CMV

- being under the influence of a controlled substance
- having a alcohol concentration of 0.04 or greater while operating a CMV
- refusing to take an alcohol test as required by a State or jurisdiction under its implied consent laws or regulations as defined in 383.72
- leaving the scene of an accident
- using the vehicle to commit a felony
- driving a CMV while the driver's CDL is revoked, suspended, or cancelled or the driver is disqualified from operating a CMV
- causing a fatality through negligent operating of a CMV, including, but not limited to the crimes of motor vehicle manslaughter, homicide by motor vehicle and negligent homicide
- using the vehicle in the commission of a felony involving manufacturing, distributing, or dispensing a controlled substance

****Serious Traffic Violations – Conviction for:**

- speeding in excess of fifteen miles per hour or moreover the posted speed limit
- reckless driving
- following too closely
- improper or erratic lane changes
- driving a CMV without a valid CDL
- failure to carry a CDL
- failure to have proper class of license or endorsement or violation of a license restriction
- in connection with an accident related to operation of a CMV and which resulted in a fatality
- failure to stop at a railroad crossing while operating a CMV

A certification form will be given to the applicant at the branch office for completion. The current CT license must be surrendered and the licensing fee paid, if applicable.

Content Last Modified on 11/17/2009 12:51:45 PM

Department of Motor Vehicles

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Military personnel described above will be granted an exemption from the CDL skills test provided he or she meets all criteria required under Federal Motor Carrier Safety Regulations (FMCSR). This exemption applies only to the CDL skills test and does not include any testing requirements for public transportation, school bus, or hazardous material.
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- Medical certification dated within 2 years (actual physical or medical certification card)
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The US Government license must indicate the type of vehicle(s) and the vehicle capacity that the applicant is qualified to operate. In order to qualify for the exemption, the capacity must be at least 26,001 lbs. GVWR.
The applicant must certify the following:

- They have operated a vehicle representative of the commercial motor vehicle that they currently operate or expect to operate for at least two (2) years immediately preceding this application for the CDL. Evidence must be included such as: a letter from the applicant's employer; or test results from another state.

OR

- They are regularly employed in a job requiring operation of a CMV and have either previously taken and passed a skills test given by a State with a classified licensing and testing system and that the test was behind the wheel in a representative vehicle for the applicant's license classification.

AND

- They do not have more than one (1) license; have not had any license suspended, revoked, or cancelled; have not had a conviction in any type of motor vehicle for the **disqualifying offenses*** found in 383.51(b); have not had more than one (1) conviction for **serious traffic violations**** in any type of motor vehicle; have not had any conviction for a violation of State or local law relating to motor vehicle or traffic control (other than a parking violation) arising in connection with any traffic accident and have no record of an accident in which they were at fault.

*** 383.51 – Disqualifying Offenses- Conviction for:**

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- being under the influence of a controlled substance
- having a alcohol concentration of 0.04 or greater while operating a CMV
- refusing to take an alcohol test as required by a State or jurisdiction under its implied consent laws or regulations as defined in 383.72
- leaving the scene of an accident
- using the vehicle to commit a felony
- driving a CMV while the driver's CDL is revoked, suspended, or cancelled or the driver is disqualified from operating a CMV
- causing a fatality through negligent operating of a CMV, including, but not limited to the crimes of motor vehicle manslaughter, homicide by motor vehicle and negligent homicide
- using the vehicle in the commission of a felony involving manufacturing, distributing, or dispensing a controlled substance

****Serious Traffic Violations – Conviction for:**

- speeding in excess of fifteen miles per hour or moreover the posted speed limit
- reckless driving
- following too closely
- improper or erratic lane changes
- driving a CMV without a valid CDL
- failure to carry a CDL
- failure to have proper class of license or endorsement or violation of a license restriction
- in connection with an accident related to operation of a CMV and which resulted in a fatality
- failure to stop at a railroad crossing while operating a CMV

A certification form will be given to the applicant at the branch office for completion. The current CT license must be surrendered and the licensing fee paid, if applicable.

Content Last Modified on 11/17/2009 12:51:45 PM

Washington

Back to all Blog Posts

October 28, 2010 at 11:59am

New military training certification to shorten state's CDL issuance

By Department of Veteran Affairs Comments (1)

The Washington State Department of Veterans Affairs (WDVA) and Washington State Department of Licensing (DOL) have joined forces to help veterans.

Beginning November 1, getting a CDL just got easier for military personnel with specialized truck driver training, thanks to the new Military Training Certification Process.

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Total Recommendations (0)
Leave A Comment
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0 tweet

Here's how it works: WDVA staff will assess the training a military member or veteran received in the military and verify whether it meets the required minimum commercial motor vehicle driver training requirements in Washington State. Once verification is made, a Commercial Drivers Military Training Certificate is provided.

Military member and veteran applicants must pass the applicable knowledge and skills test, pay all basic license and commercial drivers license fees, and present the Commercial Drivers Military Training Certificate to DOL in order to be issued a CDL.
Veterans have one year following their release from the military to take advantage of this new program.

"We often hear of the challenges our men and women in uniform face when they leave the military and try to find jobs that they qualify for," said WDVA program manager Ric Price. "This is a tremendous step forward in removing a financial barrier to a smoother transition from military to civilian employment."

In the past, veterans were required to attend additional and often expensive commercial drivers training programs to learn the skills they had used for years in the military. WDVA's Helmets to Hardhats liaison Todd Mitchell questioned why this training had to be repeated and worked with a number of organizations to develop this new process.

Thanks to the hard work of WDVA, DOL, Tacoma-Pierce County Chamber of Commerce, Army Reserve Employer Relations, Washington Trucking Association, Teamsters Union and the Washington Defense Partnership, the transition from a military job to a civilian one will require one less step.

This new program allows WDVA to verify an individual CDL applicant has the required minimum commercial motor vehicle driver training requirements provided and documented by a military service.

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ARCHIVES
2012 January, February
2011 January, February, March, April, May, June, July, August, September, October, November, December
2010 January, February, March, April, May, June, July, August, September, October, November, December
2009 May, June, July, August, September, October, November, December

RECENT COMMENTS

Davis said:
This is exactly what the military does NOT want to happen. This is why after a death a unit...
about Text message Tells Army Wife of Husband's Death

Marybel said:
There are various reasons why a spouses cannot be located by military i.e. they do not update...
about Text message Tells Army Wife of Husband's Death

GoldFalcon3 said:
Move I Corps HQ permanently to Camp Zama, Japan where I Corps (Fwd) is stationed now. Move the...
about I Corps headed into the Pacific?

"This is another instance of agencies working together to make things more seamless for Washingtonians," said DOL director Liz Luce. "This program is important so that our service members can utilize the training they've received and get right to work in the civilian sector."

For additional information about this new program, contact WDVA at 1-800-562-2308 or contact Ric Price at **Ricp@dva.wa.**

Filed under: Veterans

Unvie Buck said:
Go get 'em Dilly! Please bring me back one of those cool head scarves! Oooo-Rah!
about JBLM's 2nd Stryker Brigade headed to Afghanistan

PFC said:
2-17FA Medics!
about JBLM's 2nd Stryker Brigade headed to Afghanistan

Comments for "New military training certification to shorten state's CDL issuance" (1)

Northwest Military is not responsible for the content of these reviews. Northwest Military reserves the right to remove reviews at their discretion.

Arthur Hood said on May. 30, 2011 at 11:19am

Greetings ,my name is Arthur Hood I am a SGT with the United States Army Reserve .I've been a 88mike (truck driver) for 17 years . I was looking for a program from the Military that would help pay for CDL training .But if there is a smoother way to obtain my CDL I'm all ears . I will be contacting you on your program .I live in Mississippi if thats any help .Please give me any info you have on the subject .Thank you .

Sgt. Arthur M. Hood

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Name:

Email: (This will not be published)

Website: (Optional)

Comment: Please stay on topic, and be respectful.

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FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **HB345**
Fiscal Note Number:
() Publish Date:

Identifier (file name): HB345-DOA-DMV-3-23-12
Title: Waive CDL Skill Test for Certain Veterans
Sponsor: Representative Saddler
Requester: House Transportation

Dept. Affected: Administration
Appropriation: Motor Vehicles
Allocation: Motor Vehicles
OMB Component Number: 2348

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable; initial version

Prepared by: Whitney Brewster, Director — Phone: 907-269-5559
Division: Division of Motor Vehicles — Date/Time: 3/23/12 10:45 AM
Approved by: John Cramer, Deputy Commissioner — Date: 3/23/2012
Department of Administration

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. HB345

Analysis

This legislation will allow for the development of regulations by the Division of Motor Vehicles (DMV) to provide drivers with recent military commercial vehicle driving experience the opportunity to waive the driving skills test required in Alaska Statute 28.33.100(a)(3) and 49 CFR 383.113. This bill has no fiscal impact on the Division of Motor Vehicles (DMV) therefore a zero fiscal note is submitted.

Alaska Trucking Association, Inc.
3443 Minnesota Drive · Anchorage, Alaska 99503 · Phone (907) 276-1149 · Fax (907) 274-1946
www.aktrucks.org
The authoritative voice of the trucking industry in Alaska

HB 345 WAIVE CDL SKILL TEST FOR CERTAIN VETERANS
House Transportation Committee
1:00 pm, March 27, 2012
Aves D. Thompson, Executive Director
Alaska Trucking Association

Thank you. Madame Chairman and members of the committee, I am Aves Thompson, Executive Director of the Alaska Trucking Association. The Alaska Trucking Association is a state wide organization representing the interests of our nearly 200 member companies.

I am here today to testify in support of HB 345.

One of the pressing problems in our industry today is to find qualified drivers for the commercial vehicles that we use to deliver freight. As you all know, "if you got it, a truck brought it..." We spend a lot of time and effort recruiting and retaining good drivers. The regulatory bar has been raised in the past few years to further increase the professionalism of drivers in our industry. When someone says he or she is just a truck driver, they miss the mark completely. Truck driving is a profession that requires a great deal of in-depth knowledge of the regulations as well as driving skills to navigate a large rig through our highway system. Alaska has some of the best drivers in the nation. They become outstanding drivers through training, experience and their own enlightened self-interest because sometimes their own driving skill can very well save their own lives or the lives of others.

Alaska Trucking Association, Inc.
3443 Minnesota Drive · Anchorage, Alaska 99503 · Phone (907) 276-1149 · Fax (907) 274-1946
www.aktrucks.org
The authoritative voice of the trucking industry in Alaska

As an industry, we welcome our returning veterans and appreciate this opportunity to do something to support them as well as to help ourselves. With the proper certifications as to a veteran's experience, we support waiving the skills test for the issuance of a Commercial Drivers License (CDL).

As a veteran myself and on behalf of our membership, we are proud to support HB345 and urge that you pass this bill out of committee with "do pass" recommendations. Thank you.

SB

95

<TARGET><BILL>SB 95</BILL><SUBJECT>SB
95</SUBJECT><COMM>HTRA27</COMM></TARGET>

SENATOR DENNIS EGAN

SB 95

Frank Palmer Ferry Terminal

Frank Palmer was an icon who worked for nearly five decades at the Auke Bay Ferry Terminal. Palmer, who died last year at the age of 69, first began pulling trailers off the Alaska Marine Highway System's ferries in 1962, the year service from Prince Rupert started. Since then, Palmer drove trucks and met ferries for Lynden Incorporated, Orme Transfer, Douglas Trucking (of which he was also a co-owner), and Alaska Marine Trucking. No matter which company he was working for, Palmer's reliable presence at the Auke Bay Ferry Terminal was a constant.

He was well known as a man who could skillfully get large vehicles on and off of ferries with ease. Although most of them are completely unaware, the list of Alaskans whose lives were touched indirectly by Palmer as he helped move their goods on and off of ferries is long.

Frank Palmer grew up in Auke Bay and for the entirety of his working life (47 years) he was a staple at the Auke Bay Ferry Terminal. Through his decades of work loading and unloading ferries, he was an integral part of the marine highway system that serves as the road that connects the communities of Southeast Alaska.

It would be a fitting and appropriate tribute to a man so intertwined with the Auke Bay Ferry Terminal to rename it the Frank Palmer Ferry Terminal.

ALASKA SENATE
STATE CAPITOL • JUNEAU, ALASKA 99801-1182 • (907) 465-4947 • FAX (907) 465-2108
SENATOR.DENNIS.EGAN@LEGIS.STATE.AK.US

Arrowhead Transfer, Inc.
Arrowhead LP Gas

1517 Sawmill Creek Road
Sitka, AK 99835-9704
(907) 747-8647 phone
(907) 747-6433 fax

February 24, 2011

To Whom It May Concern:

I understand that there is a resolution to consider naming the Juneau Ferry Terminal after Frank Palmer.

Our Company and its people would be thrilled to see Frank honored in this way. It would be wonderful for his family and for all of us who knew and respected him.

I doubt that records have been kept, but it would be reasonable to assume that no one driver has ever moved or ever will move more equipment on to and off of Alaska Marine Highway System vessels than Frank.

Arrowhead Transfer, Inc. would be in strong support of this resolution.

Respectfully submitted,

G. S. Harang

Gordon S. Harang, President
Arrowhead Transfer, Inc.

100 Mount Roberts St.
Juneau, AK 99801-7700
(907) 586-3960 phone
(907) 586-3356 fax

7857 N Tongass Highway
Ketchikan, AK 99901
(907) 225-4313 phone
(907) 247-4313 fax

Post Office Box 788
Petersburg, AK 99833-0788
(907) 772-2288 phone
(907) 772-9318 fax

Post Office Box 349
Wrangell, AK 99929-0349
(907) 874-3314 phone
(907) 874-3315 fax

Post Office Box 707
Craig, AK 99921-0707
(907) 826-3419 phone
(907) 826-3916 fax

Post Office Box 584
Kake, AK 99830-0584
(907) 785-3158 phone
(907) 785-3150 fax

LYNDEN

Friends of Frank Palmer:

I understand that there is consideration of naming the Juneau Ferry terminal after Frank Palmer. This is a wonderful tribute to a great man and I strongly endorse the idea.

Frank began pulling Lynden Trailers off the Alaska Ferry's in 1962, when the 1st. vessels began operating from Prince Rupurt. He began driving for Orme Transfer, then as an owner of Douglas trucking (when Orme went out of business) and finally for Alaska Marine Trucking, a Lynden Company. He met ferries in Juneau, at all hours of the day and night, in any type of weather, safely, reliably and professionally for 47 years.

Frank is well known by AMHS personnel for 5 decades, as the guy who was always there, and who could thread a needle with a tractor trailer.

Thank you for your consideration of our long term friend and fellow Lynden professional, Frank Palmer.

Jim Jansen
CEO
Lynden Inc.

March 21, 2011

Senator Dennis Egan
State Capitol
Room 510
Juneau, AK 99801-1182

ALASKA MARINE TRUCKING

RE: HB 95
Dear Senator Egan:

We are writing to express our support for renaming the Auke Bay Ferry Terminal after Frank Palmer.

Besides being a local business owner for 25 years, Frank was our co-worker, our mentor and our friend. The importance of the Alaska Marine Highway system to the commerce of Southeast Alaska was always in the forefront of his thoughts. Frank was well known to personnel at the Alaska Marine Highway Auke Bay Terminal and to vessel crews. He made himself available to help many passengers' equipment on and off the Marine Highways vessels over his long tenure meeting the ferry.

Thank you for initiating this bill.

Sincerely,
The Crew at Alaska Marine Trucking

100 Mt. Roberts Street
Juneau, Alaska 99801
(907) 586-3790
Fax: (907) 463-3298

3295 Tongass Avenue
Ketchikan, Alaska 99901
(907) 225-7660
Fax: (907) 225-6291

3 1/2 Mile Mitkof Hwy.
Petersburg, Alaska 99833
(907) 772-3278
Fax: (907) 772-9318

ALASKA MARINE TRUCKING

February 24th, 2011

To Whom It May Concern;

I have been in communication with the office of Senator Dennis Egan to provide information and support his efforts to name the Auke Bay Ferry Terminal after a dear friend of mine, Frank Palmer. Those of us that were blessed to work with him feel that this gesture would be a fitting tribute to this man and his family. A man that has meant so much to this community and other communities throughout Southeast Alaska serviced by the Alaska Marine Highway.

It would be impossible to even guess the number of trailers he pulled off and put on the ferries over the course of his 47 plus years in transportation here in Juneau. Think of the lives he touched either directly or indirectly by being the one there at all hours of the day or night moving the mail, moving the freight and moving our lives.

Frank Palmer was a special person who was perfectly matched for the career he chose, and especially loved working the ferries of the Alaska Marine Highway. Thank you for considering this honor for my friend.

Eric W Badger

Eric Badger

Port Manager Alaska Marine Trucking

George W. Davidson PE, LS (retired)
2616 Douglas Hwy. #206
Juneau, Alaska 99801
Home 907-789-7529
Cell 907-321-3565
gdavid8174@aol.com

March 15, 2011

To Whom It May Concern

Re: SB 95 -- "An Act naming the ferry terminal located at Auke Bay in Juneau the Frank Palmer Ferry Terminal."

It is with great personal pleasure that I write in support of this bill and the proposed name change from the Auke Bay Ferry Terminal to the Frank Palmer Ferry Terminal.

I knew Frank since the early 1960s and considered him a good friend. In 1969 my wife and I purchased a home "out beyond the ferry terminal" on Lena Loop Road. Thus my life and the life of my wife and 3 daughters began each day and ended each day with a trip past the Auke Bay Ferry Terminal. Over the years since, my family and I have used the ferry system far more than the average Southeast citizen. We traveled regularly on the ferries using them for access to places like Anchorage, Mat-Su, Tok, Haines & Skagway. Our trips north number in the hundreds. The trips were for pleasure but also for business and education. All this travel required that I spend many hours at the ferry terminal waiting to be loaded or waiting to pick up family or friends arriving.

During all this time at the terminal there was one thing that was a constant and that was Frank Palmer. Be it 3 in the morning or 3 in the afternoon -- be it raining, snowing, blowing or (occasionally) sunny -- Frank was always there. He was always pleasant and never too busy to say hello with a hand shake or a good natured headlock. It seems that not only when we were traveling on the ferry but also when just driving by -- there was Frank pulling in with a load or pulling out with one.

When traveling one would see different AMHS employees at the terminal depending on their shift but Frank was always there. Watching him was always interesting as he had the skills to load those trailers quickly into the tightest places. I learned the difficulty of his task and appreciated his skills by having had to personally load horse trailers on and off the ferries -- sometimes by backing up or backing down a steep ramp -- doing so gave me a great appreciation for Frank's skills.

It seemed impossible to think about the Auke Bay Ferry Terminal without thinking about Frank Palmer. He was a good person with great skills and a pleasant manner that set standards for all of us to strive for in life. Your support for this name change will be appreciated.

Sincerely,

George W. Davidson PE, LS
Juneau, Alaska

March 18, 2011

Senator Dennis Egan
State Capitol, Room 510
Juneau, AK 99801-1182

Re: SB 95 - Frank Palmer Ferry Terminal

Dear Senator Egan,

I am writing to express my appreciation for your introduction of this bill. Frank Palmer was my brother, his two passions in his life were his family and driving trucks. Other than his yearly hunting trip, Frank rarely left Juneau, in part because of his dedication to his job. In the times that I was able to ride with him as he worked, I saw the flawless talent he had for loading and unloading the ferries. His love and commitment to his job was seen everyday by those around him.

The ferry captains and dock workers could never say enough about the job he did for them. Once the ferry was loaded if needed, he would move the containers around to ensure that the ferry was balanced if they needed him to. He would remain until the ferry was not only loaded, but ready to leave, ensuring that he could make any last minute changes that they asked of him. He was never too busy to help the dock workers move the equipment and other heavy containers when the weather wouldn't let them do it with their machines. If passengers or other truck drivers had problems loading or unloading he was always there to help them on their way.

Frank's love and dedication to not only his job, but to the community of Juneau goes without saying. Ask most anyone, and they could tell you about Frank Palmer waving as he moved his big AML truck down the road, and if you need help, didn't matter what, just ask and he was there to help.

The renaming of the ferry terminal in his name would be a great honor, and in many ways fitting, since Frank grew up across from it. He loved the water and working the ferries was his life. Thank you again for sponsoring this bill.

Sincerely,

Bosco Palmer

Earl 'Bosco' Palmer
22 SE Ashley Rd
Shelton, WA 98584

CARLA B. SEIBEL
15825 Glacier Highway
Juneau, AK 99801

Home: 907-789-9035
Cell: 907-321-3306

March 28, 2011

The Honorable Dennis Egan
Alaska State Legislature
State Capitol, Room 510
Juneau AK, 99801

Re: SB 95

Dear Senator Egan:

I would like to express total support for Senate Bill 95, naming the ferry terminal located at Auke Bay in Juneau the Frank Palmer Ferry Terminal."

For nearly fifty years, Frank faithfully met nearly every ferry—day and night—to skillfully load and unload containers. His kindness, skills, and work ethic were reflected in the admiration of not only his fellow truck drivers but also by the ferry employees.

One of the real joys of arriving back in Juneau on the ferry was seeing Frank in his tractor truck, ready to unload and load those many containers that kept Juneau businesses supplied with inventory.

I applaud you for recognizing the talents and goodness of Frank.

Sincerely,

Carla B. Seibel

Senator Dennis Egan
State Capitol Room 510
Juneau, Alaska 99801

March 21, 2011

Dear Senator Egan,

I want to thank you for sponsoring SB 95 Frank Palmer Ferry Terminal. Frank Palmer was a tireless advocate of the AMH System, defending it against any and all criticism.

During his 35 years as an owner of Douglas Trucking, Frank Palmer met 99% of the AMH Ferries that stopped in Juneau, pulling on and off vans of freight and mail at all times of the day and night. He would voluntarily help AMH personnel in every way possible to keep the ships on schedule.

Frank would often pull stalled vehicles off or on the ships, or snow bound vehicles out of the stuck positions with his own company tractor, never asking for anything in return, even when the extra stress on his vehicle caused mechanical problems.

I cannot think of anyone better to be honored by having his name attached the Auke Bay Ferry Terminal.

Respectfully,

Gerald Kuelbs

Gerald Kuelbs

Chester Carson

From: medjed@ptialaska.net
Sent: Monday, March 21, 2011 11:57 AM
To: Chester Carson
Cc: agsstaku@gmail.com
Subject: Frank Palmer, Naming

Andrew W. & Janet L. Pekovich
P.O. Box 210287
Auke Bay, Alaska 99821
Phone: (907) 789-7581
E-mail: medjed *a* ptialaska.net

March 21, 2011

Chairman, Senate Transportation Committee
C/o Senator Dennis Egan
State Capitol, Room 510
Juneau, Alaska 99801-1182

RE: Proposed Naming of
Juneau's Auke Bay Ferry Terminal

Dear Chairman & Committee Members:

It is my understanding that Senator Egan has sponsored a bill to name the State's Auke Bay Terminal after Frank Palmer. As a 70 year resident of Juneau I would like convey our **whole-hearted support for this action**.

Frank was a high-school classmate, teammate and friend. Although as life typically has it we took different paths after graduation, it was clear from the response to his death that he was admired by so many. This included not only his classmates, peers (including those her competed with), the many young drivers he mentored, visitors using the marine transportation system he came to the aid of, and just as important those operating the marine transportation system which held him in such high regard. Frank, like his father before him, and who in the 50's was our little league and American Legion coach, had a positive affect on so many. The proposed naming of terminal for Frank seems even more appropriate in light of the fact that in the 50's the Palmers resided just across the street from what is now the ferry terminal.

Please accept my apology for having had to direct this though Senator Eagen's Office.

Sincerely,

Andrew Pekovich

Chester Carson

From: Jim Weber [reischl1950@hotmail.com]
Sent: Wednesday, March 16, 2011 10:51 AM
To: Chester Carson
Subject: Frank Palmer Ferry Terminal

Dear Senator Egan:

I am writing to you to show my overwhelming support toward renaming the Auke Bay ferry terminal in Juneau in honor of my good friend and business associate Frank Palmer.

I knew Frank Palmer for over 20 years and know him to be a highly valuable member of the community and a gold plated asset to the trucking industry in Southeastern Alaska. I worked for Lynden Transport in various locations throughout Alaska over roughly 17 years. 6 of those years were spent domiciled in Juneau in charge of Lynden's daily activities throughout all of Southeastern.

Frank Palmer at that time was an owner of Douglas Transfer in Juneau and had been for many years. Frank came through the ranks along with Pat Orme through Orme Transfer. Douglas Trucking was Lynden's Juneau agent. The most famous and well liked of all the Douglas hands was certainly Frankie. No one could match the expert driving ability that Frank had going on and off any ferry under the most adverse weather and technical conditions.

Often times Frank would be called out ship side to untangle the messiest car deck transportation problems one has ever encountered. All AMHS masters, Tow Boat masters, First Mates and deck hands knew Frank Palmer because of his friendly spirit, attitude and driving ability. Frank was a man with a wonderful imagination and humorous, always ready to get the job done no matter under what conditions or time of the day. Palmer had a heart of gold.

I strongly support Senator Egan effort in proposing renaming the Auke Bay Ferry terminal to show Frank Palmer Ferry Terminal. It is an honor truly befitting a gentleman of Juneau and the transportation industry.

Sincerely,
/s/ Jim Weber
former 15 year resident of Juneau
2755 W. Riverdell drive
Wasilla, Alaska 99654

From: Patricia O'Brien [mailto:patriciaobrien@gci.net]
Sent: March 21, 2011 12:25
To: Sen. Dennis Egan
Subject: SB 95 FRANK PALMER FERRY TERMINAL

Dear Senator Egan,

As a long time Juneauite, I was pleased to see the introduction of SB 95 honoring Frank Palmer. As a senior in Juneau I appreciate the recognition of competent, caring, fun loving individuals like Frank.

Juneau would be honored to recognize this colorful jovial man who was loved by the trucking industry, ferry terminal employees, family and friends. I will share just one Frank Palmer story from a friend who does not have a computer. Years ago she took her young grandson every day to the Auke Bay Ferry terminal to watch Frank Palmer load containers onto the ferry. This preschool boy never tired of the grins, waves and skill of Frank Palmer, so grandma had to take him to the dock nearly every day in the summer to watch – over three years. And Frank always noticed him and waved. One day Frank asked if his young admirer would like to ride with him in the truck as he loaded a container. It was to be a wonderful lasting memory for the child who is now a young man. Frank has influenced many of us with his support, skill, generosity, and humor.

Thank you for recognizing Frank and his contributions to this community through SB 95.

Warm wishes,

Pat

Patricia OBrien
(907) 789-9405
PO Box 35451
Juneau, Alaska 99803-5451

From: bonniebryson@comcast.net

I think it is a wonderful idea to name of the Auke Bay ferry terminal after Frank Palmer. I knew Frank over 50 years. I think his only problem would be finding which pair of pants to wear at the dedication, but he wouldd be so proud he would be splitting his pants with pride.

All puns aside, Frank was an all 'round great guy, and very deserving of this honor. I think it is very nice to have the terminal named after a person who had a close association with the ferry terminal before the terminal was built, and just a hard working, good guy.

Jill

From: Marsha Bennett [mailto:marsha9flower@yahoo.com]
Sent: March 21, 2011 11:38
To: Sen. Dennis Egan
Subject: Frank Palmer

I just want you to know that virtually all of the class of 1958 is strongly behind naming the Juneau Ferry terminal after him. He was a great guy and inspired so many truckers among others to do the best job--he was an outstanding mentor. I went to his funeral and was amazed at all the rigs lined up and the testimonials from all his friends. He was a good friend to me and all my closest friends too, who were/are female. I sent your newsletter to several close friends in the Lower 48 and all have been asking where the legislation is now and to add their support.

If you need names I can get them for you.
Marsha Bennett

From: bonniebryson@comcast.net

Dear Mr. Carson,
Thank you for offering your web sight regarding the proposal of the naming Auke Bay of the ferry terminal in honor Frank Palmer. I was a friend of Frank's and his family starting in the 1940's. He was a school chum as well as a dear friend until his untimely death. Frank was a good guy, an upstanding person with a huge heart as well as his own unique personality. I support Dennis effort to name the terminal after Frank. To Dennis: My auntie Flossie Ditman would be proud of you for backing this effort to honor Frank.
Thank you.
Sincerely,
Bonnie Bryson
Tucson, Arizona

From: DeeAnn Grummett [mailto:dhgrummett@gci.net]
Sent: March 12, 2011 12:35
To: Sen. Dennis Egan
Subject: Re: Sen. Egan's Legislative Corner

Wonderful to hear about the Frank Palmer tribute.

Mike and DeeAnn

From: marleneciraulo@gmail.com

Mr. Carson:

First, let me introduce myself. I am Marlene Palmer Ciraulo, sister to my beloved brother, Frank Palmer. My family and I are honored and humbled by the recognition of our dear brother, Frank, and the possibility of the Auke Bay Ferry Terminal being renamed the Frank Palmer Ferry Terminal.

Our family grew up on the shores of Indian Cover (where the terminal is located) and it would be a tremendous show of respect to our brother and our family, for that terminal to be renamed for our brother. Frank gave his heart and soul to the people of Juneau and the trucking business to make sure goods were deliver to and from the ferries. His tireless efforts to meet those "middle of the night" ferries was unprecedented.

The outpouring of love and respect for our brother, Frank, has been overwhelming since his passing a year ago. Should this honor take fruition, Frank's legacy lives on.

Please convey the complete gratitude of the Palmer/Ciraulo families to Senator Egan, for this incredible honor to our brother, Frank.

Marlene Palmer Ciraulo
4615 193rd Pl. SE
Issaquah WA 98027.

From: Larry Edfelt [mailto:larrythefishguy@yahoo.com]
Sent: March 11, 2011 18:52
To: Sen. Dennis Egan
Subject: Frank Palmer memorial

Hi Dennis

I heartily support naming the ferry terminal for Frank Palmer. He truly was a fixture there, loading and unloading vans at all hours, day or night, for decades. He was tireless, and loved his work. I am sure I join hundreds of others in Juneau in supporting the naming of the terminal for Frank. God bless him. He touched us all.

best wishes,
Larry Edfelt

From: Mgalstead@aol.com [mailto:Mgalstead@aol.com]
Sent: Wednesday, March 23, 2011 10:06 AM
To: Sen. Dennis Egan
Subject: Auke Bay Ferry Terminal/Frank Palmer

Dear Senator Egan,

I am writing to express support for the naming of the Auke Bay Ferry Terminal after Frank Palmer. He was a classmate of mine from grade school days and a very good friend until his untimely death. Everyone who knew Frank was aware that if he was unable to attend some event, it was because he was "meeting another ferry" and doing the job he could evidently do so skillfully. He was a fixture at the ferry terminal. Frank had a strong work ethic and sense of personal responsibility and he cared very deeply about the job he did there over the decades. He loved Juneau and Auke Bay. Naming the terminal after him would honor the values of hard work, pursuit of excellence, responsibility and community mentoring that Frank stood for during his lifetime. Coincidently, he grew up in the family home across from the terminal and spent his childhood rowing around in the cove and exploring the woods around it. We all knew Frank to be a kind and caring person who would have never thought to promote this idea for himself, but there is some poetic justice in the idea of an "unsung hero", as one of my friends termed him, being remembered in this way. It would definitely please my heart, and those of his family, friends, and colleagues, to know his name would be carried on in this way. This is a wonderfully just idea. Thank you for suggesting it. So be it!

Sincerely,

Margie Alstead Shackelford

From: Donald Nowacki [ddnowacki@yahoo.com]
Dear Senator Egan

Although I am no longer an Alaskan resident, I would still like to lend my support for SB 95.

I grew up with Frank and we have been best friends our whole life. In our younger years, Frank and I spent many a day rowing around the cove and exploring the woods across the cove from his house which was basically across the road from the Ferry Terminal. He is probably the hardest working, kindest and most generous person I have ever met. On one of my visits to Juneau, I had the pleasure of riding "shot gun" with him while he delivered a container to a waiting ferry and go onboard with him and watch him park the trailer in the vessel's hold. The Chief Mate and Captain were both present for his arrival, not to supervise, but to greet him like an old friend. After a few minutes of small talk and a couple of laughs with them, Frank excused himself and went back to work, latching onto another container to deliver it back to town.

Frank loved his work and the Alaskan Ferry System and is missed by many. Putting his name on the Terminal across the road from where he grew up and spent his working life is a fitting tribute to a fine man who deserves to be remembered.

Sincerely, Don Nowacki (JDHS class of 1958)

From: Jo Nelson [marlainajo@gci.net]
I support the bill to change the name of the Auke Bay Ferry Terminal to Frank Palmer. Although I didn't personally know Mr. Palmer, my son, Joe Purcell, worked with him and spoke so highly of him. I am pleased to see that a proposal to rename is based on the contributions made by an individual in the transportation field. Please feel free to contact me if needed. Thank you.

Josephine Nelson
6011 Gull Way
Juneau, AK 99801

907-780-4512
907-723-4512 (cell)

From: **Mary Abo** <maryabo@gmail.com>
Date: Mon, Mar 21, 2011 at 7:55 PM
Subject: Re: Fw: Frank Palmer (SB 95)
To: Marsha Bennett <marsha9flower@yahoo.com>

To Chester Carson:

I am a member of Frank Palmer's 1958 graduating class from JHS. He lived out in the country, Auk Bay in those days. Although I moved away from Juneau, I kept in touch with news from Juneau and knew Frank hauled freight to and from the ferry terminal. A landmark like the ferry terminal should be symbolized by a person who demonstrated work and personal ethics everyone admired. Please name it the Frank Palmer Ferry Terminal.

Mary (Tanaka) Abo

From: Mary Becker <jmbecker@gci.net>
Date: March 21, 2011 3:48:49 PM AKDT
To: senator_dennis_egan@legis.state.ak.us
Cc: Jim Becker Becker <jmbecker@gci.net>
Subject: Senate Bill 95

Hi Dennis--
Jim and I support SB 95 that would name the Auke Bay ferry terminal after Frank Palmer. Frank was such a steadfast worker regardless of the time of day or the weather, putting vans on and off the ferry. Naming the terminal after him would be a fitting tribute to a great Juneauite.
Thank you,
Mary and Jim Becker

JuneauEmpire.com

Frank Palmer

Sunday, March 07, 2010

Story last updated at 3/7/2010 - 2:52 am

Frank Palmer
Juneau Empire

Juneau resident Frank Edward Palmer died Feb. 28, 2010, when he drowned while swimming in the ocean during a family vacation in Kauai, Hawaii. His beloved wife, Patti, adored son Billie, cherished grandson Bill, and dear friends, Bud and Joy Hansen, were with him. He was 69.

He was born March 3, 1940, in Tacoma, Wash., to Clayburn F. "Bill" and Nona Palmer and grew up along the shores of Auke Bay. He attended elementary and high schools in Juneau, playing organized baseball and basketball throughout his youth, and he was a member of the Juneau Crimson Bear 1958 State Championship basketball team.

In his youth, he enjoyed fishing and hunting and relished learning those skills from his father. Except for attending college in North Dakota and a short stint in the Air Force, he spent most of his life in Alaska, which he loved. His passion for the outdoors enhanced his excitement for his annual hunting trip to Swan Island with his buddies and fishing with family and friends.

His work passion was the trucking industry, and he was widely known for his expert ability to spot and remove large vans from the Alaska ferries. All his working life, he worked with or for trucking companies. He worked for Orme Transfer, was part owner in Douglas Trucking for many years, and later worked for Lynden Transport and Alaska Marine Lines. The familiar sight of Frank traveling up and down Egan Highway in his truck, will be sorely missed.

"Frank was a beloved husband, father, grandfather, brother and friend," his family wrote. "His love for his family and friends is cherished by all who knew him, and his great spirit and zest for life will live on forever."

He was preceded in death by his parents.

He is survived by his wife, Patti Palmer; son, Bill Palmer; step-daughters, Kate and Leslie Becker, and Karen Ford Powell; step-sons, Randy and Rick Ford; grandson, Bill Palmer; granddaughters, Katie, Linda and Lisa Palmer, of Juneau, and Greta Olson, Margot and Hazel Liebrecht, of Portland, Ore.; sister, Marlene Palmer Ciraulo and husband, Joe, of Issaquah, Wash.; brother, Earl "Bosco" Palmer and wife, Sheila, of Shelton, Wash.; uncle, Earl L. Palmer and aunt, Geraldine Palmer, of Tacoma; and many nieces and nephews, as well as an endless group of friends.

A memorial service is planned for 2 p.m. March 20 at the Chapel by the Lake, followed by a celebration of Frank's life at the Sandbar. In lieu of flowers, the family is setting up a trust fund for the grandkids in his memory. The family can be contacted c/o Patti Palmer, P. O. Box 240204, Douglas, AK 99824-0204.

SB 108

<TARGET><BILL>SB 108</BILL><SUBJECT>SB 108</SUBJECT><COMM>HTRA27</COMM></TARGET>

Alaska State Legislature

Session:
State Capitol
Suite 125
Juneau, AK 99801
Phone: (907) 465-2995
Fax: (907) 465-6592

Interim:
716 W 4th Avenue, Suite 300
Anchorage, AK 99501-2133
Phone: (907) 269-0250
Fax: (907) 269-0249

Senator Lesil McGuire

DATE: April 13, 2011, 2011

TO: Representative Peggy Wilson, Chair of House Transportation Committee

FR: Senator Lesil McGuire

RE: Request to Schedule SB 108: "An Act naming the Dowling Road overpass at milepost 123.7 on the New Seward Highway the Spc. Stephen "Max" Cavanaugh, Jr., Memorial Overpass."

Dear Rep Wilson,
Please schedule SB 108 for a hearing in the House Transportation Committee at your earliest convenience.

Attached is a bill packet that contains the following:

1. Sponsor Statement
2. Current Version of the Bill: SB 108
3. Fiscal Note
4. Letter to the Governor
5. Letter to Congressman Young/ back up information

Alaska State Legislature

Session:
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Suite 125
Juneau, AK 99801
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Anchorage, AK 99501-2133
Phone: (907) 269-0250
Fax: (907) 269-0249

Senator Lesil McGuire

SPONSOR STATEMENT for Senate Bill 108

"An Act naming the Dowling Road overpass at milepost 123.7 on the New Seward Highway the Spc. Stephen "Max" Cavanaugh, Jr., Memorial Overpass."

This bill was created to commemorate the Dowling Overpass in Spc. Stephen 'Max' Cavanaugh Jr.'s memory as a tribute to this hero who continues to save lives.

S t e p h e n 'Max' Cavanaugh Jr. had recently returned from Iraq after surviving 300 convoys where he manned a .50 caliber machine gun. He was driving down New Seward highway, near the Dowling Overpass, when he hit a cow moose, two weeks before his discharge, which resulted in the loss of his life. Max was an organ donor and it was mentioned in his obituary that he continues to save lives even after the loss of his. This loss was the 6th human life lost to moose collisions with cars during2007 and, though no human life is more important than any other, this loss really hit home.

A project was put together to help increase safety in the very corridor where this particular tragedy occurred. This effort was greatly assisted by the Department of Transportation, Highway Safety Office, SAGA (AmeriCorps youth program), the Department of Public Safety and the Department of Fish & Game. The project area was the West side of New Seward Highway between Dimond and O'Malley. The work area was between the bike trail and the highway right-of-way. This effort was performed for 4 days in October, 2008 where we cut, hauled and chipped 11 dumpsters worth of willow, cottonwood, birch and aspen trees.

The effort now is to commemorate the Dowling Overpass in Spc. Stephen 'Max' Cavanaugh Jr.'s memory as a tribute to this hero who continues to save lives.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: SB 108
(S) Publish Date: 3/30/11

SB108-DOT-CRDC-3-25-11
Title: Stephen "Max" Cavanaugh Jr Memorial Overpass
Sponsor: Senator Lesil McGuire
Requester: S TRA

Dept. Affected: DOT&PF
Appropriation: Highways and Aviation
Allocation: Central Region Highways & Aviation
OMB Component Number: 564

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING							
CAPITAL EXPENDITURES	**10.0**	**10.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CHANGE IN REVENUES							

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF	10.0	10.0					
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	**10.0**	**10.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

Prepared by: Brenda Hewitt
Division: Commissioner's Office
Phone: 465-4772
Date/Time: 3/25/11 8:00 AM

Approved by: Mark Luiken
Commissioner
Date: 3/25/2011

(Revised 12/29/2010 OMB)

FISCAL NOTE #1

STATE OF ALASKA **BILL NO.** SB 108
2011 LEGISLATIVE SESSION

Analysis

SB 108 would designate a portion of Dowling Road overpass at milepost 123.7 on the New Seward Highway the Spc. Stephen "Max" Cavanaugh, Jr., Memorial Overpass.

4 small 42" x 36" notices for each entrance internally $10,000 is recommended by the department.

4 small signs @ $2,500/ea	$10,000
Total	$10,000

P.O. Box 110741, Anchorage, Alaska 99511 (907) 317-2300

MISSION STATEMENT: **Believing in the value of healthy moose populations for all Alaskans, The Alaska Moose Federation will be the leader in the effort to both initiate and maintain the quantity and quality of Alaska's moose population.**

March 8, 2011

Honorable Congressman Don Young
United States Congress
2314 Rayburn House Office Building
Washington, DC 20515

Dear Congressman Young,

The Alaska Moose Federation (AMF) is asking for your assistance with a request to honor Spc. Stephen 'Max' Cavanaugh Jr. by renaming the Dowling Overpass on the New Seward Highway in his memory. Spc. Cavanaugh. returned from Iraq in 2007 after surviving 300 convoys where he manned a .50 caliber turret gun. Two weeks before receiving his discharge papers, he was driving down New Seward highway near Dowling when he hit a cow moose which resulted in the loss of his life.

This loss was the 6th human tragedy during 2007 and, though no human life is more important than any other, this loss really hit home. The AMF has been working with the soldier's parents, Stephen Sr. & Susan Cavanaugh of Atlanta, Georgia, the Parnell Administration and key members of the Alaska Legislature on this effort. It has become very apparent that we need your help, given the status of this highway as being a corridor under Federal Highway Administration's oversight.

Attached is a detailed description of the tragedy as well as an effort that involved the soldier's parents, Governor Parnell and others who worked to remove moose browse in 2008 from the New Seward corridor in an effort to reduce future moose collisions.

Thank you for your time and please consider championing this request because, not only is this important for all service men and women, including those who have served in Iraq and Afghanistan, but also for the Alaskans who have either lost their lives or have lost their loved ones to moose collisions.

If you have questions, please contact myself at (907) 529-5567 or Gary Olson, Executive Director of the AMF at (907) 317-2300.

Sincerely,

Bob Henrichs, Chairman

Cc: Senator Lisa Murkowski
Senator Mark Begich
Governor Sean Parnell
Lt. Governor Mead Treadwell
Senator Lesil Mcguire
Senator Charlie Huggins

Spc. Stephen 'Max' Cavanaugh Jr. Memorial

The Anchorage section of the New Seward Highway is a known moose collision corridor in the heart of Anchorage. This corridor has a problem of moose browse located within the fenced corridor which allow moose to winter in the area. If you had forgotten, this area was the scene of an unacceptable tragedy in December of 2007.

Stephen 'Max' Cavanaugh Jr. had recently returned from Iraq after surviving 300 convoys where he manned a .50 caliber machine gun. He was driving down New Seward highway, near the Dowling Overpass, when he hit a cow moose, two weeks before his discharge, which resulted in the loss of his life. Max was an organ donor and it was mentioned in his obituary that he continues to save lives even after the loss of his. This loss was the 6th human life lost to moose collisions with cars during 2007 and, though no human life is more important than any other, this loss really hit home.

A project was put together to help increase safety in the very corridor where this particular tragedy occurred. This effort was greatly assisted by the Department of Transportation, Highway Safety Office, SAGA (AmeriCorps youth program), the Department of Public Safety and the Department of Fish & Game.

The project area was the West side of New Seward Highway between Dimond and O'Malley. The work area was between the bike trail and the highway right-of-way. This effort was performed for 4 days in October, 2008 where we cut, hauled and chipped 11 dumpsters worth of willow, cottonwood, birch and aspen trees.

Many volunteers helped with the brush cutting effort including the following workers: Governor Sean Parnell; Cliff Judkins, Chairman of the Board of Game; Colonel Holloway of the State Troopers and also the parents of the fallen soldier Steve Sr. and Susan Cavanaugh who traveled up from Atlanta to help with this effort. We also had solid help from private partners in this effort which included Alaska Waste for disposal cans, Absolute Environmental Services for the donated Ford truck and the donated dump trailer and also the Department of Transportation for the use of the Morbark tree chipper.

The effort now is to commemorate the Dowling Overpass in Spc. Stephen 'Max' Cavanaugh Jr.'s memory as a tribute to this hero who continues to save lives.

Moose browse removed from New Seward Hwy

Governor Parnell, Mr. & Mrs. Cavanaugh

Iraq/Afghanistan War Heroes

Stephen Max Cavanaugh

Anchorage, Alaska

December 6, 2007

Age	Military	Rank	Unit/Location
24	Army	Spc	98th Maintenance Company Fort Richardson,

Vehicle Accident. Stateside. Served in Iraq.

From the Seattle Post-Intelligencer Seattlepi.com 12/07/07:

SEATTLE POST-INTELLIGENCER
http://seattlepi.nwsource.com/local/6600ap_wst_moose_kills_soldier.html

Last updated December 7, 2007 10:34 a.m. PT

After 300 Iraq missions, Fort Richardson soldier killed by moose

THE ASSOCIATED PRESS

ANCHORAGE, Alaska -- Spc. Stephen Cavanaugh survived more than 300 missions in Iraq, but was killed when his car hit a moose months after his return to Alaska.

The 24-year-old Fort Richardson soldier was in a coma when he was taken off life support Thursday.

When he returned to Fort Richardson in March, Cavanaugh had brain trauma from the many explosions around him in Iraq and was diagnosed with post-traumatic stress disorder, according to the soldier's father, also named Stephen Cavanaugh.

The younger Cavanaugh, who deployed to Iraq with the 98th Maintenance Company, was still trying to heal when his car struck the moose Sunday night on the Seward Highway in South Anchorage.

That stretch of the highway isn't well-lit, and seeing something alongside the roadway can be difficult, said police Lt. Nancy Reeder.

"There was a moose - a mom and a calf - that ran out in front of him," Reeder said. "It's one of those things that happens in Alaska. A moose runs out in the dark and there's nothing you can do."

Reeder said the impact flung the moose on top of Cavanaugh's Camaro convertible, crushing him. The moose died and its calf ran off.

Cavanaugh was rushed to a local hospital in critical condition.

The soldier's family was notified and caught a flight from Atlanta.

As time passed, Cavanaugh's condition wasn't improving, his father said. Cavanaugh - known as Max to family members - never woke up and doctors said he never would, according to his father.

Cavanaugh's family decided that taking him off life support and donating his organs would be the right thing to do, and what he would have wanted, his father said. Cavanaugh died at 2:17 p.m. Thursday.

He joined the Army in June 2004 and deployed to Iraq in March 2006, Army officials said. Cavanaugh was stationed outside of Baghdad, where he staffed a .50-caliber machine gun on a convoy escort, his father said.

His family is planning a funeral Mass in Atlanta for Dec. 15. A memorial ceremony also is being arranged on post.

Information from: Anchorage Daily News, http://www.adn.com

Click To Return To Main Page

Don't Let The Memory Of Them Drift Away

Copyright 2003-2011 Q Madp PO Box 86888 Portland OR 97286-0888 q@iraqwarheroes.com

Alaska e-Post online

Spc. Stephen "Max" Cavanaugh

PAO staff report

A Soldier from Fort Richardson's Warrior Transition Unit died Dec. 6 from injuries sustained in a car accident Dec. 2.

Spc. Stephen "Max" Cavanaugh was driving north on the Seward Highway in Anchorage when he hit a moose with his vehicle. Cavanaugh suffered severe head injuries in the accident as was on life support.

According to his family, four days after the accident, he was showing no signs of improvement and they decided to remove him from life support and donate his organs.

Cavanaugh, 24, of Lawrenceville, Ga., was a mechanic who joined the Army in June 2004 and was assigned to Fort Richardson in May 2005.

He completed a one-year deployment to Iraq with 98th Maintenance Company in March 2007.

Governor Sean Parnell
P.O. Box 110001
Juneau, Alaska 99811-0001

March 30, 2010

Dear Governor Parnell,

I hope that you are doing well, and by now settled in as Governor of Alaska.

You may recall that our son, SPC Stephen (Max) Cavanaugh, assigned to the Warrior Transition Unit at Fort Richardson, was killed in a collision with a moose in December, 2007.

You and I met in 2008 when we worked together to clear brush along the New Seward Corridor near where Max was killed. Thanks for being there with us. It meant a lot to Susan and me to know that you would take the time to show your support.

I received a note from Gary Olson at Alaska Moose Federation that he had been called to assist at a moose collision at the very spot where Max lost his life in December, 2007. It seems that, despite our efforts, the moose problem remains in the New Seward Corridor.

Governor Parnell, losing a son or daughter is more painful than anyone can imagine. It was especially tragic that Max was killed while waiting his military discharge after surviving 300 missions as a turret gunner in Iraq. Even after two years, there isn't a day when we don't wonder what might have been, had he come home.

This letter is to thank you for supporting programs like those conducted by AMF and to ask for your continued support. AMF has planned a number of programs, including one to perform the complete removal of all moose browse along New Seward.

Please do what you can to support moose mitigation through whatever means are possible. No one in Alaska should lose a family member if it can be avoided through such efforts.

As always, let me know if there is anything I can do to help. My contact info is below.

Sincerely,

Steve Cavanaugh
4820 Edinburgh Drive
Smyrna, GA 30082

Cell: 404-307-1987

SJR

6

<TARGET><BILL>SJR 6</BILL><SUBJECT>SJR
6</SUBJECT><COMM>HTRA27</COMM></TARGET>

ALASKA STATE LEGISLATURE

SENATOR DONALD C. OLSON

ALASKA
STATE CAPITOL
ROOM 508
JUNEAU, ALASKA 99801-1182

(907) 465-3707
FAX (907) 465-4821

SPONSOR STATEMENT

SENATE JOINT RESOLUTION 6

SJR 6 urges the U.S. Army and U.S. Air Force to extend the comment period on the environmental impact statement associated with the Joint Pacific Alaska Range Complex modernization and enhancement proposal.

The current comment period began at the height of the holiday season on December 10, 2010 and closes on February 18, 2011.

Alaskans rely heavily, and in many instances solely, upon the aviation industry and any significant expansion of Military Operations Areas may have a far-reaching impact across multiple segments of the state's communities, industries, and economic activities.

The aviation industry in Alaska creates approximately $3,500,000,000 in economic activity and supports an estimated 47,000 jobs.

I respectfully urge you to support this resolution and allow a significant sector of Alaska's economy to weigh in on this proposal.

Alaska Aviation System Plan

Rural survey respondents emphasized the importance of air travel in rural Alaska. For many communities, especially in Alaska's West and Interior, air travel is the only means to get in and out of the communities; there are no roads or ferry service. These villages rely on air travel for emergencies, family visits, work-related travel, social and vacation trips, and transportation of supplies. Some communities do not offer medical services and residents need to travel for all medical visits. This situation is especially common in small communities and the survey data indicate that community airport respondents made more than twice as many family or personal business related and medical trips than those in larger communities.

Some rural communities in Western and Interior Alaska would be completely isolated in the winter without their rural airports. In parts of Central and Southeast Alaska, ferry or road transportation may be alternatives, but communities still rely heavily on their airports for swift and reliable travel and cargo transport.

By contrast, rural communities in the Lower 48 more often commented that their community would be less attractive for people visiting or doing business but that they could likely live without an airport.

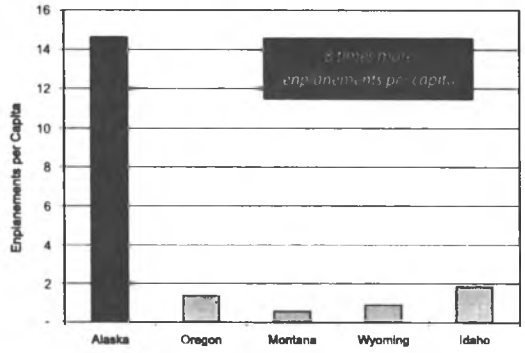


Figure 4 **Comparison of Enplanements per 1,000 Persons for Selected Community Airports, 2007**

Sources: Bureau of Transportation Statistics, 2008. U.S. Census Bureau, 2008.

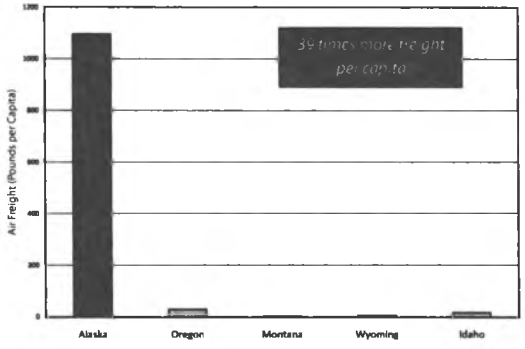


Figure 5 **Air Freight per Capita for Selected Community Airports, 2007**

Sources: Bureau of Transportation Statistics, 2008. U.S. Census Bureau, 2008.

This report was prepared by Northern Economics, Inc. For more information please call ADOT&PF Aviation Division at (907) 267-0730 www.dot.state.ak.us

The Economic Contribution of the Aviation Industry to Alaska's Economy

Alaska Aviation System Plan

Introduction

As an economic engine for the State of Alaska, Alaska's aviation industry contributes $3.5 billion dollars and over 47,000 jobs to the state's economy. Aviation is a critical component of the state's economy and the vitality of Alaska's communities. The Alaska Department of Transportation & Public Facilities (ADOT&PF), Aviation Division recently embarked on updating the Alaska Aviation System Plan. An important part of that update is determining the value and contribution of Alaska's aviation industry to the state's economy. This determination was accomplished through an extensive survey effort targeting all public airports managed by ADOT&PF, public airports managed by other entities, private airports throughout the state, leaseholders located on ADOT&PF airports, and 600 residents in rural Alaska and the Railbelt who have flown within the last 12 months. The study included interviews with airport managers, city officials and other community leaders in 18 selected communities in Alaska, and four western states to evaluate the importance of airports to remote, rural communities.

Contributions to Alaska's State Economy

Airports and aviation-related businesses create significant economic value within the State of Alaska. In fiscal year (FY) 2007, the Alaska aviation industry contributed $3.5 billion to the state economy and supported over 47,000 jobs statewide. The aviation industry contributed about 8 percent of Alaska's gross state product of $44 billion in 2007 and supported almost 10 percent of 2007 statewide annual average employment. If compared to the primary economic sectors the aviation industry would be the fifth largest employer in Alaska.

Economic Activity

The aviation industry contributes to Alaska's economy by supporting local businesses and employing citizens in year round operations. The value of the economic activity generated by the operation of the airports, the businesses, and agencies operating within the airport premises in FY2007 amounted to more than $2.1 billion.

This direct spending by airports, businesses located on the airports and their employees in turn creates additional employment and income in other sectors of the economy. The economic contribution of the aviation industry through those secondary (multiplier) expenditures is estimated to be $1.4 billion in FY2007 resulting in a total of $3.5 billion in economic activity. **(See Figure 1)**

This Alaska Aviation System Plan was conducted in accordance with FAA Advisory Circular 150/5070-7 The Airport System Planning Process. The economic analysis described in this brochure was conducted pursuant to Section 101.a(3) of that document.

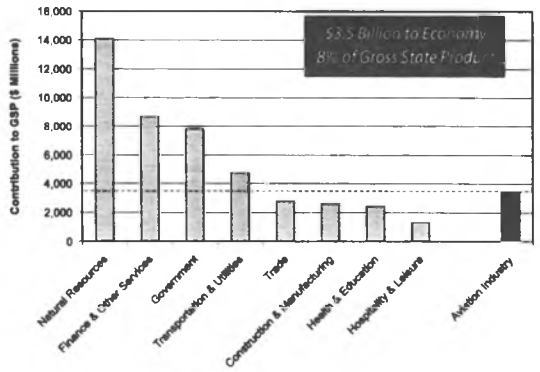


Figure 1 **The Aviation Industry's Contribution to GSP Compared to Primary Economic Sectors, 2007**

Source: Northern Economics estimates, 2008

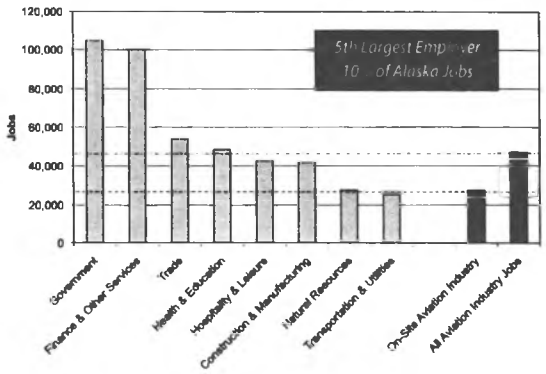


Figure 2 **The Aviation Industry's Contribution to Available Jobs Compared to Primary Economic Sectors, 2007**

Source: Northern Economics estimates, 2008

Employment

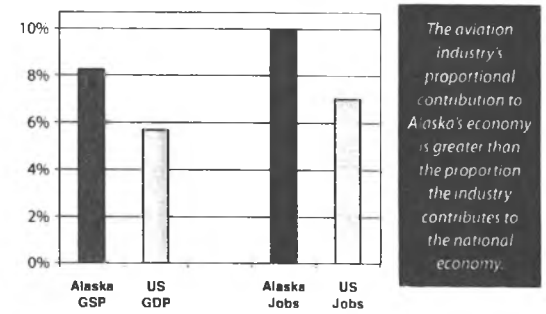
In 2007, the aviation industry provided over 47,000 on-site and off-site jobs across the state. The highest concentration of jobs are located at the international airports in Anchorage, Fairbanks, and the state's regional hubs. These jobs include more than 27,000 on-site jobs and nearly 20,000 off-site jobs created by this industry. **(See Figure 2)** The on-site jobs include more than 2,000 full-time and part-time jobs directly related to the operation and maintenance of public and private airports in Alaska as well as more than 25,000 jobs created by on-site businesses, organizations, and government agencies operating out of the airports. These businesses include commercial air carriers, fixed-base operators, fuel distributors, caterers, air taxis, charter operations, general aviation services, state agencies and other public agencies. The number of on-site jobs underscores the value of airport infrastructure in creating jobs in various businesses and communities across the state.

The nearly 20,000 off-site jobs are created when goods and services are purchased from other businesses in the state to support the operations and maintenance of airports and businesses located at airports, and when on-site employees spend their wages on goods and services within the state.

Over 47,000 jobs generated by the firms, agencies and businesses that make up the industry provided approximately 10 percent of the total jobs in Alaska's economy in 2007, including the self-employed and the military. The aggregate aviation industry was smaller than the government, finance and other services, trade, and health & education sectors, but larger than the hospitality & leisure, construction & manufacturing, natural resources, and transportation & utilities sectors.

Figure 3 shows that the aviation industry's proportional contribution to Alaska's economy is greater than the proportion the industry contributes to the national economy. In actuality, the figure underestimates the relative importance of the aviation industry to Alaska as the true difference is even greater than shown; the national data include the expenditure of visitors and this study does not include this factor in the estimates for Alaska's economy.

Figure 3 **Economy and Jobs: Importance in Alaska vs. the US**



EMPLOYMENT

Jobs related to aviation:

2,000 jobs to operate airports statewide, full and part time

25,000 jobs due to on-site business, organizations and agencies

20,000 jobs created due to multiplier effect from aviation jobs

47,000 total jobs attributed to aviation in Alaska in 2007

This represents about **10% of all jobs** in Alaska

"If we didn't have the airport we wouldn't have anything. The airport is a fact of life for living out here in the villages. The airport is our roads, highway, ocean, our lifeline."

Importance of Alaska's Airports to Alaska's Communities

Telephone surveys of 500 households were conducted in 18 selected communities throughout the state, 100 households within the Railbelt stretching from Fairbanks to the Kenai Peninsula, and also with airport managers, community officials, and other leaders in these communities to evaluate the importance of Alaska's airports to state residents.

The study compared the importance of Alaska's airports to remote airports in other rural, western states. Interviews were made with airport managers and community officials for airports in Idaho, Montana, Oregon and Wyoming, for a comparison of enplanements and freight volumes per capita for the 18 airports in Alaska and the airports in the western U.S. **Figures 4** and **5** show that enplanements and air freight loads are much higher per capita in Alaska than for airports in the western U.S. Enplanements for Alaska communities can exceed enplanements of other rural U.S. communities by eight times per person while air freight loads can be more than 39 times higher per person.

I am opposed to any expansion of Military airspace in Alaska. Given the blatant lack of concern that has been shown by the Military in the existing Military Airspace, for Alaskan Civilian user's needs and safety there is no way I could support any expansion.

AREA AFFECTED

The current MOA's, a large percentage of which were established in the 1990's cover millions of acres of land in interior Alaska. These areas include a tremendous amount of big game habitat. These and some of the proposed expansions include areas that Alaskan's have historically used to support their subsistence lifestyles and economic livelihoods for generations. The current MOAs include the entire Alaskan portion of the 40-mile caribou and a big portion of the porcupine herd range. A large part of the area in the proposed Paxson MOA and the expansion of the Fox 3 MOA are intensely used by Alaskan's for hunting and outdoor recreation. This area would take in Lake Louise, Summit, Paxson, and the entire Delta controlled use Area which is a draw only trophy management area for Dall Sheep. A huge portion of this area is not only accessed by airplanes, but by boats, ATVs,highway vehicles, and snow machines.

IMPACT TO PEOPLE AND ANIMALS

The impact to any person or animal on the ground while in one of these MOAs during a two week Red Flag exercise is huge. The economic affect to Guides and transporters whose clients are going to subjected first hand to these exercise's will reverberate statewide. Due to the advent of the F-22 which can break the speed of sound without the use of an afterburner, the amounts of sonic booms have increased dramatically affecting hunter and game. A Person who has not spent time on the ground trying to interact with their environment, during these sonic booms, as they go off for hours at a time, from all directions, cannot fully be aware of the overall impact. Fall of 2010 a red flag exercise was held starting August 9. They currently have them scheduled during hunting season through 2013. When I asked them at a recent ACMAC meeting in Eielson if this could be changed the response was no. They explained that a large percentage of the aircraft involved in these exercise's are from foreign countries and they already have them scheduled for these time period's. Alaska is being used as a training ground for air forces from all over the world. When I asked why they couldn't do this during the winter months they explained that it was dark and cold. A strong military and there need for training is imperative to the survival of our great nation but equally important is Alaskans need to be able to keep their way of life and traditions alive. There is no reason that both of these needs cannot be met.

AVIATION SAFETY

When the large MOA's were established one of the key points that the general aviation community tried to establish was the importance of in flight communications with the military to ensure separation-air safety. To date even though millions of dollars have been spent for military installations throughout the MOA's, the vast majority of the area is uncovered by any medium to low level radio communication for general aviation. Since 1994 I have personally had three extremely close near misses with military

aircraft during hunting season, the time of by far the highest density of air traffic throughout the state. With the large red flag exercise's now being scheduled during the most active time for all general aviation aircraft in Alaska the potential for deadly conflict has increased dramatically. To knowingly continue to mix small slow aircraft with the high speed military aircraft in large numbers, with not as much as radio communication between the two is irresponsible and reckless with people's lives.

Submitted by Leif Wilson, Tok, Alaska

George W. Davidson PE,LS (retired)
2616 Douglas Hwy. #206
Juneau, Alaska 99801
Phone 907-789-7529
E-mail gdavid8174@aol.com

February 14, 2011

To: Honorable Governor Sean Parnell

From: George Davidson

Re: Military proposed MOA for Alaska - JPARC

Please find attached a copy of the testimony I submitted to the Military on the subject project. They requested the info to be submitted by e-mail -- which I did last week.

While I am personally impacted by some of the proposal I feel the impact goes far beyond me. My "cabin" is located in the heart of what we call the Nelchina Recreation Area. A large area set aside to remain in a wilderness setting. I just happen to be the only -- or at most - one of a very few private in-holdings in this wilderness area. The area is enjoyed by hundreds of hunters in the fall and snow machiners in the winter. While the proposals do not prevent the access and use of the area -- the proposed changes to the MOA will definitely discourage the use of the area.

I ask that you give this serious considerations to the impacts of the proposal and represent our view with the military on the issue.

Thanking you in advance.

George W. Davidson PE,LS (retired)
2616 Douglas Hwy. #206
Juneau, Alaska 99801
Phone 907-789-7529
E-mail gdavid8174@aol.com

I live in Juneau Alaska and since we are a long ways from the area where the proposal for a new MOA is taking place we were slow to hear about it. However, we own property -- a cabin with a short airstrip on patented land -- located just south of the south boundary of the current Fox 3 MOA on the south side of the Oshetna River. It is a fly in only cabin so we are very much impacted by your proposal. Our airstrip is located at -- N 62 degrees 22.73 minutes -- W 147 degrees 28.51 minutes.

I believe that most of the discussion that is now taking place in opposition to the proposed changes to Fox 3 MOA were made many years ago when you created Fox 3 MOA. The late Senator Ted Stevens worked with the military to create a boundary that would work for the military and the general public as well as the private land holders. We should honor that commitment and not change Fox 3 MOA.

Our private property and access to it will be greatly impacted by the boundary changes and especially the lower floor limits of the proposed MOA. With the proposed 500 foot floor -- flying access to our private property will become dangerous. In addition the vibrations and occasional sonic boom (while not permitted by you or your policies they do happen occasionally) from jets at 500 feet will -- in all probability -- break the glass windows of our cabin. New regular glass and thermo-panes windows (this is much more than a hunting cabin) will be required to be flown in for the repairs - a very expensive and time consuming venture. Broken windows would leave the cabin unsecured from critters and thus the interior could receive further damage from these critters like grizzlies, weasels, squirrels, porcupine, etc entering the cabin prior to repairs being discovered and made.

When we purchased this property 28 years ago we did so for the enjoyment of the peace and quiet of the wilderness. The current MOA already disrupts that peace and quiet but it is a livable and a tolerable compromise situation that we are willing to live with, however, the proposed MOA would be unbearable.

Access to our cabin is, as stated earlier, by small airplanes and as such your 500 foot AGL flying base is far too low for safety. A minimum of 2500 feet would provide some reasonable safety for private pilots utilizing our private airstrip at the cabin. Please keep in mind that communication is lacking in this area of Alaska where our cabin is located. Therefore a plane with pilot and passengers departing our airstrip will probably not know if the MOA is active or not and therefore be at risk of taking off and flying into the path of military aircraft.

I request that you do not expand the MOA to the south. Also if the existing 5000 foot AGL floor is to be lowered for the current MOA or the modified one, I recommend that it be moved no lower than to 2500 foot AGL.

I thank you for considering our comments and concerns.

Dear JPARK,

I am against the newly proposed MOA's and training areas in Alaska.

I currently fly between seven and eight hundred hours a year. Much of this is done in the 40-mile and upper Yukon River country. In the past 15 years I have had some close encounters with low flying fighter jets in these areas. There isn't any way to communicate with these aircraft, and to see and avoid is impossible in a cub.

Looking at my sectional charts and GPS, as I fly along it seems to me you have more than enough training areas in our state.

There is also a concern for wildlife and the effect these missions have on them.

I am all for our great country having the best prepared forces, but is this proposed land grab necessary?

Sincerely,

Paul S. Zaczkowski

Papa Zulu Air service Inc.

Phone#: 907-883-4554

Address: Papa Zulu Air service Inc.

PO Box 403

Tok, Alaska 99780

February 10, 2011

Dear Sir,

Regarding JPARCEIS proposed actions

I feel that enlarging the MOA at those low levels is a very high risk.

As a super cub pilot, most of our flying is at low altitude. We feel that 1500 feet AGL should be the bottom for all jet aircraft for the safety of everyone and the environment.

DuWayne and Mary Young
P.O. Box 308
Tok, Alaska 99780

February 8, 2011

Regarding JPARCEIS proposed actions and any future actions for airspace, lands and residents.

I have very high concerns for public safety as well as animal harassment issues.

My main concern is that a large portion of these proposed areas are very active with small aircraft all year around. The 500 ft. lower floor is unacceptable for the bullets that you are flying. Jet aircraft at super-cub altitude spells DISASTER !

After one public meeting with the air force, some years back, myself and others came away with the out look that we were being told what YOU were going to do and that our concerns meant nothing.

I am a Vet. from the 60's and have been flying these Alaskan skies since 1980 and as I recall the first duty of the armed forces is to protect it's citizens. That is all I am asking. Stop endangering our lives and **Dictating**. Raise the lower levels up to a level that we all can "LIVE" at !

Hopefully, you are willing to consider mine and others concerns today before someone is seriously injured or even killed.

Ron Sakalaskas
P.O. Box 147
Tok, Alaska 99780

Matthew Snyder

HC 72 Box 805

Tok, Alaska 99780

ALCOM Public Affairs

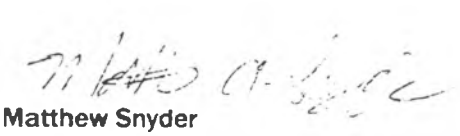
9480 Pease Avenue, Suite 120

JBER, AK 99506

To whomever it may concern,

January 25th, 2011 Statement regarding the JPARC EIS and future restrictions for residents or activities potentially creating human or animal safety or health concerns in the proposed areas (listed map http://www.jparceis.com/prop_actions.aspx) from a lifelong resident and active participant of recreation and subsistence activity in the area.

A large portion of the huge areas in the proposal are very active throughout the year with recreation, hunting, fishing and subsistence activities by Alaskans and other participants. Safety concerns arise with the number of small aircraft used during hunting season or for other yearlong activity (mining or exploration for an example). Impact on wildlife control or protection could be devastating as these areas become "no fly" zones, inhibiting the use of airspace available to the parties responsible for the wildlife and habitat. The blocks of land in the map could be some of the most active in the state. Are there other options available as far as land location, possibly further away from the entire area of the "main triangle" of transportation in the state? This proposal is not viable due to basic health and safety concerns as well as location and project scope.



Matthew Snyder
Alaska Hunting Adventures

Tok, Alaska
(907)883-3083 Home
(907)632-1666 Cell

Alaska Airmen's Association
4200 Floatplane Drive
Anchorage, AK 99502

2-11-11

Dear Sir,

RE: JPARC

As you are surely already aware, the US Air Force is proposing to grab significantly more air space in the Denali Hwy. - Paxson - Glenn Hwy. area: (Joint Pacific Alaska Range Complex - www.JPARCEIS.com/JPARC.ASPX).

This additional air space, plus changes to existing Military Operations Areas will be detrimental, disruptive, and even dangerous to civilian private and commercial flying.

Enclosed are several letters by individual pilots expressing their concerns. There is fear that these individual voices will not be heard, yet we do not wish to remain silent on this issue.

MAKE NO MISTAKE ABOUT THIS, THE AIR FORCE IS NOT ASKING OUR OPINION ON THEIR AIR SPACE PROPOSAL, **THEY ARE TELLING US WHAT THEY ARE GOING TO DO!!**

REMEMBER: **IT'S OUR SKY TOO!!**

David Parker (AAA # 8576)

P.O. Box 382
Tok, AK 99780

cc:

Governor Sean Parnell
P.O. Box 110001
Juneau, AK 99811

Senator Lisa Murkowski
709 Hart Senate Bldg
Washington, DC 20510

Senator Mark Begich
144 Russell Senate Bldg
Washington, DC 20510

Representative Don Young
2111 Rayburn Bldg
Washington, DC 20515

Alcom Public Affairs
9480 Pease Ave Suite 120
JBER, AK 99506

Senator Albert Kookesh
Alaska State Capital Room 11
Juneau, AK 99801

Representative Alan Dick
Alaska State Capital Room 114
Juneau, AK 99801

Representative Dan Saddler
Joint Armed ServicesCommittee
Alaska State Capital Room 409
Juneau, AK 99801

Senator Donald Olson
Alaska State Capital Room 508
Juneau, AK 99801

AOPA
Tom George
P.O. Box 83570
Fairbanks, AK 99780

Fairbanks Flight Standard District Office
John Chalston
4419 Airport Way
Fairbanks, AK 99709

military website

Close EIS Timeline

What is the Joint Pacific Alaska Range Complex (JPARC)?

At present, the JPARC consists of all land, air, and sea training areas used by the Army, Navy, and Air Force in Alaska. The military currently uses the JPARC to conduct testing, training, and to support joint exercises and mission rehearsals. The Army and Air Force, through Alaskan Command, are proposing to modernize and enhance the JPARC to enable realistic joint training for the Army, Navy, Marine Corps, and Air Force.

Pursuant to the National Environmental Policy Act (NEPA), the Army and Air Force are preparing an environmental impact statement (EIS) to analyze potential environmental consequences associated with the JPARC enhancements. The *Environmental Impact Statement for the Modernization and Enhancement of Ranges, Airspace, and Training Areas in the Joint Pacific Alaska Range Complex in Alaska (JPARC Modernization and Enhancement EIS)* will evaluate the elements of these proposals that are reasonably foreseeable.

The JPARC modernizations and enhancements would provide adequate resources to enable the Services to train realistically and jointly for military personnel to succeed in their mutually supportive combat roles when exposed to situations faced in actual combat.

The National Environmental Policy Act (NEPA)

NEPA is our national mandate for making informed decisions while considering environmental impacts. When federal agencies propose projects having the potential to significantly impact the environment, NEPA requires the following process be undertaken as part of the planning process before final decisions are made:

- Evaluation and consideration of potential environmental consequences for proposals that may significantly impact the environment
- Consideration of public and government agency comment

Where the potential for significant environmental impacts exists, this evaluation is presented in an EIS, which:

- Identifies and describes the affected environment
- Evaluates the potential environmental consequences from a range of reasonable alternatives
- Identifies environmental permits and specific mitigation measures to avoid, minimize, or reduce environmental impacts if required

Notice of Intent and Scoping

The EIS process begins with publication of a Notice of Intent (NOI), stating the intent of the Army and Air Force to prepare an EIS. The NOI is published in the *Federal Register*, and provides basic information on the proposed action in preparation for the scoping process. The NOI provides a brief description of the proposed action and possible alternatives. It also describes the proposed scoping process, including any meetings and how the public can get involved.

Scoping is an early and open process for (1) actively bringing the public into the decision-making process, (2) determining the scope of issues to be addressed, and (3) identifying the major issues related to a proposed action. Scoping begins before any significant analysis is completed. Public participation is an integral part of scoping. The purpose of soliciting public comments is to identify interested parties and relevant issues so they can be considered in the EIS. Please take this opportunity to learn about the proposal, identify community-specific issues, and make sure you are included on our mailing list.

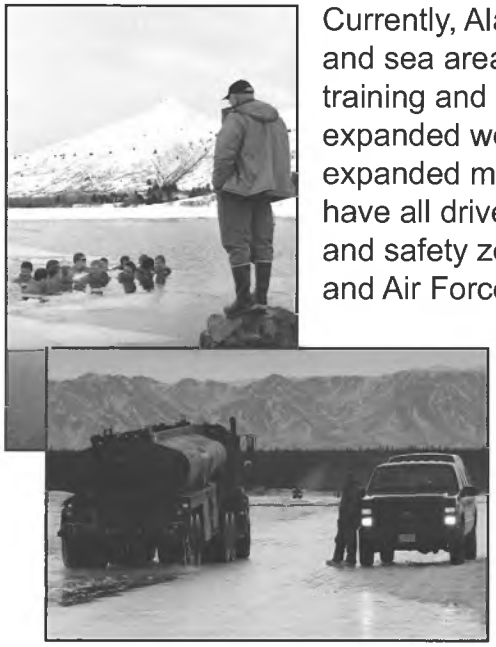
How to Submit Public Comments

Submit comments electronically at www.jparceis.com or by mail before ***February 4, 2011*** to: ALCOM Public Affairs, 9480 Pease Avenue, Suite 120, JBER, AK 99506, Phone: (907) 552-2341; FAX: (907) 552-5411

Purpose and Need

The U.S. Department of Defense (DoD) continues to face exceptional challenges to meet increasingly urgent national security needs. The overall purpose of the proposed actions in the *JPARC Modernization and Enhancement EIS* is to enhance and modernize the capabilities of the JPARC to meet the needs of the military units within the State of Alaska more effectively. These proposed modernizations and enhancements to the JPARC are required because of:

- Significant advances in warfighting technology
- Advances in combat tactics and lessons learned from combat
- The need for realistic, yet efficient training
- Requirements for the military to train to operate jointly



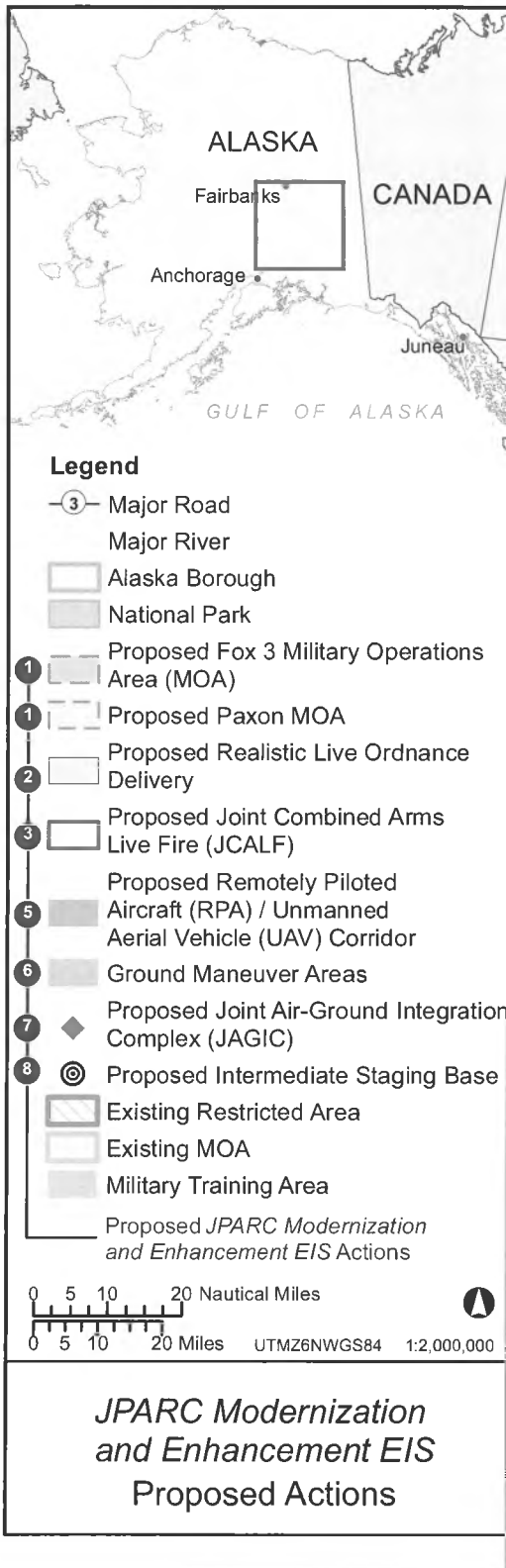
Currently, Alaska's military assets include air, land, and sea areas to replicate realistic conditions for training and testing of combat systems. However, expanded weapons and sensor capabilities, expanded mobility, and improved communications have all driven the need for larger training areas and safety zones. To address this need, the Army and Air Force undertook a rigorous screening and evaluation process to identify actions and projects in the *JPARC Modernization and Enhancement EIS* shown at right.

Generally, the proposals involve expanding and/or establishing new Military Operations Areas, restricted airspace, airspace corridors, expanding access to training areas, and developing new ranges and facilities to provide adequate resources to conduct training and testing under realistic and varied conditions.

NEPA requires the EIS to identify and evaluate alternatives for each proposed action. The EIS process is meant to evaluate the potential impacts of each proposed action on the environment and select the alternative that is reasonable and practicable as may be required.

Each of the proposed actions and alternatives in *JPARC Modernization and Enhancement EIS*, including taking no action, are described on the following pages.

Developing the JPARC would build on a firm foundation of extensive training, decades of testing, and range infrastructure already in place in Alaska. Future investments would come from the individual Services–Army, Navy, and Air Force–that would jointly benefit from these capabilities.

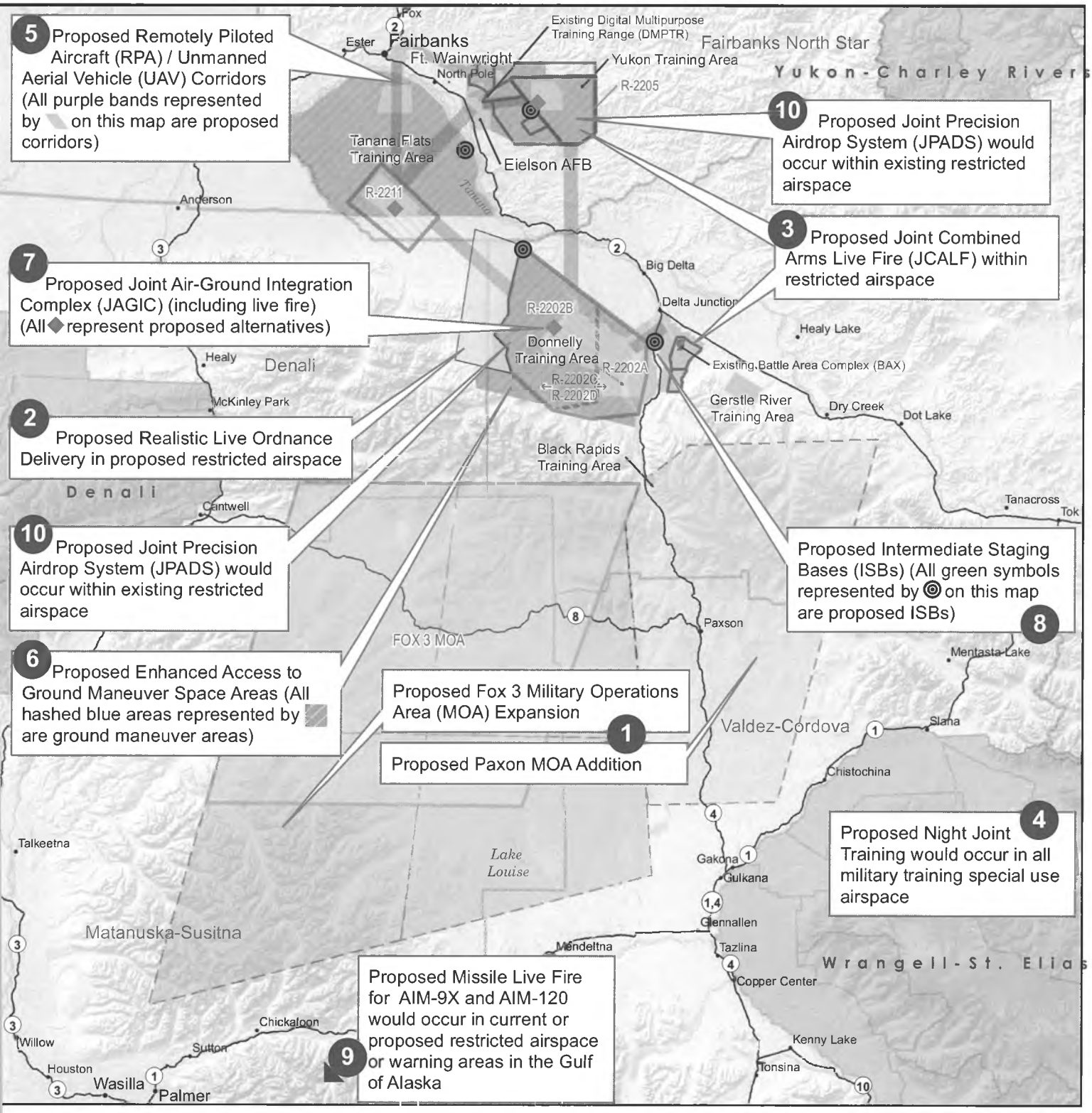


JPARC Modernization and Enhancement EIS
Proposed Actions

Environmental Resource Areas

The anticipated environmental resource areas to be studied in the draft EIS include the following:

- **Airspace Operations**
  Airspace, Noise, Air Quality, and Safety (Ground and Air)
- **Natural Resources**
  Geology, Soils, Water, and Biological Resources
- **Cultural Resources**
  Cultural, Alaska Native, and Subsistence Resources
- **Human Resources**
  Land Use, Recreation and Visual Resources, Socioeconomics, Environmental Justice, and Risks to Children
- **Community Infrastructure**
  Public Services, Hazardous Materials and Waste, and Transportation



❶ Proposed Fox 3 Military Operations Area (MOA) Expansion and New Paxon MOA

Proposed Action: The Army and Air Force propose to expand the Fox 3 MOA into new proposed Fox 3, 4, 5 and 6 MOAs and to establish a new, adjacent Paxon MOA to provide the vertical and horizontal airspace structure needed to better accommodate low-altitude threat and multiple-axis mission activities during the JPARC training exercises.

Key Components: Expand the boundaries of the existing Fox 3 MOA, currently extending from 5,000 feet above ground level (AGL) up to, but not including, flight level (FL) 180 (18,000 feet above mean sea level [MSL]), to the south and east and subdivide it into four sectors (proposed Fox 3, 4, 5, and 6 MOAs) with the newly expanded sectors extending from 500 feet AGL up to, but not including, FL180. Establish a new Paxon MOA, extending from 500 feet AGL up to, but not including, FL180, to adjoin the proposed expanded Fox 3 MOA to the east.

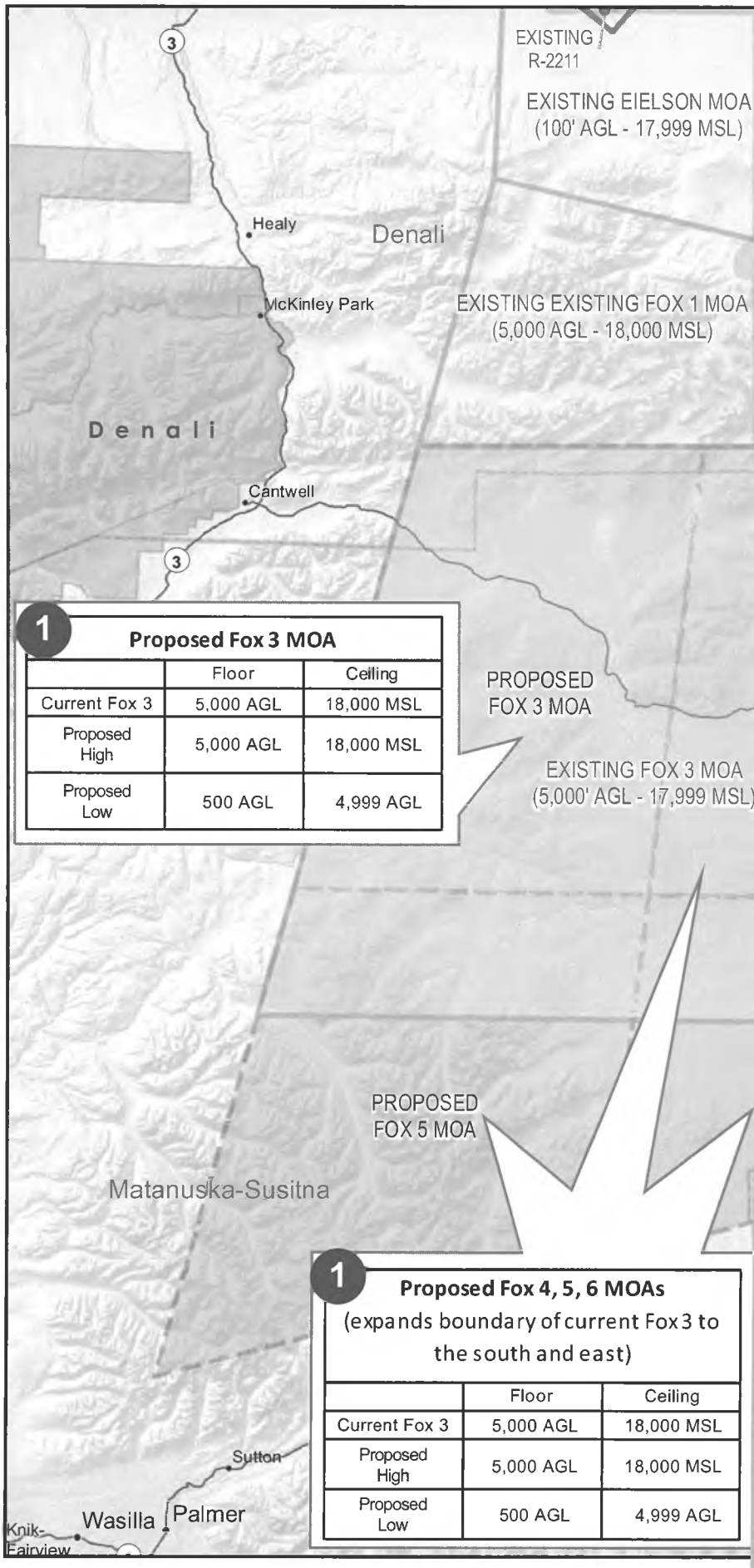
Alternative A - Includes the proposed expanded Fox 3 MOA (proposed Fox 3, 4, 5, and 6 MOAs) and the proposed new Paxon MOA with both the high- and low-altitude MOAs.

Alternative B - Includes only the Fox 3 MOA expansion (proposed Fox 3, 4, 5, and 6 MOAs, as in Alternative A) but would not include the proposed new Paxon MOA.

Alternative C - Includes the Fox 3 MOA expansion (proposed Fox 3, 4, 5, and 6 MOAs) without the low-altitude MOA.

Alternative D - Proposes keeping the Fox 3 MOA boundaries the same as they currently exist, but separating the MOA into four subdivided sectors and high- and low- altitude strata. The low-altitude MOA stratum would extend from 500 feet AGL up to, but not including, 5,000 feet AGL. The high-altitude MOA stratum would match what currently exists.

No Action - No changes to current Fox 3 MOA and no proposed addition of Paxon MOA. This would not satisfy the requirement for multiple-axis, low-altitude threat training that is needed to effectively train with fifth-generation fighter aircraft. This alternative would continue to require distant travel, which would negate opportunities for potential energy savings.

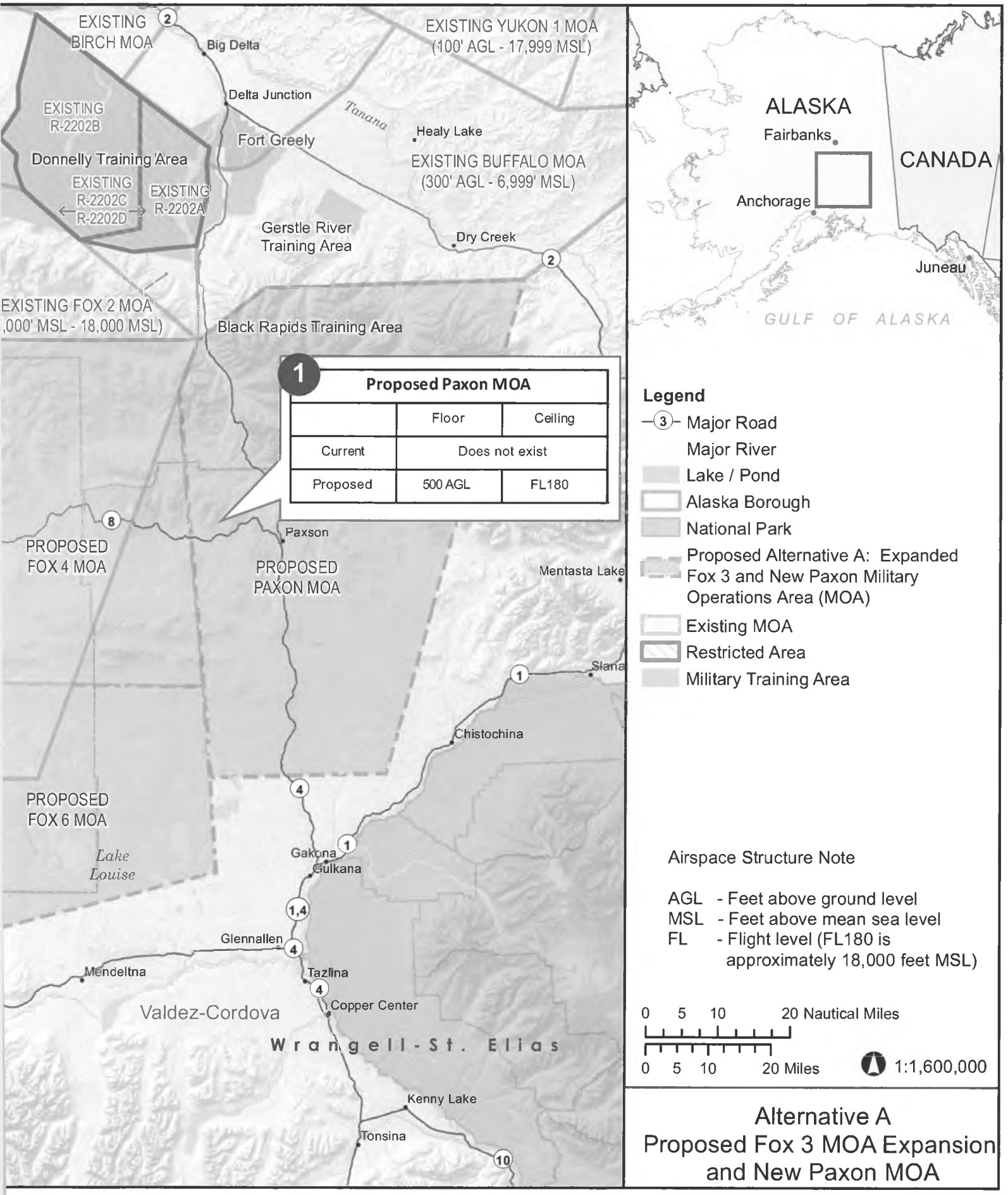


1 Proposed Fox 3 MOA

	Floor	Ceiling
Current Fox 3	5,000 AGL	18,000 MSL
Proposed High	5,000 AGL	18,000 MSL
Proposed Low	500 AGL	4,999 AGL

1 Proposed Fox 4, 5, 6 MOAs
(expands boundary of current Fox 3 to the south and east)

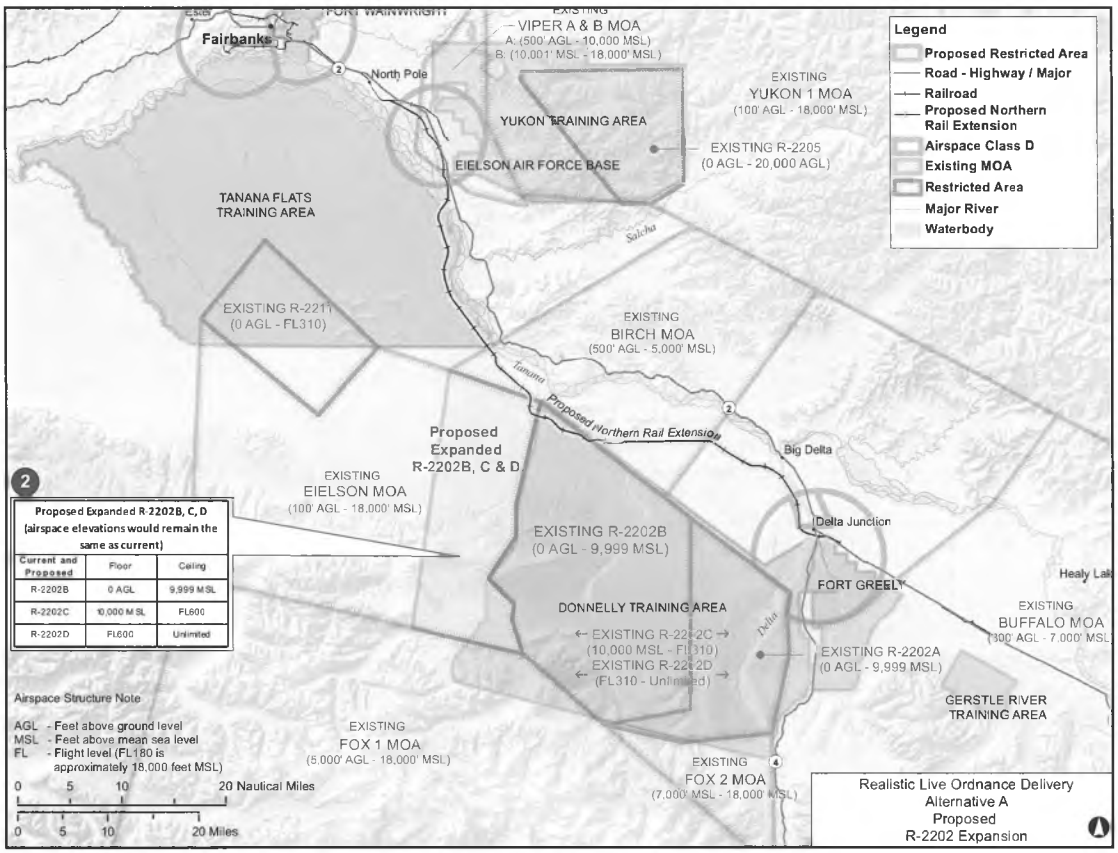
	Floor	Ceiling
Current Fox 3	5,000 AGL	18,000 MSL
Proposed High	5,000 AGL	18,000 MSL
Proposed Low	500 AGL	4,999 AGL



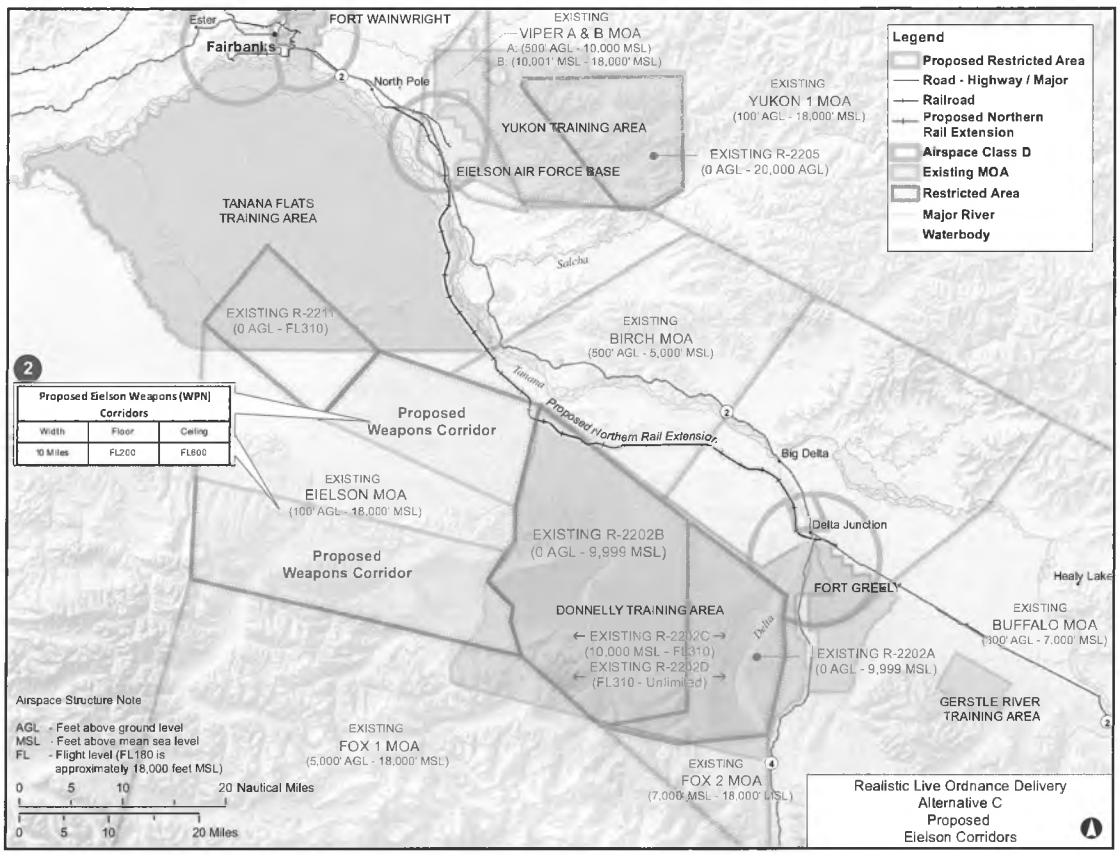
Alternative A
Proposed Fox 3 MOA Expansion and New Paxon MOA

❷ Proposed Realistic Live Ordnance Delivery

Proposed Action: The proposed action is to establish a realistic air and ground training environment that would accommodate live ordnance delivery of modern weapons.

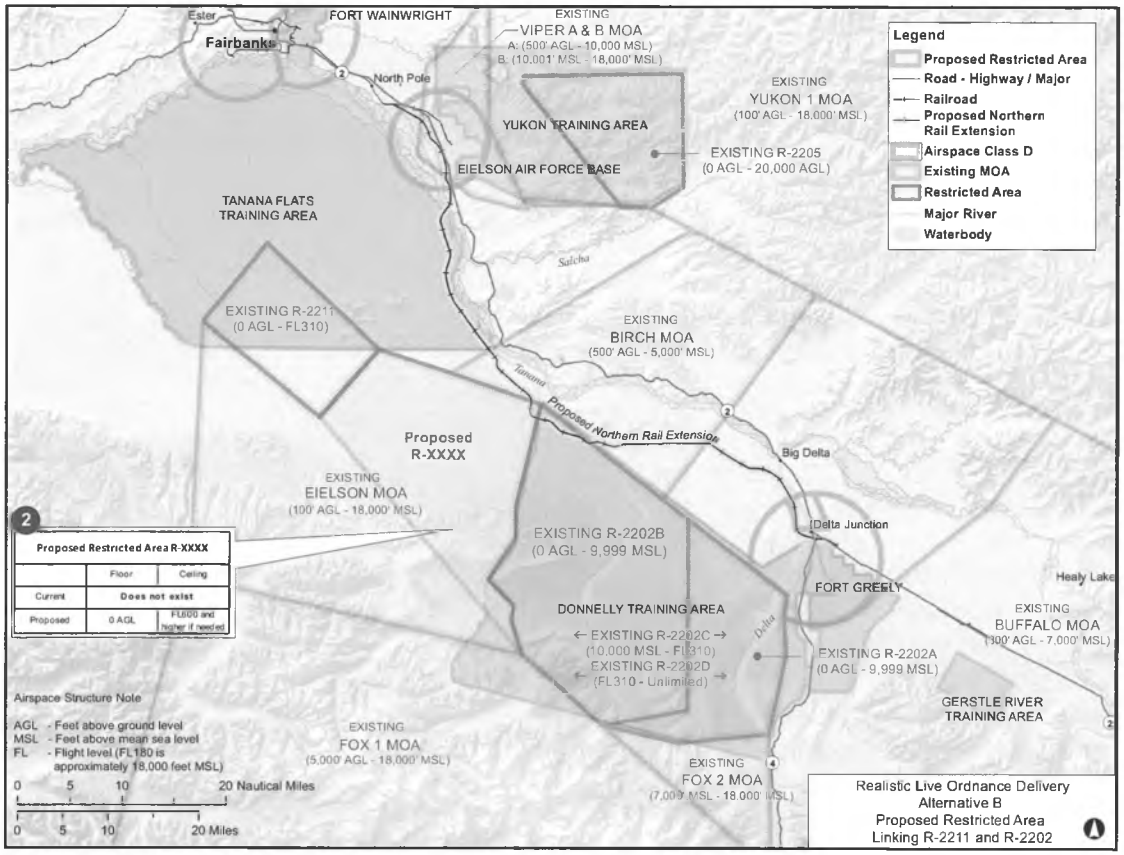


Alternative A
Proposed R-2202 Expansion -
Proposes the use of existing targets in the Oklahoma Impact Area within Restricted Area 2202 (R-2202) with the expansion of this restricted airspace to the west to encompass the airspace and underlying lands for larger types of ordnance.

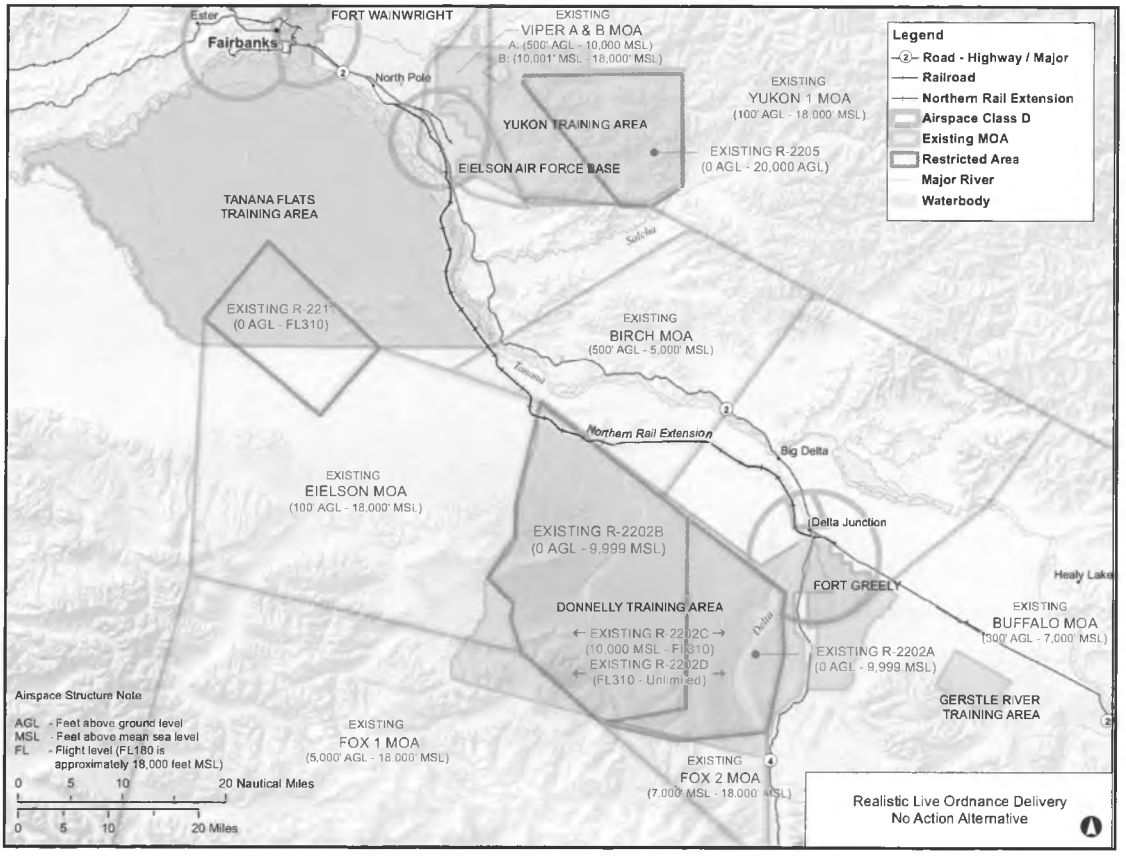


Alternative C
Proposed Eielson Weapons Corridor -
Proposes weapons corridors through the Eielson Military Operations Area and overlying air traffic control assigned airspace. The corridors would provide two protective pathways for live ordnance use within the Oklahoma Impact Area. These corridors would be approximately 10 miles in width and extend from FL200 to FL600, as needed, to accommodate the delivery altitudes of the ordnance types being delivered.

Key Components: As the range and lethality of modern weapons increases so do the amounts of training and airspace areas required to safely and effectively train with these weapons. The current ranges and restricted airspace of the JPARC are not capable of supporting realistic training with modern weapons. Under the proposed actions, live ordnance activities would be executed as part of both individual pilot training and joint training with other air and ground units.



Alternative B Proposed Restricted Area Linking R-2211 and R-2202 -
Proposes that live fire ordnance delivery be made from new restricted airspace that links R-2211 and R-2202 to existing ground targets within the Oklahoma and Blair Lakes Impact Areas. The proposed ceiling altitude for the new restricted airspace would be up to FL600, as needed, to support larger types of ordnance.



No Action -
No expansion of the footprint, associated weapon danger zone, and hazard areas for ordnance delivery or the use of ordnance requiring an expanded footprint.

❸ Proposed Joint Combined Arms Live Fire (JCALF):

Proposed Action: The Army and Air Force propose to establish a new restricted area over the Battle Area Complex (BAX near North Pole to support controlled live fire training. This restricted area would provide protective areas for the hazardou

Key Components: JCALF is a critical component of Army and Air Force training because this exercise activity involves m reconnaissance helicopters and ground forces practice maneuvering together against the same objectives with A-10 aircra

Action Alternative - Establishes new restricted area directly over the BAX in the DTA and expands the restricted area located within YTA to support controlled firing areas. The proposed restricted areas within DTA and YTA would provide protective areas to accommodate hazardous activities and weapons surface danger zones of sufficient size for the types of ordnance used.

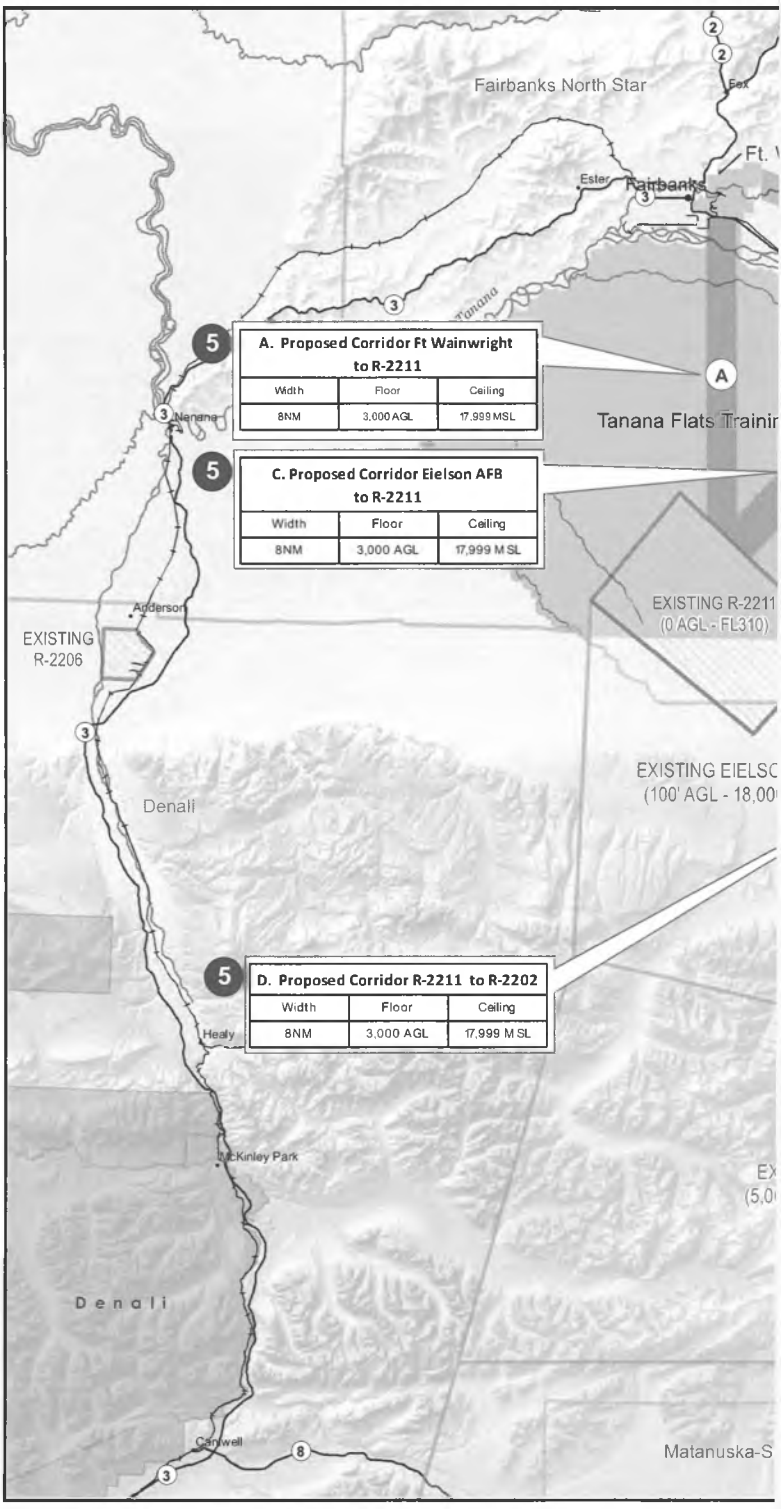
No Action - No establishment or expansion of restricted areas to support the creation and operation of JCALF, thus denying realistic joint training.

❺ Proposed Remotely Piloted Aircraft (RPA)/ Unmanned Aerial Vehicle (UAV) Access:

Proposed Action: RPAs/UAVs conduct reconnaissance and surveillance activities. RPA/UAV access throughout the JPARC ranges, training land, and airspace is critical to enhance the JPARC training and exercises. The following RPA/UAV corridors have been developed as individual, standalone proposed actions and alternatives: Eielson Air Force Base (AFB) to Restricted Area 2211 (R-2211); Eielson AFB Class D airspace to R-2205; Allen Field to R-2202; R-2202 to R-2211; R-2205 to R-2202; Fort Wainwright to R-2211; and Fort Wainwright to R-2205.

Key Components: Establish new restricted area or other suitable airspace, or establish an area authorized by a Certificate of Authorization (COA), to support RPA/ UAV movement. New airspace or COAs would have to be approved by the Federal Aviation Administration. RPA/UAV activity would be intermittent, activating airspace areas or COAs only during training or exercises when RPAs/UAVs are required. Each corridor would be between 5 and 8 nautical miles in width and of varying altitudes. Primary considerations include: the corridors must be in controlled airspace, the expected impact on civil air traffic must be minimal, and the corridors must be within radio and radar coverage.

Alternative A - Proposes establishing new restricted areas for each RPA/UAV corridor identified above and by Ⓐ through Ⓖ in the map.

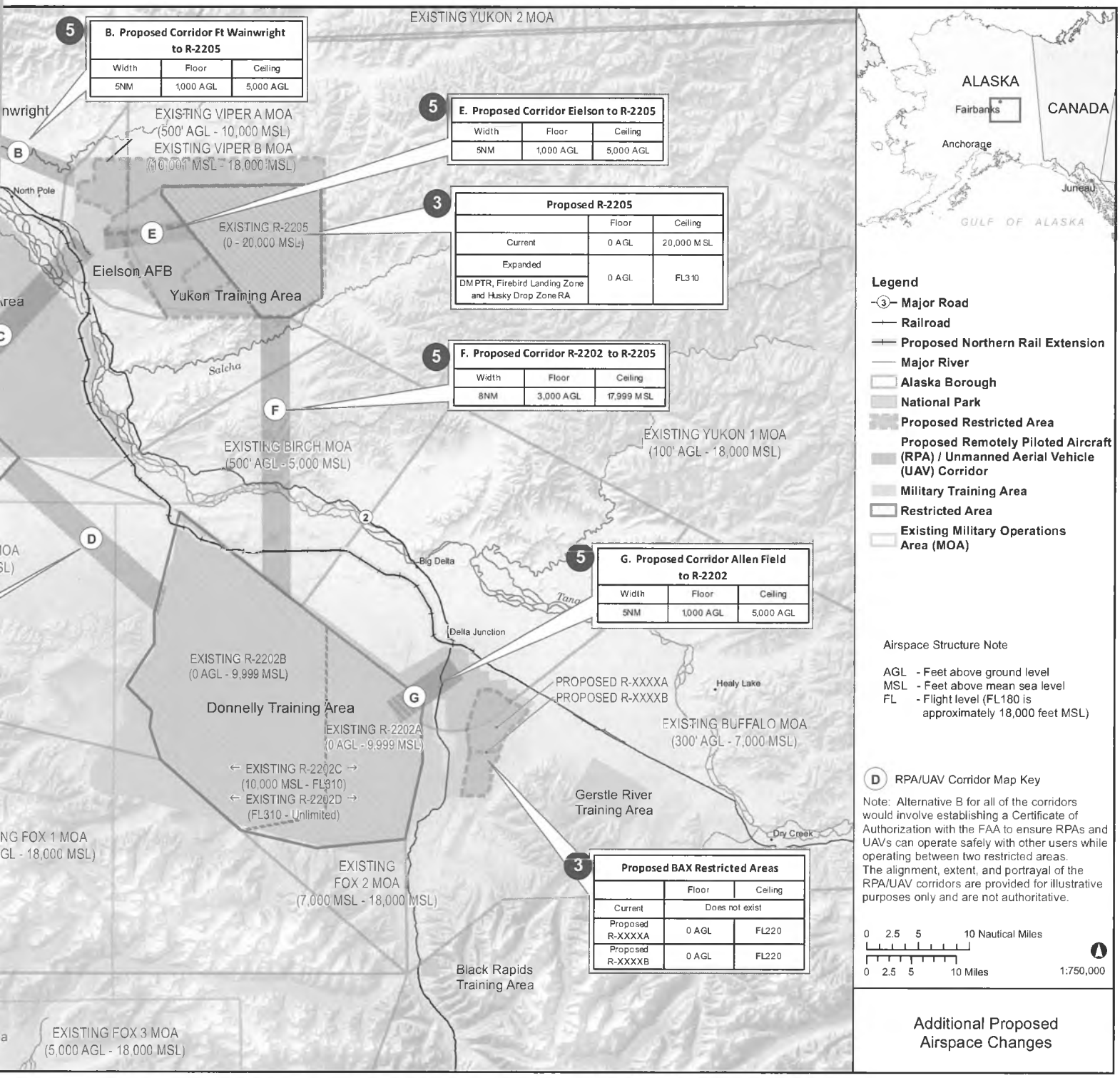


Alternative B - Proposes establishing a COA for each RPA/UAV corridor identified above and by Ⓐ through Ⓖ in the ma

No Action - Would not provide the means of operating RPAs/UAVs between Eielson AFB, Allen Field, restricted areas, an integrated with overall JPARC and exercises.

n Donnelly Training Area (DTA) near Delta Junction and to expand the restricted area in the Yukon Training Area (YTA) activities and weapons surface danger zones of sufficient size for the types of ordnance used.

iple combat functions operating together to accomplish the same mission objectives. For example, armed support.



ort Wainwright, thus preventing use of this airspace to conduct RPA/UAV training activities as a critical requirement to be

❻ Proposed Enhanced Access to Ground Maneuver Space:

Proposed Action: Provide expanded access to maneuver ground space and year-round accessibility in the Army's Tanana Flats (TFTA), Donnelly (DTA), and Yukon (YTA) Training Areas and assess specific alternatives for the proposed Blair Lakes Road Alignment to provide year-round access into TFTA. These alternatives have been developed as alignments extending from the proposed Salcha Bridge crossing to the Blair Lakes Impact Area.

No Action - Would not allow for the expansion and operation of year-round access to maneuver space in TFTA, DTA, or YTA, preventing the Army from conducting brigade-sized, non-live-fire maneuver exercises and meeting currently required training components.

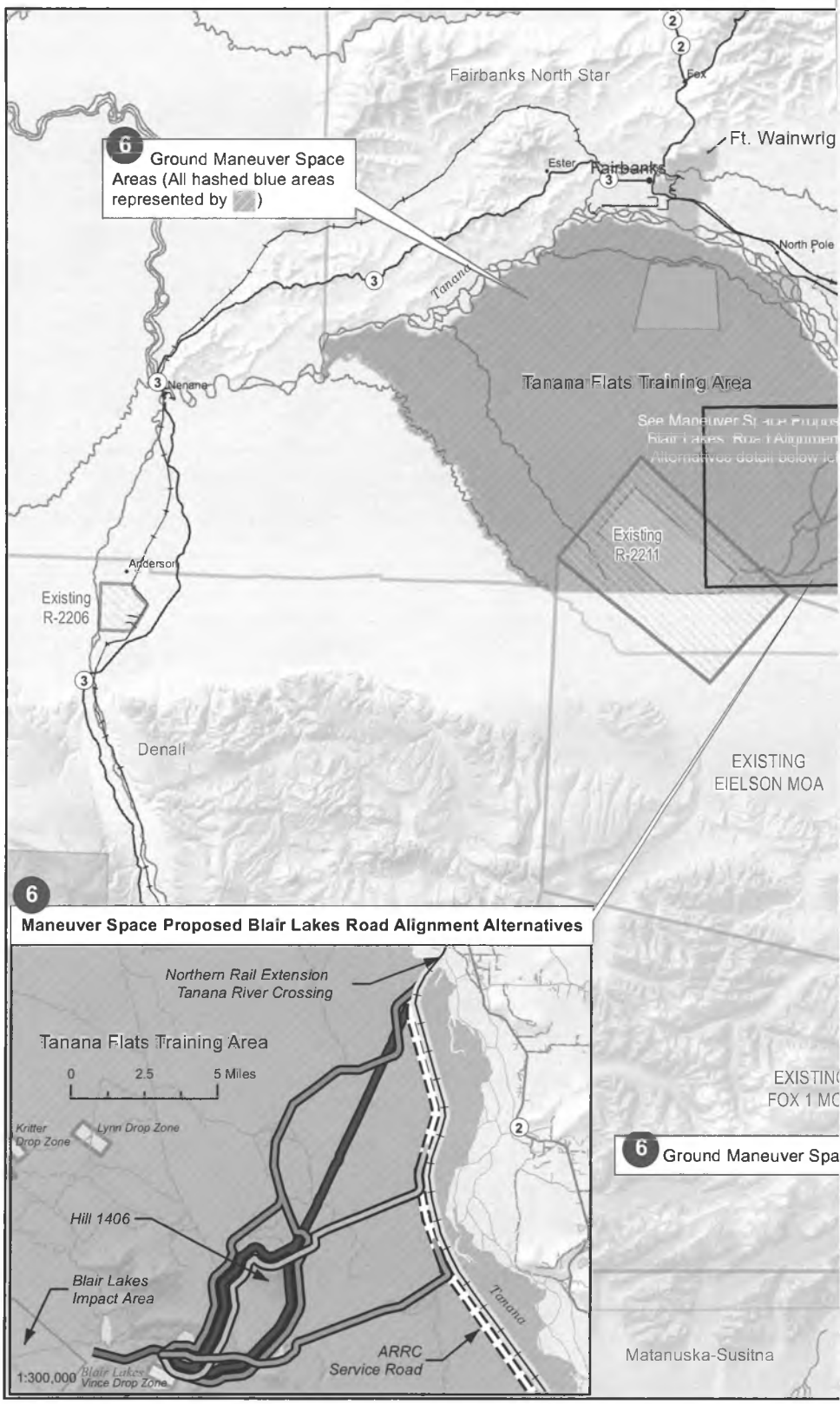
Blair Lakes Road Alignment Alternatives:

TFTA Access Road Alternative A: Follows the proposed railroad alignment 11 miles, and then crosses the Tanana Flats along an existing winter-access trail to higher ground around Blair Lakes.

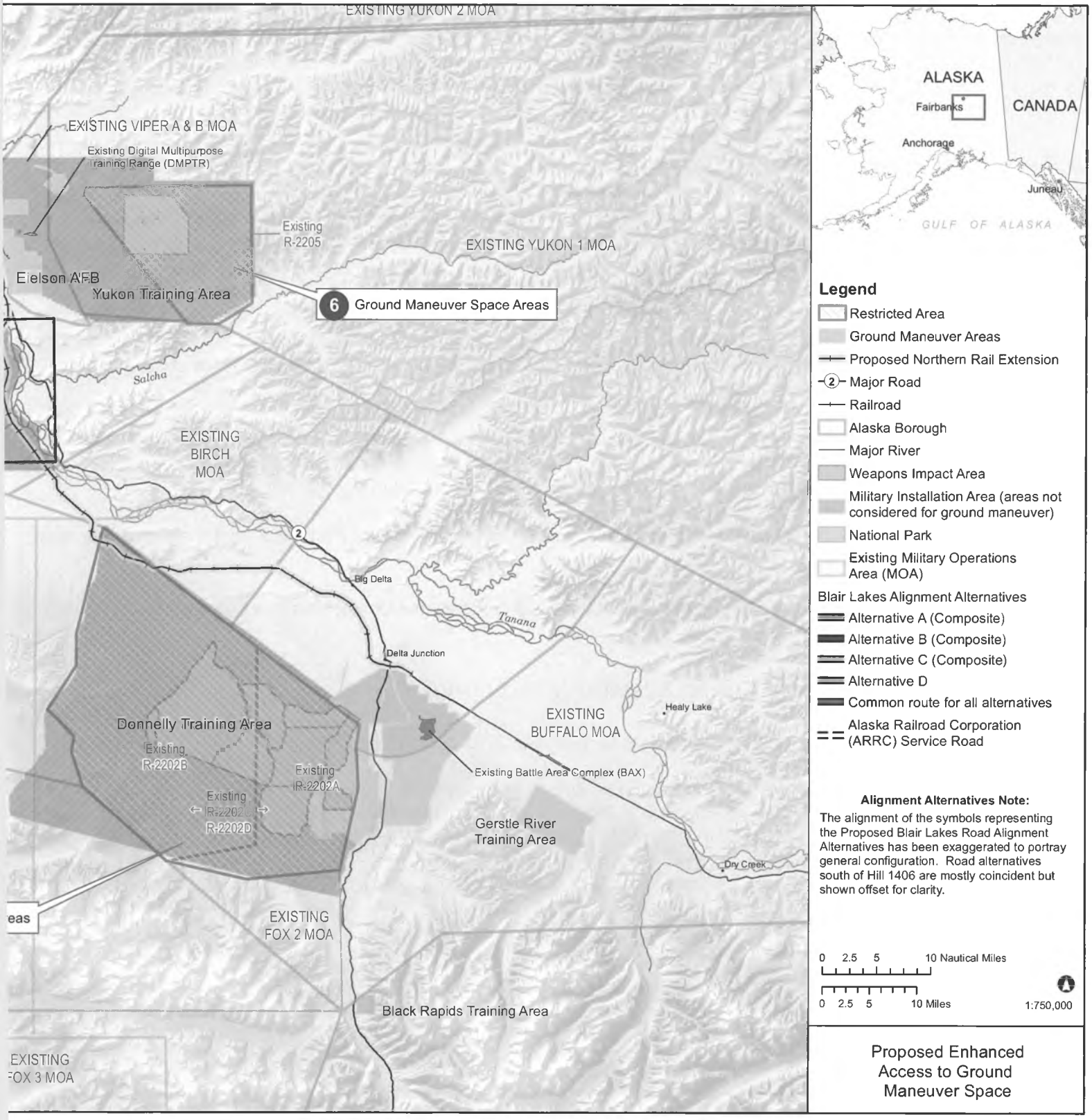
TFTA Access Road Alternative B: Follows the proposed railroad alignment 8 miles before crossing the Tanana Flats toward Hill 1406. The route traverses the eastern slopes of Hill 1406, then a broad terrace southeast toward Blair Lakes, crossing Dry Creek near Blair Lakes.

TFTA Access Road Alternative C: Follows existing trail systems southwest across the Tanana Flats toward Hill 1406, avoiding open areas as much as possible. From Hill 1406, two possible routes to Blair Lakes are being considered: the first traverses the eastern slopes of Hill 1406 and then a broad terrace southeast toward Blair Lakes, crossing Dry Creek near Blair Lakes; the second route remains on the flats north of Hill 1406, crossing Dry Creek where the creek enters the flats, then running up the Dry Creek Valley to the higher ground around Blair Lakes.

TFTA Access Road Alternative D: Similar to Alternative C, except it takes a more direct route from the Tanana River toward Hill 1406. From Hill 1406, two routes to Blair Lakes are being considered: the first traverses the eastern slopes of Hill 1406, then a broad terrace southeast toward Blair Lakes, crossing Dry Creek near Blair Lakes; the second route remains on the flats north of Hill 1406, crossing Dry Creek, and then running up the Dry Creek Valley to higher ground around Blair Lakes.



Key Components: The expanded access to maneuver space would support year-round training, internal circulation routes, and integration of proposed Intermediate Staging Bases. The training frequency at this time is planned to support six combat maneuver battalions and their supporting elements training in these areas for a 10- to 14-day event at least once a year per battalion. The desired road surface would be a 35-foot-wide aggregate surface to allow two Stryker vehicles access and circulation.



❼ Proposed Joint Air–Ground Integration Complex (JAGIC):

Proposed Action: The JAGIC is a proposed JPARC capability for joint and combined live-fire training. The JAGIC would allow Army combined arms capabilities to jointly operate with the Air Force, Navy, and Marine air-to-air and air-to-ground capabilities, along with Special Operations Forces. The primary focus of the range complex is to train aviation units and crews on the skills necessary to detect, identify, and effectively engage stationary and moving infantry and/or armor targets in a tactical array.

Key Components: The JAGIC is a digitally integrated combat training area with a total footprint of approximately 12 by 18 km. The JAGIC would consist of target arrays with service roads, range support buildings, parking area, range tower, convoy live-fire route, urban centers, and an area for rocket training. Most of the target arrays, the convoy live-fire route, and the urban facilities would be concentrated in a 9- by 12-km area within the range. The JAGIC would be strategically placed to provide adequate airspace and controlled-access land for the safety buffers needed to train with a full range of munitions that may be used in combat.

❽ Proposed Intermediate Staging Bases (ISBs):

Proposed Action: The Army proposes to locate and construct a 1,000-Soldier ISB near the existing Battle Area Complex (BAX) in Donnelly Training Area-East (DTA-East), along with three 200- to 500-Soldier ISBs at YTA, Donnelly Training Area-West (DTA-West), and Salcha to reduce travel time, increase safety, and increase available training time.

Key Components: The ISBs would include permanent barracks, large parking areas, dining facilities, ammunition storage points, petroleum-oil lubricant areas, maintenance facilities, and possibly airfields to house, maintain, and stage Soldiers before insertion into surrounding combat training areas. They would also provide maintenance and logistics support away from main cantonment areas.

Alternative A - Proposes to provide a permanent 1,000-Soldier ISB near the existing BAX, along with three permanent 200- to 500-Soldier ISBs at YTA, DTA-West, and Salcha. The facility would be for joint use, not Army use only. These are proposed at key points along the planned rail corridor close to the planned bridge crossings.

Alternative B - Proposes to use existing temporary "relocatable" ISB facilities over the next 7 years, and then replace them with permanent facilities.

No Action - Would continue the use of existing "relocatable" ISB facilities that do not reflect real-world, deployed ISB scenarios.

❿ Proposed Joint Precision Airdrop System (JPADS) Drop Zones:

Proposed Action: The Air Force and Army propose to establish JPADS drop zones as part of JPARC training exercises.

Key Components: JPADS is a GPS [global positioning system]-guided precision airdrop system designed to deliver supplies and equipment to ground forces. JPADS is not currently used within the JPARC. Alaska-based aircrews with the requirement to train on JPADS must currently travel to Yuma Proving Grounds to conduct this training. Current or proposed restricted area is proposed to support JPADS drop zone training with a system of GPS receivers and steerable parachutes to support aerial resupply training under realistic and varied conditions.

Alternative A - Proposes conducting reduced operations in R-2205 in the YTA.

Alternative B - Proposes conducting reduced operations in R-2202 outside of the Oklahoma Impact Area and other known dudded impact areas. (The key distinction between Alternatives A and B is that R-2205 currently has more time available to accommodate JPADS drop zone training exercises).

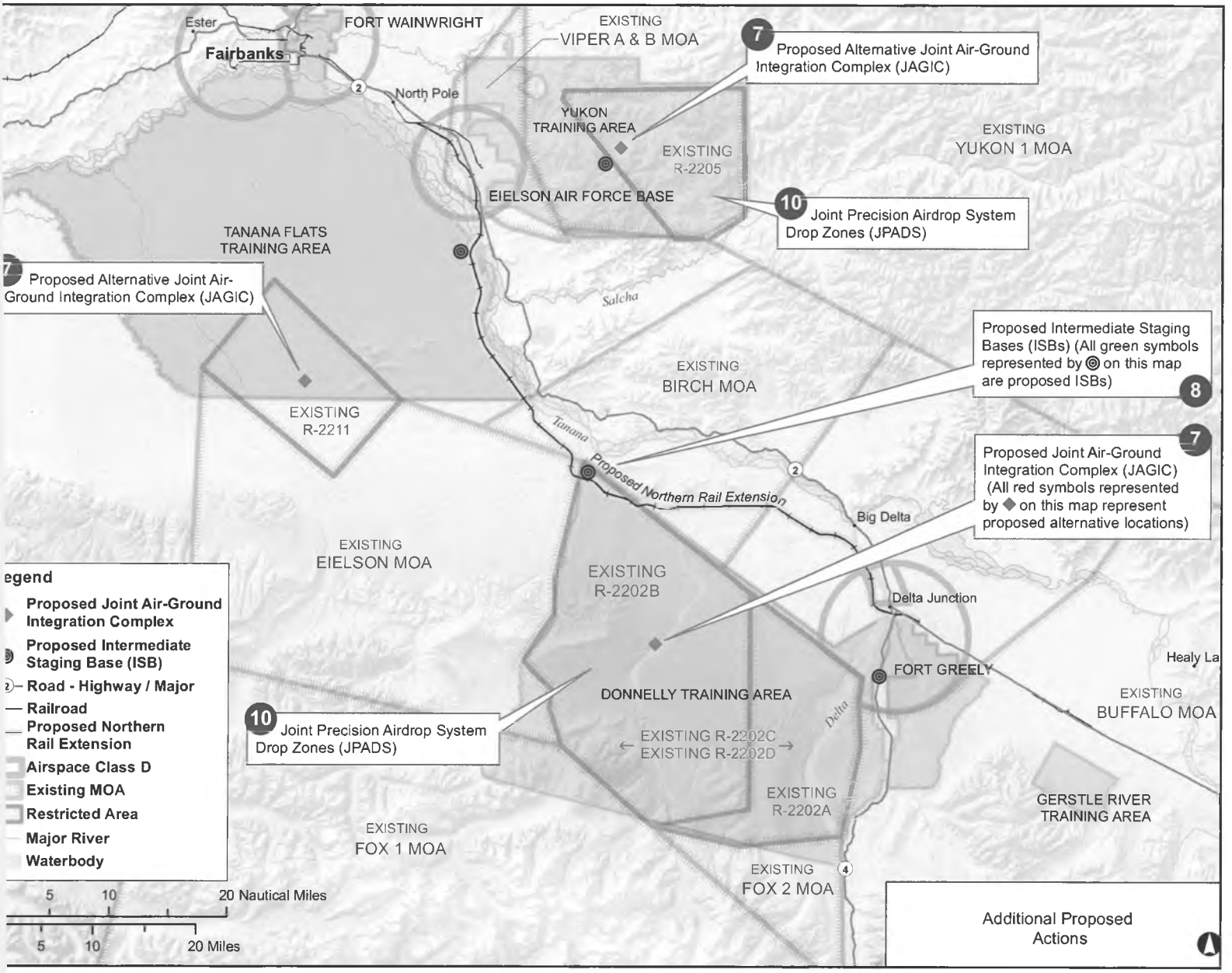
No Action - Would not provide for JPADS training exercises, an important part of realistic joint training.

Alternative A - Proposes to locate the JAGIC in the central area of Donnelly Training Area-West (DTA-West), proximate to the western boundary of the Oklahoma Impact Area.

Alternative B - Proposes to locate the JAGIC in the Stuart Creek Impact Area within Yukon Training Area (YTA).

Alternative C - Proposes to locate the JAGIC in the Blair Lakes Impact Area near the southern boundary of the Tanana Flats Training Area under the existing Restricted Area 2211 (R-2211).

No Action - Would not provide for the creation and operation of the JAGIC, denying realistic joint training.



❹ Proposed Night Joint Training:

Proposed Action: Proposes the extension of night, joint, flight training operating hours to allow after-dark events during major exercises.

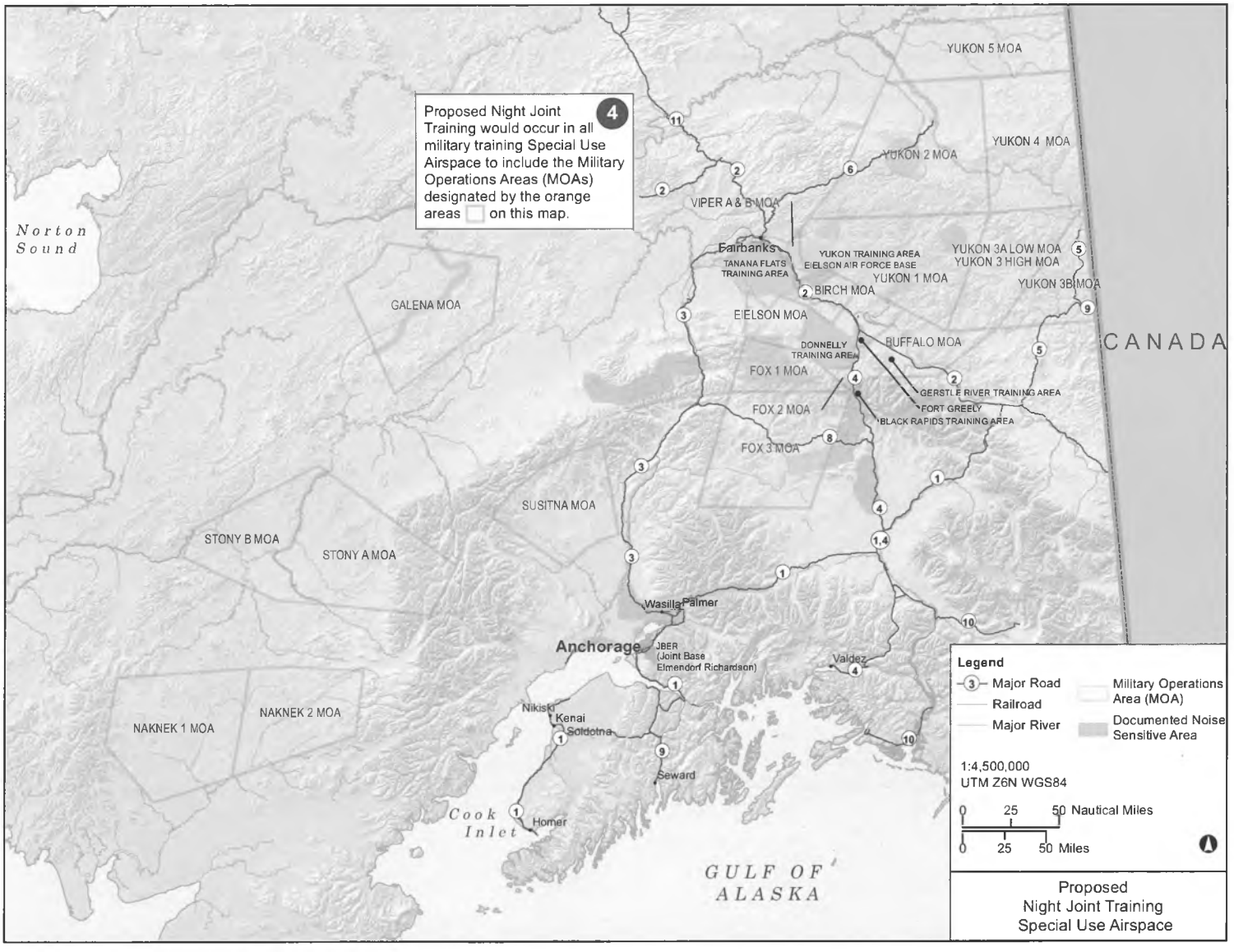
Key Components: Key considerations for night joint training include: (1) that impacts on noise sensitive areas be minimized and (2) that existing MOAs be available for night training. Coordinated Universal Time would be considered, which would provide the time-use stability by remaining on the sun clock, as daylight savings time could be changed again.

Alternative A - Proposes to extend the special use airspace hours to 11:00 p.m. with landing by midnight, local time, to accommodate night training for major flying exercises during March and October. The hours are currently set to cease training activities by 10:00 p.m., with landing by 11:00 p.m., local time. The number of nighttime sorties is expected to remain the same, but the sorties would be divided between the months of March and October.

Alternative B - Proposes to extend the JPARC operating hours to allow tactical flight operations until midnight and landing by 1:00 a.m., local time, during March and October. This would allow night training during these months from a minimum of 1.5 hours to a maximum of 2.5 hours for each exercise.

Alternative C - Proposes the maximum extension of JPARC operating hours to allow tactical flight operations until midnight and landing by 1:00 a.m., local time, during all months of the year and for all training purposes, not just for major flying exercises, as is the current situation.

No Action - Existing flight training would continue to allow a maximum of two night training exercises during October. It would not compensate for the extended length of daylight saving time into March and November, which impedes training during these months.



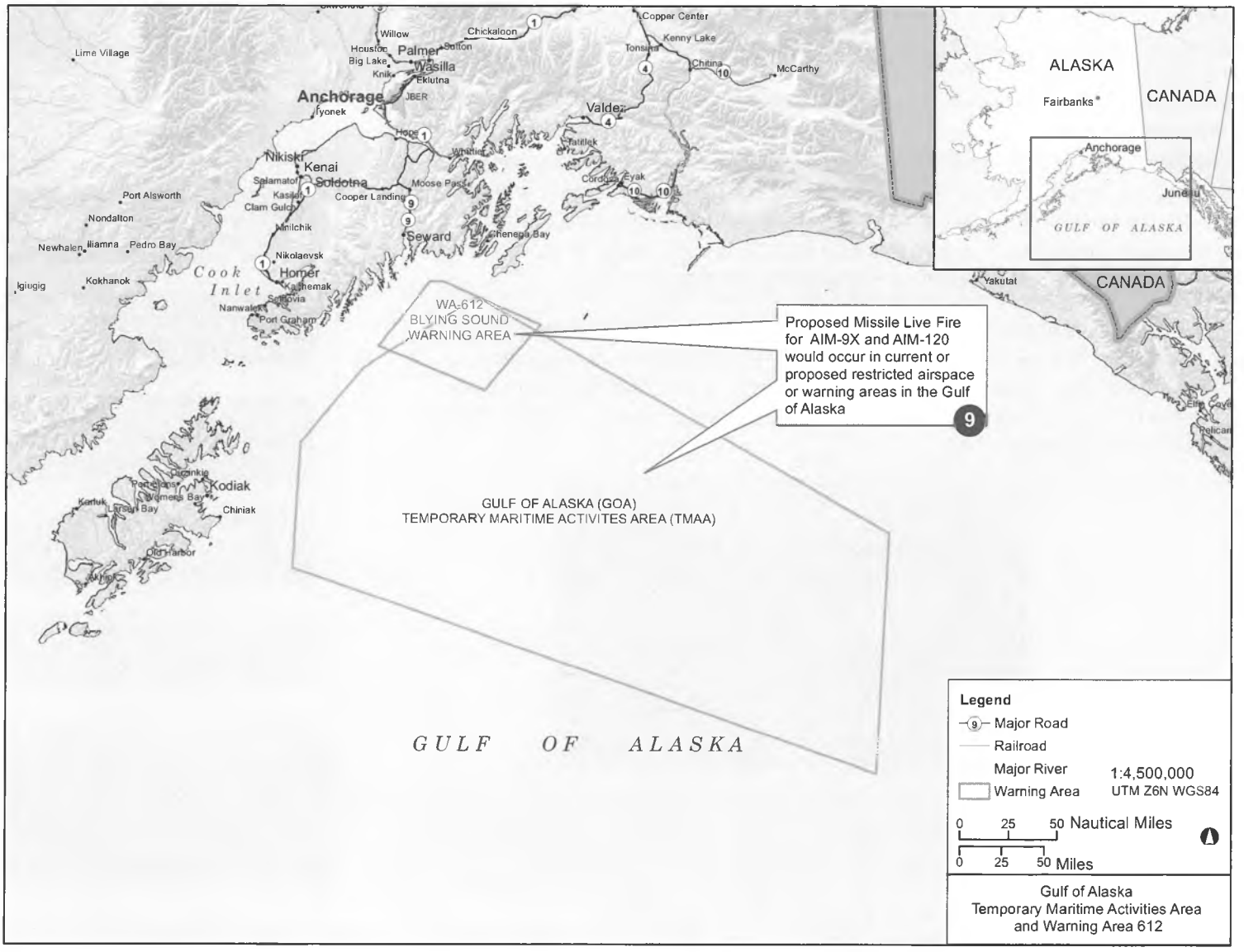
❾ Proposed Missile Live Fire for AIM-9X and AIM-120 in the Gulf of Alaska:

Proposed Action: The Army and Air Force propose to consider the existing Temporary Maritime Activities Area (TMAA) and Warning Area 612 (WA-612) in the Gulf of Alaska (GOA) for the live ordnance delivery of the AIM-9X and AIM-120 missiles by Air Force fighter aircraft.

Key Components: The AIM-9X and AIM-120 missile systems are the main air-to-air armaments for the F-22 Raptor and F-15 Eagle. For effective training to be conducted with these systems, live training shots need to be executed as part of both individual pilot training and joint training exercises with other air and ground units. Live ordnance delivery requires use of either restricted area with range target areas or a warning area of sufficient size to contain the explosive hazard areas associated with these missile systems. Instrumentation would be needed to control drones, radar, radio relays, and weapon telemetry and termination equipment in support of this training activity.

Action Alternative - Proposes that the existing TMAA (300 nautical miles [NM] long by 150 NM wide; 0 feet above ground level [AGL] to flight level (FL) 600; includes subsurface areas) and WA-612 (0 feet AGL to FL290) in the GOA be considered for the missile live fire delivery of the AIM-9X and AIM-120 missiles by Air Force F-22 fighter aircraft for two exercises annually. The Air Force estimates that approximately 100 annual live-fire sorties would be conducted by the Air Force to meet training requirements.

No Action - Would not provide for training with the AIM-9X and AIM-120 missiles in the GOA within the JPARC.



Why Alaska?

Because of its strategic location and vast size, Alaska is vital to maintaining peace and stability for the United States and the Pacific region. Alaska provides:

- The largest available land, air and sea training area in the world.
- Established joint and combined training venues and exercises.
- Existing Army and Air Force base infrastructure (Fairbanks, Delta Junction, Anchorage).
- Training on "U.S. soil."
- Large expanses of contiguous airspace.
- All weather training.

How Will This Benefit Alaskans?

Economic Benefits –
Through the modernization of JPARC, the military would potentially increase infrastructure, bringing new contracts and jobs to Alaskans. As Alaska becomes more prominent in the global training environment, additional infrastructure would follow to support training activities. The Department of Defense spends about $3.2 billion a year in Alaska and the military industrial complex constitutes about 7.8% of total state employment opportunities.

Stewardship of the Air, Land and Water –

Alaskan Command and all the Armed Forces are committed and bound to Alaska communities and the American people to be good stewards of the air, land, and water. Command leadership recognizes many Alaskans and non-residents use the airspace for transportation, emergency response, and recreational activities. The Army and Air Force would continue to work cooperatively with the FAA to determine the best allocation of training airspace to minimally impact public use. The Services will fully consider subsistence and recreational activities, along with community needs. The Army and Air Force will strive to maintain and enhance public use. In water and marine environments, the Services will continue to implement protective measures in their standard operations to protect marine mammals and federally listed species during training activities.

To foster cooperation, Alaskan Command and the Services will continue to engage with communities and stakeholders to gather their comments and perspectives and address issues and concerns. Particular attention will be given to the impacts on wildlife, waterways, fisheries, and the Alaska Native subsistence lifestyle.

Alaska provides a unique backdrop with an uncluttered electromagnetic environment, minimal encroachment, and a strategic location within the United States. The expanse and availability of military ranges, training land, and airspace would allow Service members to train jointly from individual skills up to complex, interrelated tasks.

The EIS Timeline

Opportunities for Public Involvement

- Publication of *Draft Gulf of Alaska Navy Training Activities EIS/Overseas EIS* December 2009
- JPARC 20-year Vision Developed Fall 2009 - Spring 2010
- Notice of Intent to Prepare *JPARC Modernization and Enhancement EIS* Published in *Federal Register* December 10, 2010
- 2-Month JPARC Scoping Period December 10, 2010 - February 4, 2011
- Preparation of *Draft JPARC Modernization and Enhancement EIS* 2010 - 2011/2012
- 45-day *JPARC Modernization and Enhancement EIS* Public Comment Period 2011/2012
- Preparation of *Final JPARC Modernization and Enhancement EIS* 2012 - 2013
- Notice of Availability of *Final JPARC Modernization and Enhancement EIS* 2013
- 30-day *JPARC Modernization and Enhancement EIS* Waiting Period 2013
- Record of Decision 2013
- Formal Airspace Request Made to FAA 2014

For more information contact:

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JBER, AK 99506
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Comments for Scoping Phase of JPARC

Requirements of the civil aviation community have evolved significantly since the PARC was massively expanded in the mid-1990's. Today, the availability of WAAS IFR approaches, T and Q Routes, and the start of ADS-B deployment are changing how aviation uses airspace. Consequently, we need a complete review of the existing as well as proposed airspace in order to consider alternatives which may better suit the overall aviation needs of the users for present as well as proposed airspaces.

We appreciate that this is a joint proposal with multiple branches of the military. This provides the opportunity to explore full integration of the communication and coordination to make the interface between military and civilian airspace users as seamless as possible.

To work toward any kind of accommodations in this airspace mega-complex for both civil and military users, we need an ad-hoc working group including military subject matter experts, representatives of the civil aviation community and FAA technical staff to explore these issues, and work toward constructive solutions that can support military training without adversely impacting community access and viable aviation businesses. The active involvement of the FAA is required for consideration of solutions that meet the needs of the entire aviation community.

The following are some of the topics and issues that need to be considered:

1) The creation of the Special Use Airspace Information Service (SUAIS) in the 1990's has had a very positive impact on VFR usage of this airspace complex that extends across an areas over 300 miles wide. In areas where there is adequate communication and surveillance, this has greatly improved the situational awareness for both civil and military airspace users. We have recently learned, however, that in the eastern portions of the complex, communications are not adequate, and users are experiencing difficulties with this shared airspace. An evaluation of this situation is required to provide adequate SUAIS in the existing airspace.
2) IFR access is needed for access to the communities underneath and around this mega-complex. Aircraft provide the only year-around means of transportation to these communities. Real-time coordination for IFR access to MOAs would improve access, by taking advantage of the safety and efficiency offered by the IFR system. If this is not possible, the cutouts from the existing MOA complex are needed for IFR corridors .
3) We want to see usage stats on the existing MOAs, to determine if areas such as the Galena MOA are still justified.
4) We have significant reservations about the use of RPA/UAV's corridors between the major bases and the Restricted Areas. The corridors proposed interfere with access to and from Fairbanks, as well as training operations conducted in these areas by general aviation and commercial operators.
5) We need full integration of Air Force and Army participation in the Special Use Airspace Information Service, to avoid confusion on who to contact in what segment of the airspace complex.
6) The proposed Restricted Area for the Battle Area Complex should have been anticipated during the EIS concluded in June, 2006. Further restrictions to airspace in that VFR corridor are not acceptable in this location due to the combination of terrain, weather and existing restricted

airspaces that limit navigation in this area. Further analysis is needed to evaluate alternative means of accommodating military training objectives relative to this complex that do not require restricted airspace.

7) Aviation represents about $3.5B worth of economic activity in Alaska, and generates about 47,000 jobs. This is a significant component of Alaska's economy, and we need to b e careful not to impact that with these proposals. (see paragraph below)
8) Seasonal considerations are needed to avoid Sheep/Caribou season in the August timeframe, for major flying exercises.
9) Noise issues reported by members have increased in recent years, which may be tied to changes in aircraft or military procedures. These may have an impact on wildlife, and on backcountry recreation, which should be explored.
10) A review of existing restricted area boundaries is needed on the north side of Isabell Pass, where aircraft are forced off to fly in higher terrain in bad weather to avoid the edge of a restricted area.

More on the economic impact of aviation:

The aviation industry contributes $3.5B to the state's economy by supporting local businesses and employing Alaskans for its year-round operations. This is approximately 8 percent of the state's gross state product. An estimated 47,000 jobs are directly and indirectly related to aviation.

The fact that this is almost 40% larger than the industry's role in the national economy demonstrates the importance of the aviation industry to Alaska's economy.

In addition, communities in Alaska that are not connected to the national highway system, depend on the aviation industry for movements of goods and people. The average number of enplanements per capita for off-road communities in Alaska is between eight and thirty times higher than in comparable communities in western rural states. Alaskans tend to rely on air freight 39 times more than comparable communities according to a 2009 study published by the Alaska Department of Transportation.

The Economic Contribution of the Alaska Aviation Industry to Alaska's Economy, Northern Economics, Inc. March, 2009. www.AlaskaASP.com