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HSA

SB 2

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SB

2

COMMITTEE REPORT

HOUSE

FURTHER: JUDICIARY

March 22, 1979

Date:

3-25-80

Mr. Speaker:

The Committee on STATE AFFAIRS

has had

CSSR 2

"An Act relating to the comprehensive recycling and reduction of litter; eff. date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with ^HCC for CSSR 2 same title
 new title
- and recommends HESS 3102 DO PASS
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

**MEMBERS SIGNING
DO PASS**

[Signature]

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**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

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CHAIRMAN

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSSB-2
 Title Comprehensive Recycling - and Reduction of Litter
 Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Department of Environmental Conservation
 Program Category Affected Solid Waste Management
 BRU, Program, or Subprogram(s) Affected Environmental Quality Management
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	-	349.5	384.0	423.0	465.0	-
200 TRAVEL	-	74.0	81.0	90.0	98.0	-
300 CONTRACTUAL	-	155.5	165.5	182.0	200.0	-
400 COMMODITIES	-	17.0	18.5	20.6	22.6	-
500 EQUIPMENT	-	47.0	49.0	52.0	54.4	-
600 LAND & STRUCTURES	-					-
700 GRANTS, CLAIMS, ETC.	-	450.0	450.0	450.0	450.0	-
TOTAL	-	1,093.0	1,148.0	1,217.6	1,290.0	

FUNDING (Thousands of Dollars)

GENERAL FUND	-	1,093.0	1,148.0	1,217.6	1,290.0	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER (Specify Fund Source)	-	-	-	-	-	-

POSITIONS

FULL TIME	-	7	7	7	7	7
PART TIME	-	36	36	36	36	36
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

ASSUMPTIONS: 1. Assumes full bill to be enacted, including litter reduction regulations established and enforced, public information campaigns, resource recovery and litter reduction programs implemented including grants to communities/organizations, 3 litter patrol units activated each year for three months. 10% inflation assumed on personal services, travel and commodities, 5% inflation on all other figures.

IV. DATE _____ PREPARED BY _____

AGENCY _____

Original: Legislative Finance PHONE _____

cc: Budget and Management
 Prime Sponsor (First Legislator Named)

A. POSITIONS AND RESOURCES FOR ADEC

Personal Services:

(position descriptions attached)

1 resource recovery economist (R20)	43.3
1 litter reduction program supervisor (R18)	37.7
1 public information officer I (R14)	28.1
1 administrative assistant (R17)	23.3
3 field positions (R16)	98.1

Total Personal Services 232.5

Travel 20.0

Contractual 104.5

To support positions 74.5

For public information 30.0

Commodities 2.0

Equipment 2.0

SUBTOTAL ADEC EXPENSES 361.0

B. GRANTS TO LOCAL GOVERNMENT FOR LITTER CONTROL. 200.0

Will include supplemental funds to supplement/
encourage litter cleanup efforts

C. RECYCLING, RESOURCE CONSERVATION GRANTS 250.0

Will include funds to initiate, and demonstration
grants to show feasibility of, promising recycling
and resource conservation projects.

D. LITTER PATROL (36 part-time positions)

Per Patrol:

11 youths & supervisor	
@ \$1,300/youth/patrol	39.0
Travel	18.0
Contracted	17.0
Commodities	5.0
Equipment	15.0
	<u>94.0</u>

Cost for 3 patrols: 282.0

TOTAL FISCAL FOR CSSB-2 1,093.0

POSITION DESCRIPTIONS FOR CSSB-2

3 ECOLOGIST II positions, Range 16, to be located in each of the department's 3 field offices in Fairbanks, Anchorage, and Juneau.

Job Description: Range 16; Assists communities and public organizations in conducting litter cleanup campaigns, investigates and assures compliance with litter and litter receptacle regulations; coordinates state grants to further litter reduction and resource recovery; collects and compiles data to identify litter reduction and resource recovery opportunities within communities; answers complaints and provides public information concerning litter reduction and resource recovery requirements and opportunities.

LITTER REDUCTION PROGRAM SUPERVISOR Ecologist III Range 18, located in Juneau

Job Description: Under general supervision, develops and oversees the establishment and operation of the statewide litter reduction program; defines program goals and policies; coordinates effective public relations efforts with the Department's Public Information Officer, Advisory Council and regional field officers; develops litter reduction regulations and enforcement policies; establishes litter reduction program progress; develops annual work plans for accomplishing program objectives.

RESOURCE RECOVERY PROGRAM ANALYST Economist II Range 20, located in Juneau

Job Description: Under general supervision, develops and oversees the establishment of a statewide resource recovery program; defines program goals and policies; conducts detailed economic analyses to determine areas where resource recovery from litter-related materials can be accomplished; establishes demonstration projects and programs to show feasibility of resource recovery; evaluates statewide economic potential for resource recovery from litter-related materials; coordinates public relations efforts with the Department's Public Information Officer, Advisory Council and regional field officers on resource recovery matters; develops resource recovery grant policies and procedures; collects and analyzes data to determine resource recovery program effectiveness; writes summary reports on resource recovery; develops annual work-plans for accomplishing resource recovery objectives.

PUBLIC INFORMATION OFFICER Range 14, located in Juneau

Job Description: Under supervision, prepares public information releases, brochures and documents concerning litter reduction and resource recovery; works with communities in organizing public information campaigns for litter cleanup efforts.

Original Sponsors: Colletta, Kerttula,
Sackett, et al

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 HOUSE CS FOR CS SENATE BILL NO. 2

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to resource recovery and the reduction
7 of litter; and providing for an effective date."

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

9 * Section 1. LEGISLATIVE INTENT. (a) It is the intent of the legisla-
10 ture to encourage the recovery of resources from litter and maintain the
11 natural environment of the state as nearly litter free as possible so that
12 our cities, boroughs, rural regions, highways, roads, and recreational areas
13 can be viewed and enjoyed by both present and future citizens and visitors in
14 their finest scenic state, unblemished by litter.

15 (b) It is the belief of the legislature that the official encouragement
16 and stimulation of private and public resource recovery and conservation
17 efforts, through recycling centers and other means, will result in the re-
18 covery and use of major quantities of basic materials with accompanying
19 significant conservation and savings of energy.

20 (c) It is the belief of the legislature that a litter-free environment
21 is possible through enactment of a strong and well-balanced program of litter
22 prevention, a program of public awareness designed to make littering an
23 unacceptable practice in the minds of all citizens and visitors; and a program
24 of public education with emphasis on younger people who are the future of the
25 state.

26 (d) It is the intent of the legislature that appropriations made to
27 finance the programs created under AS 41.21 enacted in sec. 2 of this Act
28 should be spent to encourage local solutions for the prevention of littering.

29 * Sec. 2. AS 41 is amended by adding a new chapter to read:

encourage all federal + state (3) cardinal

CHAPTER 21. RECYCLING AND REDUCTION OF LITTER.

Sec. 41.21.010. POWERS AND DUTIES OF THE DEPARTMENT. The department shall

- (1) serve as the coordinating agency among the various government and private organizations in the state which are involved in litter control and reduction and the recovery of energy or materials from litter;
- (2) assist local governments in the adoption and amendment of ordinances relating to litter control and reduction;
- (3) encourage, organize and coordinate voluntary local information campaigns which seek to focus the attention of the public on the reduction of litter and the recovery of resources from litter;
- (4) encourage, organize and coordinate ~~voluntary~~ local resource recovery programs;
- (5) encourage all state and local agencies to aid resource recovery programs by providing publicity which encourages resource recovery programs and by allowing the use of publicly owned land, buildings, or equipment for resource recovery efforts whenever possible;
- (6) investigate the availability of, apply for, receive, and expend grants, loans or other funds available from any source, and, if it is appropriate and feasible, accept nonmonetary assistance in the form of services or equipment for use in program established under this chapter;
- (7) determine the types of materials or energy which may be ~~profitably~~ profitably recovered from litter through resource recovery processes, and adopt regulations under the Administrative Procedure Act (AS 44.62) which require the recovery of the materials or energy; and
- (8) adopt other regulations under the Administrative Procedure Act (AS 44.62) necessary to implement this chapter.

1 Sec. 41.21.020. ANNUAL REPORT. Not later than six months after
2 the end of each fiscal year, the department shall prepare a detailed
3 report describing and evaluating the actions taken and programs estab-
4 lished under this chapter for submission to the governor and the
5 legislature. The report must include

6 (1) the status and results of all grants made under this
7 chapter;

8 (2) an evaluation of the progress achieved by litter control
9 and reduction programs; and

10 (3) an evaluation of the resources and energy recovered from
11 litter in the state.

12 Sec. 41.21.030. ADVISORY COUNCIL. (a) There is created an advi-
13 sory council to the department, which shall advise the department con-
14 cerning the litter control and reduction, source separation and resource
15 recovery programs under this chapter. The council may encourage the
16 participation of industry, labor, municipalities, and the public in the
17 programs administered by the department.

18 (b) The council consists of seven members appointed by the
19 governor who are aware of and concerned with achieving the goals of this
20 chapter. The members serve at the pleasure of the governor.

21 (c) The council shall meet annually, and may meet more frequently
22 if necessary or desired. The members of the council serve without
23 compensation but are entitled to per diem and travel expenses authorized
24 by law for boards and commissions.

25 Sec. 41.21.040. PUBLIC AWARENESS; MOTIVATION. The department
26 shall establish, provide advice concerning, and coordinate programs
27 designed to

28 (1) encourage the public to recover valuable resources from
29 litter;

1 (2) use existing, and develop new, techniques and programs to
2 reduce litter and littering;

3 (3) encourage the public not to litter and to engage in
4 clean-up efforts; and

5 (4) advise the public of the state's anti-litter laws and
6 regulations and encourage enforcement of those laws and regulations.

7 Sec. 41.21.050. LITTER RECEPTACLES AND ANTI-LITTER SYMBOL. (a)
8 The department shall designate one or more types and sizes of litter
9 receptacles for use in the state. The department shall make available
10 for distribution throughout the state an anti-litter symbol of a uniform
11 color and design adopted by the department. This anti-litter symbol
12 must bear a statement of the penalties for littering, and the department
13 shall design the anti-litter symbol so that it may be attached to litter
14 receptacles. To aid public recognition and use of litter receptacles,
15 the department may adopt an anti-litter symbol used in another state.
16 The anti-litter symbol designed by the department must be attached to
17 litter receptacles located in the public places of the state by the
18 person or agency responsible for the placement of those receptacles.

19 (b) Litter receptacles designated for use in the state by the
20 department shall be placed at public places in the state unless the
21 public place is specifically exempted by regulations adopted by the com-
22 missioner under the Administrative Procedure Act (AS 44.62). The number
23 of receptacles required to be placed in each public place shall be
24 determined by a formula related to the need for those receptacles. The
25 requirements of this subsection are satisfied by the use of a litter
26 receptacle which was in use before July 1, 1980, if the anti-litter
27 symbol of the state is attached to the receptacle.

28 (c) A person owning or operating a privately owned public place at
29 which litter receptacles are required under (b) of this section shall

1 place litter receptacles at the public place at his own expense.

2 (d) Compliance with this section requires proper upkeep, mainte-
3 nance and repair of a litter receptacle sufficient to permit the re-
4 ceptacle to serve the function for which it was designed and to prevent
5 the receptacle from becoming unsightly.

6 (e) Responsibility for the placement of litter receptacles at
7 publicly owned public places and for the removal of litter from those
8 litter receptacles remains with the municipality or other public agency
9 performing litter removal. Removal of litter from litter receptacles
10 placed at privately owned public places remains the responsibility of
11 the owner or operator of the privately owned public place.

12 (f) A person may not damage, deface, abuse or misuse a litter re-
13 ceptacle not owned by him so as to interfere with its proper function or
14 to detract from its appearance.

15 (g) A person may not deposit leaves, clippings, prunings, garden
16 refuse or household waste materials in a litter receptacle unless he has
17 the permission of the owner of that receptacle.

18 (h) Except as provided in (i) of this section, a person who vio-
19 lates the provisions of (b) - (g) of this section is guilty of a viola-
20 tion and in addition to the punishment imposed by AS 12.55.035(b)(5),
21 the court may order a person who violates this section to gather and
22 dispose of litter in an area and for a length of time determined by the
23 court.

24 (i) If a municipality of the state adopts an ordinance which pro-
25 hibits the same conduct prohibited by (b) - (g) of this section, a
26 violation of (b) - (g) of this section which occurs in the municipality
27 is punishable under the provisions of the municipal ordinance if the
28 punishment imposed under the ordinance is equal to or greater than the
29 punishment imposed by AS 12.55.035(b)(5).

1 Sec. 41.21.060. LITTER BAGS. The department shall design and have
2 produced a biodegradable litter bag bearing the state anti-litter symbol
3 and a statement of the penalties for littering in the state. The depart-
4 ment shall make available to the division of motor vehicles in the
5 Department of Public Safety a sufficient quantity of these litter bags.
6 The division of motor vehicles shall distribute one litter bag to each
7 person who applies for registration or reregistration of his motor
8 vehicle and shall notify the person of his responsibilities under the
9 law. The department shall make litter bags available to all vessel
10 owners and persons entering the state by automobile. The commissioner
11 shall designate distribution points for the broadest possible distri-
12 bution of litter bags to persons entering the state by automobile or
13 vessel.

14 Sec. 41.21.070. LITTER PATROL. (a) The department shall establish
15 a youth litter patrol program for the employment of young people on a
16 seasonal basis. The department shall cooperate with federal, state or
17 municipal programs that either employ young people or encourage their
18 employment. The department may contract with other state agencies to
19 provide administration and other support for the youth litter patrol
20 established by this section.

21 (b) The department may adopt regulations under the Administrative
22 Procedure Act (AS 44.62) which are necessary to implement this section.

23 Sec. 41.21.080. LITTERING PROHIBITED. (a) A person may not
24 throw, drop, deposit, discard or otherwise dispose of litter from a
25 vehicle or otherwise, on public or private property in the state or in
26 waters in the state or under state jurisdiction unless

27 (1) the property is designated by a state agency or munici-
28 pality as a site for the sanitary disposal of garbage or refuse, and the
29 person is authorized to use the site for that purpose; or

1 (2) litter is placed in a litter receptacle so that the
 2 litter is prevented from being carried away or deposited by the elements
 3 upon public or private property or waters in the state or under state
 4 jurisdiction.

5 (b) A vehicle may not be driven or moved on a public highway or
 6 right-of-way unless it is constructed, loaded or covered to prevent its
 7 load from dropping, sifting, leaking or otherwise escaping from the
 8 vehicle. This subsection does not apply to a vehicle used (1) to deposit
 9 salt or sand to secure traction, (2) by a public agency to clean or
 10 maintain highways, or (3) to transport agricultural, mining or timber
 11 products. A person who operates a vehicle from which an object has
 12 fallen or escaped which obstructs or endangers travel upon a public
 13 highway or right-of-way shall immediately remove the object at his own
 14 expense or pay the cost of removal incurred by the state or by a person.

15 (c) A person who violates this section is guilty of a violation,
 16 and in addition to the punishment imposed by AS 12.55.035(b)(5), the
 17 court may order the person to gather and dispose of litter in an area
 18 and for a length of time determined by the court.

19 Sec. 41.21.090. PROHIBITED BEVERAGE CONTAINERS. (a) Beginning
 20 July 1, 1981, a person may not sell or offer for sale a nonglass bever-
 21 age container which is opened by detaching a part of the beverage con-
 22 tainer.

Industry wants 1/2 years

23 (b) Beginning July 1, 1981, a person may not sell or offer for
 24 sale beverage containers which are held together by plastic or by a non-
 25 biodegradable substance.

26 (c) A person who violates this section is guilty of a violation.
 27 Each sale of a prohibited beverage container is a separate offense.

28 Sec. 41.21.100. NOTICE TO PUBLIC. The penalties imposed for
 29 littering shall be placed along the public highways of the state, at

*Chastrow for
summary*

*if subcommittee
non-profit*

1 visitor centers, at entrances to state parks and recreational areas, at
2 public beaches, and other publicly owned public places the commissioner
3 determines necessary to accomplish the purposes of this chapter. The
4 state agency or municipality responsible for litter removal from the
5 public place shall post the notice required by this section.

6 Sec. 41.21.110. ENFORCEMENT AUTHORITY. The following persons are
7 authorized to enforce the provisions of this chapter:

- 8 (1) a state employee authorized by the commissioner; and
- 9 (2) a peace officer.

10 Sec. 41.21.120. GRANTS. The department may make grants to state
11 agencies, to municipalities, and to ^{or non profit?} private organizations for the estab-
12 lishment and operation of programs authorized under this chapter. A
13 grant under this section shall be for one year ^{16 mo} only. A program qual-
14 ifying for a grant under this section may include

- 15 (1) courses of instruction at, or the distribution of infor-
16 mative materials to, elementary and secondary schools;
- 17 (2) purchase and erection of roadside signs;
- 18 (3) organization and operation of litter removal activities
19 conducted by municipalities, private organizations or service groups
20 using volunteer help;
- 21 (4) a public information program to inform the public con-
22 cerning the reduction of litter using the media including use of the
23 electronic media;
- 24 (5) expansion of existing and ^{wording?} planning, design and construc-
25 tion of facilities for the recovery of materials and energy from litter;
- 26 (6) research and evaluation of markets for the materials and
27 energy recovered from litter;
- 28 (7) advice and assistance, including information and con-
29 sultation on available technology, operating procedures, organizational

1 arrangements, markets for materials or energy obtained from litter,
2 transportation alternatives, and publicity techniques;

3 (8) surveys by public agencies or recognized research organi-
4 zations to assess the amount and composition of litter, and rates of
5 littering;

6 (9) the purchase of litter receptacles; and

7 (10) the creation or expansion of litter law enforcement
8 programs. (11)

On an initial basis may fund the cost of enforcement or less than purchase of equipment

9 Sec. 41.21.130. CONDITIONS FOR GRANTS. (a) The department shall
10 adopt regulations under the Administrative Procedure Act (AS 44.62)
11 which establish

12 (1) eligibility requirements for applicants for a grant under
13 AS 41.21.120;

14 (2) standards for the evaluation of proposals submitted by
15 applicants for grants under AS 41.21.120; and

16 (3) other conditions for the receipt of a grant under AS 41.-
17 21.120 which are necessary to achieve the purposes of this chapter.

18 (b) The regulations adopted by the department under (a) of this
19 section must meet the following criteria:

20 (1) if there is not enough money for grants to all eligible
21 applicants, the following shall receive priority:

maximum total amount carry

22 (A) a proposed program or project which may become
23 ~~economically self-sufficient in the future~~, and

24 (B) the proposed program or project which creates the
25 greatest number of new jobs;

26 (2) the maximum amount for a single grant shall be estab-
27 lished so that available money is distributed to a variety of programs,

28 (3) a grant may be made only for new programs or for improve-
29 ments to or additions to existing programs.

pg 10 line 1
what??

1 Sec. 41.21.140. FEDERAL REQUIREMENTS. If a federal department or
2 agency issues a formal ruling that a section of this chapter will pre-
3 vent the state from receiving federal financial participation in a
4 program or activity established under this chapter, the section does not
5 apply to the extent that it causes the program or activity to lose
6 federal funding.

7 Sec. 41.21.150. DEFINITIONS. In this chapter,

8 (1) "beverage container" means the individual, separate,
9 sealed glass, metal or plastic bottle, can, jar or carton containing
10 beer or other malt beverages and mineral waters, soda water and soft
11 drinks in liquid form;

12 (2) "commissioner" means the commissioner of environmental
13 conservation;

14 (3) "department" means the Department of Environmental Con-
15 servation;

16 (4) "litter" means all waste materials susceptible to being
17 dropped, deposited, discarded or otherwise disposed of upon property in
18 the state or in waters under state jurisdiction; "litter" does not
19 include the waste of the primary processes of mining or other extraction
20 process, logging, sawmilling, farming or manufacturing;

21 (5) "litter bag" means a bag, sack or other container made of
22 any material which is large enough and suitable to serve as a receptacle
23 for litter inside a vehicle or vessel;

24 (6) "public place" means public or private property that is
25 used or held out for use by the public, including but not limited to
26 highways or other roads upon which vehicles are moved, parks, camp-
27 grounds, trailer parks, drive-in and fast food restaurants, gasoline
28 service stations, parking lots for taverns, shopping centers and grocery
29 stores and other parking lots which have a capacity for more than 50

1 vehicles, marinas, boat launching areas, boat moorage and fueling sta-
 2 tions, public and private piers, beaches, bathing areas, school grounds,
 3 sporting event sites with seating capacity for more than 200 spectators,
 4 and business district sidewalks;

5 (7) "resource recovery" means the recovery of materials or
 6 energy from litter;

7 (8) "vehicle" means a mechanically driven device of any kind
 8 which is used for the transportation of a person or property on a public
 9 highway, trail or path;

10 (9) "vessel" means all descriptions of watercraft used or
 11 capable of being used as a means of transportation on the water.

12 * Sec. 3. AS 11.46.488 and AS 19.17.010 are repealed.

13 * Sec. 4. REVIEW AND EVALUATION. The Legislative Budget and Audit Com-
 14 mittee shall review and evaluate the extent to which the purposes of this Act
 15 have been and are being achieved and the need for the continuation of the
 16 programs and requirements established under this Act. That review and eval-
 17 uation shall be completed at least six months before the date specified in
 18 sec. 5 of this Act.

19 * Sec. 5. TERMINATION. This Act terminates July 1, 1984.

20 * Sec. 6. This Act takes effect July 1, 1980.

EDITORIAL PAGE

The Anchorage Times

ROBERT B. ATWOOD
Editor and Publisher

WILLIAM J. TOBIN
Associate Editor
And General Manager

CLINTON T. ANDREWS JR.
Managing Editor

Page 8

Friday, April 20, 1979

ALASKA FEVER



THEY HAD A
HARD TIME FINDING
500,000 ACRES!

AND
THOUGH
NEEDED



War On Litter

A REFERENDUM to give Alaska a law prohibiting use of non-returnable bottles and mandating a system of deposits and refunds was defeated in last November's general election, partly on the promise of opponents that a better piece of litter-control legislation would be enacted this year.

Those opponents were heavily financed by businessmen and those who sell and distribute bottled drinks in Alaska. Supporters of the bill said the industry campaign against passage of the referendum was based on self-interest and an evil effort to protect profits. They said industry claims that a better litter bill would be introduced were nothing more than empty promises.

The voters didn't buy that argument. A majority believed a better bill could be drafted and bottles were only a small part of the problem. By the vote last November, the people of Alaska asked for legislation that would tackle the whole problem of trash and litter, not just a fraction of it.

AS THINGS have turned out, the industry's word was good. It sponsored and has lobbied for that broader litter bill it talked about during last year's campaign.

The Alaska Senate, where the measure was introduced at the outset of the session, gave its approval to the new litter abatement proposal last month. It sent the measure on to the House by a resounding 18-1 vote.

There the bill has run into trouble. It was assigned to the State Affairs Committee, headed by Rep. Mike Miller of Juneau. He was the prime sponsor of the bottle bill and, according to industry sources, is no great supporter of the broader law. Some

say his coolness is motivated by the fact he doesn't want the industry to look good. The fear is some House members are determined to enact a bill that won't work.

One way to accomplish that negative goal, say spokesmen for an industry-sponsored committee known as Alaskans for Litter Control and Recycling, would be to have the Department of Environmental Conservation administer the law. Its commissioner, Ernst W. Mueller, is reported to be a foe of the bill's approach and an advocate of mandated deposits on bottles. A fact sheet distributed by the committee working for passage of the litter law says Mr. Mueller, in a recent cabinet meeting, expressed the opinion that the litter law should be vetoed by Gov. Jay Hammond if it passes the Legislature.

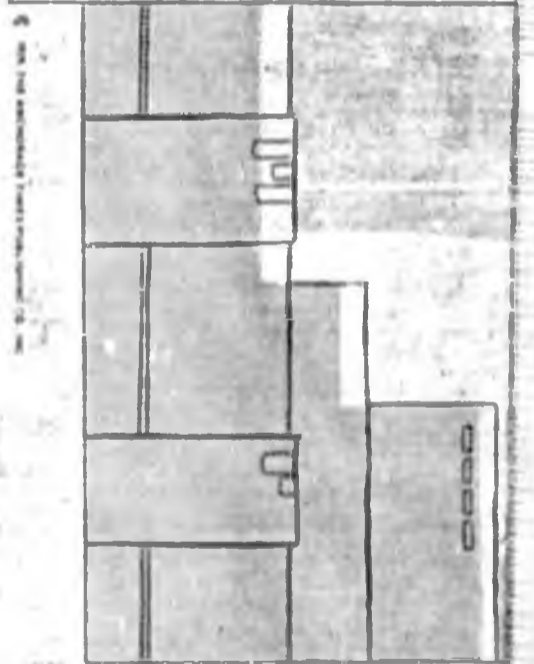
The Senate version of the bill would have administration of the law under the Department of Community and Regional Affairs and those working for its passage agree.

THE LAW would provide state direction and financial support for local efforts to make the state as free as possible of trash of all kinds — bottles as well as cans, paper, bed springs, rusty automobiles, splintered wood — anything and everything scattered by careless people.

Local governments, businesses, private organizations and community volunteers would be enlisted in the fight to eradicate litter and recycle what can be salvaged.

It is a program the people of Alaska favored when they turned down the bottle bill.

The House would do well to quit its own form of legislative littering, pass the Senate bill and get on with other things.



Nu
He

A NEW DEBATE over the future of nuclear power plants has begun. There's a fair chance it'll be more intelligent, and certainly more widely and closely followed than any previous public discussion of peaceful atomic energy.

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there
live a
TC
hasn't

STATE OF ALASKA
THE LEGISLATURE

POUCH Y. STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

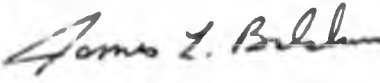
LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 27, 1980

SUBJECT: Litter reductions and resource recovery
HCSCSSB 2

TO: Representative Mike Miller, Chairman
House State Affairs Committee

FROM: James L. Baldwin 
Legislative Counsel

I have completed a working draft of HCS for CSSB 2 (litter control and resource recovery). According to your instructions, I have revised this bill to conform with the requirements of the Legislative Drafting Manual. I have also redrafted certain provisions which were redundant or inartfully drafted. I have attempted to retain the substance of those provisions while reorganizing the bill to aid the Department of Environmental Conservation in administering the law after enactment.

There is one provision in the draft which I am uncertain if I have correctly reflected your intent - that section appears on page 6, line 18 which permits the department to adopt regulations prohibiting the sale of certain dangerous beverage containers sold in the state. You originally wanted the department to have the authority to adopt regulations to ban pull-tabs and plastic six-pack holders. The wording I drafted may be too broad for your purposes.

Additionally, there may be a constitutional problem with letting the department prohibit certain conduct by regulation since potential defendants may be unable to determine from the law whether their activity is punishable as a crime. I suggest that you consider an outright prohibition of pull-tabs and plastic six-pack holders in the law. This approach would avoid the lack of notice problem and would guarantee that your intent is accomplished.

Please let me know if I can assist you further.

JLB:ljb

Enclosure

SB

25

(7)

COMMITTEE REPORT

HOUSE

FURTHER: FINANCE

March 22, 1979

Date: 3-30-79

Mr. Speaker:

The Committee on STATE AFFAIRS has had CSSB 25 am

"An Act relating to withdrawal from the federal Social Security System; eff. date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with ^{House} CS for CSSB 25 am same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

**MEMBERS SIGNING
DO PASS**

[Signature]

[Signature]

[Signature]

Terry Gardner

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

Larry Martin No rec.

[Signature]

CHAIRMAN

Lieutenant Governor Terry Miller
Pouch A.
Capitol Building
Juneau, Alaska 99811

March 19, 1979

RE: Social Security Opt-Out Senate Bill 25.

Dear Honorable Sir:

This letter is written to verify my statements to you on the 16th, subjecting the above referenced.

Local 71 supports the passage of S.B. 25. We do not necessarily support the calling for establishment of an employee option on the Social Security Funds, but we do support the right to have the State employees vote on the issue of opting out of the social security system.

It is more practical for our members to be advised of all alternatives on opting out, the best way to accomplish this is to have an election, as called for in the legislation, on the issues of opting-out.

There have been some rumors circulating, saying Local 71 is attempting to "Kill" the legislation, however, as you are aware, and evident by this letter that is not true.

Terry, if you have any questions on this issue or letter, please feel free to contact the undersigned.

Sincerely,

Ken Spray
Vice President
Business Representative
Local 71
AFL-CIO

cc: Jim Duncan
Mike Miller
Bill Ray

Thomas Powers, Commissioner, Alaska Pipeline
Commission

Jerome Trammer, Board of Electrical Examiners

Hugh Macaulay, Board of Electrical Examiners

Dennis Milhouse, Board of Hairdressers & Beauty
Culture

Roxana Kemp, Board of Public Accountancy

Gail Glad, Real Estate Commission

Kenneth Calhoon, Real Estate Commission

Gary Wilken, Real Estate Commission

Clifford Lobaugh, Board of Veterinary Examiners

Respectfully submitted,



Rep. Fred Brown
Chairman
House Commerce Committee

HCS The following letter of intent was received on HOUSE
CSSB COMMITTEE SUBSTITUTE FOR COMMITTEE SUBSTITUTE FOR SENATE
25 BILL NO. 25 (relating to withdrawal from the federal
Social Security System, effective date):

HOUSE STATE AFFAIRS COMMITTEE

LETTER OF INTENT

For HCS for CS for Senate Bill 25

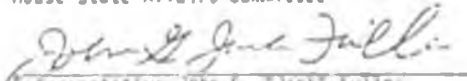
By amending this Bill to provide that employees of the division of
maritime transportation engaged in operating the State ferry system who are
currently excluded from the Public Employees' Retirement System (PERS)
by AS 39.35.680(21)(c)(v) may obtain PERS coverage if such coverage is
agreed to in a collective bargaining agreement, it is not the intent of
the House State Affairs Committee that either or both parties to the
collective bargaining be obligated to include a provision for PERS

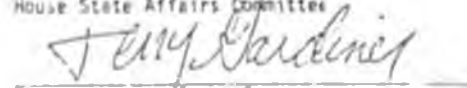
HCS
CSSB
25

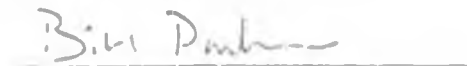
coverage in agreements negotiated hereafter. It is only the intent of this Committee that the limited issue of PERS coverage for these employees be a permissive subject for bargaining. The parties are not compelled to reach agreement on this subject, just as they are not compelled to agree on wages, vacations, work rules, etc.

Further, this Committee emphasizes that the provisions of the PERS itself are not subject to modification by collective bargaining. The Legislature reserves the sole right to amend the benefits and obligations provided by the PERS, except as expressly provided in this Bill.


Representative Mike Miller, Chairman
House State Affairs Committee



Representative John G. "Jack" Fuller
Vice Chairman
House State Affairs Committee


Representative Jerry Gardiner, Member
House State Affairs Committee


Representative Bill Farler, Member
House State Affairs Committee


Representative Richard J. Ellison, Member
House State Affairs Committee


Representative Jerry Martin, Member
House State Affairs Committee


Representative Ray H. Setcalfe, Member

A M E N D M E N T #2

Offered in the HOUSE

By Miller

TO: HOUSE CS FOR CS FOR SENATE BILL NO. 25

Page 1, line 6:

After "relating to" insert: "retirement and benefits for public employees including"

Page 1, after line 8, insert:

"* Section 1. AS 39.35.160(a) is amended to read:

(a) While participating in the system each peace officer and each fireman shall contribute five per cent and every other employee shall contribute 4.53 [FOUR AND ONE-QUARTER] per cent of his compensation to the public employees' retirement system."

Page 1, line 9:

Delete: "Section 1." and insert in its place: "Sec. 2."

Page 1, line 13:

Delete: "Sec. 2." and insert in its place: "Sec. 3."

Page 1, between lines 23 and 24:

Insert:

"* Sec. 4. AS 39.35.680(25) is amended to read:

(25) "normal retirement" means retirement for a member who is at least 55 years old and has a minimum of five years credited service, or who is any age and has 25 [30] years or more of credited service, or a peace officer or fireman who is any age and has 20 years or more of credited service;"

Page 1, line 24:

Delete: "Sec. 3." and insert in its place: "Sec. 5."

Page 3, line 23:

Delete: "Sec. 4." and insert in its place: "Sec. 6."

Page 3, line 24:

Delete: "sec. 5." and insert in its place: "sec. 7."

Page 3, line 27:

Delete: "Sec. 5." and insert in its place: "Sec. 7."

Page 4, lines 10 - 13:

Delete all material and insert:

"* Sec. 8. Sections 2, 3, and 5 of this Act take effect on January 1, 1980, if approved by a majority of the votes cast by affected state employees under sec. 7 of this Act.

* Sec. 9. Sections 1 and 4 of this Act take effect on January 1, 1980, if approved by a majority of the votes cast in a special election conducted

before January 1, 1980, by the Department of Administration among the active members of the public employees' retirement system.

* Sec. 10. Sections 6, 7, 8, 9, and 10 of this Act take effect immediately in accordance with AS 01.10.070(c)."

A M E N D M E N T #1

Offered in the HOUSE

By Miller

TO: HOUSE CS FOR CS FOR SENATE BILL NO. 25

Page 1, lines 10 - 12:

Delete:

"pay the appropriate social security contribution or the contribu-
tions required under AS 39.30.150 in place of the social security
contribution"

and insert in its place:

"be considered to have agreed to have his wages reduced by an
amount equal to one-half of the total contribution which the state
is required to make on his behalf under AS 39.30.150 [PAY THE
REQUIRED SOCIAL SECURITY CONTRIBUTION]

Page 1, line 28:

After "required" insert: "on behalf of an employee"

Page 1, line 29:

Delete: "and an employee of the state"

Page 2, line 1:

Delete "each"

Page 2, line 1:

Delete: "6.13" and insert in its place: "12.26"

Page 2, lines 5 - 6:

Delete: "contributions made by the employee under this section and the"

Page 2, line 14:

Delete: "by them and"

Page 2, line 22:

Delete: "by or"

Page 3, line 7:

After "employee" insert: "on whose behalf the state is"

Page 3, line 11:

Delete: "both"

Page 3, line 12:

Delete: "and by the employee"

SOCIAL SECURITY WITHDRAWAL

ELECTION

The bill calls for an election among state employees to determine whether or not state employees desire to withdraw from the social security system effective January 1, 1980. In the event that employees elect to withdraw from the social security system, monies previously contributed to social security would be contributed to a supplemental benefit plan.

SUPPLEMENTAL BENEFITS PROGRAM

The supplemental benefit plan provides that each employee may elect to allocate monies previously contributed to social security on his behalf to the following:

1. supplemental health benefits
2. supplemental death benefits
3. supplemental disability benefits
4. supplemental survivor benefits
5. supplemental annuities

All of the supplemental benefit programs would be designed to compliment benefits provided in the retirement systems. (PERS and Judiciary) Each employee could therefore create a benefit package which would be addressed to his own individual needs.

MARINE EMPLOYEES ALLOWED TO PARTICIPATE IN PERS

The legislation also provides that employees of the division of marine transportation may be allowed to use their social security monies for inclusion in PERS rather than the supplemental benefit program. Such inclusion would be subject to the State formally agreeing to the inclusion through the collective bargaining process. Currently such employees are not participating in PERS.

NO COST TO THE STATE

Election Costs: APEA has entered into a contract with the State to pay for the Election

Administrative Costs:

In the event that the result of the election is in favor of withdrawal from social security, Sec. 39.30.160(c) provides that the administrative costs of operating the supplemental benefit program be deducted from the social security monies prior to being credited to individual benefit accounts. Thus it will not cost the State any

additional monies to operate the program. In order to initially implement the program (from the election to January 1, 1980) it is necessary to have an appropriation from program receipts, however this appropriation would be returned to the general fund when social security monies start flowing into the supplemental benefit program in January 1980.

SAVES STATE MONEY

State will pay less than social security contributions:

Although the primary intent of the legislation is not to save the State money, the supplemental benefit program would result in a savings to the State. Currently, the employer and the employee both contribute equal amounts to the social security system. The contributions to the social security system are increased by increasing the percentage index and the taxable wage base. Now the employer and employee each contribute 6.13 percent of \$22,000 the taxable wage base. In the near future both the percentage and the taxable wage base will increase. However under the proposed legislation, the percentage rate is frozen at 6.13 and only the taxable wage base will increase (in order to protect the benefits program from inflation). Thus in the future the amount contributed to the supplemental benefit program would be less than the state would be contributing to social security.

AMENDMENT MAKES ALL MONIES CONTRIBUTED TO THE SUPPLEMENTAL BENEFIT PROGRAM NON TAXABLE

Under the social security program the employee contributed 6.13 percent of the taxable wage base (currently \$22,000) to social security and the employer contributed a like amount. Thus the total contribution is 12.26. The amendment provides that the employee's salary be reduced by the amount of his social security contribution and the State contribute that amount for him. Thus making the entire 12.26 percent an employer contribution, which makes the monies non-taxable. As his gross salary is reduced by the amount of the contribution, the employee is also in a lower tax bracket and should take home more money.

SIMPLE EXAMPLE OF PROPOSED AMENDMENT TO HCS FOR SCS FOR SB NO. 25

CURRENT BILL

\$100.00 Gross Salary
- 20.00 Taxes
80.00
- 6.13 Employee's contribution to the supplemental benefit
73.87 program (previously the social security contribution.
The employer also contributes 6.13, thus the total
contribution to the supplemental benefit program is
12.26.
\$ 73.87 TOTAL NET INCOME

PROPOSED AMENDMENT

\$100.00 Current Gross Salary
- 6.13 Reduce the gross salary by the amount required to be
93.87 contributed to the supplemental benefit program (previously
social security) and have the employer contribute an amount
equal to the reduction in gross salary (6.13) on the
employee's behalf in addition to the amount the employer
is already required to contribute. Total employer contribution
would be 12.26.
93.87 NEW GROSS SALARY
- 18.00 Taxes (Employee is in a lower tax bracket because of reduced
\$ 75.87 gross salary).
\$75.87 TOTAL NET INCOME (Employee takes home more)

STATE OF ALASKA
Inter-Department Route Slip

TO:
MAIL STATION NUMBER _____

DEPARTMENT _____

ATTENTION Representative Miller

- | | |
|--|--|
| <input type="checkbox"/> Approval | <input type="checkbox"/> Note & Return |
| <input type="checkbox"/> Signature | <input type="checkbox"/> Initial & Return |
| <input type="checkbox"/> Comment | <input type="checkbox"/> Return As Requested |
| <input type="checkbox"/> Contact Me | <input type="checkbox"/> Return For Approval |
| <input type="checkbox"/> Prepare Reply | <input type="checkbox"/> Necessary Action |
| <input type="checkbox"/> For Your File | <input type="checkbox"/> Your Information |

Remarks:

FROM:
MAIL STATION NUMBER 0203

DEPARTMENT Retirement / Benefits

BY _____ DATE 4/23/79

STATE OF ALASKA

JAY S. HAMMOND, Governor

DEPARTMENT OF ADMINISTRATION

DIVISION OF RETIREMENT & BENEFITS

POUCH CR
JUNEAU, ALASKA 99811

April 23, 1979

The Honorable Bill Ray
Senator
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Senator Ray:

Per our discussion of today, enclosed are proposed amendments to House CS for CS for Senate Bill 25. These amendments are intended to tax shelter all money going into the supplemental programs until paid out to the employees.

Sincerely,



Paul B. Arnoldt
Director

PBA/jb
Enclosure

cc: Sue Greene
Deputy Commissioner

Representative Duncan
Representative Miller ✓
Representative Cotten

Amendments to House CS for CS for SB 25

Page 1 (lines 10 through 12)

(b) In addition each employee shall pay the appropriate social security contribution or shall be deemed to have agreed to have his wages reduced by an amount equal to one-half of the state's contributions on behalf of such employee as required under AS 39.30.150.

Page 1 & 2 (lines 27 through 29 and 1 through 15)

Sec. 39.30.150. CONTRIBUTIONS. (a) In place of contributions to the federal Social Security System which would have been required had the state remained in the system, the state shall contribute 12.26 per cent of the wages of the employee up to the taxable wage base then in effect in the social security system. All costs of establishing and administering the benefit program established by AS 39.30.160 shall be paid from the contributions made by the state under this section. Such contributions made by the state shall be paid into special individual employee benefit accounts in the Department of Administration to be used to provide supplemental employee benefits provided in AS 39.30.160.

(b) Employees of the division of marine transportation included in the public employees' retirement system through the process of collective bargaining under AS 39.35.680(21) (D) may, under the terms of a collective bargaining agreement, utilize contributions made under (a) of this section on their behalf to offset the costs of inclusion in the public employees' retirement system, however,

Page 3 (lines 11 through 14).

Sec. 39.30.160 (c) The entire amounts paid by the state, after the deduction for administrative costs under AS 39.30.150, shall be used for supplemental benefits under this section.

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

Jim Thorne

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 946
Title Withdrawal From The Federal Social Security System
Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement and Benefits
Program Category Affected Retirement and Benefits (PERS)
Budget Request Unit(s) Affected Public Employees' Retirement System

EXPENDITURES (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES		37.3	79.1	83.8	88.6	94.2
200 TRAVEL		1.0	1.0	1.0	1.0	1.0
300 CONTRACTUAL		6.7				
400 COMMODITIES		0.6	0.6	0.6	0.6	0.6
500 EQUIPMENT		1.5				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	4,279.6	4,736.5	5,206.7	5,723.9	6,292.6

FUNDING (Thousands of Dollars) See Attachment 1

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME		1.5	3	3	3	3
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See Attachment 1

Paul B. Arnoldt

IV. DATE 5-31-78 PREPARED BY Paul B. Arnoldt, Director
AGENCY Division of Retirement & Benefits
PHONE 465-4460

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named) Rules Committee
Office of the Governor (Keith Specking)

ATTACHMENT 1

HB 946

I. First Year Cost to the State:

1. Marine Transportation Employees	=	\$1,330,000
2. Police/Fire Employees	=	387,000
3. Other (PERS) Employees	=	<u>2,515,500</u>
Total	=	\$4,232,500

II. Funding:

1. The cost of this bill is determined as a percent of covered payroll. It is estimated that future payrolls will grow by 10% annually (salary and membership). Therefore, second year cost to the State will be \$4,655,750, and so forth for each year.

2.			<u>79</u>	<u>80</u>	<u>81</u>	<u>82</u>	<u>83</u>
	General Fund	82.0 %	\$3,470.6	\$3,817.9	\$4,199.5	\$4,619.5	\$5,081.3
	Federal	4.5 %	190.5	209.5	230.5	253.5	278.9
	Veteran's	.2 %	8.5	9.3	10.2	11.3	12.4
	Fish & Game Fund	.6 %	25.4	27.9	30.7	33.8	37.2
	Highway Fund	1.3 %	55.0	60.5	66.6	73.2	80.6
	Airport Fund	2.9 %	122.7	135.0	148.5	163.4	179.7
	Capital Fund	8.5 %	359.8	395.7	435.3	478.8	526.7
	PERS		<u>47.1</u>	<u>80.7</u>	<u>85.4</u>	<u>90.4</u>	<u>95.8</u>
	Total		\$4,279.6	\$4,736.5	\$5,206.7	\$5,723.9	\$6,292.6

III. Administrative Costs:

1. Establish and administer new Deferred Compensation Program: One Retirement and Benefit Specialist (Range 16) and one Retirement and Benefit Technician (Range 12).
2. Administer new survivor benefits, disability benefits and basic benefits for employees not previously covered: One Retirement and Benefit Specialist (Range 16).
3. Equipment (\$1,500), travel (\$1,000), and commodities (\$600) for new employees.

IV. Special Election:

1. One-time Data Processing costs to generate employee lists and mailing addresses (\$5,000).
2. Postage (\$1,500) and printing of ballots (\$200).

V. Additional Information:

Two letters from Robert F. Richardson to Paul B. Arnoldt dated May 25, 1978. (See Attachment 2 and Attachment 3)

Benefit Services / Consulting Actuaries

May 25, 1978

Mr. Paul Arnoldt, Director
Division of Retirement & Benefits
State of Alaska
Department of Administration
Pouch CR
Juneau, Alaska 99811

Re: House Bill 946 Costs

Dear Paul:

We have calculated that passage of House Bill 946 will cost 1.36% of earnings for State employees covered under PERS. This cost can be broken down in the following manner:

(1) An extra 1% on the benefit formula	8.45%
(2) 25-and-out provision for present and new State employees	.30%
(3) 25-and-out provision for employees who transfer to State employment from other political subdivisions	.10%
(4) Improved disability benefits	<u>.10%</u>
(5) Total Cost	8.95%
(6) Less average contribution from special fund	<u>7.59%</u>
(7) Additional cost to the State	1.36%

As you can see, this cost is higher than the cost calculated by Milliman & Robertson, Inc. There are several explanations for these differences. Of prime importance is the fact that different actuarial assumptions have been used in the two calculations. M&R based its calculations on the former actuarial assumptions whereas our calculations have been based upon new assumptions adopted by the PERS Board this Spring. Perhaps of greatest significance, especially as relates to this bill, is the fact that the new actuarial assumptions assume that salaries will increase at 6% per year until age 39 while the former actuarial assumption assumes that salaries will increase at 5% per year. As you can imagine, a benefit based upon final average pay

Mr. Paul Arnoldt

Page Two

May 25, 1978

will be more costly if salaries go up at a faster rate. The present cost to the State for PERS is 12.06% of earnings. Passage of House Bill 946 will add 8.95% to this cost, arriving at a total cost of 21.01%. Adding 7.7% to the present 12.06% would arrive at a total cost of 19.76%. Thus, our total cost calculation is about 6% higher than M&R's estimated cost. Such a 6% difference in cost is easily explainable by the differences in actuarial assumptions.

Other differences bear mentioning. The present actuarial assumptions are more "liberal" than the former assumptions when it comes to determining cost for the 25-and-out provision. This is because we presently do not assume all employees will retire as soon as they meet the minimum eligibility for full retirement benefits. As pointed out in the Experience Analysis report presented this Spring, a large number of employees who are presently working are also eligible for unreduced full retirement benefits. I believe it is reasonable to assume that this phenomenon will continue in the future. In other words, even though an employee may be eligible to receive unreduced benefits after 25 years of service, he may elect to continue employment until age 55 or until he attains 30 years of service before actually retiring. In that event, the employee would not benefit at all from the 25 year and out provision of House Bill 946.

Only a small percentage of employees will actually "benefit" from this provision. At present only 11 employees, or less than .15% of State employees, are eligible to retire under the 25-year-and-out provision. However, it is reasonable to assume that a good percentage of those 11 employees will work until at least age 55 or until they have 30 years of service and, therefore, not ever utilize the 25-year-and-out provision. In fact, our records indicate that there are 22 employees who meet the present eligibility provisions for full retirement and yet who have not retired.

Finally, the advantage of the 25-year-and-out provision for those employees electing it is not as significant as you might expect. By retiring one year earlier, an employee would "pass up" an assumed 5% increase in salary and a 3% increase due to an extra year of credited service. Consequently, for each year earlier an employee retires, his benefit will be 8% less. Obviously, in highly inflationary times where salaries are going up faster than 5%, he will be reducing his total benefit by more than 8% per year. Almost exactly counterbalancing this "loss" in benefits is the value of receiving benefits for one more year.

The cost we have calculated for the 25-year-and-out provision is significantly less than the cost calculated by M&R. This difference can be attributed to the more "liberal" actuarial assumptions presently

Mr. Paul Arnoldt

Page Three

May 25, 1978

Adopted by the Board. I have reviewed this with M&R and they have indicated that their costs are based upon the assumption that employees will retire as soon as possible.

As you can see, line 3 above indicates a cost of .10% associated with the cost of providing unreduced benefits for employees who transfer to State employment after having accumulated several years of employment with a political subdivision. As we discussed, our interpretation of House Bill 946 allows an employee to work 24 years with a political subdivision and one year with the State and thus receive all 25 years of his benefits unreduced. In this example, the employee would get 24 years at 2% and one year at 3%. My cost calculation is based upon the assumption that 50% of the employees in other political subdivisions who are so inclined to take advantage of the 25-year-and-out provision will find employment with the State and be able to utilize that provision. It is my understanding that M&R did not take into consideration the effect of transfers from other political subdivisions on retirement under the 25-year-and-out provision.

As line 4 above indicates, I have determined that there is a cost of .10% to provide disability benefits which are the greater of 40% of pay or the accrued benefit under the Plan. Based upon a 2% formula, it would take 20 years to arrive at 40%. Under such a 2% formula, there would be very little cost for providing this provision. However, under the 3% formula, it would take slightly more than 13 years to accumulate 40%. It is much more likely under a 3% formula for the employee to have an accrued benefit which is greater than 40%. Our calculations indicate that the cost will be .10% of PERS earnings for State employees. It is my understanding that the M&R calculation of no cost for this benefit is based upon the 2% formula.

In summary, we have calculated that passage of House Bill 946 will increase the State's cost to PERS to a total of 21.01% of earnings, or an increase of 8.95% over the present contribution rate. While this total cost is approximately 6% higher than the total cost for the System implied in the March 15, 1978 report by Milliman & Robertson, Inc., it is our opinion that these differences are explainable as outlined above.

House Bill 946 also calls for the inclusion of Marine Transportation Employees. I have calculated that the cost of their future service benefits under PERS will be 14.71% of their earnings. Please note that this cost calculation includes the cost of medical benefits under PERS. The cost calculations also assume that Marine Transportation Employees will be allowed to retire after 25 years of service although only service after 1-1-80 will be counted for benefit purposes. In other words, a Marine Transportation Employee with 20

Mr. Paul Arnoldt
Page Four
May 25, 1978


years of service on 1-1-80 will be allowed to retire on 1-1-85 with five years of credited service. If this is not the intent of HB946, then my costs will have been slightly overstated. It is my understanding that Milliman & Robertson, Inc. determined the cost for Marine Transportation Employees to be 13.4% of their earnings. This would indicate that my cost calculations are 1.31% higher than theirs. You will note that this is about the same as the 1.36% higher cost I have calculated for the present PERS employees. Please note that these cost calculations do not include any military service for Marine Transportation Employees prior to 1-1-80 although such military service is provided for under the bill.

The supplementary survivor benefits provided for under HB946 are anticipated to cost .86% of PERS earnings. We believe this .86% figure to be a very good estimate of the cost for these benefits. Of course, the exact cost would not be known until bids are received from interested insurance carriers.

Actual contributions required by Social Security will vary from year to year. However, an average annual contribution of 10.2% is a good estimate of average contributions. Based upon this average contribution, I believe that the attached table correctly summarizes the financial impact of House Bill 946.

I look forward to going over these cost calculations and other aspects of House Bill 946 when I am in Juneau on May 30.

Sincerely,



Robert F. Richardson, MAAA
Vice President

RFR:ja

cc: Mr. R. Winkenwerder

Financial Impact of HB946

	<u>Average*</u> <u>S.S.</u> <u>Contrib.</u>	<u>Transferred</u> <u>From</u> <u>Special</u> <u>Account</u>	<u>Survivor**</u> <u>Benefits</u>	<u>Deferred</u> <u>Comp.</u> <u>Contrib.</u>	<u>Additional</u> <u>Cost</u> <u>For</u> <u>PERS</u>	<u>Net</u> <u>Additional</u> <u>Cost to</u> <u>State</u>
Other Employees	10.2%	7.7%	.86%	1.64%	9.0%	1.3%
Police/Fire	10.2%	6.8%	.86%	2.54%	8.6%	1.8%
Marine Transportation	10.2%	7.7%	.86%	1.64%	14.7%	7.0%

* Will vary from year to year as S.S. rates and Wage Base change.

** Will vary from year to year based on experience.

Benefit Services / Consulting Actuaries

May 25, 1978

Mr. Paul Arnoldt, Director
Division of Retirement & Benefits
State of Alaska
Department of Administration
Pouch CR
Juneau, Alaska 99811

Re: Comments on House Bill 946

Dear Paul:

Passage of House Bill 946 and subsequent opting out from Social Security will have monumental impact on the retirement system for State of Alaska employees. There are several aspects of this bill which should be understood completely by all affected parties.

(1) Cost

As indicated in a prior letter, the benefits provided by House Bill 946 will increase the State contribution to PERS to 21.01%, an increase of 8.95% over the present contribution rate. Contributions transferred from the "special account" to the State (presumably to pay for these increased benefits) will amount to an average of 7.59%. This 7.59% figure takes into consideration the relative weighting between police and fire employees who would contribute 6.8% of their earnings and other employees who would contribute 7.7%. Consequently, the total additional cost to the State will amount to 1.36% of earnings for State employees covered under PERS. Marine Transportation employees will cost 14.71% to include in PERS, or 7.01% more than the amount transferred from the special account for those employees.

(2) Equity

Benefits and contributions presently paid in PERS are equitable. By that, I mean that an employee contributes a given percentage on all his earnings and his benefit is related to a percentage of all earnings. Passage of HB946 would significantly alter this relationship. Both employees and the State would be contributing only on earnings up to the Social Security Wage Base whereas benefits would be based upon all earnings. Consequently, higher-paid employees would be getting a larger benefit relative to their contributions than lower-paid

Mr. Paul Arnoldt

Page Two

May 25, 1978

employees. Such a change would be a significant departure from the present philosophy underlying PERS.

(3) Deferred Compensation Contributions

We assume that the amounts allocated to each employee's deferred compensation account will be based upon an average rate differing only by "Police/Fire" and "Other Employees". Although the actual Social Security contributions will vary from year to year, it is anticipated that Social Security contributions made by both the State and the employees will average 10.2%. If we assume that the additional survivor benefits will cost .86% as indicated in the bill, this implies that all Police and Fire Employees will have 2.54% of their total earnings contributed to their deferred compensation accounts while all Other Employees and Marine Transportation Employees will have 1.64% contributed to their deferred compensation accounts.

Employees who earn less than the Social Security Wage Base as well as employees who earn more than the Social Security Wage Base will have the same percentage of total earnings contributed to their deferred compensation accounts. However, Social Security contributions are only made on earnings up to the Wage Base. Consequently, all employees who are earning less than the Social Security Wage Base would be "subsidizing" employees who earn above the Wage Base. I believe that such a situation is not desirable for the State of Alaska. The regressive tax aspects of Social Security are tolerated only because benefits, as a percentage of earnings, are also heavily weighted to the lower incomes.

As we discussed, there is an alternative way to administer this bill whereby all employees earning under the Wage Base would have a fixed percentage contributed to their deferred compensation accounts while employees earning above the Wage Base would have a declining percentage contributed to their deferred compensation account. Ignoring the administrative problems associated with this approach, this method will ultimately break down for employees in the upper salary bracket. In other words, total Social Security contributions for people in the upper salary ranges will be less than 7.7% of all earnings. Although it would be possible to have no amounts contributed to the deferred compensation accounts for these employees, the State would still have to pay for the additional benefits granted under PERS. For example, total Social Security contributions for a higher-paid individual might amount to only 6% of his total salary. After subtracting the .86% for the survivor

Mr. Paul Arnoldt
Page Three
May 25, 1978

benefits, this would leave only 5.14% to be transferred to the State in order to pay for the additional PERS benefits under HB946. Obviously, the State would have to pick up the additional cost between the 7.7% and the 5.14% in this example. As you can see, this approach would increase administrative problems associated with the deferred compensation contributions as well as lead to increases in the cost of this bill.

(4) Comparisons Between Police/Fire and Other Employees

In recent years changes to PERS have attempted to minimize the differences between Police/Fire and Other Employees. To simplify, Police and Fire Employees contribute an additional .75% but enjoy 20 and out normal retirement. HB946 will allow Police and Fire Employees to have an additional .9% of their earnings contributed to their deferred compensation accounts. If that is in fact what happens, Police and Firemen will not contribute .75% more toward their benefits but in fact will contribute .15% less for the benefits. I believe that having Police and Firemen contribute less for a better benefit (20 and out) will present problems.

(5) 25 and Out Provisions

Only a very small percentage of employees who ultimately retire under this System will be able to take advantage of the 25 years and out provision provided by HB946. Of those employees ultimately receiving retirement benefits from the System, we have estimated that approximately 3% will in fact be retiring under the 25 year and out provision as opposed to 97% who will be retiring based upon the provisions presently found in PERS. Taking into consideration those who terminate before they become vested, we would estimate that the 25-and-out provision would benefit only 1% of all employees. Although all employees will be "paying" for the 25-year-and-out provision, only a small percentage will actually enjoy this benefit. An additional problem arises when an employee transfers from a political subdivision to employment with the State. As we have interpreted the Bill an employee who has 25 or more years of credited service with a political subdivision need only work 1 day with the State in order to be entitled to retire under the 25-year-and-out provision. Although such a situation will not increase the State's cost significantly (only .10% of earnings), it will perhaps lead to an inequitable situation. Some employees from the political subdivisions will be able to find State employment and receive the benefit of 25-year-and-out whereas other employees of political subdivisions may not be able to find such employment and, therefore, not be entitled to the 25-year-and-out provision.

Mr. Paul Arnoldt
Page Four
May 25, 1978

(6) Credit For Past Service

It appears that an employee who has any years of credited service with the State prior to January 1, 1980, may receive the additional 1% credit for that service so long as he makes some contributions under AS39.30.170. This again leads to the situation where an employee from another political subdivision (who has prior State service) may achieve a "windfall" by working for the State one day after January 1, 1980. In addition, there is a large unknown liability for present retirees. It appears that any present retiree might be able to work one day for the State after January 1, 1980 and thereby pick up the additional 1% windfall for all prior service with the State. Our cost calculations on this bill contemplate credit for past service only to present State employees and not to retirees or employees of other political subdivisions who have worked for the State.

I am sure we will discuss these comments and other aspects of House Bill 946 when I am in Juneau on May 30.

Sincerely,



Robert F. Richardson, MAAA
Vice President

RFR:Jn

SB

59

COMMITTEE REPORT

HOUSE

FURTHER: FINANCE

March 29, 1979

Date: 4-5-79

Mr. Speaker:

The Committee on STATE AFFAIRS has had CSSB 59

"An Act making a special appropriation for a feasibility study of a Portage to Whittier transportation system; eff. date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

**MEMBERS SIGNING
DO PASS**

[Handwritten signatures]

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

[Handwritten signature]

CHAIRMAN

TELEPHONE

BOA ALASKA COMMUNICATIONS, INC.

PHONE: 843-5442

JUNEAU, ALASKA 99802

Distributed by Sen. Bradley

1979 MAR 27 AM 2 01

02076 NL ANCHORAGE ALASKA 472 03-26 337P AST

PMS SEN WRAY BRADLEY

JUN

RE SENATE BILL NO. 59

FROM ANCHORAGE YACHT CLUB

WE, THE UNDERSIGNED MEMBERS OF THE ANCHORAGE YACHT CLUB
EARNESTLY SOLICIT YOUR SUPPORT FOR S.B. 59. WE CONSIDER IT
VITAL TO THE ECONOMIC AND RECREATIONAL NEEDS OF SOUTHCENTRAL
ALASKA AND FEEL THAT THE FEASIBILITY STUDY WILL SUPPORT
OUR POSITION.

D. H. HENSON

JERRY P. WILLIS

A. E. MILLNER

JIM VOLCOTT

J. DOUGLAS BURKE

WALTER J. HICKEL

GRIFFITH R. STZINER

DON E. BURK

ANNE CHRISTIANSON

WILLIAM H. SCOTT

DENNIS L. WALDOCK

LARRY FORDHAM

ASA L. MARTIN

DONN F. HOWELL

LARRY HEAL

JIM CHRISTIANSON

PHIL DEBMAN

WILLANNE TITUS

GERALD E. EARP

NEIL DAYTON

DANIEL A. MOORE JR.

GEORGE M. SULLIVAN

STEPHEN J. KARAKASH

RUFUS C. HINCHES

R. STANLEY DITUS

GEORGE A. MUIR

CARL F. GRADY JR.

RICHARD C. POPE

HAROLD L. CLOUD

EDWARD M. ONEILL

SHORTY JACKSON

BURTON W. ATWOOD, III

JOHN F. PATTERSON

JAMES A. HAMILTON

JIM BOBLER

FRED FINE

DAN R. POSETA

W. M. HASTINGS

GEORGE F. BODD

A. MICHAEL HOENE

RICH WASTFIELD

DEL ALLISON

BETTY L. GONZALES

C. ANDERSON

CINDY ANDERSON

MEL STARK	WILLIAM E. SCHOEPHOSTER	CARL E. ANDERSON
EDMOND W. BURKE	BENJ. O WALTERS JR.	BUCKIE TAFT
EDGAR BILLIMEK	KENNETH G. MERRITT	T. S. DUFF
DEMOINE GAMBLE	JAKE L. SHUMAKER	LYLE AMERLAND
MURRAY STANLEY	LANE A. BOYER	ERNEST WATZ
RON L. RETTIG	DARELID LARRIGAN	BILL J. TAYLOR
H. J. WHITE	BOBBY CAPPS	BOB MCGRANE
LOIS L. QUICK	RICHARD W. SUTHERLAND	CIANE B. AUKAMP
ARTHUR H. SNOWDEN II	MARK C. POWLAND	
KARL S. JOHNSTONE	R. H. KINNEY	
DAVID G. MARTIN	ARDEN ANDERSON	
DARREL L. BAHNER	STEVE JACKSON	
ROBERT L. SPILS	ED R. SHEPHERD	
WILLIAM C. PUNCHES	ROGER L. JACOBSON	
JOHN I. MILLER, JR.	L. B. ANDERSON	
A. C. SWALLING	ROBERT HICKEL	
JAMES C. PRICHARD	DAN H. CUDDY	
ANNA WOODARD WILLIAMS	CHARLES KOZLER	
DAN BAILEY	PAY MCCARTY	
NORMA MAC	BOB CROW	
ROBERT E. MCQUAID	PAMELA MONROE STONEFELT	
WILLIAM M. MURRAY	VERNON HICKEL	
JOE COLUMBUS	JOHN D. WOOD	
HILL JONES	FAYNE HASTINGS	
DAN FARR	BILL SELTENREICH	
LARON P. MARTIN	ROBERT G. SEABURY	
FRANK M. REED JR.	DALE UNBERECHT	
GEORGE STARK	CURT STOVELL	
M. A. WILSON	HUGH G. WADE	
• • COMMITTEE	JACK STEPHI	

L. J. SCHULTZ
GEORGE D. COOPER
MAXINE A. KELLY
JAMES LANE RHOADS
R. S. BREWER
EUGENE CLEARY
PHILIP A. STEWART
CHARLIE BUSSELL
VERNON R. JOHNSON
R. JERROLD QUAM
BILL G. MILLER

JACK STEPHL
KARL A. EACHNER
CLIFORD J. GROH
N. E. COMMERS
WILLIAM H. KENDALL
WILLIAM M. HANNAN
CINNY W. SCHMITT
STEVE P. ANDERSON
ROBERT W. SPARKS, JR.
DOX GALT
CHARLES E. WALSH

Requested by: Assemblyman Don Smith
Meeting of: February 20, 1979

ANCHORAGE, ALASKA

ASSEMBLY RESOLUTION

AR NO. 79-39 S

FILED

5-20-79

A RESOLUTION OF THE ANCHORAGE ASSEMBLY SUPPORTING COMMITTEE SUBSTITUTE FOR SENATE BILL 59 AND BUDGET PROPOSALS TO FUND A FEASIBILITY STUDY ON ACCESS OPTIONS BETWEEN PORTAGE AND PRINCE WILLIAM SOUND

WHEREAS, the Prince William Sound Region is one of the most magnificent and spectacular areas in Southcentral Alaska and has become a major tourist attraction and recreational area, and

WHEREAS, this area would be readily accessible to over one-half the population of Alaska if reasonable access were provided, and

WHEREAS, improved access is particularly important to the people of the Anchorage Municipality, inasmuch as 5,900 pleasure boats are registered in the Anchorage Area and the small boat harbor is being tripled in size, and

WHEREAS, the Alaska Marine Highway has indicated an intention to increase the level of ferry service to Whittier from Southeast ports if ready access is provided to Anchorage, and

WHEREAS, there are currently proposals before the Legislature to appropriate funds to initiate studies of access options from Portage to Bear Valley including providing frequent shuttle service through the tunnel.

NOW, THEREFORE, BE IT RESOLVED, that the Anchorage Municipal Assembly supports committee substitute for SB 59.

AND BE IT FURTHER RESOLVED, that copies of this resolution be sent to all members of the Legislature and to Governor Hammond.

PASSED AND APPROVED by the Anchorage Assembly this 20th day of March, 1979.

Ernest W. Brannon

Chairman

ATTEST:

William Allen Bonds
Municipal Clerk
Acting

CITY OF VALDEZ, ALASKA

RESOLUTION NO. 7801

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA SUPPORTING AND ENCOURAGING THE DEVELOPMENT OF A NEW OR IMPROVED HIGHWAY CONNECTION BETWEEN PORTAGE AND WHITTIER

WHEREAS, the Prince William Sound has developed into a major tourist attraction and recreation area for Alaska; and

WHEREAS, the Prince William Sound area is one of the most magnificent and spectacular areas in Southcentral Alaska and further, that the construction of the Alyeska Marine Tanker Terminal has become an additional spectacular attraction drawing many thousands of additional visitors to Valdez, and

WHEREAS, rail service between Portage and Whittier is the only access via the Alaska Marine Highway from the Anchorage end; and

WHEREAS, an improved road access would make this area far more accessible and available for use by the major concentration of population in Alaska; and

WHEREAS, it is a prime concern of the City Council of the City of Valdez to see the level of ferry service into Valdez increased in order to serve a growing volume of travel and the Council feels that convenient land access would result in improved ferry service in the Prince William Sound; and

WHEREAS, the City Council wishes to again stress that this additional ferry service is required to preclude the creation of great economic loss in Valdez and its neighboring cities in Prince William Sound and the entire tourist industry.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA that

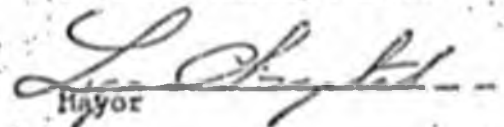
Section 1. The City Council supports and encourages the development of a new or improved highway connection between Portage and Whittier;

Section 2. The City Council again urges that immediate planning be reinstated in regard to the potential for opening a highway link to replace the rail connection into Whittier.

Section 3. Copies of this resolution be distributed to all members of the Alaska State Legislature, the Governor, the Alaska Congressional Delegation and the heads of appropriate agencies.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA this 3rd day of January, 1978.

CITY OF VALDEZ, ALASKA


Mayor


ATTEST:

Deputy City Clerk

RESOLUTION OF THE CITY OF WHITTIER
HIGHWAY CONNECTION BETWEEN PORTAGE
AND WHITTIER: BERNARD L. MARSH
APPOINTED AS LOBBYIST AND
CONSULTANT

RESOLUTION NO. 11.2.77

WHEREAS, the Prince William Sound Region is the most magnificent and spectacular recreational area in Southcentral Alaska, and

WHEREAS, an improved road access would make this recreational area available for use by the major concentration of population in Alaska, and

WHEREAS, Whittier's commercial port capacity could be greatly expanded to the benefit of all Southcentral Alaska if access to Whittier were improved, and

WHEREAS, the current expansion of small boat harbor facilities offers new opportunities for better service that are difficult to exploit without adequate access, and

WHEREAS, lack of convenient land access between Whittier and Anchorage/Kenai Peninsula is a deterrent to the possible economic growth of Whittier,

NOW, THEREFORE be it resolved by the City Council of the City of Whittier, Alaska:

1. That the Whittier City Council supports and encourages the development of a new or improved highway connection between Portage and Whittier, and
2. That the Whittier City Council urges the Alaska State Legislature, the State Administration, and the appropriate Federal agencies to plan and construct a project to accomplish this purpose, and
3. That the Whittier City Council hereby appoints and retains Bernard L. Marsh of Anchorage, Alaska, as its lobbyist and consultant, to develop feasibility for and to promote such a project, and
4. That copies of this resolution be distributed to all members of the Alaska State Legislature, the Governor, the Alaska Congressional Delegation and the heads of appropriate agencies.

PASSED AND APPROVED this 2nd day of November, 1977.

Cecil F. Zeigler
Cecil F. Zeigler, Mayor

ATTEST:

Anna Day Sanders
City Clerk/Treasurer

Funding Information
General Fund \$250,000
Other Funds -0-
\$250,000

Introduced: 1/17/79
Referred: State Affairs
and Finance

1 IN THE SENATE

BY BRADLEY

2 SENATE BILL NO. 59

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act appropriating \$250,000 for the state share of
7 the project cost of the Portage to Bear Valley Road;
8 and providing for an effective date."

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

10 * Section 1. The sum of \$250,000 is appropriated from the general fund to
11 the Department of Transportation and Public Facilities for the state contri-
12 bution to the federal aid highway project for construction of a highway from
13 Portage to Bear Valley Road.

14 * Sec. 2. This Act takes effect July 1, 1979.

15
16
17
18
19
20
21 See Dick Holden
22 for change to "engineering costs"

2136 Loussac Drive
Anchorage, Alaska 99503

March 26, 1979

Senator W. E. Bradley
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Ref: SB 59

Dear Senator Bradley:

This letter is to request your support of SB 59 for improved highway access to Whittier, Alaska.

In these days when Alaska's industry development in many areas have a gloomy outlook due to federal restrictions of one kind or another, we Alaskans must look to encouraging industry development in all feasible areas immune from federal intervention and associated restrictions. One such area that the federal government has not yet effectively restricted is the observing and enjoying of scenic beauty. The Whittier area as a gateway to Prince William Sound offers such a commodity for sale to tourists, an industry that brings outside money to the state of Alaska and thereby is effective in reducing our balance of payments to the south 48 states.

Prince William Sound, from Whittier to Cordova is a vast area of inland-protected water that offers several activities for sale to the tourists, as well as Alaska residents, such as sailing, scuba diving, photography, sport fishing, clam digging, crab potting as well as the most scenic boating area in central and western Alaska. Since these activities are dependent upon renewable or inexpendable resources, once developed they will continue indefinitely. Such economic developments are the wisest type of investments which the state of Alaska can and should make from the income derived from their present depletable resources.

Whittier is the most logical gateway to Prince William Sound since it is the only location that allows access to the sound from the west end through protected inland waterways. Road access to Whittier is essential to promote development of the tourist potential this area has to offer. An approximate fifteen mile extension of the existing highway from Anchorage to Portage would provide such road access. The road to Bear Valley would significantly improve the access to Whittier and would be compatible to an eventual road all the way to Whittier.

As life-long Alaskans, we are interested in maintaining and improving our economic base in order to insure that we, as well as our children and their children may continue to enjoy living in Alaska.

In the interest of Alaska in its entirety, we urge your support of SB 59.

Most sincerely,
Mr. & Mrs. Bud Saltenreich
Mr. and Mrs. Bud Saltenreich

cc: Senator Ed Dankwerth
Senator Bill Ray
Bernard L. Marsh, Exec Sec't
Whittier Road Development Assoc

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

OFFICE OF THE COMMISSIONER

POUCH 2 JUNEAU 99811
(TELEX 45328)

May 8, 1978
000H

Honorable John C. Sackett
Senator
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Senator Sackett:

Following is the information you requested on SB 585, the Act which would appropriate \$250,000 for the State share of the project cost of the Portage to Bear Valley Road.

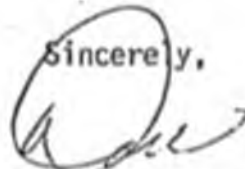
The right-of-way involved is National Park Service land.

The project has not been included in the proposed Capital Improvement Projects of our Department.

The 1972 study of this proposed road showed a cost of \$2,348,000 to build 7,650 feet of highway and 440 feet of bridges. The 1978 cost update would total \$4,250,000.

Construction should be to state standards for secondary highways using six inches of select material, six inches of crushed aggregate base course, and three inches of hot bituminous pavement. There would be two driving lanes of 12-foot width with 2-foot shoulders. The two bridges would be (1) approximately 280 feet long across Portage Creek, and (2) 160 feet long across Placer Creek.

Sincerely,



Donald Harris
Commissioner

ALASKA PLANNING AND MANAGEMENT

Consulting Service

Bernard L. Marsh, President

505 W. Northern Lights Blvd.
Suite 120
Anchorage, Alaska 99503
Tel. (907) 279-3195

MARCH 12, 1979

M E M O R A N D U M

TO: REP. RAY METCALFE, HOUSE STATE AFFAIRS
SEN. BOB MULCAHY, CHAIRMAN SENATE STATE AFFAIRS
SEN. BRAD BRADLEY, SPONSOR SB 59 (BEAR VALLEY ROAD)
SEN. ED DANKWORTH, SENATE FINANCE
SAM COXSON, CITY MANAGER, WHITTIER
PERRY LOVETT, CITY MANAGER, CORDOVA

FROM: BEN MARSH

SUBJECT: SB 59, HB 160, HB 161

I have been asked for my opinion on combining the above bills. HB 160 would provide ferry service to the Alaska Peninsula and the Aleutian Chain at least once a month, HB 161 would appropriate \$20,000,000 to acquire two passenger ferries, and SB 59 would fund the initial studies to construct a road from Portage to Bear Valley. The Senate Finance Committee is considering a budget item to provide increased rail shuttle service between Bear Valley and Whittier.

It would seem that these bills could be combined, or at least SB 59 and HB 161 could be combined, if there is substantial support for both. If HB 161 does not stand a chance of passage this year, then they should not be combined. If HB 161 has heavy support from bush legislators, and the projects can be part of the same system, the idea is good.

If HB 161 and SB 59 are combined, then HB 161 should be amended to include increased level of ferry service to Prince William Sound. The technical question of whether this can be done with the new ferries to be acquired, must be answered by the Marine Highway Division. Input will be needed from the Prince William Sound communities as to the level of service desired.

The road to Bear Valley and improved rail service through the tunnel are vital links to improved access to Prince William Sound, and according to Bill Hudson, former Director of the Marine Highway, will justify better ferry service to all Prince William Sound communities. Also, there will be enormous recreational benefits to the Anchorage and Kenai populations.

cc: City Manager, Seward
City Manager, Valdez
City Manager, Kenai

City Manager, Homer
All Anchorage Legislators

TELEGRAM

SCA ALASKA COMMUNICATIONS, INC.

PHONE: 583-8440

JUNEAU, ALASKA 99801

#

02233 NL TDA WHITTIER ALASKA 50 06-05 1140P ADT

PMS SEN W E BRAD BRADLEY

JUN

I HOPE YOU WILL VOTE APPROVAL ON ~~SENATE BILL 59~~ BECAUSE
THESE BILLS ARE OF SUCH GREAT IMPORTANCE TO A LARGE PART
OF THE POPULATION OF THE STATE OF ALASKA.

KAY SHEPHERD, PRESIDENT

WHITTIER HISTORICAL AND FINE ARTS MUSEUM INC

MEMBER BORAD OF DIRECTORS ALASKA STATE MINI TV ASSOC INC

1978 JUN 6 AM 1 59

TELEGRAM

SCA ALASKA COMMUNICATIONS, INC.

PHONE: 583-8440

JUNEAU, ALASKA 99801

#

02213 NL TDA WHITTIER ALASKA 50 06-05 1140P ADT

PMS SEN W E BRAD BRADLEY

JUN

IT IS OF UTMOST IMORTANCE THAT THE SENATE VOTES APPROVAL ON
~~SENATE BILL 59~~ I BELIEVE THIS IS A PROGRESSIVE LINK TOWARD
THE TRANSPORTATION NETWORK SO BADLY NEEDED IN THE STATE OF
ALASKA.

MEL WOOTEN COUNCILMAN

CITY OF WHITTIER

1978 JUN 6 AM 1 58

TELEGRAM

RCA ALASKA COMMUNICATIONS, INC

PHONE: 526-8440

JUNEAU, ALASKA 99801

02102 NL TDA WHITTIER AK 67 05-05 1245P ADT

PMS SEN W E BRADLEY

JUN

57
YOUR APPROVAL OF ~~SPENARD RD~~ WILL MAKE POSSIBLE 4.3 MILES
OF HIGHWAY, THE MISSING LINK BETWEEN THE STATE HIGHWAY AT
PORTAGE GLACIER TOURIST CENTER AND PRINCE WILLIAM SOUND MARINE
HIGHWAY SYSTEM. THIS CONNECTION WILL NOT ONLY SERVE THE
POPULATION OF INTERIOR ALASKA BUT GIVE ANOTHER MODE OF
TRANSPORTATION INTO JUNEAU. IT WILL ALSO HELP MAKE THE STATE
FERRY SYSTEM PROFITABLE.

ED R SHEPHERD

3407 SPENARD RD

ANCHORAGE ALASKA 99503

TELEGRAM

HCA ALASKA COMMUNICATIONS, INC.

PHONE: 293-8448

JUNEAU, ALASKA 99801

02066 ANCHORAGE ALASKA 59 06-05 1120A ADT

PMS SENATOR W E BRADLEY

JUN

URGE YOUR SUPPORT FOR ~~SENATE BILL~~ ⁵⁹ SB586 TO AUTHORIZE RIGHT-OF-WAY PORTAGE TO PRINCE WILLIAM SOUND, AND 5 PERCENT STATE SHARE OF ROAD PORTAGE TO BEAR VALLEY. THESE MEASURES WILL START LENGTHY PROCESS TO BUILD ROAD AND SURVEY BALANCE OF ROUTE TO CHOOSE BEST OPTION. THIS PROJECT IMPORTANT TO WHITTIER VALDEZ RAILBELT POPULATION TOURIST INDUSTRY AND MARINE HIGHWAY.

BEN MARSH EXECUTIVE SECTY

ALASKA PLANNING AND MANAGEMENT INC

WHITTIER ROAD DEVELOPMENT ASSOCIATION

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

DEPUTY COMMISSIONER - FACILITIES PLANNING AND RESEARCH

POUCH Z
JUNEAU, ALASKA 99811

March 23, 1979

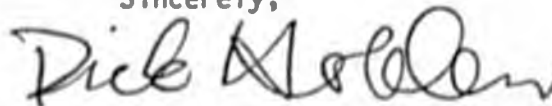
Honorable W. E. Brad Bradley
Alaska State Senate
Pouch V
Juneau, Alaska 99811

Dear Senator Bradley:

Re: Committee Substitute on SB 59, concerning access to Whittier

[Section 142, Title I of the Surface Transportation Assistance Act of 1978, passed by Congress, allows for federal funds to be used for the operations or improvements of the access between Whittier and Portage.] The main reason for the substitute language is that all FY 79 and FY 80 federal receipts for the Department of Transportation are appropriated for projects by Chapters 138 and 113 of SLA 78. [By providing state funds for the feasibility study of Whittier to Portage access, the Department will be able to initiate a study of the options for access and recommend a program to the Legislature for the FY 81 and 82 Capital Improvements Program.]

Sincerely,



Richard A. Holden
Deputy Commissioner

cc: Robert W. Ward
Keith Specking
Warren Sparks

Saturday, February 3, 1979, The Anchorage Times 3

Bear Valley Road Plan 'Is Put On Back Burner

Times Juneau Bureau

JUNEAU — A bill to pay for the state's share of construction into Bear Valley, from Portage toward Whittier, was put on hold in the Senate State Affairs Committee Friday.

Construction of the project, if it ever begins, is probably at least five years away.

The bill is intended to match funds with federal funds to allow construction of a 2.2-mile stretch of road from the Portage Glacier visitors' center into the valley, where it could connect with the Alaska Railroad and a summer-use-only trail around a mountain, both leading to Whittier on the Prince William Sound.

The committee heard testimony Wednesday from Whittier and Anchorage residents who own property and use the city's harbor for boating, fishing and other recreation.

Representatives of the state Department of Transportation told the committee Friday that it must be decided which form of federal funding the road would qualify for before the state could appropriate the proper amount of money.

The bill, sponsored by Sen. Brad Bradley, R-Eagle River, authorizes spending \$250,000 and is the same bill that missed passage in the Senate last year.

Transportation officials said the

state money needed would probably be at least \$248,000, based on a 12 percent share of the \$7.9 million road.

The road, which is being sought by Whittier and Valdez residents because it would beef up tourism traffic to those communities, also would be a better way to evacuate residents in case of medical emergency than the Alaska Railroad is now, a lobbyist for the two towns said Wednesday.

But Friday's hearing pointed out that many political problems face the road before it becomes reality.

Opposition from legislators in other parts of the Kenai Peninsula is based on the supposition that a Whittier Road would divert tourism traffic from the ports of Seward and Homer.

Additionally, in this year of a tight budget, the threat of a line item veto by Gov. Jay Hammond is strong, even if the bill were passed.

Further, any use of federal money requires a number of public hearings, and Dennis Dooley, director of transportation planning for the state Department of Transportation, said some kind of "flak" from environmentalists might be expected.

The question, "How soon can I put my boat in the water?" asked by Eagle River Sen. Tim Kelly was greeted with laughter by the officials testifying.

Whereas the Federal Surface Transportation Assistance Act of 1978, Section 142.(a) RAIL OPERATION PROJECTS IN NONHIGHWAY AREAS provides for assistance for that portion of the Alaska Railroad from Whittier to Portage for the purpose of linking up highways or other transportation modes on the system, allowing the expenditure of not more than 5 percent of the funds apportioned for the Primary System, and any project being subject to all provisions of Title 23, United States Code;

Whereas, it is prudent that the feasibility of the various options that provide such improvements be determined prior to the commitment of any portion of the highway funds now apportioned to the State;

Therefore, the sum of \$200,000 is apportioned to the DOT/PF for the purpose of determining the feasibility of the Whittier link-up and the degree of utilization of the estimated \$2.5 million available each year as provided by the Act.

NOTE:

Hick Holden will
Put this in a committee
substitute early Monday -

1 IN THE SENATE

BY THE COMMERCE COMMITTEE

2

SENATE CONCURRENT RESOLUTION NO. 100

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TENTH LEGISLATURE - SECOND SESSION

5

Relating to the Federal Aid Highway Sys-

6

tem.

7

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

8

WHEREAS Prince William Sound has developed into a major tourist attrac-
9 tion and recreation area for Alaska; and

10

WHEREAS Prince William Sound is one of the most magnificent and specta-
11 cular areas in Southcentral Alaska; and

12

WHEREAS an improved road access between Portage and Whittier would make
13 this area much more accessible and available to the major concentration of
14 population in Alaska; and

15

WHEREAS an improved road access between Portage and Whittier would
16 justify an improved level of ferry service on the Marine Highway between the
17 Prince William Sound communities of Whittier, Valdez, and Cordova; and

18

WHEREAS there is presently no designated route for the construction of
19 a future link between Portage and Whittier on the Federal Aid Highway Sys-
20 tem; and

21

WHEREAS the commissioner of the Department of Transportation and Public
22 Facilities has authority to designate such a route and request its inclusion
23 in the Federal Aid Highway System;

24

BE IT RESOLVED by the Alaska State Legislature that the Governor is
25 respectfully requested to direct the commissioner of transportation and pub-
26 lic facilities to designate a route for construction of a highway and tunnel
27 link from the end of the federal aid highway at Portage Glacier Visitors
28 Center to the Port of Whittier, and to request its inclusion in the Federal
29 Aid Highway System; and be it

1 FURTHER RESOLVED that the Governor is respectfully requested to direct
2 the commissioner of transportation and public facilities to consult with the
3 U.S. Forest Service, Department of Agriculture, to obtain necessary right-
4 of-way for the designated federal aid highway route.

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and reports it back as follows: Senator Hackney, Chairman, 53
and Senator Bradley signed "do pass". Senator Willis 9
signed "no recommendation".

SENATE BILL NO. 9 was referred to the Finance Committee.

The State Affairs Committee has had SENATE BILL NO. 421 53
(special appropriation to the Alaska Court System) and 421
a majority of the committee reports it back without recom-
mendation. The report was signed by Senator Willis, Co-
Chairman, and concurred in by Senators Bradley, Eubar and
Ray. Senator Kortzilia signed "do pass".

SENATE BILL NO. 421 was referred to the Finance Committee.

The ~~Community Committee~~ has had SENATE BILL NO. 385 (approx- 53
imating \$250,000 for the state share of the project cost 385
of the Portage to Bear Valley Road) under consideration
and recommends it do pass. The report was signed by
Senator Bradley, Chairman, and concurred in by Senators
Summer and Hackney.

At the request of Senator Willis, Co-Chairman, State Affairs
Committee, the President waived the State Affairs Committee
referral on SENATE BILL NO. 385 and it was referred to
the Finance Committee.

The Community and Regional Affairs Committee has had SENATE 53
BILL NO. 399 (regulation of the sale of alcoholic beverages 399
by municipalities) under consideration and recommends it
be replaced with ~~COMMUNITY SUBSTITUTE FOR SENATE BILL NO.~~
399 and reports it back as follows: Senator Orsini, Chair-
man, and Senator Hackney signed "do pass". Senators Willis
and Summer signed "no recommendation".

SENATE BILL NO. 399 was referred to the Rules Committee.

The State Affairs Committee has had HOUSE BILL N. 621 53
(unemployment insurance coverage for employees of the 621
state and its political subdivisions) under consideration and
reports it back with the following amendment:

Page 1, line 10: Delete all material and insert:

*Sec. 1. Sections 22 and 33, ch. 122, SLA
1977 are repealed and re-enacted to read:

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES - testimony by
Vern Metcalfe relating to SCR 100 (Relating to the Federal Aid Highway System),

The stand of the Department on this is that to date there has not been sufficient evidence to indicate that such a highway can receive a priority when considered with other projects within the state. As you know, the Alaska Railroad currently serves the community of Whittier with service that allows the carrying of recreational equipment etc.

Our Design and Construction Division has, when it was the Department of Highways, surveyed the area on several occasions studying the feasibility of such a project. There are two alternatives. One is the "tunnel alternative" which bears an estimated cost of \$130 million and would include the tunnel and the necessary bridges, lighting, ventilation etc. The Design and Construction Division has also conducted helicopter surveys of an alternative known as the Portage Pass road. They were unable, using helicopters, to determine if the rock base would support such a road. If it would, the cost of such a highway is estimated at \$35 million. To determine the feasibility of this possible route would take a surface survey and various testing of the surfaces involved.

To: Sens. U.R. Bradley
Mike Colletto
H.B. Danksworth
Patrick Rodey
John C. Sackett
Terry Stinson
Artas Sturgulowski
Bill Sumner
Tim Kelly

Don Bennett
Bettye Valrenkamp
Frank R. Ferguson
Clem Mackney
George H. Hehman
Jaime R. Kerttula
H.D. Beland
Bob Mulcahy
Bill Kay
Clem V. Tillon
Robert H. Ziegler, Sr.

The undersigned officers of the Whittier Boat Owners Association, in behalf of our members, urge your support of SB59, to provide a feasibility study of a transportation system to Whittier.

Improvement of transportation to Whittier, even up to standards considered minimum elsewhere--for residents and recreational users alike--is long overdue.

We would be pleased to learn, by communication from you, your position on this bill and others providing improved transportation to Whittier.

Thank you.

Signed: J.F. Katterman, President
A.W. Kohn, Vice President
Ann Pittenger, Secretary
Dorlene A. Kelly, Treasurer
D.C. Martin, Board Member

For the Whittier Boat Owners Association, Box 3051, Anchorage, AK 99510

The State Affairs Committee has had SENATE CONCURRENT RESOLUTION NO. 111 (requesting Alaska Airlines to reduce fares between communities in Alaska) under consideration and recommends it do pass. The report was signed by Senator Karttula, Co-Chairman, and concurred in by Senators Willis and Huber.

SCR 111

SENATE CONCURRENT RESOLUTION NO. 111 was referred to the Rules Committee.

The Community and Regional Affairs Committee has had SENATE BILL NO. 454 (volunteer service in state and municipal government) under consideration and recommends it be replaced with COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 454 (CSRA), entitled:

SB 454

"An Act relating to volunteer service in state government."

and reports it back as follows: Senator Orain, Chairman, and Senator Sinner signed "no recommendation". Senator Mackey signed "do pass".

SENATE BILL NO. 454 was referred to the Finance Committee.

The Finance Committee has had SENATE BILL NO. 585 (appropriating \$250,000 for state share of project cost of Portage to Bear Valley Road) under consideration and reports it back as follows: Senator Holman, Vice-Chairman, and Senators Croft and Orain signed "do pass". Senators Meland and ~~Barry~~ signed "no recommendation". Senator Hillen signed "do not pass".

SB 585

*See there for
yes vote*

SENATE BILL NO. 585 was referred to the Rules Committee.

The State Affairs Committee has had HOUSE CONCURRENT RESOLUTION NO. 117 amended (Alaska State Office in Tokyo) under consideration and reports it back as follows: Senator Willis, Co-Chairman, signed "do pass". Senators Karttula and Huber signed "no recommendation".

SCR 117

HOUSE CONCURRENT RESOLUTION NO. 117 amended was referred to the Rules Committee.

The State Affairs Committee has had HOUSE JOINT RESOLUTION NO. 76 (requesting financial assistance from the federal government to restore state highway damage occasioned by the construction of the trans-Alaska pipeline) under consideration and the committee recommends it do pass. The report was signed by Senator Karttula, Co-Chairman, and concurred in by Senators Willis and Huber.

HJR 76

COMMITTEE REPORT

SENATE

Wained referral 5-3-78

FURTHER: State Affairs and Finance

4/11/78

Date: May 1, 1978

Mr. President:

The Committee on COMMERCE has had SS 585 appropriating \$250,000 for state share of project cost of Portage to Bear Valley Road

under consideration and (a majority of the committee) (the committee reports it back as follows)

- recommends it do pass () recommends it do not pass
- () recommends it do pass with attached amendment(s)
- () recommends it be replaced with CS for _____

and _____ () new title () same title

- () AND attaches a Letter of Intent () New Fiscal Note
- () reports it back without recommendation
- () and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

[Signature]

[Signature]

OTHER RECOMMENDATIONS:

[Signature]
Chairman

CITY OF VALDEZ, ALASKA

RESOLUTION NO. 7801

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA SUPPORTING AND ENCOURAGING THE DEVELOPMENT OF A NEW OR IMPROVED HIGHWAY CONNECTION BETWEEN PORTAGE AND WHITTIER

WHEREAS, the Prince William Sound has developed into a major tourist attraction and recreation area for Alaska; and

WHEREAS, the Prince William Sound area is one of the most magnificent and spectacular areas in Southcentral Alaska and further, that the construction of the Alyeska Marine Tanker Terminal has become an additional spectacular attraction drawing many thousands of additional visitors to Valdez, and

WHEREAS, rail service between Portage and Whittier is the only access via the Alaska Marine Highway from the Anchorage end; and

WHEREAS, an improved road access would make this area far more accessible and available for use by the major concentration of population in Alaska; and

WHEREAS, it is a prime concern of the City Council of the City of Valdez to see the level of ferry service into Valdez increased in order to serve a growing volume of travel and the Council feels that convenient land access would result in improved ferry service in the Prince William Sound; and

WHEREAS, the City Council wishes to again stress that this additional ferry service is required to preclude the creation of great economic loss in Valdez and its neighboring cities in Prince William Sound and the entire tourist industry.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA that

Section 1. The City Council supports and encourages the development of a new or improved highway connection between Portage and Whittier;

Section 2. The City Council again urges that immediate planning be reinstated in regard to the potential for opening a highway-link to replace the rail connection into Whittier.

Section 3. Copies of this resolution be distributed to all members of the Alaska State Legislature, the Governor, the Alaska Congressional Delegation and the heads of appropriate agencies.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA this 3rd day of January, 1978

CITY OF VALDEZ, ALASKA


Mayor


ATTEST:

Deputy City Clerk

RESOLUTION OF THE CITY OF WHITTIER
HIGHWAY CONNECTION BETWEEN PORTAGE
AND WHITTIER; BERNARD L. MARSH
APPOINTED AS LOBBYIST AND
CONSULTANT

RESOLUTION NO. 11.2.77

WHEREAS, the Prince William Sound Region is r'e most magnificent and spectacular recreational area in Southcentral Alaska, and

WHEREAS, an improved road access would make this recreational area available for use by the major concentration of population in Alaska, and

WHEREAS, Whittier's commercial port capacity would be greatly expanded to the benefit of all Southcentral Alaska if access to Whittier were improved, and

WHEREAS, the current expansion of small boat harbor facilities offers new opportunities for better service that are difficult to exploit without adequate access, and

WHEREAS, lack of convenient land access between Whittier and Anchorage/Kanal Peninsula is a deterrent to the possible economic growth of Whittier.

NOW, THEREFORE be it resolved by the City Council of the City of Whittier, Alaska:

1. That the Whittier City Council supports and encourages the development of a new or improved highway connection between Portage and Whittier, and
2. That the Whittier City Council urges the Alaska State Legislature, the State Administration, and the appropriate Federal agencies to plan and construct a project to accomplish this purpose, and
3. That the Whittier City Council hereby appoints and retains Bernard L. Marsh of Anchorage, Alaska, as it's lobbyist and consultant, to develop feasibility for and to promote such a project, and
4. That copies of this resolution be distributed to all members of the Alaska State Legislature, the Governor, the Alaska Congressional Delegation and the heads of appropriate agencies.

PASSED AND APPROVED this 2nd day of November, 1977.

Cecil F. Zeigler
Cecil F. Zeigler, Mayor

ATTEST:

Anna Fay Sanders
City Clerk/treasurer

COMMITTEE REPORT

SENATE

5/3/78

FURTHER: _____

Date: June 2, 1978

Mr. President:

The Committee on FINANCE has had SR 505 appropriating \$250,000 for state share of project cost of Porrage to Bear Valley Road

under consideration and (a majority of the committee) (the committee reports it back as follows)

- () recommends it do pass () recommends it do not pass
- () recommends it do pass with attached amendment(s)
- () recommends it be replaced with CS for _____

and _____ () new title () same title

- () AND attaches a Letter of Intent () New Fiscal Note
- () reports it back without ^{Individual} recommendation
- () and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

Melend 11:30
Billion Do not Pass
the Submitt to the

Chairman

AMENDMENT

OFFERED IN THE SENATE:

By: SENATE COMMERCE COMMITTEE

To: AMEND SENATE BILL No. SCR 100

HOUSE BILL No. _____

PAGE: _____

LINE: _____

PAGE ONE, LINES 12, 15 AND 19:

DELETE THE WORD "WHITTIER" AND ADD THE WORDS "PRINCE WILLIAM SOUND".

PAGE ONE, LINE 28:

DELETE THE WORDS "PORT OF WHITTIER" AND ADD THE WORDS "PRINCE WILLIAM SOUND"

COMMITTEE SUBSTITUTE FOR SENATE BILL 59

For an Act entitled: "An Act appropriating \$200,000 for a feasibility study for a Portage to Whittier transportation system ~~including the Bear Valley Road option~~ and providing for an effective date."

~~*Section 1. The Federal Surface Transportation Assistance Act of 1978, Section 142.(a) RAIL OPERATION PROJECTS IN NON-HIGHWAY AREAS provides for assistance for that portion of the Alaska Railroad from Whittier to Portage for the purpose of linking up highways or other transportation modes on the system, allowing the expenditure of not more than 5 percent of the funds apportioned for the Primary System, and any project being subject to all provisions of Title 23, United States Code.~~

~~It is prudent that the feasibility of the various options that provide such improvements be determined prior to the commitment of any portion of the highway funds now apportioned to the State.~~

*Section 2. The sum of \$200,000. is appropriated from the general fund to the Department of Transportation and Public Facilities for the purpose of determining the economic and environmental feasibility of the various options for developing ^athe transportation system from Portage to Whittier, including the Bear Valley Road. ←

The Department will present its findings to the Legislature no later than 10 days from the beginning of the second session of the eleventh Alaska Legislature.

Sec. 2. This act takes effect July 1, 1979

WHITTIER ROAD DEVELOPMENT ASSOCIATION
505 W. Northern Lights Blvd., Suite 120
Anchorage, Alaska 99503

Ben Marsh
Executive Director

Phone:
277-0558

March 21, 1979

TO ALL SENATORS
ALASKA STATE SENATE

Dear Senator:

Attached hereto is a copy of Anchorage Assembly Resolution AR NO. 79-39 which endorses and urges passage of CS for SB 59, the Whittier Access Project. CS for SB 59 is scheduled for action by the Senate on Wednesday, March 28.

I am writing on behalf of Whittier Road Development Association, for which I am Executive Secretary. WRDA membership includes condo owners in Whittier, persons who moor their boats in Whittier, Anchorage people who recreate in Prince William Sound, and people interested in encouraging commercial and recreational development in this area. WRDA strongly supports CS for SB 59, and asks for your vote on the bill.

If you have any questions about the possible options for improvement, the potential for benefits, or other aspects of the proposed project, please contact me or Sam Coxson, City Manager of Whittier.

Sincerely,



Bernard L. Marsh, Executive Secretary
Whittier Road Development Association

BLM/nc

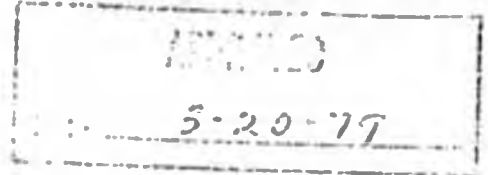
Enclosure
cc: Sam Coxson

Requested by: Assemblyman Don Smith
Meeting of: February 20, 1979

ANCHORAGE, ALASKA

ASSEMBLY RESOLUTION

AR NO. 79-39 S



A RESOLUTION OF THE ANCHORAGE ASSEMBLY SUPPORTING COMMITTEE SUBSTITUTE FOR SENATE BILL 59 AND BUDGET PROPOSALS TO FUND A FEASIBILITY STUDY ON ACCESS OPTIONS BETWEEN PORTAGE AND PRINCE WILLIAM SOUND

WHEREAS, the Prince William Sound Region is one of the most magnificent and spectacular areas in Southcentral Alaska and has become a major tourist attraction and recreational area, and

WHEREAS, this area would be readily accessible to over one-half the population of Alaska if reasonable access were provided, and

WHEREAS, improved access is particularly important to the people of the Anchorage Municipality, inasmuch as 5,900 pleasure boats are registered in the Anchorage Area and the small boat harbor is being tripled in size, and

WHEREAS, the Alaska Marine Highway has indicated an intention to increase the level of ferry service to Whittier from Southeast ports if ready access is provided to Anchorage, and

WHEREAS, there are currently proposals before the Legislature to appropriate funds to initiate studies of access options from Portage to Bear Valley including providing frequent shuttle service through the tunnel.

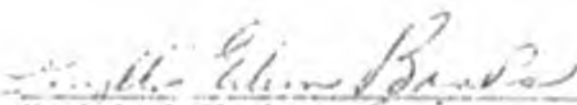
NOW, THEREFORE, BE IT RESOLVED, that the Anchorage Municipal Assembly supports committee substitute for SB 59.

AND BE IT FURTHER RESOLVED, that copies of this resolution be sent to all members of the Legislature and to Governor Hammond.

PASSED AND APPROVED by the Anchorage Assembly this 20th day of March, 1979.


Chairman

ATTEST:


Municipal Clerk *Acting*

CITY OF VALDEZ, ALASKA

RESOLUTION NO. 7801

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA SUPPORTING AND ENCOURAGING THE DEVELOPMENT OF A NEW OR IMPROVED HIGHWAY CONNECTION BETWEEN PORTAGE AND WHITTIER

WHEREAS, the Prince William Sound has developed into a major tourist attraction and recreation area for Alaska; and

WHEREAS, the Prince William Sound area is one of the most magnificent and spectacular areas in Southcentral Alaska and further, that the construction of the Alyeska Marine Tanker Terminal has become an additional spectacular attraction drawing many thousands of additional visitors to Valdez, and

WHEREAS, rail service between Portage and Whittier is the only access via the Alaska Marine Highway from the Anchorage end; and

WHEREAS, an improved road access would make this area far more accessible and available for use by the major concentration of population in Alaska, and

WHEREAS, it is a prime concern of the City Council of the City of Valdez to see the level of ferry service into Valdez increased in order to serve a growing volume of travel and the Council feels that convenient land access would result in improved ferry service in the Prince William Sound; and

WHEREAS, the City Council wishes to again stress that this additional ferry service is required to preclude the creation of great economic loss in Valdez and its neighboring cities in Prince William Sound and the entire tourist industry.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA that

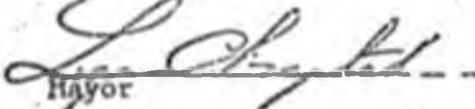
Section 1. The City Council supports and encourages the development of a new or improved highway connection between Portage and Whittier;

Section 2. The City Council again urges that immediate planning be reinstated in regard to the potential for opening a highway link to replace the rail connection into Whittier.

Section 3. Copies of this resolution be distributed to all members of the Alaska State Legislature, the Governor, the Alaska Congressional Delegation and the heads of appropriate agencies.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA this 3rd day of January, 1978.

CITY OF VALDEZ, ALASKA


Mayor


ATTEST

Deputy City Clerk