

ALBANY LEGISLATIVE COMMITTEE FILES 1900-1900 00/2

3765 HTRA WORK SESSIONS - HB 1

64

of [indiscernible], which is the two landfast trailer and flat car train that you've heard quite a bit about I presume. That train does not have the three-man crew that is called for in contest agreement with demand. Now, in making the decision to put the two men on the train, we took a look at the legal position I just described to you and the problem area. You've got to make your actual practice compatible with what your legal position is. Otherwise the courts may just think that those arguments are weighed and, again in August, in considering the issue we further realized there were arbitrary payments being made which penalized, which require the management for making decisions which we really considered to be management prerogative and those provisions were illegal under federal law. We can argue state law but where we're concerned about today has to do with federal law.

Szymanski: So what's your answer?

Wood: My answer is that, we've gone around and around with the union and ourselves arguing about our position.

Szymanski: I'm not arguing with you. I just want to know whether or not you are or are not abiding by the provisions.

Wood: Maybe I didn't go far enough.

Szymanski: Are you honoring those positions now until they're overturned by the court or have you taken.

Wood: Maybe I didn't finish my statement. In August, we took the penalties that were being paid and began making a deposit in a bank account to preserve the money, to safeguard them, while this issue is being decided in court. If the corporation loses this issue before the State Superior Court, the judge you know is recognized, that the payments will be made at that time. So I guess the answer is both yes and no. No we are not making the payments directly to the men, but yes the money is being put in a bank account should we not be successful in court.

Chairperson: I would like to make a statement here. When the corporation took over the Railroad and irrespective of your legaleeze, which is expert, ARTA did say that you would honor the contracts that were in effect, irrespective of their legality.

Wood: It didn't say that.

Chairperson: No. But it didn't not say it either.

Wood: The dispute has to do with the train.

Chairperson: Right, but it said that you would take over for a period of two years and honor the contracts that were in effect at that time. That's our language, is it not?

Wood: Well, Madame Chairman, when you read it, but yeah that's true, shall be in effect. But the issue has to do with which were in effect and which were not in effect. This is a point that I maybe should make again. There was some uncertainty about it before transfer. There was at least one federal agency that agreed, for example, when the case had to do a piece of luggage, I think it was a rifle, put on a passenger train by train masters and the union timeslipped that and timeslip is lingo for demanding a full days pay for a baggageman. Well, the management, the Federal Railroad, took that to task and they debated that and they won that issue. It violated Title V. That's one indication that there was, and is, uncertainty about this particular phrase. We can argue about it, but we're letting the court decide now. I wanted to.

Szymanski: I don't think we'd want to argue about that.

Chairperson: No, I don't think we want to get into the argument. I think what Representative Szymanski and I both wanted to say was the fact that in the ARTA language that it does say that you shall honor what contracts were in effect at that time. I agree that very possibly to let the court decide. I'm not sure I agree with you arbitrarily taking away the arbitraries.

Wood: Again, there comes a point in time when you've got to make a decision. You have a legal position and you're not following that actual package, you have a labor problem. There is an issue. The union frankly has made that argument in court. Even in August it was too late to raise the issue but at this point and time, they have made it clear to the court that they would prefer them to rule on it. Let me end on this note.

Szymanski: I don't want you to end, so don't think that you, before you give your summation. Madame Chairman, I have a couple more questions. Are they fully funded contingency accounts?

Wood: There's enough money to take care of, should there be arbitraries that are required to be paid, yes. It's funded.

Szymanski: There's no potential liability under them that's hanging out there. I don't want to see you guys lose, or potentially lose a \$4 or \$5 million lawsuit and then come rolling back and squawking you need money.

Wood: Well, no. The money's being put in the bank account.

Szymanski: My question was, so it's fully funded contingency account to cover anything that may be there. That's one point and you're saying, yes, they are. The next question I have is.

Wood: That was required by the court.

Szymanski: Sounds good to me. The other question I had with regard to your interpretation of the two-year period that's in ARTA, from your perspective, are you bound beyond the two years to maintain a labor agreement.

Wood: That's a good question. There's another portion of ARTA.

Szymanski: What's your legal opinion, you're the attorney?

Wood: Oh, I don't have to have a legal point being that the law makes it very clear. It says that the contracts will be renegotiated. So there will be new contracts and that's the process we're involved in right now.

Szymanski: If at the end of two years you do not have a new contract, do you feel bound to maintain the existing?

Wood: No.

Szymanski: I had a feeling that you were going to say that and that's one reason when we wrote this law in the Transportation Committee, which I sat on at that time, I felt that some guy was going to sit in that chair two years later and say the same thing. Nobody in the Committee had any clarifications. Our intent behind it, there was no question about it, and what I understood to be the intent, I asked the feds on it, was you guys had two years to do it, but there was no way that you were going to irradicate, decertify, eliminate the union at the end of two years.

Wood: Let me add this, too. ARTA also said the parties can agree to extending the time. In fact, I have to pull out our schedules for negotiations that we entered into last spring, but the way we had it set up required that the two-year time would be extended.

So it's something that can be mutually accommodated. The reason I said that is because I think people should be aware that there is a two-year period of time to negotiate these things and we've been, both sides I think are working in good faith to see that accomplished. That's where I believe all of the unions. I don't think ARTA ever presumed that we would continue indefinitely with the same agreements that existed in 1985.

Szymanski: No. And all I'm saying is that if you don't reach an agreement at the end of two years, the existing agreement will be maintained indefinitely until you come up with a new one.

Wood: The parties can agree to do that.

Szymanski: If you don't worry, I don't know that the, in other words, you can't blackmail the other party into binding[?] off on the 11th hour of some provision. If they want to dig in and say, hey, we're not going to agree.

Wood: There's a whole, Representative Cato would remember this. There is a whole scheme set up in ARCA, the state law, which requires certain steps. I mean if we can't reach an agreement, certain things happen. We've got agreement, you've got a mediation requirement there, there's arbitration, I think it concludes in compulsory arbitration, or not, reckoning agreement, I guess they're all in there, but I don't have my ARCA with me in front of me at this moment, but there's a whole scenario of things. I think the state legislature did a very good job of making sure this was taken care of. We're not talking about something that was taken care of.

Szymanski: I think we agree now.

Chairperson: Okay, do you have any further comments?

Wood: Yes, I do. I have one last page, I don't think I'll go into detail like I had it set out originally to do. We had made, I think, a very, absolutely good effort on both sides recently, the UTU and ourselves, trying to resolve the issue that I tried to explain to you and I hope I did that successfully. I sometimes get carried away and maybe I'm not as clear as I should be, but we spent the better part of eight days over the last three or four weeks trying to nail this thing down. Recently, as recently as last week, we did not reach an agreement. We mean we didn't contact the court and let them know that the union would just as soon have that resolved

there. We've been willing to talk about the various issues, let me tell you what the key issues are. The constants agreement and the type of compensation system that would get away from the type of arbitrary penalties, which really do restrict and penalize managerial [indiscernible]. Thanks for your time. I'm sorry I went too long.

Chairperson: There's a gentlemen in the audience that wishes to be recognized.

Wash: Chairperson, my name is Jim Wash. I'm a member of the UTU and I wanted to address a question to Mr. Wood as to the list that he presented to the Committee and is this a comprehensive list of all of the arbitraries that you?

Wood: No, those are just examples that I picked out that I think best illustrate the type of controversy we're talking about.

Wash: I have one in mind which is an extra board guarantee.

Wood: The extra board guarantee, well, if you want to explain it, go ahead.

Wash: Extra board guarantee is a provision in the contract that states that men will be on call for duty 24 hours a day, seven days a week and subject to penalties if they miss a call. If they're called and perhaps they're not by a telephone. This is a situation where they guarantee this man a day's pay whether called or not. I think this is one of the main issues that they overlooked in his explanation of these things that he picked out.

Shultz: Just on that, I don't know why we're getting off on this thing.

Chairperson: No, we don't dare go off onto various.

Shultz: But I do have a question. Okay, I'm trying to think this through. But why would it be, if a person is required to sit by the telephone and wait seven days, why is it even necessary? There's enough people working and they need someone, they just pick it up, if you're not home, call somebody else. If they're not home, call somebody else. If you missed it, you missed it.

Wash: Well, they do this but they penalize you for missing it.

Shultz: But no penalty. I mean you just don't get paid.

Wash: And if you miss, you don't get paid, you get set back to the bottom of the board, which may be seven guys. You miss a whole week's work if you don't get paid. But you provided yourself the availability.

Chairperson: Yeah, if I might interject. I think up possibly to take up separate items in this oversight and I don't mean to cut you off, that isn't the point. I'm glad that you did explain the extra board situation to us. But if we go off on every detail, we're going to be here until tomorrow morning.

Wash: Right, this was not my point. My point was that is this a conclusive or an all encompassing thing of things that are being cut or if some of the things that they haven't stated are still on record as.

Chairperson: Yes, and evidently Mr. Wood has assured us that they were just examples that he's picked out and that there are other things such as the extra board that will be considered.

Wood: I can give you the full list that was presented to the court.

Chairperson: Thank you very much for your input.

Wash: Thank you.

Szymanski: Before we, I see we're wrapping up here or something. Let me ask you, are we going to talk about the gravel hauled at this session?

Chairperson: No.

Szymanski: Okay. I'll cover that later unless Frank wants to talk about it.

Pignalberi: What do you have in mind?

Szymanski: I just want to know what the impact potentially could be to the Railroad.

Turpin: It would be 7% of our revenue.

Chairperson: Would somebody from the Railroad give Mr. Szymanski one of these little dealies and then that explains.

Davis: Madame Chairman, can you send me a copy of one of those dealies, too?

Chairperson: Little dealies. All right, will do so, Representative Davis.

Szymanski: They're a hot item, Mike, so we're going to have to charge you.

Chairperson: So that pretty much sums up. Oh, wait a minute, Representative Pignalberi had a question.

Pignalberi: Mr. Wood are you the gentleman that I might talk to about preferential hiring of Alaska residents for jobs at the Railroad.

Wood: Well, I guess I can help answer the question. That issue has been thoroughly discussed among many of the sessions at the Railroad. Perhaps Mr. Turpin can address it. If I can help, I certainly will do so.

Pignalberi: I got a pretty good report earlier this summer about the percentage of Alaskan residents that have all been new hires is a high percentage of Alaskan residents. Then I had a constituent who has called me and said they were trying to get a job in the gift shop or something and had gone to somebody from the lower 48. She didn't believe. I gave her the report that you provided me and she just didn't believe it. It lead to pass how you determine residency. What your current figures are.

Wood: We use the fact if a person has received a dividend from the state, then they're a resident. Am I right on that, Jim? We went to six months at one point. So either six months residence or a dividend.

Pignalberi: Can you, I guess you're almost totally unionized in the operation. Do you have any difficulty getting Alaskan residents through the unions?

Wood: Well, I guess the one union that we have recalled a large number of people, we need to do this in the summertimes when we add extra trains or the UTU, the trainmen and enginemen, and the AFGE, which are the track laborers. We try to call people who were former employees and what happens, a person will have six months work and he will know he won't be needed again for another six months. Very few of them stay in Alaska to wait until the next six months. So we called back a number of people who have recall rights from various places in the lower 48. I have numbers on that that I can give you: I just don't happen to have them with me.

Pignalberi: I would like those numbers. Are you obligated to give some reference to people that have worked for the Railroad before.

Wood: Some people we are, yes. We try to do that if we can.

Pignalberi: When do you get to exercise preference and hire an Alaskan in that situation?

Wood: Well, those two unions, I guess with the UTU union, the trainmen, we plan to have a training course in February that will enable young Alaskans to get the training they need to become brakemen/firemen and then pass the entry into them. Last year we were caught very suddenly and we weren't able to do that. So we have that in our plans and it will start, I think it was somewhere like.

Pignalberi: Is that here in Anchorage.

Wood: It will be in Anchorage, yes.

Pignalberi: Thank you.

Turpin: I have one more, if you want it. One more topic, a very short one. All of mine are. This one has to do with Caboose Legislation, which I think your Committee will be hearing. There are two charts that we had in the book that I thought you might be interested in some of the statistics of the Caboose Laws. You may already have this. There are three states that now have caboose laws, Virginia, Montana and Oregon and one has a bill pending, Wisconsin. There are two states where they're being challenged and then one state, California, its Caboose Law was vetoed by the governor in October. There are no federal regulations that require cabooses. The next chart is one that I really wanted to talk about.
[Tape end]

TAPE 5, SIDE B

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TAPE 6, SIDE A

Turpin: So it was certainly no greater, and slightly less, but I don't know whether that's significant or not. I guess that the only point that I wanted to make here, that we have found no justification for the safety factor of a caboose on a train. We have two trains that operate without a caboose today.

Chairperson: All right. Are there any questions on this? I think that some people here are going to present talk on cabooses and I'm sure as you said that that will

come up before our Committee and we'll probably have you down there talking about them, too.

Turpin: I'd be delighted to. I always like to go to Juneau.

Pignalberi: Frank, could you send us a copy of the most recent financial statements?

Turpin: Absolutely. We won't have the year-end until some months, until all the auditors get through with it, but we could give you a preliminary year-end in about three weeks.

Pignalberi: You don't need to make a special update.

Turpin: Well, we'll be doing it for ourselves.

Pignalberi: Do you post every 30 days?

Turpin: Yes. We present this to the board every week.

Yetter:[?] I might ask, we've been sending quarterly financial statements to both Committees. If some of you haven't been getting them, I need to know that. We're trying to do that on a quarterly basis.

Wendy: They're coming. In fact, the most recent ones I received are in the back of your packets.

Turpin: Thank you very much.

Chairperson: Thank you.

Turpin: It was nice seeing you again.

Chairperson: Mr. Turpin. I would like now to call on Jerry Valinski who would like to present to the Committee some ideas on caboose legislation. You have with you, and I don't think Mr. Szymanski has one, Representative Szymanski, and Mike we will also send one of these to you in Fairbanks, The Alaska Railroad Caboose Issue, prepared by the UTU.

Valinski: Madame Chairman and members of the Transportation Committee, knowing that this Committee was going to hold their hearings, we put this together quite rapidly and we won't have any extensive testimony. But we did put, most of the issues that are taken up in our brief here is basically still in drafting and we'll be getting the finished product to you by the time you're in session. I'd like to just briefly go over roughly what we've got here. Remember labor or railroad in many ways admires what the new management on the Railroad has been able to produce for us.

Because ultimately the employees of the Railroad get the spinoff by good management. The caboose issue though is a different issue here now. This is something that we may disagree on. Yes, many railroads in the lower 48 are running cabooseless trains. We are presently running two cabooseless trains on the Alaska Railroad. As a policy, United Transportation Union, pardon my voice, I've been talking a lot lately, has set policy that we do believe that short trains can run cabooseless and run safely. What a short train is may differ between United Transportation Union and the management of the Alaska Railroad, but that is something we will be debating in Juneau this coming year in session. I could go on and on and on on the reason why, but the time is brief. Hopefully you can find time to go through some of that. I would like to ask Mr. Turpin to update though his notes a little bit, there are more than three states that have caboose legislation and I'll point these out. You have the state of Montana, the state of Oregon, the state of Nebraska, the state of Virginia, New Mexico does not have a state law but they have a regulation for the requirement of cabooses, which all of these laws that have been passed and regulations are in your packet. Regulations right now are being wrote in the state of Texas. There will be 18 states this year that have already introduced legislation as far as the caboose requirement. In Canada, the Transportation Committee is holding further studies after the first set of studies that they had on the use of ETU running cabooseless trains. I would like to say that they're failing as I hear but I don't have any statistics on that yet. The statistics that I do have for failure though, you'll find in here are from a company that actually builds them. One of the companies that builds these end of train units is Union Switch and Signal Division and this is their report on the building of the caboose and where it's found where it has failed on them in their tests that they've run. Because this thing has really come upon the industry quickly and a lot of time has not gone into developing them, but there is going to be quite a future they feel in the use of ETUs, end of train unit. The statistics that I have here on the Alaska Railroad briefly for one month period that you'll find in the same packet, that roughly the unit that we're using has failed almost 50% of the time and this has been documented by groups actually using them. Like I said, I don't want to go through all of this at this time.

Pignalberi: What does that mean, what's failing and what's the ramifications?

Valinski: Well, the failing is that we believe that for one thing it's in violation of a federal code which we have provided there as the unit has failed almost 50% of the time before it reaches Fairbanks. It does not hold up under the conditions that we have here. Now maybe this is just a problem with the unit. I understand the Railroad is preparing newer units, more sophisticated units that more than likely will probably have a better track record.

Chairperson: Jerry, by units you mean the end of train units.

Valinski: Yes, the unit that is placed on the rear of the train that by federal regulations required for a marker light back then.

Chairperson: It's not necessarily a caboosé?

Valinski: No, it's about a 40 pound box.

Chairperson: Oh, okay that's the clarification we needed.

Symanski: I have to run. I'm supposed to be in Glennallen at 6:00, so I hope the troops are heading this way, while I'm going that way. But I would appreciate and I apologize for having to go, certainly when you get down to Juneau I would like to hear more on this.

Valinski: And, when we get down there we'll also have a video for you.

Symanski: Great, thank you.

Chairperson: Bye, bye. Thanks for being here today.

Valinski: Once again, I'd like to point out also that the use of cabooses is purely a safety issue as far as the United Transportation Union is concerned. This has nothing to do with the management trains. Right now in Alaska, the Alaska Railroad is probably the leader in crew constants of any railroad in the nation. Union Pacific, Burlington Northern, Santa Fe, Southern Pacific can't even touch the crew constants that we presently have on this [indiscernible] right today. What does that mean? That this issue in no way has anything to do with jobs.

Pignalberi: When you say that Alaska is the leader in crew constants, what does that mean?

Valinski: Okay, crew constants is how many members would be on the train obviously down the main line.

Pignalberi: Does this mean we have more people on our trains than anybody else does?

Valinski: We have less. We are the leader in crew constants as far as the shortness, how many members will be on a run. At this date, I would say, just on the verge of a 100%. If you have one job on the Alaska Railroad that goes over three numbers on the crew. At times in the winter you might have an additional brakeman on a certain yard job at times. But for the most part, we have fully attritioned on the Alaska Railroad and have become the trend setter in crew constants. That's one of the things we wanted to point out. This is not a jobs issue, this is strictly a safety issue that concerns not only the people we work with, but the public that we serve and we run these trains through. Like you're going to the amounts of hazardous materials that we move with no caboose back there, a car derailling would go undetected for miles and then derailment potentially because I don't even want to say what might happen. I have statistics here, I have everything here that I could possibly lay my hands on that these things do happen. They happen more often than not. We feel with a man on the rear of the train observing the rear portion of that train, observing behind the caboose, if there are any problems that may come up during that trip, that we can stop and help prevent. We're not going to stop all derailments or all problems with the train operation, but just the ones that we do catch, we feel is very important to the operations of this railroad. I also have a goody that I, Bette I think you may have it already, but I got another one for you.

Chairperson: All right. Real fine. Perhaps, Jerry or maybe Mr. Turpin can or somebody. It's running through my mind and I think it was three years ago that we passed in the legislature from a five-man crew to a three-man crew. Now does that relate only to the White Pass, Yukon or did that relate to the Alaska Railroad also.

Valinski: Well, I didn't really want to enter that type of thing, but when that was in Appeals, see we had already had the crew constants on the railroad and what it would have forced the railroad to do is to put additional personnel on trains again if that law had stayed enacted, which the UTU did not oppose.

Chairperson: It was just running through my mind and I just couldn't pinpoint it.

Turpin: By the way, it was the Brotherhood Railway Train when we had that legislation pass many years ago.

Chairperson: I remember. It was at the time of the consternation over the White Pass, Yukon Railroad that we were so concerned about which since that time has gone defunct. We're still concerned. Mike in Fairbanks, do you have any questions you'd like to ask Jerry Valinski.

Davis: No, I'm real [tape noise] caboose that I know much about. So I'll be interested to learn more about the issue. Thank you very much for providing the opportunity.

Chairperson: Okay, real fine. I think Mr. Valenski will supply you with reams of information that you'll be able to digest.

Valenski: I hope you read it.

Chairperson: Thank you, Jerry. No, we haven't asked for questions. Would you like to.

Pignalberi: Frank, it's been of some note that the number of moose killed on the railroad between [indiscernible] and Wasilla seems to be increasing.

Turpin: It hasn't been increasing.

Pignalberi: It hasn't been increasing, decreasing.

Turpin: Well, there are many years that were greater than last year. So I haven't really looked at it to see. I don't think there's been any trend. Could I give you some figures perhaps on that.

Pignalberi: Sure. But I just wanted to know if, I read something in the paper a few days ago where I got the idea where management's throwing its hands up saying we really can't do anything about it and I just can't believe in this day of modern technology, we can't figure a way to scare those babies off the track.

Turpin: Well, we have several programs under way, one with the University of Alaska which is trying to find the same type of device that you drive rats out of a house with, you know the ultrasonic waves are emitted and they tell me that they can emit those for as much as a quarter of a mile away, which maybe will get a moose to start moving in the right direction and when the train does come, he will miss it. That has some promise, I don't know. We have worked with Canadians, Canadian railroads have exactly the same

problem and they have not solved it either. We, of course, work very closely with Fish and Game in exchanging ideas and neither of those two groups can come up with anything. So it's just something that has been going on ever since the railroad has been running.

Pignalberi: But you still have a ways to go.

Turpin: For example, one thing that's not too well publicized are the highway kills every year. There were 450 last year, highway kills within the state and, of course, the trains killed, which gets a little more publicity is nothing to pass off, but there are other things that happen to moose as well.

Pignalberi: It's just such a condensed area.

Turpin: We've had none this year. We got three mules. I guess we did get two moose last week.

Pignalberi: Of course, you know we're going to build an \$300,000 overpass.

Chairperson: Tennessee would turn over in his grave if he heard that you got three mules, wouldn't he?

Turpin: I agree. Yes, that was so fortunate, but the mules are a lot like moose when it comes to dodging trains.

Chairperson: The point and time has come now for some comments from the audience. I would like to declare maybe a five minute recess, in case somebody has a few little duties they need to take care of and then get back here and we'll accept some comments from the audience. I do want to thank Mr. Turpin and his people from the Railroad giving us this oversight. I think it's been very, very helpful and will help us in determining because we are hearing more consistently I'm hearing more legislators, more constituents and various things like that about the Railroad and this will help us determine whether or not we need to enact any legislation, either favorably or unfavorably towards them. I think all of us believe, like I do, the less laws, the better and one of the problems or one of the duties of a legislator is to not only pass good legislation, but to keep bad legislation from passing. So we need to take all those things into consideration. I do want to thank you, Frank, for you efforts and your help in being here today. We'll take now about a five minute recess.

Chairperson: This place is a maze and it takes you the length of the time of the recess to find the bathroom. Unfortunately.

Chairperson: Mike, are you still there in Fairbanks.

Davis: Is the five minutes up yet?

Chairperson: Honey, it's been up for a little while. I said this place was a maze, it takes you half an hour to find the bathroom.

Chairperson: Whoever transcribes this tape is really going to get a few blows, aren't they. I think now we'd like to open up the meeting and we're not going to continue for too terribly long, so I would request that anyone who wishes to make any comments try to be fairly brief. I would like to open up the meeting for ideas and comments of various individuals to the Committee for their consideration and even though some of the members of the Committee aren't here, remember it is on tape. They will have access to those tapes when we've transcribed and they will have the minutes of those tapes. So it isn't as if they won't know what is being said. Is Mr. Quinn in the audience?

Quinn: Yes, I am.

Chairperson: Did you wish to make some comments.

Quinn: Please. My name is Bill Quinn. I am the General Chairman for the Brotherhood Railway Carmen, one of the seven unions of the railroad and there's all these things I'd like to comment on, but time being what it is, I think I'd just like to say generally that when we were transferred from the federal service into the state railroad, we all expected that our benefits wouldn't be the same. Now this was what was guaranteed to us not only by the government but by General Riley, head of the FRA, Bill Loft is the Assistant Director, and this was to include compensation, contracts, general working provisions, everything involved at least for the two-year period and then from that time we would negotiate new contracts so we could cover these provisions. I think the Railroad in doing what they did as far as the UTU contract, which doesn't affect us directly but we work hand in hand with these people day by day, and setting a dangerous precedent, not only for this set of negotiations but any negotiations down the road because we felt when we came across from federal service, we did have valid contracts. We were working under those provisions and when the

Railroad decided seven months into our transfer period that the contracts were illegal, even though it may be a legal question, I think it could turn out to be more of a moral question than a legal question. We're also required with the Railroad, or will be if we don't reach a settlement shortly as far as the compensation issue, Workmen's Comp., people being injured on the job, because we feel that that was another issue that wasn't correctly addressed in the transfer documents from the federal or the state. But, again, we were satisfied with that transfer. We would be covered for two years at least as far as benefits. We feel that we aren't being covered for those benefits and I just think it's a bad situation when an employer has to go to court with their employees, people who make the bread and butter for the Railroad, itself, to settle a question they can't settle among themselves.

Chairperson: All right. Any further comments or any questions of Mr. Quinn?

Davis: Madame Chairman, does Mr. Quinn has some written testimony?

Chairperson: Not at the present time, but I'm sure he'll supply us with it.

Quinn: I will.

Davis: Madame Chairman, I certainly would like to hear this side of the story on this whole issue, so if he does have anything in writing, I'd be glad to see it.

Chairperson: Fine, Representative Davis. Wendy's making a note right now and she'll transfer that when we get the information, that she will get it to you.

Quinn: If I could make one more comment. Railroad has made a good profit this year and I'm sure it has to do a lot with the men and skills that weren't brought on since the transfer of the federal system was pretty competent over all as far as assessing the money situation and the accounting toll that was spent and what was not spent. But beyond that, I think it should be noted, my members in fact told me I would be here to note this, that part of the profit that will be reported by the Railroad this year in light of the fact that the Railroad is exempt from matching contributions in any retirement program to certain temporary employees. Approximately, by my calculation, in ours we have approximately 160 employees full time on the Railroad who have no coverage under any retirement system whatsoever. In my estimation, and these are my estimations,

range anywhere from 3600,000 to \$1.1 billion will be saved by the Railroad by not having to match contributions and, of course, this will be a negotiating item that is on the table or will be as we negotiate this contract. But I think it's important to note that they aren't covered now by anything.

Chairperson: All right. Thank you very much, Mr. Quinn. That's really food for thought. Do we have anyone else from the audience that wishes to make any discussions. Would you come forward please and give your name and occupation.

Rivera: My name is Ed Rivera. I'm with the AFGE, equipment operators of the railroad. In the last year we've seen a lot of changes happening to the Railroad. There have been good and bad. These changes are creating a moral problem on the Railroad right now that's pretty shaky. I don't know if it's due to the unknown factor of where they're going to be in a year or if it's the change itself. But I know our contracts have been violated. We really don't know the long range picture. We've been somewhat stalemated in negotiations and we are at a point where the people I represent would like to ask the legislation to look into the day to day operation and the treatment of employees and the loopholes in the ARTA transfer act and how they're being manipulated is a whole different scheme of what we were told at transfer time. That is basically the statement I'd like to make.

Chairperson: Thank you very much. Representative Davis, do you have any comment on this?

Davis: No, thank you.

Chairperson: All right. Representative Pignalberi, do you?

Pignalberi: I would just like to ask if you feel that the management of the Railroad is listening to you? Do you think that profit goal that has been thrust upon them, it's a good goal so there'll be some areas of difference between labor in breaking with the past work practices and provisions? But, are they listening to you? Do you get a chance to talk to management at all and just tell them how you feel? I think you're entitled to some feeling of job security, to know whether or not that job's going to be there in a year from now. If it's not, they ought to tell you.

Rivera: Well, that's a good question. Yes, they'll listen to us but the final output seems to be to pursue

this at an arbitration level. This Railroad a few years ago was like a big family. We didn't pursue anything outside of it. Most everything was resolved inside of it. Anymore we put on so many new people that do not realize Alaska or this Railroad as it was, how we'd like to see it to continue being and we're pretty much lost as to what to do about it. You're looking at an outfit that's got second and third generation people working for it. It's probably one of the oldest industries in the state yet we're, I guess we're like a parachute that's just had the strings cut off of it, just floating around up there with no direction. That is the general feeling of the employees right now. It's really interesting that I'm a voice between the employee and management and there's a lot of intimidation out there, where somebody like you was to walk around and talk to the employee, I think you'd find out the other side of the story.

Chairperson: Thank you very much.

Rivera: Thank you.

Chairperson: We'll probably do exactly that. Mr. Rule would you like to come forward. Would you state your name and occupation please for the record. Not that I don't know it.

Rule: I'm Dan Rule and I'm owner/operator here. I've been in the transportation business for nearly 29 years. I'd kind of like to hit this from a different side. They've been telling us all day, well actually I shouldn't say anything about these guys, I didn't know these gentlemen were doing so many things for me but since I'm staying home about 75% of the time because we can't haul any freight, I think I will anyway. They've been stating here how some of the trucking companies are using them. That's exactly my point. When they start that, then that puts me out of work. I've had to work the last two winters or the last winter mostly all out of Fairbanks and against probably a third of the time in the past. We came and talked to them here at a board meeting, I believe was in June, and I talked to John Gray the marketing manager in the board meeting and he told me that there was no way in the board meeting he'd mentioned it, there was no way they could compete with our services. He also said the prices had lowered considerably in the last year and were going to lower considerably more. I've just today found out how to go about getting a transcript of that meeting so that I'd have that, but we've got several things that my group is a little upset about. I

think a conflict of interest is one of them. I believe a man that's a commissioner in the Railroad that also heads the D.O.T. that can make any kind of change with us that he wants, such as lightening our load by pulling lift axles and that, is a danger to us. I believe that probably one of the larger shippers in the country is the Chairman of the Board of Directions. That seems to be a conflict of interest, possibly its not, but it seems to me it would be. We haven't. We've heard figures on their profit and all that today. It's my understanding that that figure is an overall figure of everything the Railroad has, the properties and everything. I don't believe they're showing a profit if we could see the actual books on it in the freight business and I believe it is predatory pricing regardless of what they call it. I don't believe they can operate that arctic fox with several empty cars every night like they do for the price they're charging. I just don't think its happening. There're several other instances, again that we can't prove because we can't get into the books to prove anything. SOHIO got a shipment of pipe into Prudhoe just before breakup last year. They told all of the companies, including the one I was working for, they said well you're going to have about 20 loads of this so we'll load them, you can belly wrap them, we'll set them off with the big fork and you'll only make one pick when breakup's over. It isn't that they didn't do that. SOHIO I don't believe ever paid a penny to [indiscernible] on it because the Railroad was left to notify the trucking industry so it wasn't SOHIO's fault they didn't call us. I can't prove that, again, because we have no access to the books. The Staggers Act, I realize, gives the railroads a lot of latitude, but I think the owners of those railroads can find out something about it and we are the owners of this one. We've really got a problem here because we don't know what we're competing with. We can't find out. No matter where you go, there's no figures available to you. I've heard prices from some pretty good sources so low that I couldn't even much more than buy the fuel for going up there. But I don't believe they can run the train that cheap. I think we need some changes in the Alaska Railroad Act because we have a unique problem. We are the owners of it. You are and I am and everybody in this room is. I think we should have a little more input and I think we should have a little more access to find out if really and truthfully the freight end of this thing is making money. I can't read my own notes so that must just about be all that I've got, I guess, apparently.

Chairperson: Representative Davis, do you have any questions for Mr. Rule?

Davis: No, I don't have any questions. Just to go back to the times of the deliberation of the Alaska Railroad and when we were studying the falcons in all the deliberations where people wanted to run a business and I know what he's saying about the Staggers Act, I mean it's a broad act from my understanding of it and it gives a lot of discretionary call to the Alaska Railroad. There's probably something we could do. I don't know if there'd be legislative support for going into the Railroad Act, but it's certainly something that we should think about and discuss because I can understand where you're coming from.

Chairperson: Okay, thank you very much, Representative Davis.

Pignalberi: No questions, thank you.

Rule: I've got one more thing that I did fail to mention. The Governor's told me, several legislators have told me, well, it's controlled by the I.C.C., go see the I.C.C., they'll take care of it. I talked to Roy Erheart from the I.C.C. and he says the only thing he can check is LCL rates and one car shipment rates and that. There's nobody in this country at least from the I.C.C. can find out anything about any contract prices or anything either. That's just a dodge that the Governor gives me to get me off his back, go see the I.C.C. because the I.C.C. can't do a thing for me in this case. I've tried.

Chairperson: Okay, thank you very much for bringing that to our attention.

Rule: Thank you for having this. It's been informative and I'm really happy that you had it.

Chairperson: All right. Further comments? Mr. Grey.

Grey: My name's Buddy Grey. I been connected to the Alaska Railroad for eleven years now. I'm also Vice President and Legislative Representative for the UTU. We've heard about Title V here. In 1978 is when the Civil Service Reform Act came to be. We turned around in 1981 and we signed the Crew Constants Agreement. If they feel it's illegal now, why wasn't something done about it before transfer. The moral on the railroad due to Title V is just, it's been devastating. I don't feel secure in my job any more. Somethings got to be done. I'm just not sure where to go with it. These rules were Crew Constants was illegal in 1981, then why was it ever implemented.

Chairperson: I can understand what you're saying and I think that's one of the things that we're very definitely going to have to look into as far as intent as concerned and I can assure you this Committee will do so.

Grey: Thank you, Madame Chairman.

Chairperson: Thank you Mr. Grey. Yes, sir. Yes, would you give your name and occupation.

Henesey: My name is Donald Henesey. I'm a retired owner/operator. I am unemployed. May I read this in or would you prefer I not to for time sake? I would like to read it in.

Chairperson: Go ahead and read it in.

Henesey: This is an initiative petition to amend certain portions of Alaska Railroad Corporation Act, AS 42.40.010-AS 42.40.990. The specific amendments to the Act are as follows:

1. To amend AS 42.40.100 Management by the Board to read as follows: Operate the Alaska Railroad Corporation as a common carrier subject to the jurisdiction of the United States Interstate Commerce Commission consistent with 45 U.S.C. 1207 with the exception that for freight moving and intrastate commerce, the Alaska Railroad shall act only as a freight forwarder. Water carriers or other carriers to or from Alaska shall be the prime carriers.
2. To amend AS 42.40.100 - Management by the Board by adding a new subsection #10 to read: The operating area of Alaska Railroad Corporation shall be limited to the geographical boundaries of the state of Alaska.
3. To amend AS 42.40.100 - Management by the Board by adding a new subsection #11 to read: The Alaska Railroad Corporation shall not extend credit to any prime carrier beyond 60 days.
4. To amend AS 42.40.120(e) - To delegation to read as follows: (e)(2). Establishing specific rates, tariffs, divisions and contract rate agreements. No rates or equatus shall be of a predatory nature to other modes or routes of transportation.
5. To amend AS 42.40.030 - Tariff office to add a new subsection b to read as follows: The

Legislature, in joint session by majority vote, may demand removal of a member of the Board of Directors.

6. To amend AS 42.42.020(b) - Public disclosure of information by deleting the language that is in the [indiscernible]. (b). The Corporation may by rule designate or withhold public disclosure on matters of a privileged or proprietary nature. Those matters include personnel records, communications with and work product of legal counsel. The bracket part reads: and consistent with standards and practices of the United States Interstate Commerce Commission for the protection of these matters other information including proprietary information associated with specific shippers, divisions and contract rate agreements.
7. To amend AS 42.42.007 Audits by adding a new subsection (c) to read as follows: Within 90 days following the end of the fiscal year a citizen or group of citizens, at their own expense, may demand an independent operation and financial audit, including the allocation of funds for these agreements. This citizen group must notify the Board of Directors of demand 30 days before the end of the fiscal year.

A week ago Monday we started printing these up and giving them out. We have 28,300 signature lines scattered throughout Alaska at the present time. The City of Valdez endorsed this initiative Monday night at their counsel meeting and the City counsel is in the process of pushing these initiatives through Valdez and Cordova. We feel, the group of us feel, since the secrecy was illegal prior to deregulation, every common carrier making a rate contract had to publish it, give the other carriers 30 days to accept or reject it, argue it. Since they got by from 1936 until 1980 about under those conditions in private enterprise, it seems to me that the Alaska Railroad should be able to operate under that now. That's the biggest thing I have to say.

Chairperson: Thank you very much, Mr. Henesey. Boy, I see where I better get home and find out what's happening at home. I haven't been there for a couple of months. Is there any, Mike, do you have any questions on this? We'll also see to it that you get a copy of this in Fairbanks.

Davis: No question . I'll just look forward to those amendments.

Chairperson: Okay. Representative Pignalberi, do you have any questions?

Pignalberi: I'd like to know, Mr. Henesey, what you plan to do with this. Are you going to circulate this?

Henesey: We have started the process of applying to the Lieutenant Governor for the regular initiative that you get a hundred signatures and set the books up for it. On a time frame, that would be next spring sometime before he would get the books back to us. We'd make it a 1988 initiative on the ballot. We are attempting to get the required number of signatures before you meet this next legislative session. It's a tough schedule, isn't it? A thousand signatures a day, but we think we've got it. Like I said we've got 28,300 lines on the streets. All the way from Prudhoe Bay to Ketchikan. If we are successful, somebody representing us will be knocking on your door with 21,230 signatures. Should we fail to obtain that many, we will have the regular process to go through and we'll have the name and address of whatever number of signatures that we get so we can start right in there with some kind of regular initiative.

Chairperson: Mr. Henesey, does this group have any certain name or anything like that?

Henesey: Yes, Alaska Railroad Initiative Committee.

Chairperson: Alaska Railroad Initiative Committee.

Henesey: We thought we ought to call it what it is.

Chairperson: Yeah. I have no problem with that, it's just that it wasn't on the paper.

Henesey: Oh, I'm sorry. Well, it's on the, I'm sorry, it's on the front cover. We'll get you one before. We had a cover going over it that, we'll get one to you before we leave.

Chairperson: All right, fine. I was just curious about whether the group had a name.

Henesey: We will be filing with A.P.O.C. and going through the whole procedure.

Chairperson: All right.

Pignalberi: Has the Railroad management had a chance to look at this and comment on it?

Heneseey: Not to my knowledge. Like I said, the day after Thanksgiving, the beginning of the Steering Committee left and worked out the rough draft which I then presented to some people of Alaska Carriers, [indiscernible] people of Homer to get their feelings and they came back positive. So we went back then and got a lawyer to draw it up fully and properly, because I understand that is extremely important on an initiative, and from there we started sending it out and it's gone like wildfire.

Chairperson: All right. Thank you very much. Are there any questions for Mr. Heneseey? If not, thank you very much for your contribution and we will certainly take note of it.

Heneseey: May I slip my other hat on for just a moment. As an individual, I'm entering that as an individual, not because all of those ideas were mine and I dreamed them up out there because I had nothing to do with retirement, but they are all of the things that was brought up at various times and I kind of incorporated them and without getting permission of the Commission or going through a procedural thing that the Initiative Committee endorses this, I did want to introduce it to you. So may I read it?

Chairperson: Yes, go ahead.

Heneseey: It's written in the form of a letter to the editor of which paper we're going to use it on: I have been reading with great interest recently of the profits and wonderful accomplishments of Alaska Railroad. I agree that it is good. The problem is the railroad instructions are to build a wild railroad to sell to a private enterprise. Section 42.42.60(b), every five years the annual report shall include an analysis of a potential sale arrangements or by the corporation may be transferred into private ownership. Analysis shall include documentation of at least three offers to sell the corporation initiated by the corporation during the last five years. To accomplish this you would have to have a railroad that was offering like a private company, including all taxes, labor arrangements, maintenance and safety records. Under the present structure, a private corporation must subtract all those costs from the present reporting profit and show a net loss of about \$500,000 to \$1 million. They would have to get equal tax breaks or drastically raise rates creating ill will in Alaska. The Alaska Railroad should operate like a private carrier paying appropriate property taxes to municipalities where they operate. Probably \$7 to \$8 million.

That is in contradiction with what was given to you earlier but if he's getting taxes on 385,000 acres for \$1, he ain't paying what I'm paying per square foot for my lot. This would be \$7 million to \$8 million less than municipalities would need from the state. The Alaska Railroad should pay motor fuel and other operating taxes the same as a private railroad, approximately \$1 million in fuel use tax, I suspect. The Alaska Railroad labor agreements and benefit package should be tailored to the private sector to avoid transitional problems in selling. The purchasee company will be hesitant to pay a 20-year employee any retirement for unreceived services. If the Alaska Railroad can meet these obligations and show a 5% profit on revenue, there would be no problem finding buyers and no complaints of unfair competition. [Tape end]

TAPE 6, SIDE B

Henesey: That would be only fair and leave us with the possibility of escape.

Chairperson: Thank you very much, Mr. Henesey. I appreciate it.

Henesey: Then there's one other little correction I would like to make on Mr. Turpin's statement. He brought you a report from the state of Washington on how much percentage of the cost of maintaining railroad cars and trucks paid. I don't dispute his statement. The only thing was that you use state, county and local roads as the state of Washington, not the interstate highways. In Alaska we have practically only interstate highways. So the comparison would not be true for that reason. The interstate highways throughout the United States, since 1954, has made so much profit off of their taxes that they took money from the interstate highway fund to build the bike trails that became later mandatory. Trucks more than pay their way on a highway.

Chairperson: All right, thank you very much for your statements. Is there anyone else in the audience that cares to make any comments?

Jones: Madame Chairman, my name is Dennis Jones and I'm an owner/operator.

Chairperson: Yes, Dennis.

Jones: I have just a couple of questions and I'm not quite sure how to phrase the one. Through the understanding Seaway's in pretty bad financial shape. I would

like to know if there's anything to keep the Railroad Corporation from, if Seaway owes them money, to keep them from taking stock and ending up with ownership of a failing barge line. It's a rumor that that could happen or might happen or that they're going to push it to the legislature and I'm like a lot of people, I don't feel the Railroad's making money. I damn sure don't want a sinking barge line added on top of it. If it's not a possibility, I'd like to know about it and if it is, I would like to know about it.

Chairperson: Dennis, we'll research that. I have a few ideas running through my mind but I'm not sure of they're accuracy as to what the corporation can do in that aspect. If I, Mr. Wood, would you like to. It seems to me that they're prohibited from owning, are you not?

Wood: Well, that would call for diversification of services which would require Board approval and it would have to be reported to the Legislature, so there would be some oversight there.

Chairperson: Yeah, very definitely.

Jones: That was my question. Is there something you could do about it to stop it before it happened or approve it?

Chairperson: Yeah, very definitely. Yeah, there was something in ARCA that I was remembering but I couldn't exactly say on it.

Wood: There's a report requirement.

Chairperson: A report requirement. The Legislature therefore would be knowledgeable before the act happened. You're right.

Wood: If the Railroad diversifies its' services, it must report that to the Legislature.

Jones: A good answer to that question.

Chairperson: Thank you.

Jones: The next question to me, and I don't know if anybody can even answer it or if they will, is we've had a lot of testimony today from the employees of the Alaska Railroad. None of them seem to be happy and from the past history of what's been going on in the state in the last few years, a lot of the employee unrest can be caused, say has been caused by an

attorney that's been hired by several firms. Now, according to the newspaper, works for the Alaska Railroad and that's Mr. Thomas Owens and I would like to know who authorized hiring the man. If that's possible to be answered to me.

Chairperson: Would anyone from the Railroad care to answer that question?

Wood: The question was who

Chairperson: Who authorized the employment of Tom Owens.

Jones: Who authorized hiring Tom Owens to be a Railroad attorney, because I directly relate that to the problems with the employees.

Wood: I think if you were closer to the problem, the issue, I don't think that is the case. To answer your first question, though, the Alaska Railroad Corporation Act made allowance for the management of the Railroad to retain counsel to serve as its lawyer in cases that faced litigation wise or to obtain legal advise. My personal thought on it is that I think Mr. Owens is doing a good job and I don't ...

Davis: I can't [indiscernible].

Jones: I didn't ask, the question was who hired him and that's all I wanted to know.

Wood: You mean, which individual?

Jones: Who hired Mr. Owens?

Wood: He was hired by the management of the corporation. But you want specific names, times?

Jones: Yes, I would.

Wood: At the time that he was hired, the Attorney General's office was providing legal services to the Corporation. At the same time there was some need for labor services.

Jones: I'm not asking why or when. I want to know who. That's all I ask and beyond that I have no more questions.

Wood: I think Mr. Owens was recommended, labor counsel was recommended by the Attorney General's office.

Jones: I didn't ask who recommended him, I asked who hired him.

Wood: The contract was ...

Jones: This is the same thing we went through a little while ago. You can beat around the bush all day. My only question was who hired the man and that's just for my personal knowledge.

Wood: I signed the contract, the contract with Mr. Owens office. If you want to say that I hired him, technically I hired him.

Turpin: Well, I think the buck stops with me. Any kind of Railroad thing I either approve or disapprove. I approved the hiring.

Jones: That's what I wanted to know. That's my question.

Chairperson: All right. Thank you for your comments. Do we have any further comments from the audience. Any further questions from the Committee?

Pignalberi: For Mike Davis in Fairbanks. Mike, on its way to you is a brown booklet that is called the Alaska Railroad Caboose Issue that UTU provided to us and because of the hearings you have held on the hazardous substance issue in one of the back sections of that book it has some fascinating statistics about the number of loads of hazardous substance going back and forth on the Railroad. I just called that to your attention because I know you're interested in it.

Davis: Thanks a lot, Marc, I appreciate that.

Chairperson: Do we have any further comments, any further statements from anyone -- for this Committee at the present time? If not then we will declare the Committee meeting closed and we would like to express the fact that the Transportation Committee has staff year around in Juneau. We would appreciate your getting in touch with us. The address is Capital Building 128, Pouch B, Juneau 99811. At any time you wish to telephone, the phone number is 465-4858. There will be a member of staff present, unless they're out to the library or doing research somewhere else. In that case, you get an answering machine. We would particularly appreciate all the input from anyone at any time. It is extremely difficult to sit in a committee and try to decide something if you don't have input and so consequently this is what we ask for and we ask it from anybody that has an interest into transportation in the state of Alaska. That's the House philosophy, House of Transportation's philosophy, the Committee's philosophy and hopefully

you will all understand that we are open to remarks, to letters, to phone calls, whatever input we can get so that we can more readily discuss and attempt to make decisions that we have to make. I would like to thank all of you for attending today. I think we have come a long way and have learned a great deal. So I do appreciate everybody's presence and their input. At this time then I will declare, at 4:45, the meeting of the Transportation Committee, House Transportation Committee adjourned.

STATE OF ALASKA
THE LEGISLATURE

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

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May, 1988

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Mary Van Nimwegen

H. TRANS

1-21-86

7:00 a.m.

1-23-86

7:00 a.m.

TRANSPORTATION COMMITTEE MINUTES
DECEMBER 18, 1985

TESTIMONY FROM JOE SWANSON, DIVISION OF WEIGHTS AND MEASURES, DEPARTMENT OF COMMERCE, WAS NOT ON TAPE DUE TO AN UNKNOWN MALFUNCTION. THE FOLLOWING ARE THE NOTES COMMITTEE STAFF HAD AVAILABLE ON THAT SEGMENT OF THE MEETING:

Rep. Pignalberi asked Joe Swanson if he had asked the AG's office if Commerce legally have the power to stop the aircraft flying.

Swanson: No real power.

Rep. Pignalberi: State has enforcement powers so why wasn't the aircraft that recently crashed in Bethel not made to stop flying?

Swanson: Have to be careful not to overstep bounds. State troopers could have enforced this, however, the department has to be careful not to overstep bounds.

Rep. Davis: Does the department feel they need regs to enforce? When letter written to A.G. need to include requests from Joe Swanson as regards to making air carriers comply.

Swanson: It was his understanding that any problems would be addressed by Committee. He felt it was not his position to promulgate regs in the first year. Joe states cost about \$10,000 to promulgate regs, he did not have the money, staff, etc. to enforce or promulgate.

Rep. Davis: Offers his cooperation to help with funds etc.

Swanson: Need stop-use permit to stop an aircraft flying if not in compliance. Need to change this.

Mr. Swanson went through the changes the carriers are requesting in HB 133:

1. Limit of insurance to \$150,000/seat for 75% of rated seat capacity.
2. Need to change from class B to Class A misdemeanor if somebody flying without insurance
3. Would like authority to issue stop-use order if it is found an aircraft is flying without insurance.

Rep. Pignalberi: Asks Joe to consider between now and session to think about if what they are asking is too narrow. Maybe there are other things that the airline industry are violating and the division should be given a broader authority to enforce.

Swanson: Weights and Measures have tried to limit their scope to the legislation that was passed last year. Air carriers and Weights and Measures are both concerned about safety. However, this has not yet been addressed.

Last change in the proposed changes. Add helicopters to the definition of aircrafts.

Swanson: Have requested ?\$133,000 to do investigations, complaints and enforcements. Investigative position and one information person . Is in FY 86 operating budget.

Mr. Zundel...



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I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

10/31/89
Date

HB

1

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Mary Van Nimwegen

HT 1-22-85

7:02am

1-31-85

7:00am.

Hein
1/30/85✓

Original sponsors: M.M. Miller, Goll,
Sund and Duncan

1 IN THE HOUSE

BY THE TRANSPORTATION COMMITTEE

2 CS FOR HOUSE BILL NO. 1 (Transportation)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act authorizing the ferry system to transport
7 certain items without charge."

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

9 * Section 1. AS 19.65 is amended by adding new sections to read:

10 Sec. 19.65.030. TRANSPORTATION OF GOODS FOR CHARITABLE ORGANIZA-
11 TIONS. (a) To the extent that ^(B)unsold space is available, the commis-
12 sioner of transportation and public facilities may provide to au-
13 thorized nonprofit charitable organizations free transportation of
14 vans and vehicles on Alaska marine highway system vessels between
15 Alaska ports only. A van or vehicle transported under this section
16 may contain ⁽⁷⁾only clothing and household furnishings that are to be
17 distributed without charge to needy individuals and families.

18 (b) ⁽¹⁾The commissioner shall determine which organizations are
19 authorized to receive free transportation services under (a) of this
20 section and shall maintain a list of those organizations. ⁽⁵⁾Authoriza-
21 tion is limited to organizations that have been in existence at least
22 three years. The commissioner may establish additional criteria for
23 authorization. ⁽²⁾A nonprofit charitable organization not authorized
24 under this subsection may submit a written request for authorization.
25 The request shall include the organization's justification for au-
26 thorization.

27 ⁽³⁾(c) An organization may lose its authorization for failing to
28 comply with the provisions of this section or regulations adopted
29 under this section.

1 Ⓐ Sec. 19.65.040. EMERGENCY TRANSPORTATION OF GOODS. The commis-
2 sioner of transportation and public facilities may provide for the
3 free transportation of goods on Alaska marine highway system vessels
4 during an emergency declared by the governor.

5 Ⓑ* Sec. 2. AS 19.65.030 is repealed three years after the effective date
6 of this Act.
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Introduced: 1/14/85
Referred: Transportation and
Finance

BY M.M.MILLER, GOLL, SUND AND
DUNCAN

1 IN THE HOUSE

2

HOUSE BILL NO. 1

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act authorizing the ferry system to transport
7 certain items for charitable organizations without
8 charge."

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

10 * Section 1. AS 19.65 is amended by adding a new section to read:

11 Sec. 19.65.030. TRANSPORTATION OF GOODS FOR CHARITABLE ORGANIZA-
12 TIONS. To the extent that space is available, the commissioner of
13 transportation and public facilities may provide to nonprofit charita-
14 ble organizations free transportation of vans and vehicles on Alaska
15 marine highway system vessels. ^{intrastate only.} A van or vehicle transported under
16 this section may contain only clothing and household furnishings that
17 are to be distributed to needy individuals and families.

10: LEGAL SERVICES

FROM: HSE TRCP - PANDIT- 4358

4:00 '21

I have just received the attached memo from Rep. Miller requesting an amendment to specify free transport on INTRASTATE trips - please draft CS accommodating this request. If it should be placed in better line, please feel free.

Committee on Judiciary

JAN 21 1985

MEMO: Jan. 21, 1985

TO: Rep. Bette Cato
Chairwoman, House Transportation Committee

FROM: Rep. M. Mike Miller

RE: HB 1/FREE FERRY TRANSPORT OF GOODS FOR CHARITIES
Proposed amendment

After re-reading HB 1 as it was introduced, I find that the bill does not specify my original intent that free transport be provided only on intra-state trips. I do not believe at this time that it would be appropriate to extend this type of service on vessels making runs outside the state (i.e., those vessels scheduled to Seattle and/or Prince Rupert, B.C.).

I appreciate consideration by your committee of a clarification that this service be provided only on intra-state runs.

If you or your staff have any question in regard to this request, Bob Speed of my staff is assigned to this legislation for my office, and will be glad to help.

Thank you for your consideration of the bill and this request.

Hein
1/30/85

Original sponsors: M.M. Miller, Goll,
Sund and Duncan

1 IN THE HOUSE

BY THE TRANSPORTATION COMMITTEE

2 CS FOR HOUSE BILL NO. 1 (Transportation)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act authorizing the ferry system to transport
7 certain items without charge."

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

9 * Section 1. AS 19.65 is amended by adding new sections to read:

10 Sec. 19.65.030. TRANSPORTATION OF GOODS FOR CHARITABLE ORGANIZA-
11 TIONS. (a) To the extent that unsold space is available, the commis-
12 sioner of transportation and public facilities may provide to au-
13 thorized nonprofit charitable organizations free transportation of
14 vans and vehicles on Alaska marine highway system vessels between
15 Alaska ports only. A van or vehicle transported under this section
16 may contain only clothing and household furnishings that are to be
17 distributed without charge to needy individuals and families.

18 (b) The commissioner shall determine which organizations are
19 authorized to receive free transportation services under (a) of this
20 section and shall maintain a list of those organizations. Authoriza-
21 tion is limited to organizations that have been in existence at least
22 three years. The commissioner may establish additional criteria for
23 authorization. A nonprofit charitable organization not authorized
24 under this subsection may submit a written request for authorization.
25 The request shall include the organization's justification for au-
26 thorization.

27 (c) An organization may lose its authorization for failing to
28 comply with the provisions of this section or regulations adopted
29 under this section.

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Sec. 19.65.040. EMERGENCY TRANSPORTATION OF GOODS. The commis-
sioner of transportation and public facilities may provide for the
free transportation of goods on Alaska marine highway system vessels
during an emergency declared by the governor.

* Sec. 2. AS 19.65.030 is repealed three years after the effective date
of this Act.

HB_1 2.8.85

The Finance Committee has considered HOUSE BILL NO. 1 (authorizing the ferry system to transport certain items for charitable organizations without charge) recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 1 (Transportation) (page 228) and reports it back as follows: Ringstad (Co-Chairman), Duncan, Larson and Cotten recommend do pass. Szymanski, Pourchot, Uehling, Rieger and Frank have no recommendation.

HB 1 was referred to the Rules Committee for placement on the calendar.

HB 1

The Transportation Committee has considered HOUSE BILL NO. 1 (authorizing the ferry system to transport certain items for charitable organizations without charge), recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 1 (Transportation):

"An Act authorizing the ferry system to transport certain items without charge."

and reports it back as follows: Cato (Chairman), Herrmann, Marrou, Pignalberi and Davis recommend do pass; Shultz has no recommendation. A zero fiscal note with analysis was attached.

HB 1 was referred to the Finance Committee.

The zero fiscal note with analysis appears in House Journal Supplement No. 12.

HB 21

The Resources Committee has considered HOUSE BILL NO. 21 (relating to homesites for veterans), recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 21 (Resources) (same title) and reports it back as follows: Shultz (Co-Chairman), Herrma Cato, Jenkins, Thompson, Sund and M.W. Miller recommend do pass; Pearce and Wallis have no recommendation. A fiscal note was attached.

HB 21 was referred to the Finance Committee.

The fiscal note appears in House Journal Supplement No. 12.

HB 37

The State Affairs Committee has considered HOUSE BILL NO. 37 (making a special appropriation for payment as a grant to the City of Palmer for the 50th Colony Anniversary Celebration of the Alaska Rural Rehabilitation Corporation; effective date), recommends adoption of Amendment No. 1:

Page 1, line 12

Delete: "\$80,250"

Insert: "\$48,600

and reports it back as follows: Hurley (Chairman), Navarre, Jenkins, Cato, Collins, Boucher and M.M. Miller recommend do pass as amended.

HB 37 was referred to the Finance Committee.

Bruce Twomley - Alaska Commercial Fisheries
Entry Commission

Lonnie Smith - Alaska Oil and Gas Conservation
Commission

Ralph Fenner - Guide Licensing and Control Board

Edward Shavings, Sr. - Guide Licensing and
Control Board

and recommends confirmation. The reports were signed by Shultz and Herrmann (Co-Chairs) and concurred in by Cato, Jenkins, Pearce, Thompson, M.W. Miller, Wallis and Sund.

The Resources Committee has also held confirmation hearings on the following appointments:

Ernest Carter - Board of Fisheries

Victor Van Ballenberghe - Board of Game

and reports back as follows: members recommending confirmation of Mr. Carter were Shultz (Co-Chair), concurred in by Cato, Jenkins, Pearce, Thompson, M.W. Miller and Sund; having no recommendation were Herrmann (Co-Chair) and Wallis.

Members recommending confirmation of Mr. Van Ballenberghe were Herrmann (Co-Chair), concurred in by Cato, Jenkins, Thompson, Wallis and Sund; having no recommendation were Shultz (Co-Chair), M.W. Miller and Pearce.

The Labor and Commerce Committee has held confirmation hearings on the following appointment:

Loren Lounsbury - Commissioner of the
Department of Commerce and Economic
Development

and recommends confirmation. The report was signed by Navarre (Chairman) and concurred in by Beucher, Pearce, Koponen, Davis, Collins and Hanley.

HJR 3

The Judiciary Committee has considered HOUSE JOINT RESOLUTION NO. 3 (relating to the ratification of an amendment to the Constitution of the United States defining voting rights for residents of the District of Columbia) and reports it back as follows: M.M. Miller (Chairman), Clocksin, Sund and Gruenberg recommend do pass; Phillips, Pettyjohn and Taylor have no recommendation.

HJR 3 was referred to the Rules Committee for placement on the calendar.

HOUSE JOURNAL SUPPLEMENT

February 1, 1985

No. 12

**STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE**

HR
1

Revision Date: _____

REQUEST

Bill/Resolution No.: CSHP 1(Trsp)
 Title: Transportation of goods for Charitable Organizations

Sponsor: M. Miller, Coll. Sund & Duncan
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Dept. of Transn. & P.F.
 Program Category Affected: Transportation

RU, Program or Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

PERMANENT	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

ANALYSIS: Attach a separate page if necessary

It is assumed that those "Charitable Organizations" requesting free transportation for a van or vehicle containing clothing and household goods for distribution to needy persons certify this need by formal written request and that free passage will be granted by pass with no liability of the State to those organizations.

* - Historical information not available to calculate revenue loss.

Prepared By: Joe D. Camp, Deputy Commissioner
 Division: Alaska Marine Highway System

Phone: 465-3950
 Date: 01/18/85

Approved by Commissioner: [Signature]
 Agency: DOT&PF

Date: 01/21/85

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Page 1 of 2

Revision Date: _____

REQUEST CS
Bill/Resolution No.: HB 21 (Res)
Title: Homesites for Veterans

FISCAL DETAIL
Agency Affected: Natural Resources
Program Category Affected: _____

Sponsor: Goll
Requestor: _____
Date of Request: _____

BRU, Program or Subprogram(s) Affected:
Land and Water Management

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES		24.5	4.4	4.4	4.4	4.4
200 TRAVEL						
300 CONTRACTUAL		0.5	0.1	0.1	0.1	0.1
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		25.0	4.5	4.5	4.5	4.5

CAPITAL						
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REVENUE		(86.0)	(86.0)	(86.0)	(86.0)	(86.0)
----------------	--	--------	--------	--------	--------	--------

FUNDING (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
GENERAL FUND		25.0	4.5	4.5	4.5	4.5
FEDERAL FUNDS						
OTHER						
TOTAL		25.0	4.5	4.5	4.5	4.5

POSITIONS:

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
FULL-TIME						
PART-TIME		1				
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

See Attached

Prepared By: Michael E. Vediner Phone: 465-2400
Division: Land and Water Management Date: January 18, 1985

Approved by Commissioner: Robert D. Arnold, Deputy Date: January 18, 1985
Agency: Natural Resources

HB 1: An Act authorizing the ferry system to transport certain items for charitable organizations without charge.

The Department of Transportation and Public Facilities is opposed to the transport of items for charitable organizations without charge. The multitude of charitable organizations in the state would inundate the Alaska Marine Highway with requests. According to Department of Labor statistics, there are 892 potential charitable organizations in the State. The investigation and processing of these requests would require administrative time that could evolve into a requirement for additional personnel.

has money in SE/SLB

Small communities usually have a low economic base therefore high ratio of needy individuals and families. With many it is a way of life preferred over urban dwelling. The free carriage of these items could have a definite effect on the economy of a small community and would compete with private industry both in transportation and local businesses.

Operationally it is not feasible to carry vans on a space available basis. Vans are required to be loaded prior to other vehicles.

However we believe that HB 1 should be amended to provide this assistance to needy individuals in communities that have been declared a disaster area by the Governor.

1. Serious abuse w/ pr. citizens
magazine carrying ads - free transport on AK
selling park gear Ex: Columbia hat mechanical
problems - Ketchikan to Seattle for repair, refunded
ad-trippers. Pr. citizens - free inside - letters to
Governor = HATE MAIL - focused atten. on abuses
a) Not space available - making reservations
2. Handicap - Several - van w/ group handicap couldn't
help themselves - crew had to assist - mentally &
physically handicapped - NEED SPONSORS TO ACCOMPANY
for assistance
3. practical problem - vans loaded first by nature of size -
if hooked full - problem Ex shows, sp. available....



Representative Mike Miller

January 10, 1985

Rep. Bette Cato
Chair, Transportation Committee
Pouch V
Juneau, Alaska 99811

Betty:

Assuming that you, like me, are looking for some little-controversy, no-fiscal-impact bills to schedule at the earliest possible time, I'd like to request a hearing on HB1, relating to ferry space for charitable organizations. A copy of the bill is enclosed. I'm assuming, of course, that the Speaker will give you first referral on this bill.

Many thanks. (Let me know if you have any in the same category in Judiciary.)

Sincerely,

A handwritten signature in dark ink, appearing to read "Mike Miller".

Rep. Mike Miller
House Judiciary Chair

enc./HB1
MM/ks

TRANSPORTATION COMMITTEE DAILY AGENDA

- 1) CALL MEETING TO ORDER
- 2) NOTE MONTH/DAY/YEAR THURSDAY, JANUARY 31, 1985
- 3) NOTE TIME: (7:00 A.M.)

- 4) NOTE MEMBERS PRESENT AND EXCUSED
--NOTE: FOR THE RECORD, ALSO NOTE ANY LATE ARRIVALS
TO THE MEETING.

--NOTE: REPRESENTATIVE FURNACE IS UNABLE TO ATTEND TODAY'S
MEETING. HE HAD TO FLY TO ANCHORAGE.

- 5) RECOGNIZE VIP'S
- 6) REMIND PARTICIPANTS TO SIGN THE WITNESS REGISTER

TODAY'S PARTICIPANTS:

- ° REPRESENTATIVE MIKE M. MILLER, JUNEAU
- ° JOE CAMP, DEPUTY COMMISSIONER
MARINE HIGHWAY SYSTEM
- ° SUSAN FLEISCHHAUER, LEGISLATIVE LIAISON
DOT/PF

PROCESSION OF MEETING

- 7) INTRODUCE WITNESSES

INSIDE THEIR FILE FOLDERS ARE:

- ° WORK DRAFT OF CSHB 1 (AMENDED SECTIONS ARE
HIGHLIGHTED)
- ° COPY OF MEMO TO LEGAL SERVICES REQUESTING THE
ADDITION OF AMENDMENTS TO HB 1

NOTE TO COMMITTEE MEMBERS:

- ° QUESTION POSED BY LEGAL SERVICES--WHAT OF THE
TYPE AND LIMITS ON GOODS TRANSPORTED DURING DECLARED
EMERGENCIES? THE BILL STATES THAT HOUSEHOLD
FURNISHINGS MAY BE TRANSPORTED, BUT DURING A

DECLARED EMERGENCY, FOOD WILL MOST LIKELY HAVE TO BE CARRIED AS WELL. THE BILL AS IT NOW STANDS DOES NOT ALLOW FOR THIS.

- 8) ANNOUNCE NEXT WEEK'S COMMITTEE SCHEDULE AND ASK MEMBERS TO TURN IN THEIR RECOMMENDATIONS ON THE NOMINEES FOR THE BOARD OF MARINE PILOTS BY NOON, MONDAY, 4 FEBRUARY 1985.
- 9) ANNOUNCE TIME OF ADJOURNMENT
- 10) REMIND MEMBERS AND AUDIENCE TO CLEAR THE ROOM FOR THE NEXT COMMITTEE MEETING OF HOUSE RESOURCES.

CONSIDERATION OF THE DAILY CALENDARSECOND READING OF HOUSE BILLSHB 1

HOUSE BILL NO. 1 (authorizing the ferry system to transport certain items for charitable organizations without charge) was read the second time with the Transportation Committee report (page 228) and the Finance Committee report (page 289).

Representative Clocksin moved and asked unanimous consent that COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 1 (Transportation) (authorizing the ferry system to transport certain items without charge) be adopted in lieu of the original bill. There being no objection, it was so ordered.

CSHB 1(Trsp)

Representative Clocksin moved and asked unanimous consent that CSHB 1(Trsp) be considered engrossed, advanced to third reading and placed on final passage. There being no objection, it was so ordered.

CSHB 1(Trsp) was read the third time.

The question being: "Shall CSHB 1(Trsp) pass the House?"
The roll was taken with the following result:

CSHB 1(TRSP)

Yeas:	32	Adams, Binkley, Boucher, Clocksin, Collins, Cotten, Davis, Duncan, Furnace, Goll, Gruenberg, Grusendorf, Hanley, Hurley, Jenkins, Koponen, Larson, Marrou, Marcin, Miller, M.M., Navarre, Pettyjohn, Phillips, Pignalberi, Pcurchot, Ringstad, Shultz, Sund, Szymanski, Taylor, Thompson, Wallis
Nays:	4	Fuller, Pearce, Rieger, Uehling
Excused:	4	Cato, Frank, Herrmann, Miller, M.W.
Absent:	0	

And so, CSHB 1(Trsp) passed the House and was referred to Chief Clerk for engrossment.

HB 254

"An Act relating to state aid for school construction for unhoused students; and providing for an effective date."

was read the first time and referred to the Health, Education & Social Services and Finance Committees.

HB 255

HOUSE BILL NO. 255 by Wallis, Adams, Taylor, Hurley, Thompson and Koponen, entitled:

"An Act authorizing the Department of Health and Social Services to enter into agreements concerning the care and custody of Native children."

was read the first time and referred to the Health, Education & Social Services and Finance Committees.

HB 256

HOUSE BILL NO. 256 by Ringstad, Adams, Grussendorf, Cato, Frank, Larson, M.W. Miller, Pearce, Rieger, Shultz, Sund, Taylor, Uehling, Hanley and Jenkins, entitled:

"An Act establishing the economic development policy of the state."

was read the first time and referred to the Resources and Finance Committees.

HB 257

HOUSE BILL NO. 257 by Taylor, Sund, Furnace, Koponen, Pettyjohn and Grussendorf, entitled:

"An Act relating to local effort in the public school foundation program; and providing for an effective date."

was read the first time and referred to the Health, Education & Social Services and Finance Committees.

MESSAGES FROM THE HOUSE

SB 2

Message of March 1 was read, stating the House passed and returned

CS FOR SENATE BILL NO. 2 (JUD)

Extending the termination date of the Board of Governors of the Alaska Bar Association; efd

CS FOR SENATE BILL NO. 2 (JUD) was referred to the Secretary for enrollment.

Message of March 1 was read, stating the House passed:

FIRST READING AND REFERENCE OF HOUSE BILLS

HB 1

CS FOR HOUSE BILL NO. 1 (TRSP) by the Transportation Committee, entitled:

"An act authorizing the ferry system to transport certain items without charge."

was read the first time and referred to the Transportation Committee and the Finance Committee.

HB 102

CS FOR HOUSE BILL NO. 102 (FIN) by the Finance Committee, entitled:

"An Act relating to the Alaska Resources Corporation; and providing for an effective date."

was read the first time and referred to the Labor and Commerce Committee and the Finance Committee.

SENATE JOURNAL

ALASKA STATE LEGISLATURE

FOURTEENTH LEGISLATURE · FIRST SESSION

JUNEAU, ALASKA

MONDAY

March 4, 1985

Fiftieth Day

Pursuant to adjournment, the Senate was called to order by President Bennett at 11:07 a.m.

The roll showed nineteen members present. Senator Vic Fischer was excused from a call of the Senate.

The prayer was offered by the Chaplain, Reverend Patton of the Chapel by the Lake Church. Senator Zharoff moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

"Almighty God, at the beginning of this week we acknowledge Your sovereignty and we seek Your guidance. Remind us that we are stewards of the earth and of its resources.

Look with favor upon this Senate and upon the individual members of it. Give them vision and wisdom; may they have a deep compassion for those people whose lives are affected by legislative decisions. Renew their sense of responsibility and dedication.

Thank You, oh God, for the accomplishments of the past days and for the opportunities of the days to come.

In the name of Christ,

Amen"

Senator Halford moved and asked unanimous consent that the journals for the forty-seventh, forty-eighth and forty-ninth legislative days be approved as certified by the Secretary. Without objection, it was so ordered.

April 11, 1985

765

HB 1 cont'd

Senator Coghill, Chairman and Senator Josephson signed "do pass". Senator Abood signed "no recommendation". Senator Paul Fischer signed "do not pass unless amended".

CS FOR HOUSE BILL NO. 1 (TRSP) was referred to the Finance Committee.

HR 121

The State Affairs Committee considered HOUSE BILL NO. 121 (changing the name of the division of telecommunications systems in the Department of Administration; efd) and a majority of the committee recommended do pass. The report was signed by Senator Abood, Chairman and concurred in by Senators DeVries, Ray and Kelly. Senator Vic Fischer signed "no recommendation".

HOUSE BILL NO. 121 was referred to the Rules Committee.

SB 74

The Rules Committee considered SENATE BILL NO 74 (driving while intoxicated) and a majority of the committee recommended calendar April 11. The report was signed by Senator Kelly, Chairman and concurred in by Senators Josephson and Bennett.

SENATE BILL NO 74 appears on the calendar.

HB 17

The Rules Committee considered CS FOR HOUSE BILL NO. 17 (JUD) (multiple convictions for motor vehicle theft and joyriding) and a majority of the committee recommended calendar April 11. The report was signed by Senator Kelly, Chairman and concurred in by Senators Josephson and Bennett.

CS FOR HOUSE BILL NO. 17 (JUD) appears on the calendar.

HCR 13

The Rules Committee considered HOUSE CONCURRENT RESOLUTION NO. 13 (nineteenth annual Boys' State at Camp Carroll) and a majority of the committee recommended calendar April 11. The report was signed by Senator Kelly, Chairman and concurred in by Senators Josephson and Bennett.

HOUSE CONCURRENT RESOLUTION NO. 13 appears on the calendar.

HCR 14

The Rules Committee considered HOUSE CONCURRENT RESOLUTION NO. 14 (seventeenth annual Girls' State at the Fairbanks University of Alaska campus) and a majority of the committee recommended calendar April 11. The report was signed by Senator Kelly, Chairman and concurred in by Senators Josephson and Bennett

HOUSE CONCURRENT RESOLUTION NO 14 appears on the calendar.

INTRODUCTION AND REFERENCE OF SENATE RESOLUTIONS

SCR 19

SENATE CONCURRENT RESOLUTION NO 19 by the Rules Committee,

Relating to establishing a Joint Special
Committee on Legislative Salaries,

was read the first time and referred to the Finance Committee.

INTRODUCTION AND REFERENCE OF SENATE BILLS

SB 278

SENATE BILL NO 278 by Senator Halford, entitled:

"An Act relating to the driver license
compact "

was read the first time and referred to the State Affairs Committee and the Finance Committee.

SB 279

SENATE BILL NO 279 by the Resources Committee, entitled:

"An Act making a special appropriation to
the economic development fund of the Alaska
Industrial Development Authority, transferring
and appropriating certain loans to the economic
development fund and the commercial fishing
revolving loan fund; and providing for an
effective date "

was read the first time and referred to the Resources Committee and the Finance Committee.

Alaska State Legislature

House of Representatives



Rep. Bette Cato, Chairman

Committee on Transportation

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4858

DATE: 23 JANUARY 1985
TO: LEGAL SERVICES
FROM: Rhonda Cargill
Committee Aide
House Transportation Committee
RE: HB 1

The following suggestions were made in our January 22nd committee meeting for possible amendments. Staff was instructed to forward them to Legal Services for implementation into the work draft for CSHB 1. I have also attached a copy of the minutes from that meeting for your information. Please give me a call should you need to discuss this further.

SUGGESTED AMENDMENTS

1. Have the Department of Transportation and Public Facilities develop a list of authorized organizations in order to narrow the number of charities which could use the system for free.
2. Additional charitable organizations must petition the Commissioner with written justification to be admitted to that list.
3. Violators or abusers of the law would be excluded from the list.
4. Declare emergencies - let the Marine Highway System transport goods for free during times of emergencies. (This should be a separate section making it separate and distinct from the eligibility list of requirements; this would give DOT the ability to deal with emergency situations legally--an ability which, as we understand it, they do not have at the present time.)
5. The charitable organizations must be in existence for 3 years.
6. This provision shall sunset after 3 years.
7. Line 17 add the "free" between "distributed" and "to".

8. Line 12 add the word "unsold" between the words "that" and "space".

As you can tell from the minutes, the Committee is concerned with the potential abuse of this proposed legislation. Any assistance you can offer with attempting to close any such loopholes appreciated.

cc: Representative Miller
Representative Furnace
Representative Marrou

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: CSHB 1
Title: Transportation of goods for Charitable Organizations

Sponsor: M. Miller, Goll. Sund & Duncan
Requestor: _____
Date of Request: _____

FISCAL DETAIL

Agency Affected: Dent. of Transp. & P.F.
Program Category Affected: Transportation

GRU, Program or Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

ANALYSIS: Attach a separate page if necessary

It is assumed that those "Charitable Organizations" requesting free transportation for a van or vehicle containing clothing and household goods for distribution to needy persons certify this need by formal written request and that free passage will be granted by pass with no liability of the State to those organizations.

* - Historical information not available to calculate revenue loss.

Prepared By: Joe D. Camp, Deputy Commissioner
Division: Alaska Marine Highway System

Phone: 465-3950
Date: 01/18/85

Approved by Commissioner: _____
Agency: DOT&PF

Date: 01/21/85

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Affected Agency(ies)


7/1/84

Committee on Judiciary

JAN 21 1985

MEMO: Jan. 21, 1985

TO: Rep. Bette Cato
Chairwoman, House Transportation Committee

FROM: Rep. M. Mike Miller 

RE: HB 1/FREE FERRY TRANSPORT OF GOODS FOR CHARITIES
Proposed amendment

After re-reading HB 1 as it was introduced, I find that the bill does not specify my original intent that free transport be provided only on intra-state trips. I do not believe at this time that it would be appropriate to extend this type of service on vessels making runs outside the state (i.e., those vessels scheduled to Seattle and/or Prince Rupert, B.C.).

I would appreciate consideration by your committee of a clarifying amendment that this service be provided only on intra-state runs.

If you or your staff have any question in regard to this request, Bob Speed of my staff is assigned to this legislation for my office, and will be glad to help.

Thank you for your consideration of the bill and this request.



Representative Mike Miller

January 10, 1985

Rep. Bette Cato
Chair, Transportation Committee
Pouch V
Juneau, Alaska 99811

Betty:

Assuming that you, like me, are looking for some little-controversy, no-fiscal-impact bills to schedule at the earliest possible time, I'd like to request a hearing on HB1, relating to ferry space for charitable organizations. A copy of the bill is enclosed. I'm assuming, of course, that the Speaker will give you first referral on this bill.

Many thanks. (Let me know if you have any in the same category in Judiciary.)

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Miller".

Rep. Mike Miller
House Judiciary Chair

enc./HB1
MM/ks

ALASKA STATE LEGISLATURE POUCH V
JUNEAU, ALASKA 99811

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IN THE HOUSE

BY M.M.MILLER

HOUSE BILL NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act authorizing the ferry system to transport certain items for charitable organizations without charge."

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

* Section 1. AS 19.65 is amended by adding a new section to read:

Sec. 19.65.030. TRANSPORTATION OF GOODS FOR CHARITABLE ORGANIZATIONS. To the extent that space is available, the commissioner of transportation and public facilities may provide to nonprofit charitable organizations free transportation of vans and vehicles on Alaska marine highway system vessels. A van or vehicle transported under this section may contain only clothing and household furnishings that are to be distributed to needy individuals and families.