

ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990
6196 HOUSE TRANSPORTATION

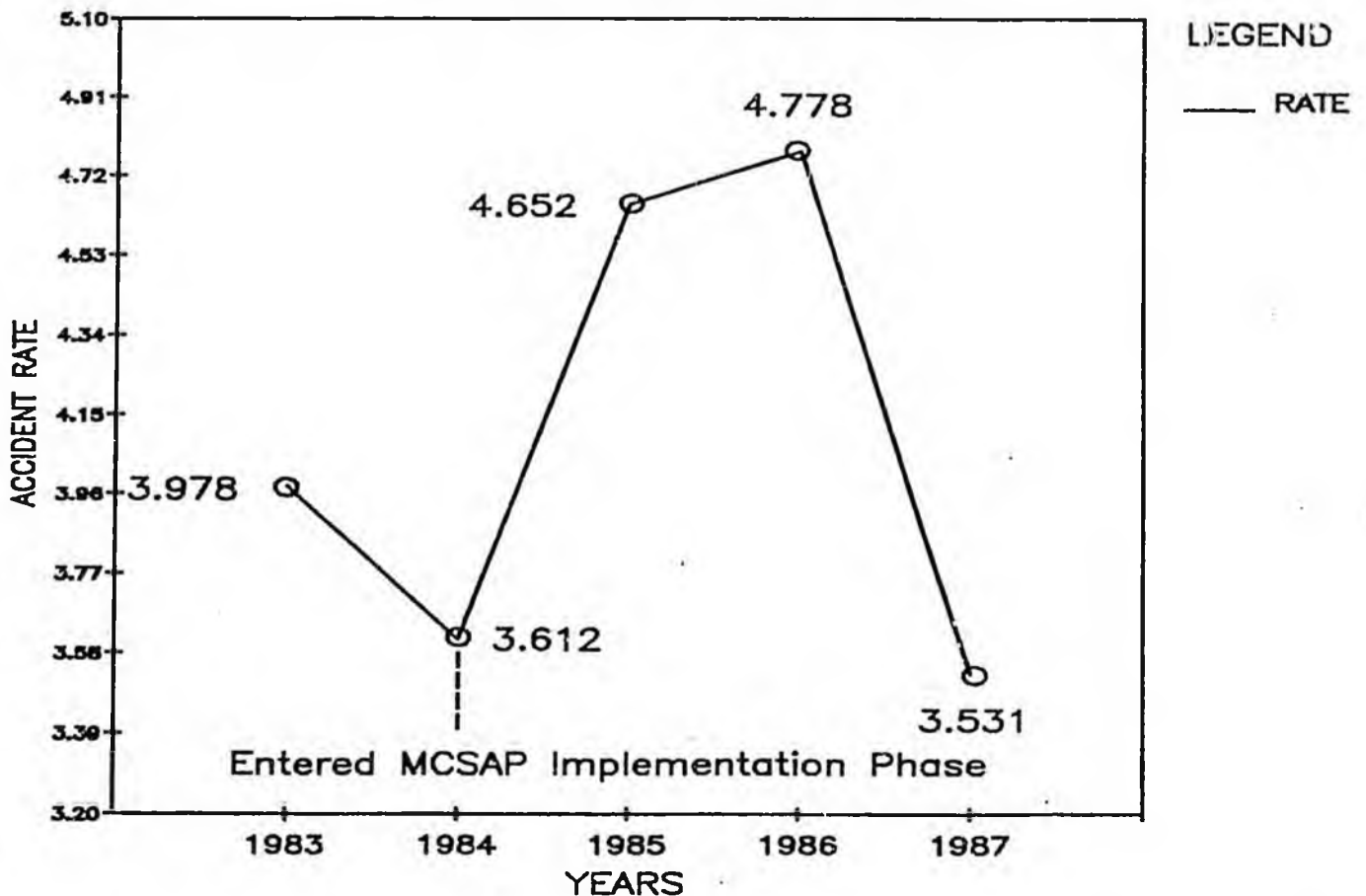
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KENTUCKY

CATEGORY		1982	1983	1984	1985	1986	1987
FATAL	Num. Rate	n/a n/a	110 .038	126 .041	116 .037	98 .031	87 .026
INJURY	Num. Rate	n/a n/a	2,196 .757	2,608 .841	2,608 .841	2,794 .873	2,043 .619
PROP. DAMAGE	Num. Rate	n/a n/a	9,229 3.182	8,462 2.730	11,697 3.773	12,398 3.874	9,522 2.885
TOTAL ACCID.	Num. Rate	n/a n/a	11,535 3.978	11,196 3.612	14,421 4.652	15,290 4.778	11,651 3.531
COMM. MILEAGE (mill.)		n/a	2,900	3,100	3,100	3,200	3,300

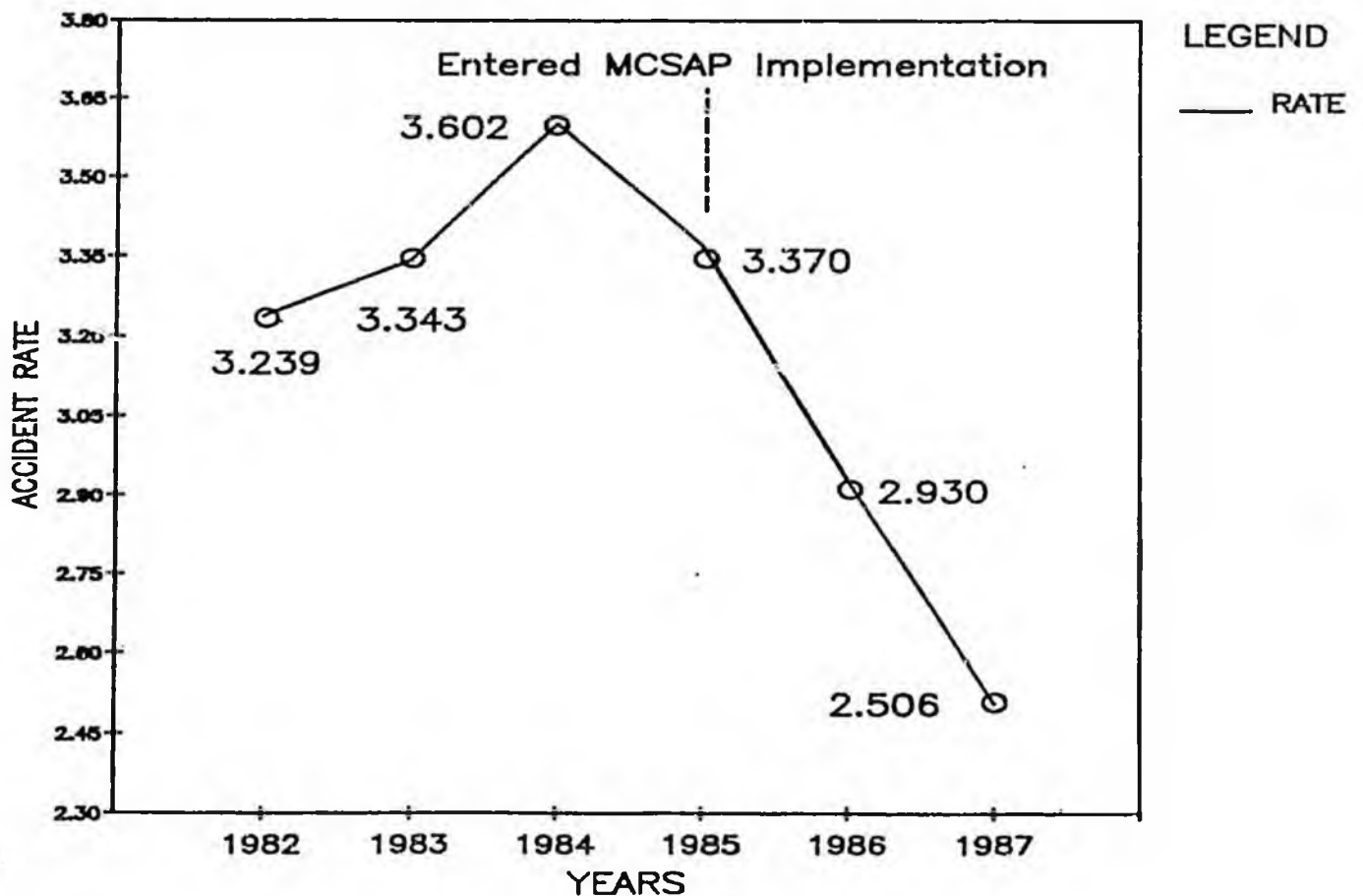
KENTUCKY OVERALL ACCIDENT RATES
(per million miles)



MARYLAND

CATEGORY		1982	1983	1984	1985	1986	1987
FATAL	Num. Rate	109 .044	96 .035	107 .038	122 .040	119 .036	104 .030
INJURY	Num. Rate	1,251 .509	1,474 .544	1,827 .643	1,857 .607	2,040 .620	1,900 .549
PROP. DAMAGE	Num. Rate	6,607 2.686	7,490 2.764	8,295 2.921	8,333 2.723	7,481 2.274	6,666 1.927
TOTAL ACCID.	Num. Rate	7,967 3.239	9,060 3.343	10,229 3.602	10,312 3.370	9,640 2.930	8,670 2.506
COMM. MILEAGE (mill.)		2,460	2,710	2,840	3,060	3,290	3,460

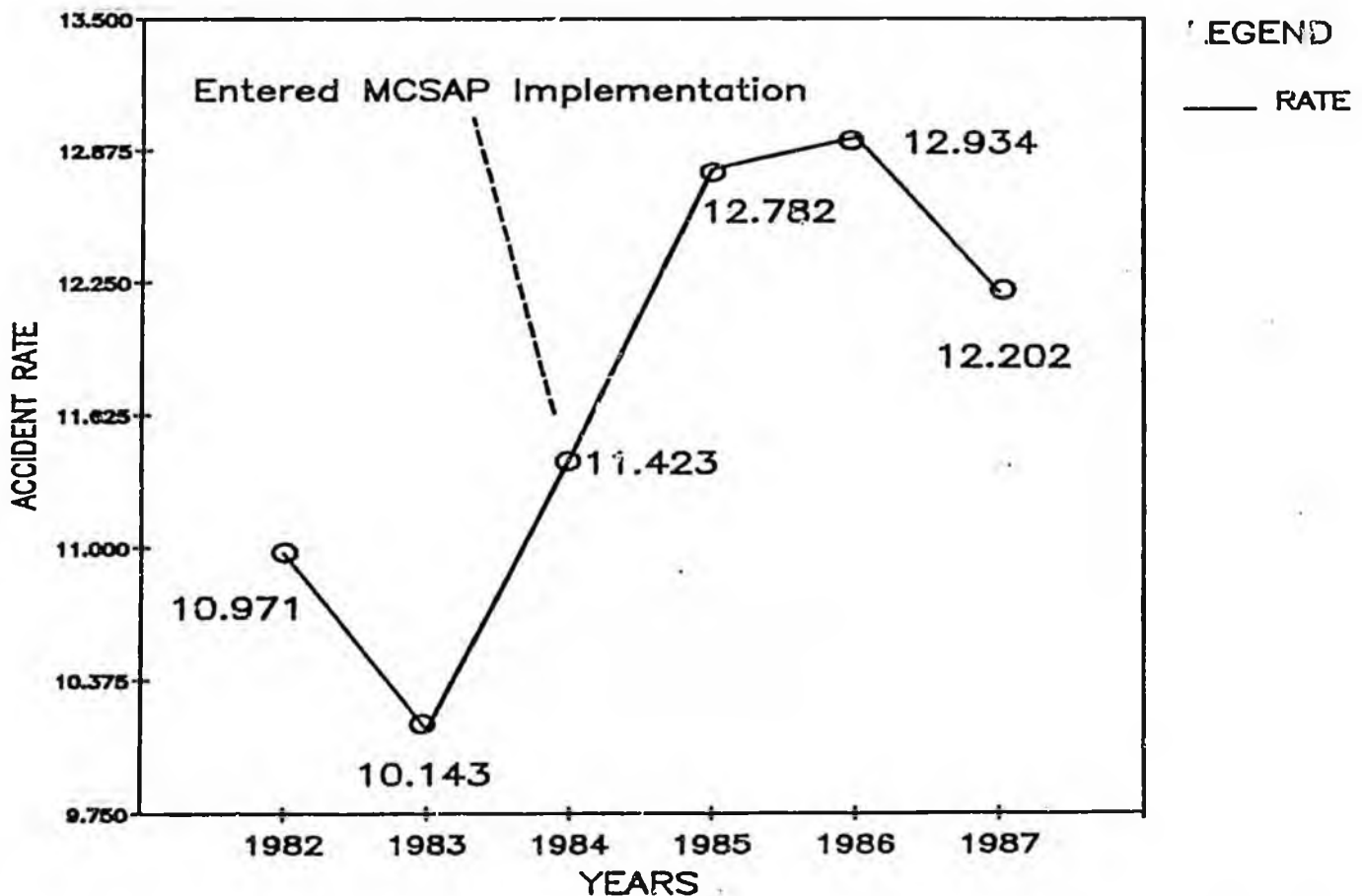
MARYLAND OVERALL ACCIDENT RATES
(per million miles)



MICHIGAN

CATEGORY		1982	1983	1984	1985	1986	1987
FATAL	Num.	110	131	142	155	152	148
	Rate	.067	.093	.092	.093	.084	.084
INJURY	Num.	3,216	3,442	4,284	4,985	5,392	4,956
	Rate	2.554	2.431	2.787	2.990	2.979	2.822
PROP. DAMAGE	Num.	10,587	10,790	13,131	16,167	17,867	16,323
	Rate	8.330	7.620	8.543	9.698	9.871	9.296
TOTAL ACCID.	Num.	13,813	14,363	17,557	21,307	23,411	21,427
	Rate	10.971	10.143	11.423	12.782	12.934	12.202
COMM. MILEAGE (mill.)		1,259	1,416	1,537	1,667	1,810	1,756

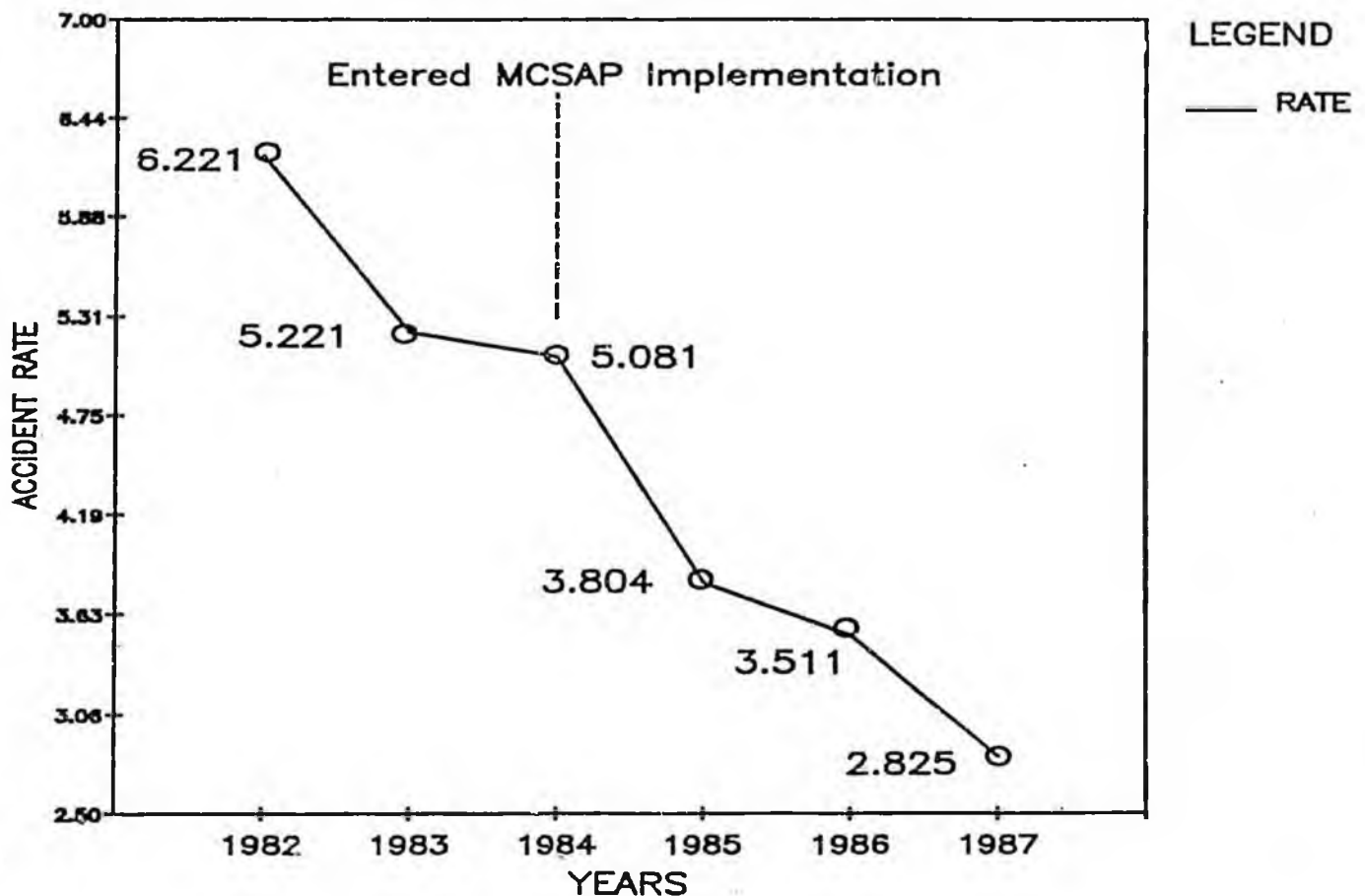
MICHIGAN OVERALL ACCIDENT RATES
(per million miles)



MINNESOTA

CATEGORY		1982	1983	1984	1985	1986	1987
FATAL	Num. Rate	111 .052	93 .041	115 .050	92 .039	90 .039	75 .032
INJURY	Num. Rate	3,547 1.657	3,323 1.457	3,170 1.372	2,217 .932	1,963 .857	1,714 .726
PROP. DAMAGE	Num. Rate	9,656 4.512	8,487 3.722	8,452 3.659	6,745 2.834	5,988 2.615	4,879 2.067
TOTAL ACCID.	Num. Rate	13,314 6.221	11,903 5.221	11,737 5.081	9,054 3.804	8,041 3.511	6,668 2.825
COMM. MILEAGE (mill.)		2,140	2,280	2,310	2,380	2,290	2,360

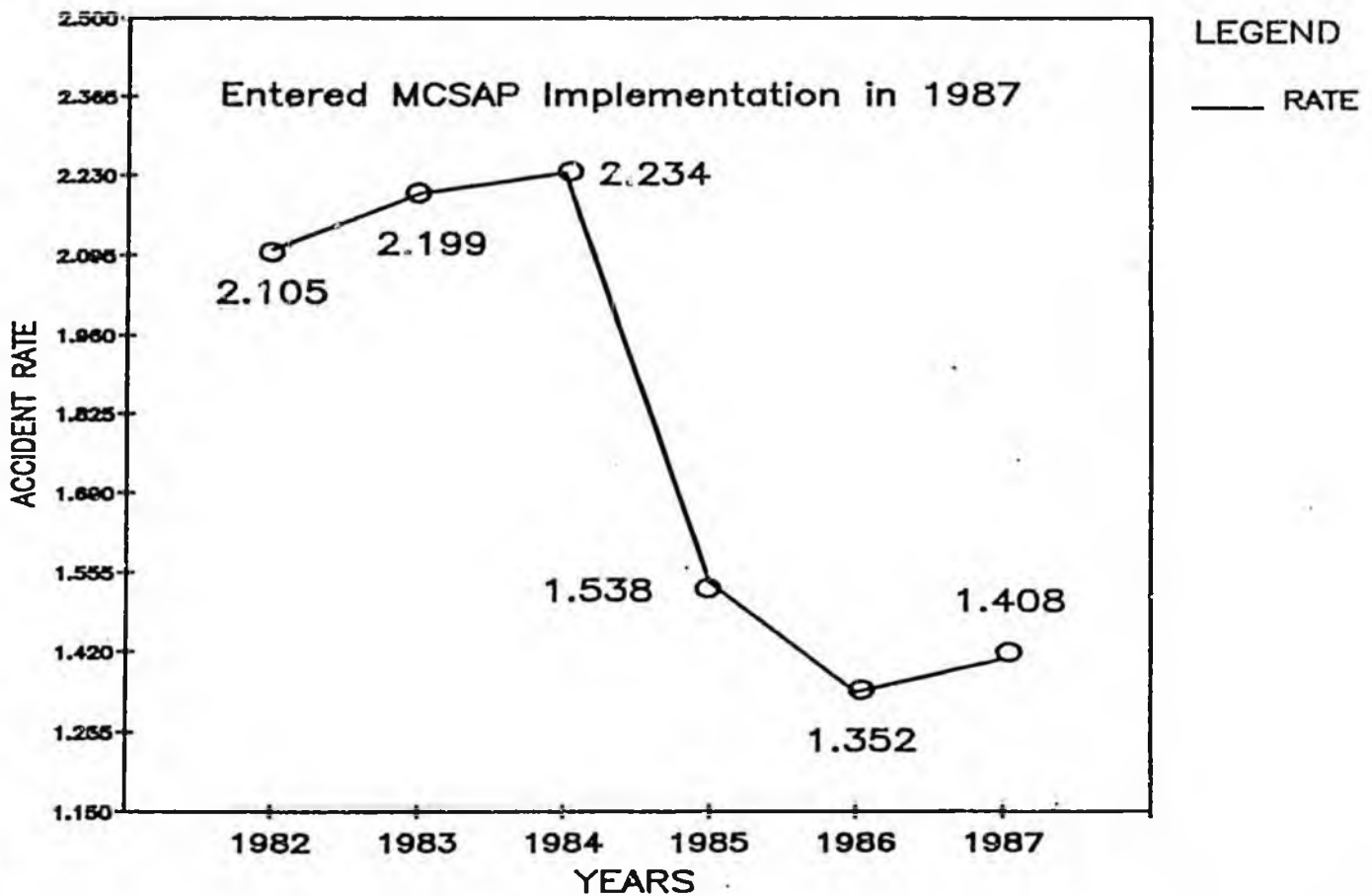
MINNESOTA OVERALL ACCIDENT RATES
(per million miles)



MISSISSIPPI

CATEGORY		1982	1983	1984	1985	1986	1987
FATAL	Num.	156	137	157	114	146	108
	Rate	.071	.060	.065	.044	.056	.034
INJURY	Num.	1,365	1,479	1,729	1,413	1,248	1,268
	Rate	.620	.643	.720	.543	.480	.396
PROP. DAMAGE	Num.	3,110	3,442	3,475	2,471	2,156	3,130
	Rate	1.414	1.497	1.448	.950	.829	.978
TOTAL ACCID.	Num.	4,631	5,058	5,361	3,998	3,515	4,506
	Rate	2.105	2.199	2.234	1.538	1.352	1.408
COMM. MILEAGE (mill.)		2,200	2,300	2,400	2,600	2,600	3,200

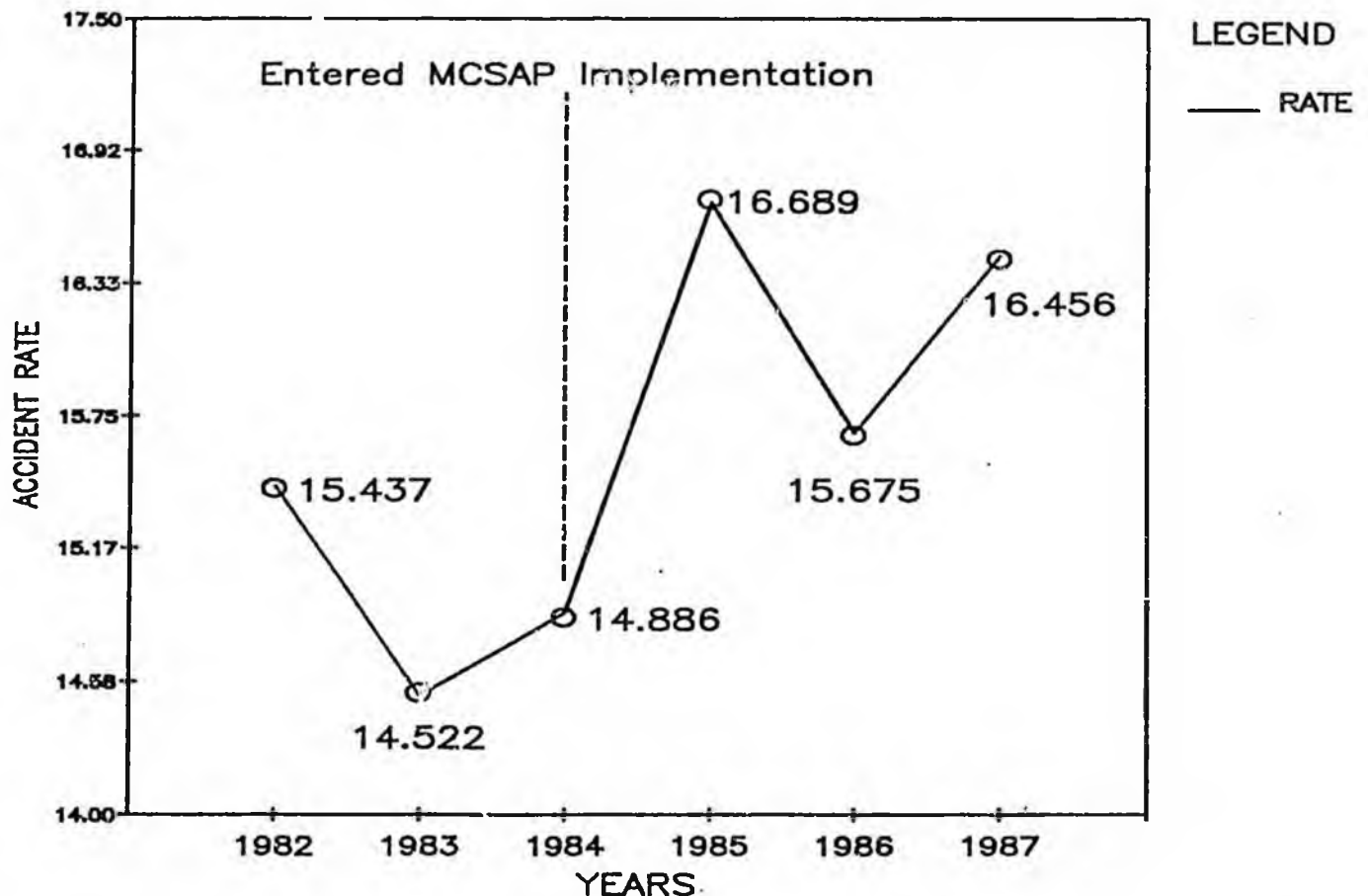
MISSISSIPPI OVERALL ACCIDENT RATES
(per million miles)



MISSOURI

CATEGORY		1982	1983	1984	1985	1986	1987
FATAL	Num. Rate	354 .133	538 .124	353 .123	175 .095	234 .076	266 .083
INJURY	Num. Rate	9,842 3.699	10,061 3.677	10,560 3.669	9,394 3.169	9,304 3.038	10,318 3.234
PROP. DAMAGE	Num. Rate	30,882 11.605	29,334 10.271	31,929 11.094	39,896 13.460	38,457 12.555	41,912 13.139
TOTAL ACCID.	Num. Rate	41,078 15.437	39,733 14.522	42,842 14.886	49,465 16.689	48,013 15.675	52,596 16.456
COMM. MILEAGE(mill.)		2,661	2,736	2,878	2,964	3,063	3,190

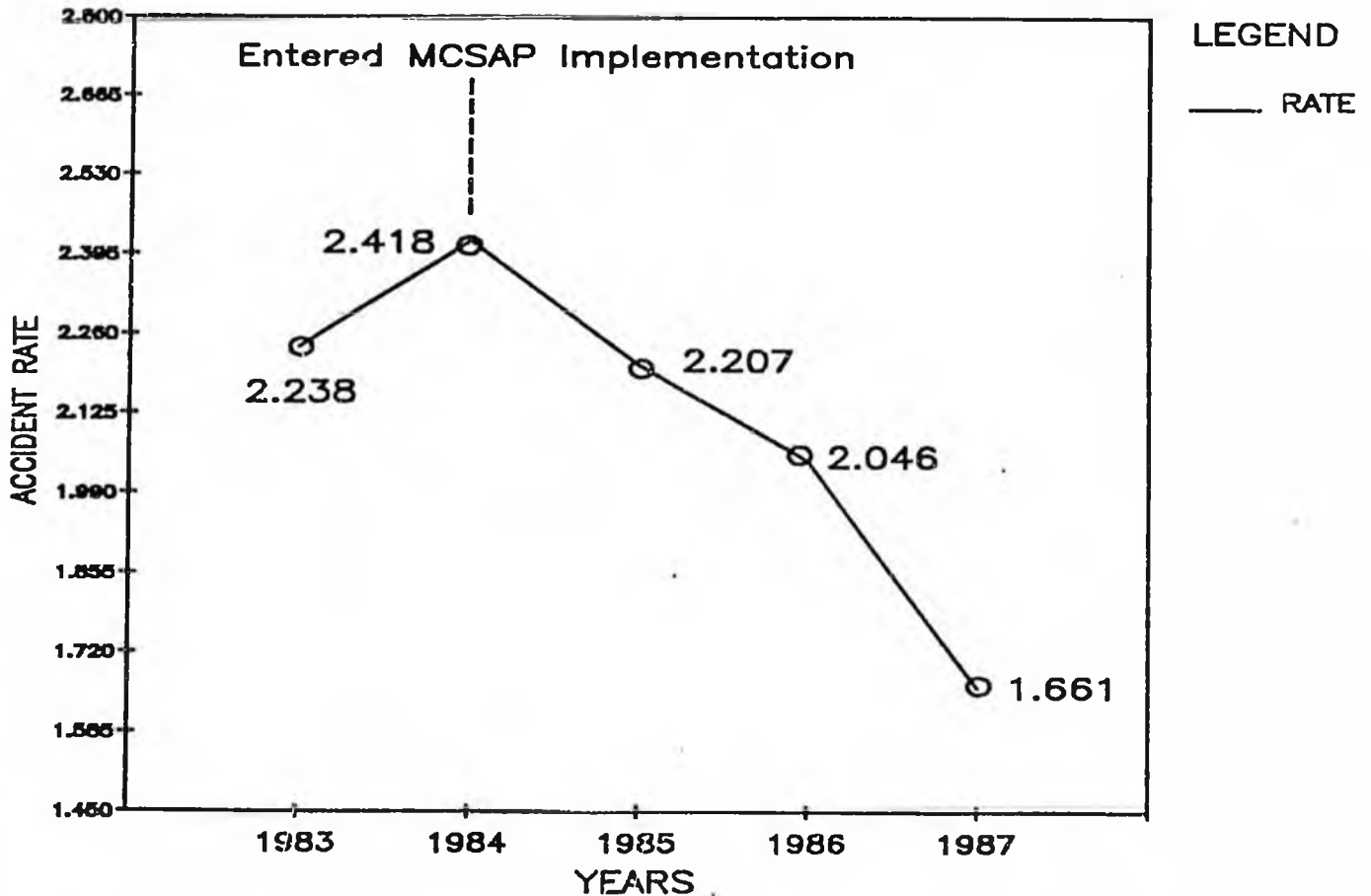
MISSOURI OVERALL ACCIDENT RATES
(per million miles)



MONTANA

CATEGORY		1982	1983	1984	1985	1986	1987
FATAL	Num. Rate	n/a n/a	45 .070	32 .047	35 .058	33 .056	23 .039
INJURY	Num. Rate	n/a n/a	492 .763	488 .712	401 .659	374 .637	314 .536
PROP. DAMAGE	Num. Rate	n/a n/a	5,05 1.104	1,216 1.775	907 1.490	795 1.354	636 1.086
TOTAL ACCID.	Num. Rate	n/a n/a	1,142 2.238	1,656 2.418	1,343 2.207	1,202 2.046	973 1.661
COMM. MILEAGE (mill.)		n/a	644	684	608	587	585

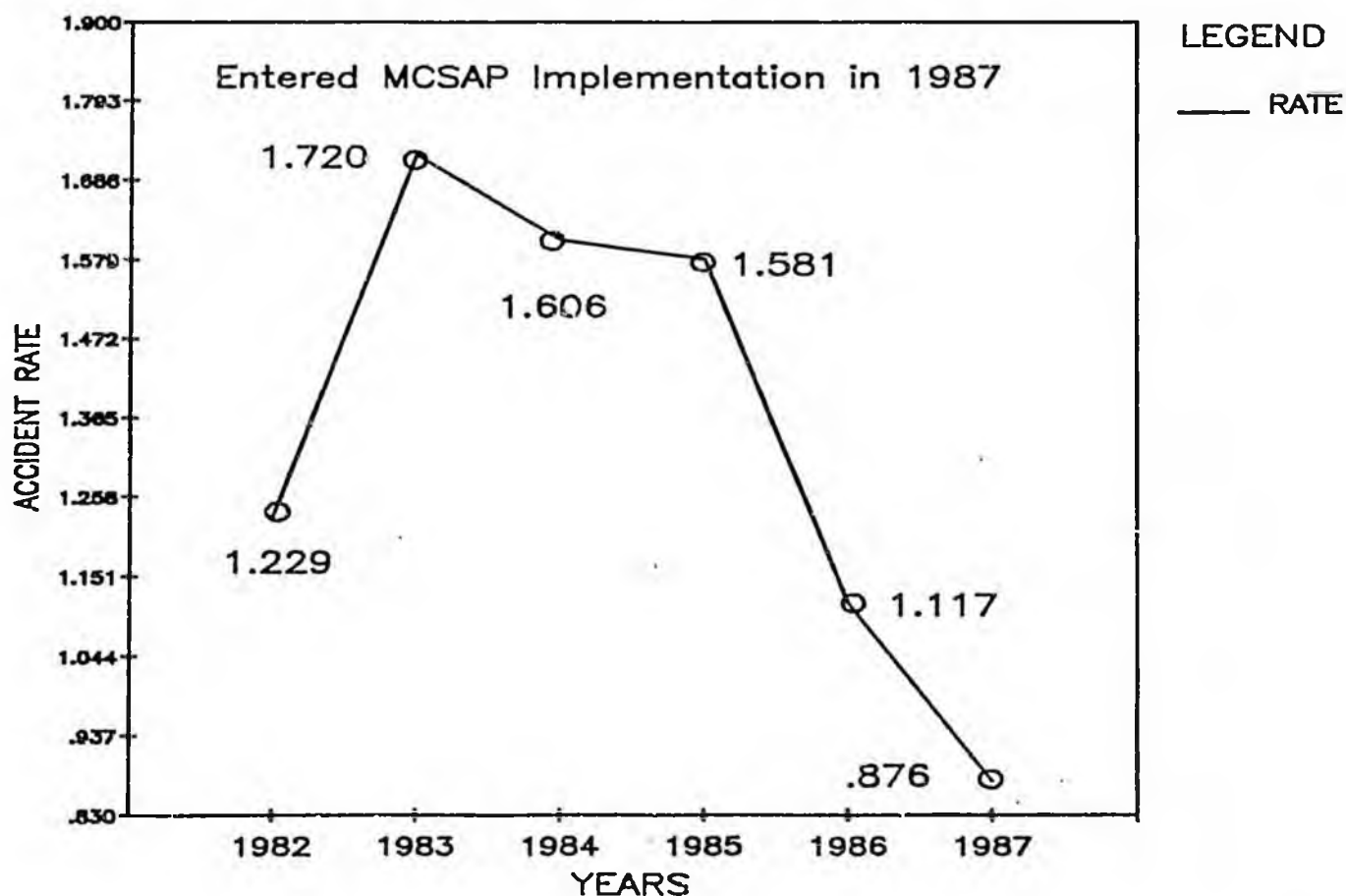
MONTANA OVERALL ACCIDENT RATES
(per million miles)



NEBRASKA

CATEGORY		1982	1983	1984	1985	1986	1987
FATAL	Num.	39	35	33	24	28	31
	Rate	.028	.025	.023	.018	.020	.022
INJURY	Num.	505	495	479	436	360	383
	Rate	.358	.349	.333	.320	.254	.270
PROP. DAMAGE	Num.	1,107	1,912	1,799	1,696	1,195	830
	Rate	.842	1.346	1.250	1.243	.843	.585
TOTAL ACCID.	Num.	1,731	2,442	2,311	2,156	1,583	1,244
	Rate	1.229	1.720	1.606	1.581	1.117	.876
COMM. MILEAGE (mill.)		1,409	1,420	1,439	1,364	1,417	1,420

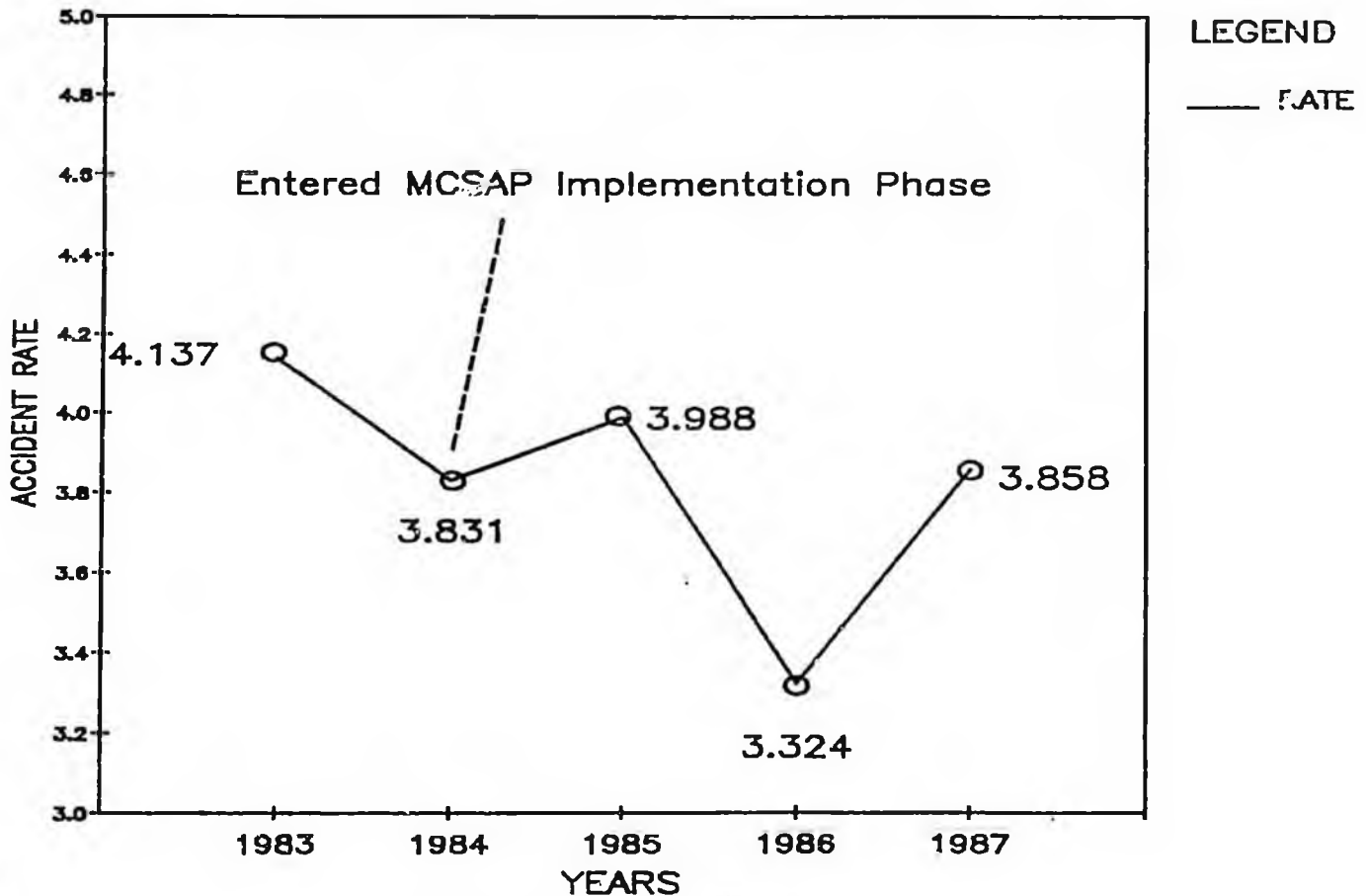
NEBRASKA OVERALL ACCIDENT RATES
(per million miles)



NEVADA

CATEGORY		1982	1983	1984	1985	1986	1987
FATAL	Num. Rate	n/a n/a	21 .070	21 .057	22 .063	17 .042	21 .049
INJURY	Num. Rate	n/a n/a	286 .952	325 .879	325 .928	306 .762	379 .886
PROP. DAMAGE	Num. Rate	n/a n/a	936 3.115	1,070 2.895	1,050 2.997	1,012 2.519	1,251 2.923
TOTAL ACCID.	Num. Rate	n/a n/a	1,243 4.137	1,416 3.831	1,397 3.988	1,335 3.324	1,651 3.858
COMM. MILEAGE (Mill.)		n/a	300	369	350	401	427

NEVADA OVERALL ACCIDENT RATES
(per million miles)

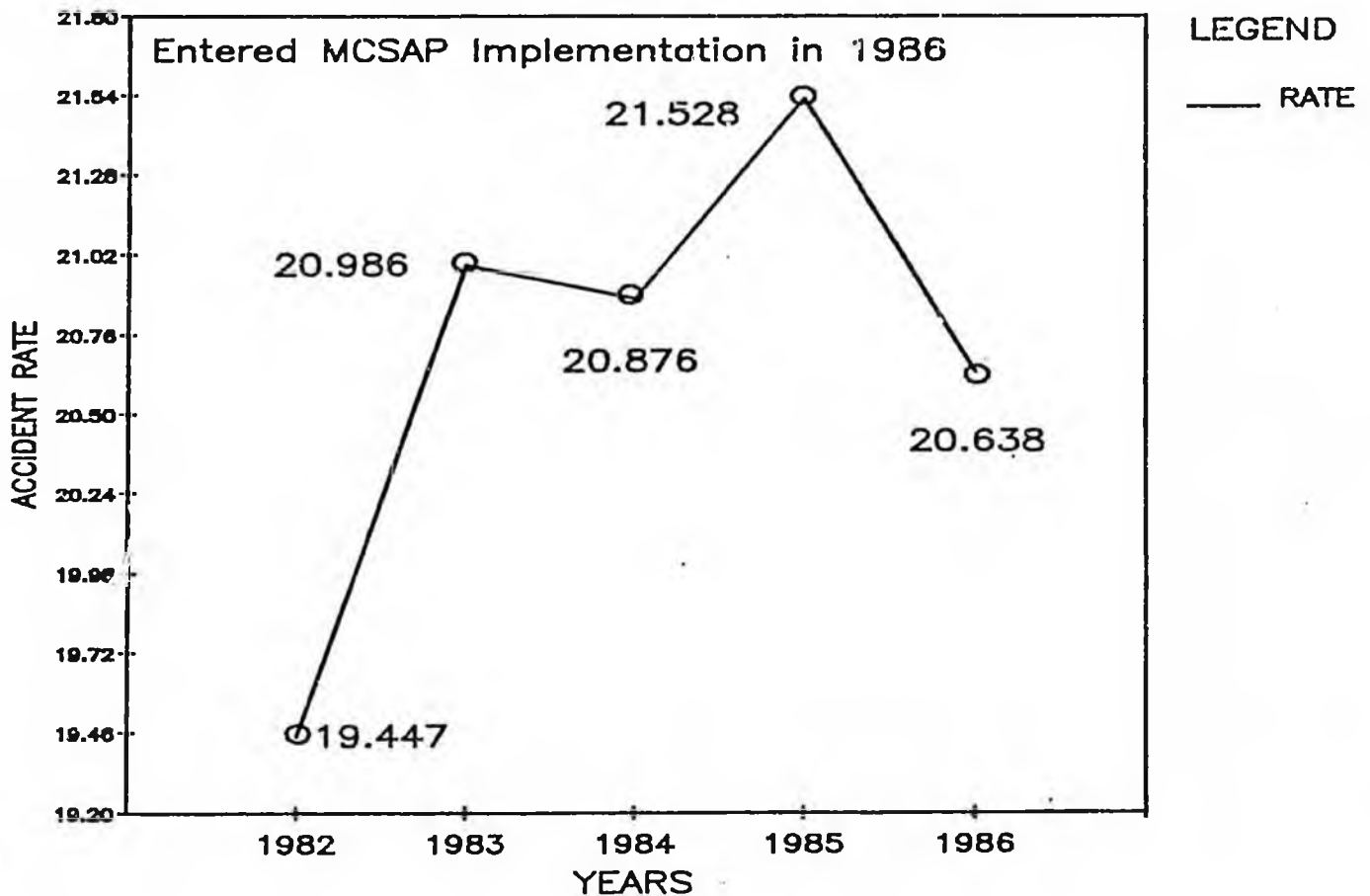


NEW YORK

CATEGORY		1982	1983	1984	1985	1986	1987
FATAL	Num. [*]	435	432	419	473	494	n/a
	Rate	.197	.195	.183	.200	.200	n/a
INJURY	Num. ^{**}	36,108	26,325	27,065	29,186	30,990	n/a
	Rate	16.338	11.863	11.834	12.320	12.367	n/a
PROP. DAMAGE	Num.	18,182	19,811	20,259	21,340	19,410	n/a
	Rate	8.227	8.928	8.858	9.008	7.871	n/a
TOTAL ACCID.	Num.	42,977	46,568	47,743	50,999	50,894	n/a
	Rate	19.447	20.986	20.876	21.528	20.638	n/a
COMM. MILEAGE (mill.)		2,210	2,219	2,287	2,369	2,466	n/a

^{*} Total number of fatalities
^{**} Total number of injuries

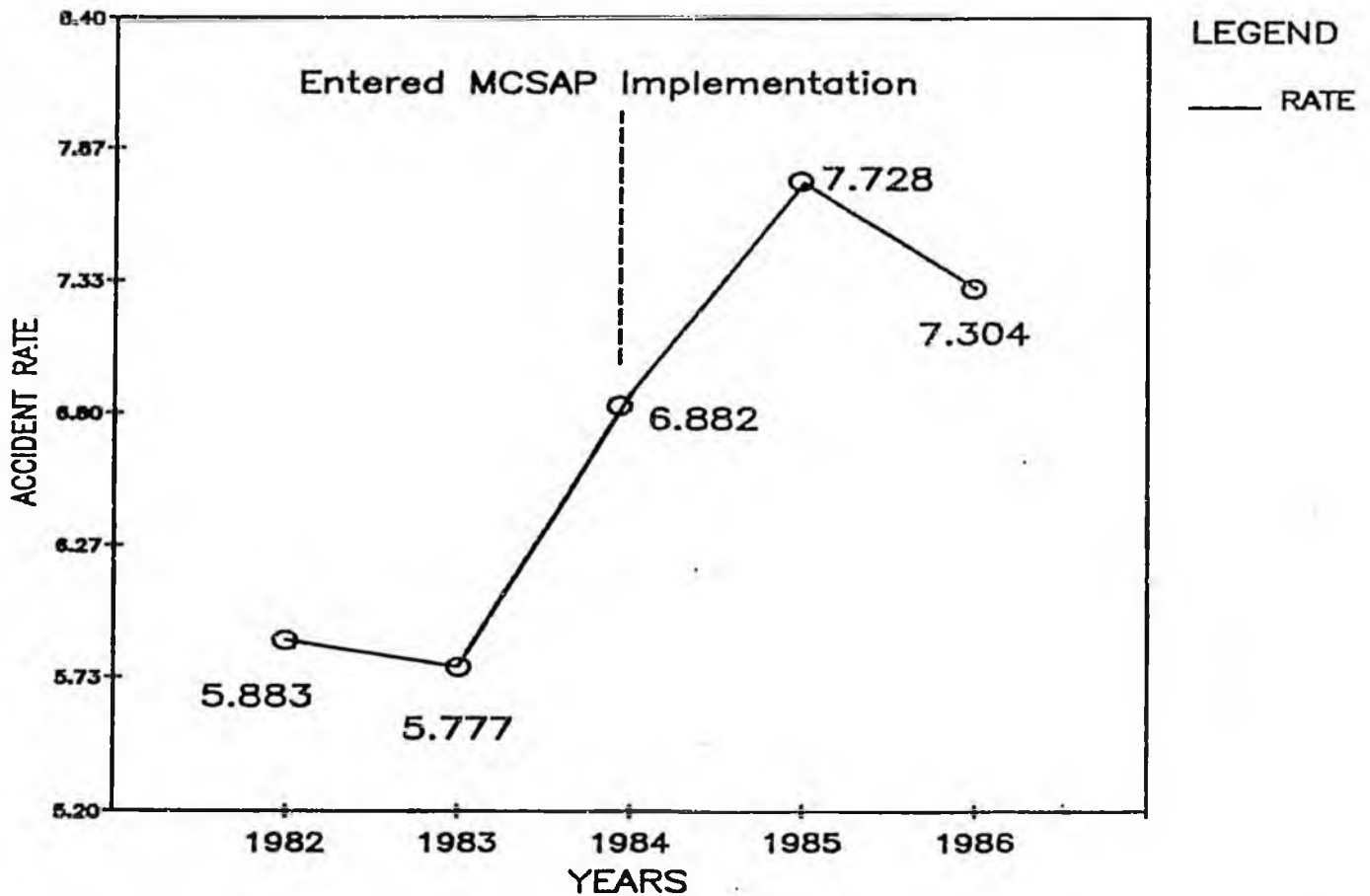
NEW YORK OVERALL ACCIDENT RATES (per million miles)



OHIO

CATEGORY		1982	1983	1984	1985	1986	1987
FATAL	Num. Rate	252 .035	243 .033	283 .039	298 .041	288 .036	n/a n/a
INJURY	Num. Rate	11,448 1.587	11,561 1.586	13,468 1.861	14,544 1.987	14,238 1.908	n/a n/a
PROP. DAMAGE	Num. Rate	30,724 4.261	30,306 4.158	36,061 4.982	41,724 5.700	40,004 5.360	n/a n/a
TOTAL ACCID.	Num. Rate	42,422 5.883	42,110 5.777	49,812 6.882	56,566 7.728	54,510 7.304	n/a n/a
COMM. MILEAGE (mill.)		7,211	7,289	7,238	7,320	7,463	n/a

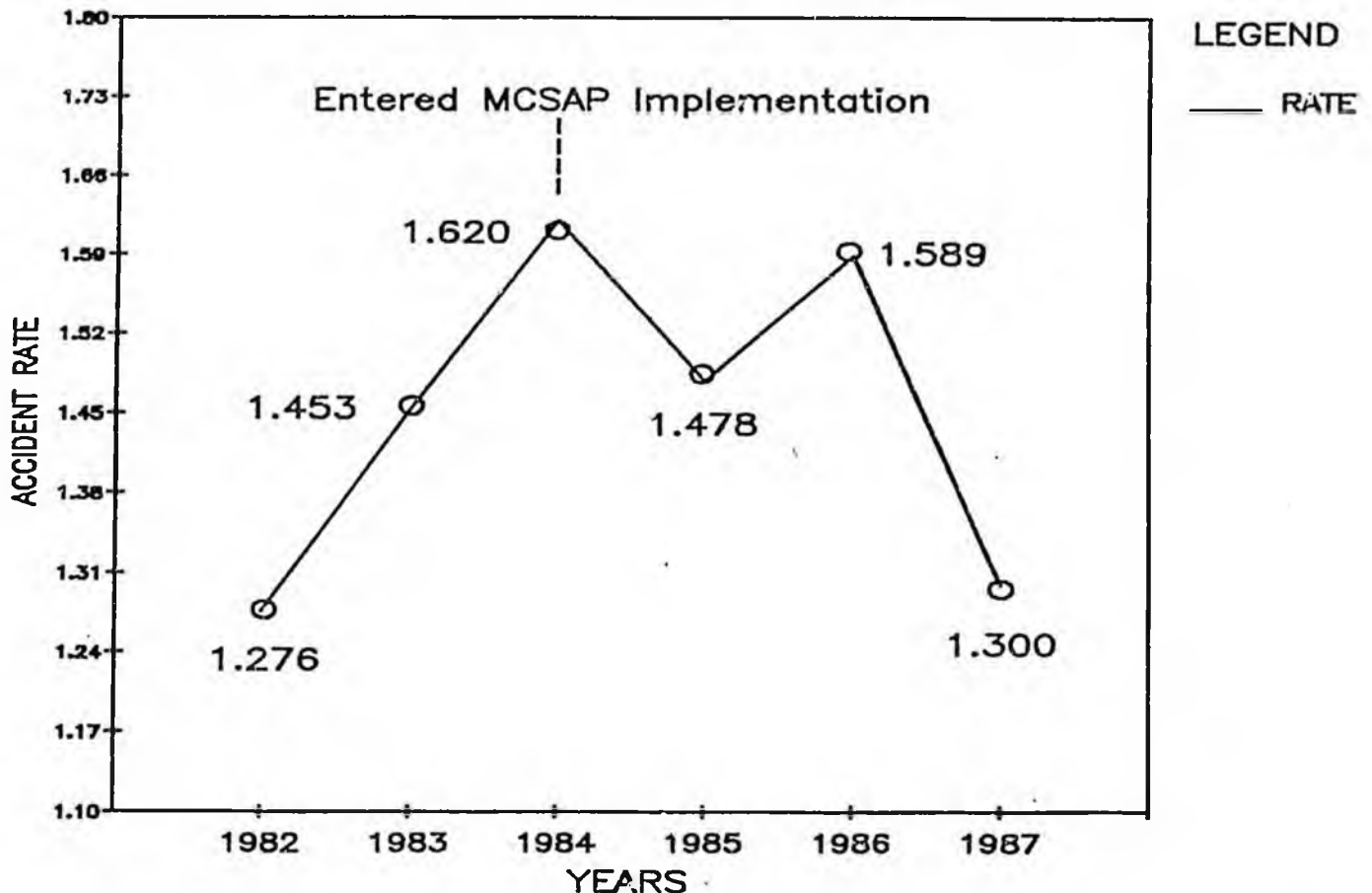
OHIO OVERALL ACCIDENT RATES
(per million miles)



OREGON

CATEGORY		1982	1983	1984	1985	1986	1987
FATAL	Num.	43	64	52	59	79	52
	Rate	.040	.061	.048	.051	.067	.042
INJURY	Num.	647	697	754	712	790	711
	Rate	.602	.667	.690	.618	.673	.570
PROP. DAMAGE	Num.	682	757	965	933	996	859
	Rate	.634	.724	.800	.809	.848	.688
TOTAL ACCID.	Num.	1,372	1,518	1,771	1,704	1,865	1,622
	Rate	1.276	1.453	1.620	1.478	1.589	1.300
COMM. MILEAGE (mill.)		1,075	1,045	1,093	1,153	1,174	1,248

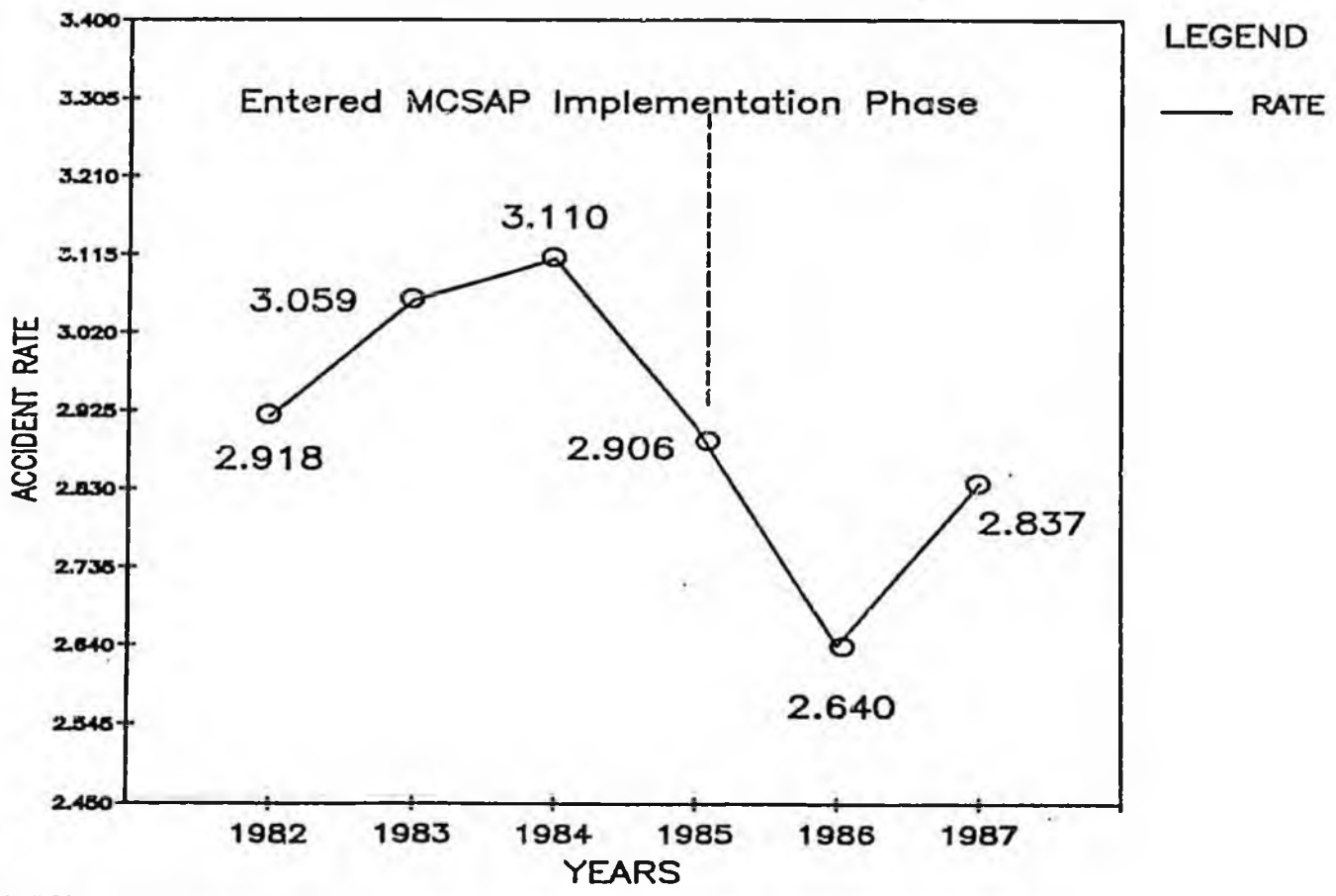
OREGON OVERALL ACCIDENT RATES
(per million miles)



WISCONSIN

CATEGORY		1982	1983	1984	1985	1986	1987
FATAL	Num. Rate	86 .038	78 .033	86 .034	100 .034	87 .027	114 .034
INJURY	Num. Rate	1,951 .852	2,121 .894	2,264 .906	2,276 .782	2,343 .732	2,246 .721
PROP. DAMAGE	Num. Rate	4,646 2.029	5,060 2.132	5,421 2.169	6,084 2.090	6,017 1.880	7,008 2.082
TOTAL ACCID.	Num. Rate	6,683 2.918	7,259 3.059	7,771 3.110	8,460 2.906	8,447 2.640	9,548 2.837
COMM. MILEAGE (mill.)		2,290	2,373	2,499	2,911	3,200	3,366

WISCONSIN OVERALL ACCIDENT RATES
(per million miles)



Inspection Procedures

NORTH AMERICAN STANDARD INSPECTION PROCEDURE

1. PREPARE THE VEHICLE AND DRIVER

Instruct the driver to remain at the controls, and turn the engine off. (Allow cool down time for turbo-charged engines.)

Place chock blocks in position (beginning on the driver's side, one in front and one behind the drive axle tires or between the axles, and advise the driver that the wheels have been chocked.)

Have the driver place the transmission in neutral and release all brakes.

Advise the driver in the use of hand signals (Lamps and brakes).

2. CHECK DRIVER'S REQUIREMENTS

- DRIVER LICENSE (391.11)
Check for expiration date, birth date, status check.
- MEDICAL CERTIFICATE (391.41)
Check for expiration date, corrective lenses, hearing aid, signatures. Canadian driver license serves as medical certificate.
- MEDICAL WAIVER (if applicable) (391.49)
Check for expiration date, and make sure form is completed. Note the stated physical limitations.
- RECORD OF DUTY STATUS (395.8) (395.3)
Updated to last change of duty status, today's date, legible handwriting, past 7 days recorded, mileage, driving time, on duty time, vehicle numbers, carrier name, signature.
"Remarks" section may include locations of duty status change, unusual circumstances that delay the trip, and shipping document numbers or the name of the shipper.
Check for written authorization for interactive electronic recording devices, if applicable.
- DRIVER VEHICLE INSPECTION REPORT (396.11)
Check for I.D. number of vehicle(s) inspected, record of defects found (if any), and signatures.
- SHIPPING PAPERS/BILL OF LADING
Check for listings of hazardous materials indicated by the first entry, an "X" in the HM column, or a contrasting color. Papers must be within arm's reach and visible.
- SEAT BELT (392.16)
Check for condition and usage.
- ALCOHOL AND DRUGS (392.4) (392.5)
Check for violations.

3. CHECK FOR PRESENCE OF HAZARDOUS MATERIALS

- PLACARDS
Check for the presence of placards. But use caution even if none are posted.
- LEAKS, SPILLS, UNSECURE CARGO
When hazardous materials are present, be ESPECIALLY careful with leaks, spills, or unsecure cargo.
- MARKINGS
Cargo tanks and portable tanks will display markings on an orange panel or placard. They indicate the I.D. number of the hazardous materials. There are exceptions to this rule.
- LABELS
When containers are visible, labels will identify the hazardous materials. There are exceptions to this rule.

4. INSIDE CAB

- STEERING LASH
Measure amount of steering lash and compare with Out-of-Service Criteria.
- STEERING COLUMN
Check for unsecure attachment.

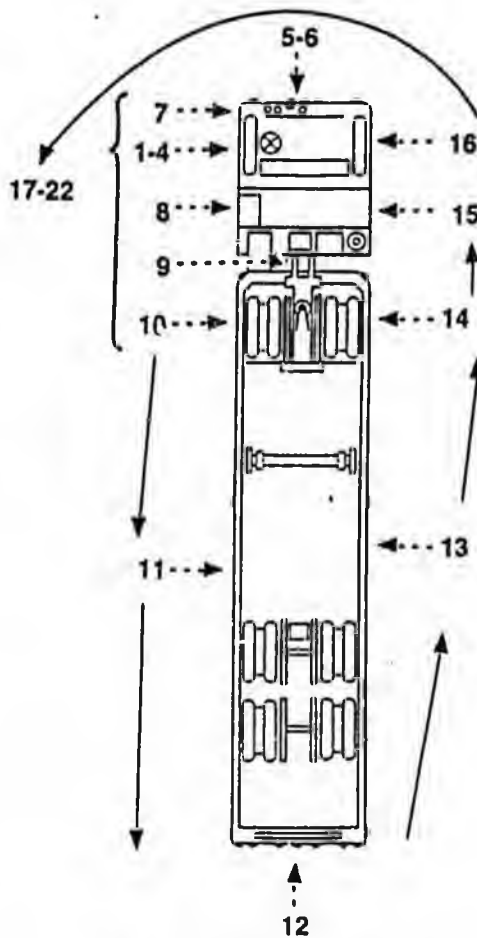
5. FRONT OF TRACTOR

- HEAD LAMPS, TURN SIGNALS, EMERGENCY FLASHERS (393.25)
Check for improper color and operation.
- WINDSHIELD WIPERS (393.78)
Check for improper operation. Two wipers are required unless one can clean the driver's field of vision.
- WINDSHIELD (393.60)
Check for cracks or other damage. Check for decals or stickers in field of vision.

6. STEERING AXLE

INFORM THE DRIVER THAT YOU ARE GOING UNDER THE VEHICLE, AND TO LISTEN FOR YOUR INSTRUCTIONS.

- STEERING SYSTEM (BOTH SIDES)
Check for loose, worn, bent, damaged or missing parts. Instruct the driver to rock the steering wheel and check key components: front axle beam, gear box, pitman arm, drag link tie rod tie rod ends.
- FRONT SUSPENSION (BOTH SIDES)
Check for indications of misaligned, twisted or cracked springs, loosened shackles, missing bolts, spring hangers unsecure at frame, and cracked or loose U-bolts. Also check for unsecure axle positioning parts and signs of axle misalignment.



- FRONT BRAKES (BOTH SIDES) (393.48)
Check for missing, nonfunctioning, loose, contaminated, or cracked parts on the brake system, such as brake drum shoes, rotors, pads, linings, brake chamber, chamber mounting, push rods, slack adjusters.
Check for "S" cam lip over. Be alert for audible air leaks around brake components and lines.
With the brakes released, mark the brake chamber push rod at a point where the push rod exits the brake chamber. Mark the push rods on both sides at this time, all push rods will be measured in ITEM 18.
- FRONT AXLE
Check for cracks, welds, and obvious misalignment.
- FRAME AND FRAME ASSEMBLY
Check for cracks, or any defect that may lead to the collapse of the frame.
- 7. LEFT FRONT SIDE OF TRACTOR
 - LEFT FRONT WHEEL & RIM
Check for cracks, unsealed locking rings, broken or missing lugs, studs or clamps. Bent or cracked rims. "bleeding" rust stains, loose or damaged lug nuts and elongated stud holes.
 - LEFT FRONT TIRE (393.75)
Check for improper inflation, serious cuts, bulges. Check tread wear and measure major tread groove depth. Inspect sidewall for defects. Check for exposed fabric or cord. Radial and bias tires should not be mixed on the steering axle.
- 8. LEFT SADDLE TANK AREA
 - LEFT FUEL TANK(S) (393.65)
Check for unsecure mounting, leaks, or other damage. Verify that the fuel crossover line is secure. Check for unsecure caps.
 - Check ground below tank for signs of leaking fuel.
 - TRACTOR FRAME (393.201)
Check frame rails and cross members on the tractor just behind the cab, looking for cracks, bends, or excessive corrosion.

- EXHAUST SYSTEM (393.83)
Check for unsecure mounting, leaks (under the cab) or exhaust contacted by fuel or air lines or electrical wires.
Check for carbon deposits around seams and clamps.

9. TRAILER FRONT

- AIR & ELECTRICAL LINES (393.28)
Lines between tractor and trailer should be suspended and free of tangles and clamps. They should have sufficient slack to allow the vehicle to turn. Inspect line connections for proper sealing. Listen for audible air leaks.
- FRONT END PROTECTION (393.106)
Check for height requirements. (Note exceptions.)

10. LEFT REAR TRACTOR AREA

- WHEELS, RIMS & TIRES
Inspect as described in ITEM 7.
Check inside tire of dual for inflation and general condition. Tires should be evenly matched (same circumference) on dual wheels.
Without placing yourself between the tires on tandem axles, check for debris between the tires.
- LOWER FIFTH WHEEL (393.70)
Check for unsecure mounting to the frame or any missing or damaged parts.
Check for any visible space between the upper and lower fifth wheel plates.
Verify that the locking jaws are around the shank and not the head of the kingpin. Verify that the release lever is seated properly, and that the safety latch is engaged.
- UPPER FIFTH WHEEL
Check for any damage to the weight bearing plate and its supports on the trailer. Check kingpin condition.
- SLIDING FIFTH WHEEL
Check for proper engagement of locking mechanism (teeth fully engaged on rail). Check for worn or missing parts, making sure that the position does not allow the tractor frame rails to contact the landing gear during turns.

INFORM THE DRIVER THAT YOU ARE GOING UNDER THE VEHICLE. ENTER THE UNDERCARRIAGE IN VIEW OF THE DRIVER.

- SUSPENSION (BOTH SIDES)
Inspect as described in ITEM 6. Check for detached or leaking air suspension systems.
- BRAKES (BOTH SIDES)
Inspect brakes as described in ITEM 6. With brakes released, mark the push rods.

11. LEFT SIDE OF TRAILER

- FRAME AND BODY
Check for cracks and any indication leading to collapse of the frame.
- CARGO SECUREMENT (393.100)
Check for improper blocking or bracing, and unsecure chains or straps. Verify end gates are secured in stake pockets. Check tarp or canvas.
- WHEELS, RIMS & TIRES
Inspect as described in ITEM 7.
- SLIDING TANDYEM
Check for misalignment and position. Look for damaged, worn, or missing parts. Check locking mechanism (teeth of locking mechanism must fully mesh with those of the rail, secured to the frame).

INFORM THE DRIVER THAT YOU ARE GOING UNDER THE VEHICLE. ENTER THE UNDERCARRIAGE IN VIEW OF THE DRIVER.

- SUSPENSION (BOTH SIDES)
Inspect as described in ITEM 6.
- BRAKES (BOTH SIDES)
Inspect as described in ITEM 6. With brakes released, mark push rods.

12. REAR OF TRAILER

- TAIL STOP & TURN LAMPS & EMERGENCY FLASHERS
Check for improper color and operation.
- CARGO SECUREMENT
Inspect as described in ITEM 11.
Also check tailboard security. Verify end gates are secured in stake pockets and rear doors are closed. Check both sides of trailer to insure protection of cargo from striking or falling.

13. RIGHT SIDE OF TRAILER

- CHECK ALL ITEMS AS ON LEFT SIDE.

14. RIGHT REAR TRACTOR AREA

- CHECK ALL ITEMS AS ON LEFT SIDE.

15. RIGHT SADDLE TANK AREA

- CHECK ALL ITEMS AS ON LEFT SIDE.

16. RIGHT FRONT SIDE OF TRACTOR

- CHECK ALL ITEMS AS ON LEFT SIDE.

17. BRAKE ADJUSTMENT CHECK

INFORM THE DRIVER THAT YOU ARE GOING UNDER THE VEHICLE. ENTER THE UNDERCARRIAGE IN VIEW OF THE DRIVER.

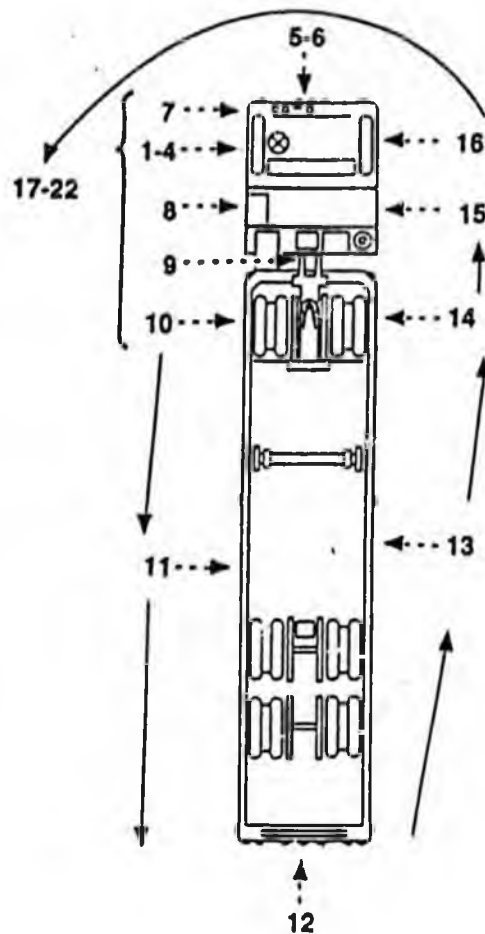
- **MEASURE PUSH ROD TRAVEL (ALL BRAKES)**
While the brakes are applied, move around the vehicle and measure the distance of push rod travel at each chamber.
Write down each push rod measurement, and compare them to the Out of Service Criteria for the appropriate size and type of brake chamber.
Again, listen for leaks as you move around the vehicle.

18. FIFTH WHEEL MOVEMENT CHECK

- **USE CAUTION**
If conducted improperly the method of checking for fifth wheel movement can result in serious damage to the vehicle. Use caution and instruct the driver carefully.
- **PREPARE THE VEHICLE AND DRIVER**
Have the driver put the vehicle in gear, release the service brakes, and apply the trailer brakes.
Remove the wheel chocks and have the driver start the vehicle. Carefully explain the procedure to the driver. Tell the driver to GENTLY rock the tractor as you watch the fifth wheel.
- **CONDUCT THE PROCEDURE**
As the tractor rocks, watch for movement between the mounting components and frame pivot pin, and bracket, and the upper and lower fifth wheel halves.

19. AIR LOSS RATE

- **WHEN TO CONDUCT THE TEST**
If you heard an air leak at any point in the inspection, you should now check the vehicle's air loss rate.
- **CONDUCT THE PROCEDURE**
Have the driver run the engine at idle, then apply and hold the service brake.
Observe the air reservoir pressure gauge on the dash.
Have driver pump the pressure down to 80 psi. Compressors do not activate until system pressure drops to a low a certain level. At about 80 lbs. most compressors should be operating.



Air pressure should be maintained or increase. A drop in pressure indicates a serious air leak in the brake system and the vehicle should be placed out of service.

20. LOW AIR PRESSURE WARNING DEVICE

- **TEST THE WARNING DEVICE**
Instruct the driver to pump the air down until the low air pressure warning device activates.
Observe the gauges on the dash. The low air pressure warning must activate at a minimum of 1/2 the compressor governor cut out pressure, approximately 55 psi.

21. TRACTOR PROTECTION VALVE

- **CONDUCT THE TEST**
This procedure will test both the tractor protection valve and the trailer emergency brakes.
Instruct the driver to release the emergency brakes by pushing in the dash valves.
Break the supply emergency line at the hose coupler between the tractor and the trailer. When the line is disconnected, a blast of air will be noticed. At this point, the emergency brakes on the trailer should set up.
- **OBSERVE THE DASH GAUGE**
Air will leak from the tractor side of the line until the pressure in the tractor's system drops to the 20-45 psi range. At that point, the air loss should stop, isolating the tractor air system.
A loss of air in the tractor system below the 20-45 psi range indicates a malfunctioning tractor protection valve. If the trailer brakes do not set up when the line is disconnected, there is a problem with the trailer emergency brakes.

22. COMPLETE THE INSPECTION

- **COMPLETE PAPER WORK**
Complete inspection forms and other paperwork, as required.
- **CONCLUDE WITH THE DRIVER**
Explain any violations or warnings to the driver. Take appropriate corrective action, if necessary.
- **APPLY CVSA**
Apply CVSA label on all vehicles that qualify.

WALK AROUND INSPECTION PROCEDURE

1. CHECK DRIVER'S REQUIREMENTS

- **DRIVER LICENSE (391.11)**
Check for expiration date, birth date, status check
- **MEDICAL CERTIFICATE (391.41)**
Check for expiration date, corrective lenses, hearing aid, injuries. Canadian driver license serves as medical certificate
- **MEDICAL WAIVER (if applicable) (391.49)**
Check for expiration date, and make sure form is completed. Note the stated physical limitations
- **RECORD OF DUTY STATUS (395.8) (395.3)**
Updated to last change of duty status today's date, legible handwriting, past 7 days recorded, message, driving time on duty time, vehicle numbers, carrier name, signature
"Remarks" section may include locations of duty status change, unusual circumstances that delay the trip, and shipping document numbers or the name of the shipper
Check for written authorization for interactive electronic recording devices, if applicable
- **DRIVER VEHICLE INSPECTION REPORT (396.11)**
Check for I.D. number of vehicle(s) inspected, record of defects found (if any), and signatures
- **SHIPPING PAPERS/BILL OF LADING**
Check for listings of hazardous materials indicated by the first entry, an "X" in the H.M. column, or a contrasting color. Papers must be within driver's reach and visible
- **SEAT BELT (392.18)**
Check for condition and usage
- **ALCOHOL AND DRUGS (392.4) (392.5)**
Check for violations

2. CHECK FOR PRESENCE OF HAZARDOUS MATERIALS

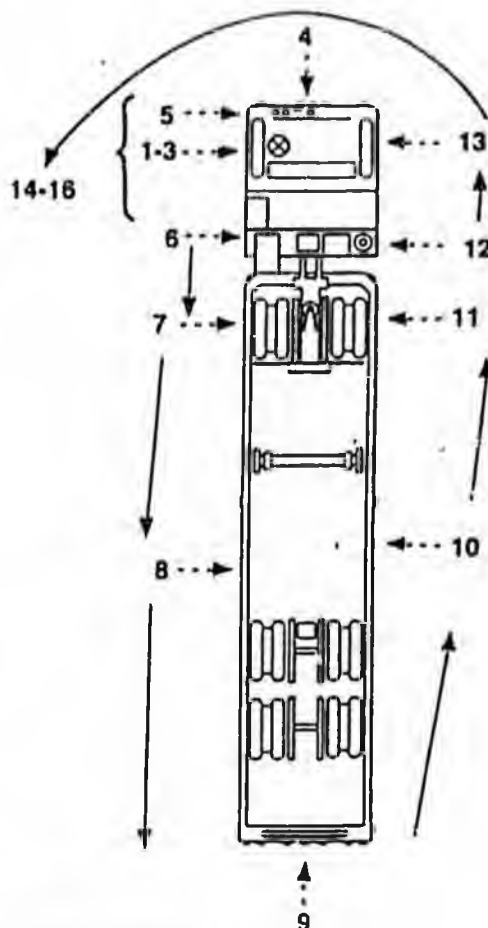
- **PLACARDS**
Check for the presence of placards, but use caution even if none are posted
- **LEAKS, SPILLS, UNSECURE CARGO**
When hazardous materials are present, be especially careful with leaks, spills or unsecure cargo
- **MARKINGS**
Cargo tanks and portable tanks will display markings on an orange panel or placard. They indicate the I.D. number of the hazardous material. There are exceptions to this rule
- **LABELS**
When containers are visible, labels will identify the hazardous material. There are exceptions to this rule

3. PREPARE DRIVER AND VEHICLE

- **INFORM THE DRIVER**
Explain the procedure to the driver
Instruct the driver to remain at the controls
Advise in the use of hand signals for lamps and brakes
- **PREPARE THE VEHICLE**
Vehicle must be in first gear, the engine off, the key in the "on" position, and the brakes released.

4. FRONT OF CAB

- **HEAD LAMPS, TURN SIGNALS, EMERGENCY FLASHERS (393.25)**
Check for improper color and operation
- **WINDSHIELD WIPERS (393.78)**
Check for improper operation. Two wipers are required unless one can clean the driver's field of vision
- **WINDSHIELD (393.60)**
Check for cracks or other damage. Check for decals or stickers in field of vision
- **FRONT SUSPENSION (BOTH SIDES)**
If the suspension components on the steering axle are visible, check leaf springs for broken or missing parts, leaves out of alignment, or components contacting the tractor body
Check U-bolts for loose, cracked, or missing parts
Check mounting hardware for cracks, missing bolts, or pins
Check visible suspension components on each end of the steering axle
- **FRONT BRAKES (BOTH SIDES) (393.48)**
If the brake components on the steering axle are visible, check brake chambers for cracks or unsecure mounting
If visible, check that brake linings are present and contacting the brake drum. Linings should be free of large cracks or missing pieces. No grease or oil should be on the linings or drums. Check pads and linings for cracks, thinness, or failure to move upon application
If visible, check brake drums for external cracks that open upon application
Ask the driver to apply the brakes, hold them, then release when you give the hand signal. When brakes are applied, check that the push rod and slack adjuster are mechanically operational
Check for "S" cam flip-over
Check for audible air leaks



5. LEFT SIDE OF CAB

- **LEFT FRONT WHEEL**
Check for defective welds, cracks, or breaks, especially between hand holes or stud holes, unsecured locking rings, broken, missing or loose lugs, studs or clamps, bent or cracked rims.
Check for "bleeding" rust stains, defective nuts or elongated stud holes.
Spoke wheels should be checked for cracks across spokes.
Inspect for scuffed or polished areas either side of the lug indicating a slipped rim.
Rims should also be checked for cracks or bends
- **LEFT FRONT TIRE (393.75)**
Check for bulges, leaks, sidewall separation, cuts, exposed fabric, worn spots. Check for improper inflation. Measure major tread groove depth.
Check for tire contact with a dual tire or with any part of the vehicle.
Check for markings which would exclude use on steering axle.
Check for regrooved tires on steering axle wheels

6. LEFT SADDLE TANK AREA

- **LEFT FUEL TANK(S) (393.65)**
Check for unsecure mounting, leaks or other damage.
Check for unsecured cap(s) or loose connections.
Verify that the fuel crossover line is secure
- **EXHAUST SYSTEM (393.83)**
Check for unsecure mounting, leaks (under cab), exhaust contacted by fuel or air lines or electrical wires.
Look for carbon deposits around seams and clamps
- **AIR AND ELECTRICAL LINES (393.20)**
Check the lines between the tractor and the trailer for tangling, crimping, or chafing.
Check line connections for unsecure seating or leaks.
Listen for audible leaks.
- **HOSE COUPLERS (GLAD HANDS) (393.32)**
Check for unsecure mounting, leaks, or other damage
- **FRONT END PROTECTION (393.109)**
Check for inadequate headboard. (NOTE: There are some exceptions to this requirement. 393.106.)

7. LEFT REAR TRACTOR AREA

- **WHEELS, RIMS AND TIRES (393.75)**
Inspected as described in ITEM 5.
Examine inside tire, making sure both tire and contact never place yourself in between tire of tandem axles.
Check for flat spots, inside or outside
- **VISIBLE SUSPENSION AND BRAKES**
Inspected as described in ITEM 4.
Inspect leaves for alignment, cracks or missing pieces.
Again, use hand signals to instruct the driver to apply the brakes.
Then, the opposite side components are more visible
- **FIFTH WHEEL (393.70)**
Check for cracks along the fifth wheel plate and mounting area.
Check for loose or missing nuts and bolts
- **LAMPS**
If tractor is bolted, check stop lamps and turn signals for improper color and operation

8. LEFT SIDE OF TRAILER (INCLUDING EACH AXLE)

- **WHEELS, RIMS, AND TIRES**
Inspected as described in ITEM 5
- **VISIBLE SUSPENSION AND BRAKE COMPONENTS**
Inspected as described in ITEM 4
- **CARGO SECUREMENT (393.100)**
Check for improper blocking and bracing, insecure chains or straps, or side posts that are not secure in stake pockets.
Check for shifted cargo.
Check tarp for unsecure mounting

9. REAR OF TRAILER

- **STOP LAMPS, TAIL LAMPS, TURN SIGNALS, EMERGENCY FLASHERS**
Check for improper color and operation
- **REAR AXLE**
From rear of trailer, check suspension and brake components of rear axle.
- **CARGO SECUREMENT**
Inspected as described in ITEM 8.

10. RIGHT SIDE OF TRAILER (INCLUDING EACH AXLE)

- **CHECK ALL ITEMS AS ON LEFT SIDE**
- **SPARE TIRE**
Check for unsecure mounting

11. RIGHT REAR TRACTOR AREA

- **CHECK ALL ITEMS AS ON LEFT SIDE**

12. RIGHT SADDLE TANK AREA

- **CHECK ALL ITEMS AS ON LEFT SIDE**

13. RIGHT SIDE OF CAB

- **CHECK ALL ITEMS AS ON LEFT SIDE**

14. LOW AIR PRESSURE WARNING DEVICE

- Return to the driver's door and explain to the driver that you want to check the low air pressure warning device.
Climb up to the driver's door, and instruct him/her to place the governor in the "on" position. The driver should depress the air supply by pumping the foot valve brake until the low air pressure warning comes on.
As the driver pumps the brake, watch the air pressure gauge on the dash. The pressure should begin to drop from the normal operating level of 100 to 120 pounds.
Depending on the age of the vehicle, the warning device should activate at a minimum of 1/2 the compressor governor cut out pressure, normally 55 psi or above.

15. EMERGENCY EQUIPMENT

- **FIRE EXTINGUISHER (393.95(a))**
Check for easy access and secure mounting. Check gauge for adequate charge, and label for adequate rating
- **EMERGENCY TRIANGLES (393.95(f))**
Check for presence of three bidirectional triangles, they should be easily accessible. (NOTE: If vehicle was built before 1974, it may carry other types of devices.)
- **OTHER EQUIPMENT**
Other emergency equipment, such as flares, lanterns, lugs, etc., may be carried as supplemental devices. (393.95(g)) Use of flame producing devices on vehicles carrying flammable liquids or some types of explosives is prohibited.

16. COMPLETE THE INSPECTION

- Explain any violations or warnings to the driver. Issue citations if necessary.
Complete inspection forms and other paperwork, as required.
Allow the vehicle to pull out into traffic ahead of you. This way, the emergency lamps on the patrol car can assist in the driver's safe return to the highway.

H C R

53

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

POUCHY - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMFR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

HCR 53

House Transportation

3/29/90

HOUSE COMMITTEE REPORT

(5)

Date Referred: February 12, 1990

FURTHER REFERRALS:

Date of Committee Action: 3/29/90

The TRANSPORTATION Committee considered:

HCR 53

HOUSE CONCURRENT RES. NO. 53

ABANDONED VESSELS

Relating to abandoned vessels on the beaches of Alaska.

RECOMMENDATIONS:

- be replaced with CS HCR 53 the same title
 have attached amendment(s) a new title
 do pass
 do not pass
 no recommendation
 individual recommendations
 additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):
(Dept)

APPROVES PREVIOUS:
(Date/Dept)

- fiscal impact _____
 zero fiscal note _____
 zero with analysis _____

- fiscal note(s) _____
 zero fiscal note(s) _____
 zero fn/analysis _____

SIGNING DO PASS:

SIGNING:
(Check approp. column)

Do Not
Pass
No Rec
Amend

Loren A. Jorman (w/ zero fiscal note)
Bill Huls
Eugene Kubina

	Do Not Pass	No Rec	Amend

Eugene Kubina
Chairman's Signature

DOT

FISCAL NOTE

REQUEST:

Revision Date: 3/28/90

Agency Affected: DOT/PE

Title: Relating to abandoned vehicles

BRU: _____

Sponsor: Rep. Jacko

Components: _____

Requestor: House Transportation

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: [Signature]

Phone: 465 4858

Division: House Transportation Committee

Date: 3/28/90

Approved by Commissioner: [Signature]

Date: 3/28/90

Agency: House Transportation

Distribution (by preparer):

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

FISCAL NOTE

REQUEST:

Revision Date: 3/28/90
 Title: Relating to abandoned vessels
 Sponsor: Rep. Jacko
 Requestor: House Transportation

Agency Affected: DOT/PE
 BRU: _____
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	50,000	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND	50,000	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	50,000	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: [Signature] Phone: 465-4858
 Division: House Transportation Committee Date: 3/28/90
 Approved by Commissioner: [Signature] Date: 3/28/90
 Agency: House Transportation

Distribution (by preparer):

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

B-ycle E Divison 465-4742

DATE	NAME	WHERE	POLLUTION?	DISPOSITION?
① 2 OCT	Ty EASTERSON	WILKINSON MARSH	NONE	REFLECTED UNK
② 4-10 NOV 88	MV LIT OF SEATTLE	ATKA	UNK	UNK UNK
③ 3 DEC	F/V OPTV	SHEMYA	UNK	UNK INFO:
④ 10 DEC	MV AUSTIN MARIN	AKUN	NONE	THESE TO STAY DEGRADED/BURNED UNK
⑤ 12 DEC	F/V DRYBARK	CRAWFORD SHAN	NONE	UNK
⑥ 11 JAN	MV NO. 6 CHL 80 SAN	UNNAPKA ISLAND	YES (SHEEN)	THESE TO STAY (DECONTAMINATING TENDS STILL REQUIRED)
⑦ 25 JAN	MV TERMINATOR	ST PAUL	YES	(Possibility of ultraviolet info)
⑧ 11 JAN	F/V CHALFINS	UNNAPKA MARSH	NONE	REFLECTED UNK
⑨ 25 JAN	F/V HANZY JB	UNNAPKA MARSH	NONE	REFLECTED UNK
⑩ 02 MAR	F/V SOURCE	UNNAPKA ISLAND	NONE	(BEHAVE REPORTED) UNK
⑪ 02 MAR	F/V DRURY BRUND	UNNAPKA ISLAND	NONE	(BEHAVE REPORTED) UNK
⑫ 05 MAR	F/V SPURDILL 11	PORT HUNTERTON	UNK	(BEHAVE STILL THERE) UNK
⑬ 24 MAR	F/V FREEDLINE	SNOW PT	NONE	REFLECTED UNK
⑭ 29 MAR	F/V MORNING STAR	SWANSON MAR	NONE	REFLECTED UNK
⑮ 5 APR	F/V MARIANA THORND	CHINA	NONE	REFLECTED STILL AQUIVUS
⑯ 28 FEB	MV SWALLOW	DUTCH HARBOR	YES	(Presumably to STAY) UNK
⑰ 26 MAR	F/V EXXON V02	BIG LEEF MAR	YES	REFLECTED UNK

1 OCT 88 TO 24 APR 89

17 GROUNDINGS

4-5 STRANDED

7-9 REFLECTED

4 POLLUTION INCIDENTS
(OIL IN WATER)

FOR FURTHER INFO:

A MARINE SAFETY AGENCY 271-513

B MARINE SAFETY KETCHIKAN 225-44

C MARINE SAFETY OFFICE ^{VALDEZ} 835-479



ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

P. O. Box Y, State Capitol
Juneau, Alaska 99811-3100
Mail Stop 3100
(907) 465-1991

June 15, 1989

MEMORANDUM

TO: Representative George Jacko

ATTN: Ingrid Jacobsen

FROM: Karla Hart *KH*
Legislative Analyst

RE: Responsibility for Abandoned Vessels on Alaska Beaches
Research Request 89.389

You requested information on abandoned vessels on Alaska beaches. Specifically, you asked what resources are dedicated to their removal, what agencies are involved, who is liable for the costs of removal and what environmental ramifications exist.

This memorandum addresses vessels which end up on Alaska beaches, whether abandoned on site or following accidental loss or grounding. In summary, there are no resources dedicated to the removal of abandoned vessels, nor is there any estimate on the number or environmental consequences of such vessels.

AGENCY RESPONSIBILITY AND INVOLVEMENT

Virtually all Alaska beaches are state-owned below mean high tide. Above mean high tide, where most vessels are ultimately grounded, property may be of federal, state, municipal or private ownership.

Federal

The U.S. Coast Guard is directly concerned with abandoned vessels under two circumstances: 1) if the vessel has petroleum products on board--making it a potential polluter, and 2) if the vessel is a hazard to navigation. In both instances, the Coast Guard first attempts to contact the owner of the vessel to address the problem. If no contact is made, then the incident becomes a federal case, with federal funds expended to remove potential pollutants and/or remove or destroy a vessel which is a hazard to navigation. Once the vessel no longer poses a pollution or navigation hazard, direct Coast Guard involvement ceases. Indirectly, local Coast Guard search and rescue personnel are aware of abandoned vessels which may confuse search and rescue operations in their jurisdiction.

Representative Jacko
June 15, 1989
Page 2

The U.S. Forest Service has responsibility for the vast majority of coastal lands above mean high tide in southeast and portions of southcentral Alaska.¹ Although resources are not specifically allocated to the removal of abandoned vessels, such vessels may be removed by the Forest Service when a Forest Service vessel in the area can effect the removal while performing other tasks.

Abandoned vessels are treated under abandoned personal property regulations, requiring the Forest Service to provide 30 days notice before disposing of any abandoned personal property. If an abandoned vessel has registration numbers, the Forest Service attempts to contact the owner to remove the vessel. The Forest Service may cite individuals for illegally placing personal property (including boats) on National Forest Lands. [36 CFR 261.10(a), (e) and (j)]

Other federal agencies, including the National Park Service, Bureau of Land Management and Department of Defense, may also be concerned with abandoned vessels on property under their jurisdiction. These agencies were not contacted.

State of Alaska

Abandonment of vessels in Alaska is unlawful. Upon conviction, a person abandoning a vessel is guilty of a misdemeanor and is punishable by a fine of not more than \$500, or by imprisonment for a period of not more than six months, or both (AS 30.30.010).

The Department of Transportation and Public Facilities (DOT&PF) has statutory authority to deal with abandoned and derelict vessels (AS 30.30.010-100). Peace officers may also take abandoned vessels into custody, to be disposed of by DOT&PF. According to Jon Scribner, southeast regional director, DOT&PF, the department is concerned only with vessels which are abandoned within state harbor facilities (and most of those facilities are under municipal control and responsibility). The department does not expend, and has never expended, resources on vessels abandoned outside of state harbor facilities.

As manager of state lands, including all tidelands, the Department of Natural Resources (DNR) is concerned with abandoned vessels; however, DNR has neither statutory authority nor funding to address this concern. Gary Gustafson, director, Division of Land and Water Management, DNR, said that in addition to

¹The Forest Service is interested in any state efforts to deal with abandoned boats. Contact: Vivian Keyes, USFS, Juneau 789-3111.

Representative Jacko
June 15, 1989
Page 3

being potential pollutants and nuisances, abandoned vessels pose potential liability problems.²

The Department of Environmental Conservation is involved with abandoned vessels only to the extent that they pose pollution concerns. No resources are allocated specifically for problems associated with abandoned vessels.

Municipal

Municipalities may adopt ordinances addressing vessels abandoned within their boundaries. In addition, municipal peace officers may take possession of abandoned vessels and turn them over to DOT&PF for disposal (AS 30.30.010-020).

ALTERNATIVES FOR CONSIDERATION

The Department of Natural Resources may be a more appropriate agency than the Department of Transportation and Public Facilities to address the removal or destruction of vessels abandoned outside of improved harbors. Of three coastal states with statutes specifically addressing abandoned vessels, Hawaii places authority within their Department of Transportation, Florida within the Department of Natural Resources and Oregon with their sheriffs.

Under present Alaska statutes relating to abandoned and derelict vessels, there are no provisions for recovering the cost of removing or destroying an abandoned vessel. In Florida, "All costs incurred by the department [of Natural Resources] in the removal of any abandoned or derelict vessel [when the same obstructs or threatens navigation or in any way constitutes a danger to the environment] shall be recoverable against the owner thereof."³

To support the removal of abandoned vessels (and perhaps marine litter in general), a grant program could be established.⁴ One source of funding for

²The Department of Natural Resources is presently involved in legal action, in cooperation with the Departments of Law and Environmental Conservation and local governments and a village corporation, against the owners and insurers of two crab processing vessels which are grounded near the communities of St. Paul and Dutch Harbor.

³Florida Statutes 823.11.

⁴A portion of the Florida Coastal Protection Trust Fund (revenues derived from taxes and fees levied against potential pollutants upon importation to Florida) is used to fund a grant program to coastal local governments for the removal of derelict vessels from the public waters of the state.

Representative Jacko
June 15, 1989
Page 4

such a program would be to impose an additional fee on boat owners at the time of vessel registration. Legislation to provide for state conducted registration of vessels is presently under consideration (HB 134 and SB 111).

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I hope this information is helpful. If you have questions, please call.

Article 2. Derelict Vessels.

Section

90. Derelict vessel

100. Disposition of derelict vessel

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Sec. 30.30.090. Derelict vessel. A vessel that has been left unattended for a continuous period of more than 24 hours is a derelict if

(1) the vessel is sunk or in immediate danger of sinking, is obstructing a waterway, or is endangering life or property; or

(2) the vessel has been moored or otherwise left in the water of the state or on public property contrary to law, or regulations adopted by the department, or the vessel has been left on private property without authorization of the owner or occupant of the property and if

(A) the vessel's certificate of number or marine document has expired and the registered owner no longer resides at the address listed in the vessel registration or marine document records of a state department or the United States Coast Guard;

(B) the last registered owner of record disclaims ownership and the current owner's name or address cannot be determined;

(C) the vessel identification numbers and other means of identification have been obliterated or removed in a manner that nullifies or precludes efforts to locate or identify the owner; or

(D) the vessel registration records of a state department and the marine document records of the United States Coast Guard contain no record that the vessel ever has been registered or documented and the owner's name or address cannot be determined. (§ 1 ch 131 SLA 1975)

Sec. 30.30.100. Disposition of derelict vessel. (a) The department may take or cause a derelict vessel to be taken into custody immediately. Upon taking custody of a derelict vessel the department shall concurrently

(1) publish a notice of intended disposition once in a newspaper of general circulation;

(2) when possible, post a notice of intended disposition on the vessel; and

(3) serve a duplicate of the notice of intended disposition by certified mail, with a return receipt, on

(A) the registered owner of the vessel, if known, at the registered owner's last known address or the address on record with a state department or the United States Coast Guard; and

(B) all lienholders who have filed a financing statement indexed in the name of the registered owner, or who are shown on the records of a state department or the United States Coast Guard.

(b) If the vessel is not repossessed within 20 days after the publication or mailing of the notice, whichever occurs later, the vessel may be disposed of by negotiated sale except that when two or more

prospective purchasers indicate an interest in purchasing the vessel the vessel will be sold at public auction to the highest bidder in the same manner prescribed under AS 30.30.050.

(c) If no prospective purchaser indicates a desire to purchase the vessel, the vessel may be disposed of as junk, donated to a governmental agency, or destroyed. (§ 1 ch 131 SLA 1975)

Collateral references. — Wrecked vessels: rights in and ownership of wrecked or derelict vessels and their contents not cast upon the shore. 63 ALR2d 1369.

Article 3. Vessels Abandoned on Business Premises of Persons Engaged in Repair Business.

Section	Section
110. Disposition of vessels by persons in vessel repair business	130. Sale or disposition of vessel
120. When vessel abandoned	140. Disposition of proceeds
	150. Effect of transfer of title

Sec. 30.30.110. Disposition of vessels by persons in vessel repair business. When a person abandons a vessel on the premises of a vessel repair business, the owner of the business or the business owner's authorized representative may sell or dispose of the vessel under AS 30.30.110 — 30.30.150. (§ 1 ch 131 SLA 1975)

Sec. 30.30.120. When vessel abandoned. A vessel is abandoned on the premises of a vessel repair business when all of the following conditions have been satisfied:

(1) the service requested or required by a person whose vessel is towed or brought to a vessel repair business, including but not limited to towing and rendering estimates of the cost of repairs, has been performed;

(2) no authorization is given to perform any further service with respect to the vessel, but the vessel is left on the repair business premises;

(3) the owner of the repair business or the business owner's authorized representative has given notice by registered or certified mail, with a return receipt, to the registered owner of the vessel at the address on record at the vessel repair business and the address on record in a state department or the United States Coast Guard, and to any person with a recorded interest in the vessel, stating that if the vessel is not repossessed within 30 days after the mailing of the notice it will be sold or disposed of; the notice also shall contain a description of the vessel and its location, and it need not be sent to an owner or a person with an unrecorded interest in the vessel whose name or address cannot be determined; and

(4) the vessel is not repossessed within the 30-day period specified in (3) of this section. (§ 1 ch 131 SLA 1975)

(4) "waters of this state" means the navigable waters within the territorial limits of the state, and the marginal sea adjacent to the state, as defined in AS 44.03. (§ 1 ch 131 SLA 1975; am E.O. No. 39, § 11 (1977))

Revisor's notes. — The division of waters and harbors, to which reference is made in paragraph (1), no longer exists within the department.

Sec. 30.30.180. Short title. This chapter may be cited as the Abandoned and Derelict Vessels Act. (§ 1 ch 131 SLA 1975)

Chapter 50. Miscellaneous Provisions.

Section

- 10. Interfering with buoys and beacons
- 20. Discharging ballast into navigable waters

Sec. 30.50.010. Interfering with buoys and beacons. A person who moors a vessel, boat, skiff, barge, scow, raft, or part of a raft to a buoy or beacon placed in the navigable waters of the state, or in a bay, river, or arm of the sea bordering the state by the authority of the United States Coast Guard, or who hangs on with a vessel, boat, skiff, barge, scow, raft, or part of a raft to the buoy or beacon, or who wilfully removes, damages, or destroys the buoy or beacon, or who cuts down, removes, damages, or destroys a beacon erected on land in the state by authority of the United States Coast Guard is guilty of a misdemeanor, and upon conviction is punishable by a fine of not less than \$100 nor more than \$200, or by imprisonment in a jail for not less than one month nor more than six months, or by both. (§ 65-14-2 ACLA 1949; am § 22 ch 166 SLA 1978)

Revisor's notes. — Formerly AS 11.65.020. Renumbered in 1978. **Cross references.** — For sentences for misdemeanors, see AS 12.55.135.

Sec. 30.50.020. Discharging ballast into navigable waters. A person, whether or not an officer of a vessel, who discharges the ballast of a vessel into the navigable portion or channel of a bay, harbor, or river of the state, or within the jurisdiction of the state, so as to injuriously affect the navigable portion or channel, or to obstruct the navigation of the navigable portion or channel, upon conviction, is punishable by imprisonment in a jail for not less than three months nor more than one year, or by a fine of not less than \$100 nor more than \$500. (§ 65-14-1 ACLA 1949; § 22 ch 166 SLA 1978)

Revisor's notes. — Formerly AS 11.65.010. Renumbered in 1978. **Cross references.** — For ballast water discharge, see AS 46.03.750.

Sec. 30.15.070. Definitions. In this chapter

(1) "commissioner" means commissioner of transportation and public facilities;

(2) "department" means Department of Transportation and Public Facilities;

(3) "municipality" means a home rule or general law borough or city including but not limited to a unified municipality organized under AS 29.68;

(4) "port facilities" means docks, wharves, bulkheads, seawalls, landfills, warehouses, staging areas, transfer spans and aprons, lifting equipment and similar structures together with the necessary equipment and facilities required to accommodate waterborne commerce and shipping, including but not limited to combined port and ferry terminal facilities;

(5) "project costs" means the cost of financing or borrowing, site acquisition and rights-of-way, planning, engineering and designing, construction, equipment acquisition and installation, but does not include the cost of operation or maintenance of the port facilities once constructed or the cost of feasibility studies required in making application for a grant under this chapter. (§ 1 ch 85 SLA 1974; am E.O. No. 39, § 11 (1977))

Sec. 30.15.080. Short title. This chapter may be cited as the Port Facilities Development Act. (§ 1 ch 85 SLA 1974)

Chapter 20. Regulation of Tank Vessel Traffic.

[Repealed, § 11 ch 116 SLA 1980.]

**Chapter 25. Oil Terminal Facilities: Transfer of
Crude Oil, Refined Petroleum Products
or Their By-Products.**

[Repealed, § 11 ch 116 SLA 1980.]

Chapter 30. Abandoned and Derelict Vessels.

Article

1. Abandoned Vessels (§§ 30.30.010 — 30.30.080)

2. Derelict Vessels (§§ 30.30.090 — 30.30.100)

3. Vessels Abandoned on Business Premises of Persons Engaged in Repair Business
(§§ 30.30.110 — 30.30.150)

4. Miscellaneous (§§ 30.30.160 — 30.30.180)

Article 1. Abandoned Vessels.

Section	Section
10. Abandonment of vessel unlawful	50. Public auction
20. Disposition of certain abandoned vessels	60. Possession by interested party
30. Limitation on applicability	70. When public auction not required
40. Notice to owner	80. Effect of sale

Sec. 30.30.010. Abandonment of vessel unlawful. (a) A person may not store or leave a vessel in a wrecked, junked or substantially dismantled condition or abandoned upon any public water, or at a port or harbor, of the state, without the consent of the agency having jurisdiction of the water, port or harbor, or docked at any private property without the consent of the owner of the property.

(b) The department or a peace officer may remove a derelict vessel from public water in any instance when the vessel obstructs or threatens to obstruct navigation, contributes to air or water pollution, or in any other way constitutes a danger or potential danger to the environment.

(c) This section may not be construed to contravene any applicable federal law or regulation.

(d) A person who violates this section, upon conviction, is guilty of a misdemeanor and is punishable by a fine of not more than \$500, or by imprisonment for a period of not more than six months, or by both. (§ 1 ch 131 SLA 1975)

Sec. 30.30.020. Disposition of certain abandoned vessels. A vessel that has been left unattended for a continuous period of more than 30 days and is in the waters of the state or on public property, or is on private property without authorization of the owner or occupant of the property, may be taken into custody by the department or a peace officer and disposed of by the department under this chapter. (§ 1 ch 131 SLA 1975)

Sec. 30.30.030. Limitation on applicability. Wherever outside of an organized municipality in the state it is, or has become, the custom, common or accepted practice to anchor, moor or otherwise leave a vessel in a port or harbor, or in the public waters, of the state in such a manner that it does not threaten or obstruct navigation, or to store or otherwise leave a vessel without permission on public or private property, unattended for a period of more than 30 days, where climatic conditions make use of the vessel impracticable, or applicable provisions of law preclude use of the vessel during that period of time, the unattended anchoring, mooring, storing or leaving of the vessel does not constitute abandonment of the vessel as that term is used in AS 30.30.010 — 30.30.020. (§ 1 ch 131 SLA 1975)

Sec. 30.30.040. Notice to owner. On taking custody of an abandoned vessel, a written notice immediately shall be posted on the vessel

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and a duplicate of that notice sent by registered or certified mail, with a return receipt, to the registered owner of the vessel at the registered owner's last known address and to all lienholders shown on the records of a state or federal agency. The notice shall contain a brief description of the vessel, the location of custody, and the intended disposition of the vessel if not repossessed within 20 days after the mailing of the notice. A notice need not be sent to the purported owner or any other person whose interest in the vessel is not recorded with a state department or a federal agency. (§ 1 ch 131 SLA 1975)

Sec. 30.30.050. Public auction. If the vessel is not repossessed within 20 days after the mailing of the notice, the vessel shall be disposed of by public auction, through oral tenders, or by sealed bids, after public advertisement has been made once in a newspaper of general circulation. However, the public auction may not be held less than five days after the publication of the advertisement. If no bid is received, the vessel may be sold by negotiation, disposed of as junk, donated to a governmental agency, or destroyed. (§ 1 ch 131 SLA 1975)

Sec. 30.30.060. Possession by interested party. A person having an interest in an abandoned vessel may take possession of it before the date of the public auction upon payment to the department of all port or harbor use fees, towing, handling, storage, appraisal, advertising and any other expenses incurred by the department in connection with the vessel. If the person taking possession of the vessel is not the registered owner, the person shall, before taking possession of the vessel, pay the expenses incurred by the department and post adequate security which may not exceed the appraised value of the vessel. The security, if not forfeited, shall be returned to the person one year after receipt. (§ 1 ch 131 SLA 1975)

Sec. 30.30.070. When public auction not required. Public auction is not required when the appraised value of an abandoned vessel, as determined by an independent appraiser is less than \$100. The appraiser must have at least one year of experience in the sale, purchase or appraisal of vessels. Upon that determination and after public advertisement has been made once in a newspaper of general circulation, the department may sell the vessel by negotiation, dispose of it as junk, donate the vessel to a governmental agency, or destroy it. (§ 1 ch 131 SLA 1975)

Sec. 30.30.080. Effect of sale. The transfer of interest by sale under AS 30.30.050 — 30.30.070 shall be evidenced by a bill of sale from the department, considered a transfer by operation of law, and governed by applicable provisions of law. (§ 1 ch 131 SLA 1975)

H C R

58

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY
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POUCHY - STATE CAPITOL
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Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

HCR 58

House Transportation

3/25/90

HOUSE COMMITTEE REPORT

(5)

Date Referred: March 15, 1990

FURTHER REFERRALS:

Date of Committee Action: _____

The TRANSPORTATION Committee considered:

HCR 58

HOUSE CONCURRENT RES. NO. 58

AIRLINE TRAVEL COSTS FOR THE STATE

Relating to the costs of Alaska airline travel.

RECOMMENDATIONS:

- [] be replaced with CS HCR 58 Transp. [] the same title
[] have attached amendment(s) [] a new title
[] do pass
[] do not pass
[] no recommendation
[] individual recommendations
[] additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(s):
(Dept)

APPROVES PREVIOUS:

(Date/Dept)

- [] fiscal impact _____
[] zero fiscal note _____
[] zero with analysis _____

- [] fiscal note(s) _____
[] zero fiscal note(s) _____
[] zero fn/analysis _____

SIGNING DO PASS:

Bill Hudds

Ben ...

Eugene Kubina

Richard Jolley

SIGNING:

(Check approp. column)

	Do Not Pass	No Rec	Amend

Richard Jolley
Chairman's Signature

BE IT RESOLVED BY THE LEGISLATURE THAT:

Whereas airline travel is an essential means of transportation for the people of the State of Alaska; and

Whereas air travel to and from Alaska is the major mode of travel by tourists, business people, and residents; and

Whereas it is sometimes necessary for Alaskans to seek medical treatment in other states and must travel by air; and

Whereas Alaska students attending trade schools, institutes, colleges and universities in other states are reliant upon air transportation; and

Whereas Air routes serving Alaska from the continental U.S. and foreign destinations show the highest growth rates in the industry, offering a stable business return to those airline companies doing scheduled business; and

Whereas alternative travel modes such as land, rail and marine transportation are restricted alternatives to most Alaska residents; and

Whereas commercial passenger air fares on the Alaska routes are disproportionately higher than other domestic routes of the same flight duration and continue to rise;

Whereas a reduction in commercial passenger air fares would increase consumer usage and improve the economy of Alaska without appreciably decreasing profits to the airlines;

BE IT RESOLVED that the Legislature urges the Governor to establish a high level meeting with major carriers to seek means to reduce fares, increase air travel and reduce operation costs and to identify possible mutual benefits including exploring ways to conduct joint marketing and advertisement, fuel costs by making available low cost aviation fuels derived from state royalty oil, and reduction of in state costs such as insurance, in state training, etc.

Alaska State Legislature

House of Representatives

3111 "C" STREET, SUITE 410
ANCHORAGE, ALASKA 99503
(907) 561-2033

DURING SESSION
P.O. BOX V
JUNEAU, ALASKA 99811
(907) 465-4939

FEB 22

L
R
copy of subject
to Tom Johnson

REPRESENTATIVE
ALYCE HANLEY
DISTRICT 9, SEAT B

MEMBER
STATE AFFAIRS COMM. TEE
REGULATION REVIEW COMMITTEE

February 22, 1990

MEMORANDUM

TO: Representative Richard Foster, Chairman
House Transportation Committee

FROM: Representative Alyce Hanley *A. Hanley*

SUBJECT: The cost of air travel for Alaskans; competition in the
airline industry; and unfair trade practices of air
carriers

Enclosed is the information on the airline resolution we talked about a few days ago. I have also included the bill that I introduced in 1988.

The main reason I introduced HR 13 during the 15th Legislature was constituent complaints about the high cost of airline travel and to convey the House's dissatisfaction with commercial air fares.

My staff called several airlines and inquired about roundtrip air fares from Anchorage, Fairbanks and Juneau to Seattle. We also inquired about fares from Juneau to various destinations. We found out that there was not a penny difference in the fares being charged. A few years ago the airlines at least differed the fares by a few pennies.

It seems that there is no incentive to base air fares on the cost of an individual airline doing business with a reasonable profit added to that cost. Former Representative Herrmann introduced a very similar resolution during the 14th Legislature. Her resolution was amended to include airline travel to and from urban areas as well as rural.

In addition former Senator Joe Josephson contacted the Attorney General's office about the competition problem and possibility of price fixing. The same concerns that were outlined then are still true today. Fares to and from Juneau went down for a time because of the publicity surrounding Senator Josephson's inquiry but fares in general have continued to increase.

I also introduced HB 525 in order to provide a meaningful incentive to air carriers to set competitive commercial air fares. I was also convinced that the statutes needed to be changed in order to strengthen our resolution.

If we are to be truly effective in encouraging tourists to visit our great state, airfares must be competitive with other vacation destination points. In addition lower fares for airline Alaskans is long over due. We need to pass measures similar to HB 525 and HR 13.

The statutes formerly addressed the areas of competition among commercial air carriers but was a paper tiger. The section that dealt specifically with "methods in competition" was repealed when the Alaska Transportation Commission was repealed. HB 525 puts that section back into statute with one noticeable addition, HB 525 would have put in a penalty section that has some teeth.

There continues to be a lot of public dissatisfaction with airline fares. It was my desire to give the public a mechanism of registering complaints and also allows the department to monitor and investigate those complaints.

I believe now as I did in 1988 that we legislators must make sure that the airlines do not use passenger fare rates "within" Alaska but also "to and from" Alaska to compensate for low rates on their lower 48 routes.

Enclosures

3/16/90

Compliments of
Rep. Alyce Hanley

Anchorage Times 3/15/90
**Air carriers snub
state's travel plan**

By LARRY PERSILY
Associated Press

JUNEAU — Airlines grounded the state's plan to cut its employee travel costs between Anchorage and Fairbanks when none of the four carriers on the route submitted a bid for the contract.

Airline officials said Tuesday a low-cost government contract was not in the industry's economic interest and would place an unfair burden on the full-fare public.

State employees fly an estimated 16,000 trips a year between Anchorage and Fairbanks. At the current rate of \$126 for a full-fare, one-way ticket, that totals more than \$2 million a year.

However, all four airlines on the route offer a \$60 one-way fare for federal employees on government business.

This month's request for bids was the first attempt at winning similar cut-rate

travel for state-employee travel.

"We expected to get some response from the airline industry," said Mark O'Brien, a contracting officer with the state Division of General Services and Supply. If not a bid, at least "some suggestions to make this thing work," O'Brien said.

He received nothing by Monday's bid deadline.

"Essentially, Alaska Airlines felt it wasn't in our economic interest to bid on it," said Greg Witter, a spokesman for the Seattle-based carrier.

Alaska's fares reflect the cost of maintaining its schedule of six round-trip flights a day between the cities, he said.

"Alaska Airlines is opposed to the entire concept of government contract bids," Witter said.



Alaska State Legislature

House of Representatives

4007 BRENTWOOD CIRCLE
ANCHORAGE, ALASKA 99502
(907) 243-7574

REPRESENTATIVE
ALYCE HANLEY
DISTRICT 9, SEAT B

WHILE IN JUNEAU
BOX V
JUNEAU, ALASKA 99811
(907) 465-4939

MEMBER
HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE
REGULATION REVIEW COMMITTEE

FOR IMMEDIATE RELEASE
February 15, 1988

Contact: Rep. Alyce Hanley
(907) 465-4939

REP. ALYCE HANLEY INTRODUCED A RESOLUTION URGING THE GOVERNOR
TO PURSUE ALL AVAILABLE AVENUES TO REDUCE COMMERCIAL AIRLINE
PASSENGER RATES

JUNEAU -- Alyce Hanley, a Republican House member from District 9 introduced a House Resolution today urging the Governor, Attorney General and the Commissioner of Transportation to pursue every avenue to reduce the cost of airline travel for passengers traveling to and from the State of Alaska and investigate and report any barriers to open and competitive airline industry. In addition a bill adding an UNFAIR TRADE PRACTICES section was also introduced to provide the Department of Transportation the authority to investigate complaints and impose penalties for violation of unfair methods of competition.

Representative Alyce Hanley (R-Anchorage), prime sponsor of the two measures said, "A very similar resolution was introduced during the 14th Legislature. The same concerns were outlined then. Fares to and from Juneau went down for a time but fares in general have continued to increase. I was also convinced that the statutes needed to be changed to strengthen our resolution to lower commercial passenger fares for all Alaskans and tourists visiting our great state."

A handwritten signature in cursive script, appearing to read "A. Hanley".

IN THE HOUSE

BY HANLEY

HOUSE RESOLUTION NO.
IN THE LEGISLATURE OF THE STATE OF ALASKA
FIFTEENTH LEGISLATURE - SECOND SESSION

Relating to the cost of air travel and
to competition in the airline industry.

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES:

WHEREAS airline travel is an essential means of transportation for the people of the state; and

WHEREAS the competitive market forces in many other states have caused a decline in commercial passenger air fares; and

WHEREAS there are no competitive forces in the state to cause a significant decline in commercial air fares; and

WHEREAS commercial passenger air fares are higher today and continue to escalate upward; and

WHEREAS the cost of air travel in the state has become prohibitively expensive in many rural areas; and

WHEREAS passengers traveling to and from Alaska pay a significantly higher fare per air mile than passengers traveling between other states; and

WHEREAS the commercial air carriers appear to be engaging in setting mutually beneficial fare rates that restrict a free and open competitive market;

BE IT RESOLVED that the House of Representatives urges the Governor, the Attorney General, and the commissioner of transportation and public facilities to investigate and report to the legislature any barriers to an open and competitive airline industry and pursue every avenue that will reduce the cost of airline travel for passengers traveling to and from the State of Alaska.

Ford

IN THE HOUSE

BY HANLEY

HOUSE BILL NO.
IN THE LEGISLATURE OF THE STATE OF ALASKA
FIFTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to unfair trade practices of air carriers and ticket agents."

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

* Section 1. AS 02 is amended by adding a new chapter to read:

CHAPTER 07. AIR COMMERCE TRADE PRACTICES.

Sec. 02.07.010. UNFAIR TRADE PRACTICES. (a) The department, upon its own initiative or upon complaint by an air carrier, ticket agent, or a member of the public, shall investigate and determine whether an air carrier or ticket agent has been or is engaged in unfair or deceptive practices or unfair methods of competition in air commerce or the sale of air commerce.

(b) If the department finds, after notice and opportunity for hearing, that the air carrier or ticket agent is engaged in unfair or deceptive practices or unfair methods of competition, it shall order the air carrier or ticket agent to cease and desist from those practices or methods of competition.

(c) The department may enforce this section and adopt procedural regulations necessary to implement this section.

(d) In addition to other penalties and remedies provided by law, a person who violates a provision of this section is subject to a civil penalty not to exceed \$100,000 for each violation.

(e) In this section

(1) "air carrier" means a person engaged in air commerce, directly or indirectly, by lease, contract, or other arrangement, and

Alyce Hanley 243-7514
State Info. 501-4224

b-4



Air fare wars to continue this summer

But won't apply to Alaska

By BILL MENEZES
The Associated Press

NEW YORK — Several major airlines said Monday they would extend their lowest discount fares through the end of summer, but the tickets would be more expensive and carry more restrictions than the cut-rate fares unveiled earlier this year.

The lower fares will not apply to travel between Alaska and the Lower 48, a local travel agency spokesman said.

"It's fair to say that in the current pricing environment that the relatively high fares between Anchorage and the Lower 48 help offset losses from fare wars in the Lower 48." said Scott McMurren of Easy Travel.

Also Monday, Continental Airlines said it had asked the Department of Transportation to require U.S. airlines to routinely disclose service information such as on-time performance, complaints about lost luggage, and the time it takes for answers on telephone reservation lines.

Continental and Eastern Airlines, both units of Texas Air Corp., said they would continue offering the special "Maxsaver" fares previously slated to end May 20.

Those non-refundable fares, which were matched by other major airlines when introduced in late January, are discounted as much as 80 percent from regular fares and are less than the supersaver fares that previously were the industry's lowest.

Northwest Airlines said it would match the discount fare extension. United and Delta and American representatives said their companies were studying the fare announcements.

Industry analysts said they expected the major airlines to follow the move, noting the summer fares would be higher to reflect the peak travel season and the advance purchase requirements would be slightly greater.

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Air charter remains a wild card

Upcoming fare hikes often can be avoided

What difference is \$20 when you are travelling? A cab fare into town? A few drinks with friends — or a gift for someone back home?

Fact is, most of us can think of something constructive to do with \$20. The last thing anybody wants to do is spend it needlessly on air fare. The problem is that the airlines want about \$20 more for a ticket for travel this summer.



scott mcmurren

Hold onto your wallet, though. The air fare situation in Anchorage is at a pivotal point. In addition to hiking summer fares, the carriers have eliminated the most affordable 30-day advance purchase fares to the West Coast.

The cost of a trip to Seattle is jumping from \$308 round-trip before March 5 to \$437 round-trip for travel after May 13.

Similar hikes are on the books for Salt Lake City, Los Angeles, Portland, San Francisco and two dozen other destinations in the West.

For travelers in the Midwest and on the East Coast, fares are going up an average of \$20 round trip. However, there are some clever tricks to get around paying the extra charges if you act quickly.

The wild card for West Coast travel prices is the popular charter service that began serving Anchorage in December. Morris Air Service, with twice-weekly service to Seattle and a non-stop flight to Los Angeles, offers the least expensive flights to the West Coast.

As fares increase, the Morris flights become much more affordable. If the big airlines like Delta, United, Alaska and Northwest feel they are losing business to the charter operator, it is possible they will reduce their prices to compete.

Currently, Morris offers round-trip service to Seattle for \$299. After May 13, the prices on scheduled carriers go up to \$437.

To Los Angeles, the price difference is even more dramatic. While the scheduled carriers charge \$533 (\$553 after May 13), Morris Air charges just \$349 round-trip.

These substantial price differences could quash attempts by the big carriers to boost fares, especially during March, April and May. Before the summer rush, this is a logical time for the carriers to continue the discounted fares offered in January and February.

In the meantime, here's a trick to avoid the \$20 price increase for summer travel: "joint fares" to most destinations in the Midwest and the East remain at the old price levels. While Delta and United charge \$642 round-trip to Dallas in July, Alaska and American cooperate with single-plane service, charging just \$622.

The same is true on flights to Chicago and Washington, D.C. While Northwest, United and Delta have hiked their fares, Alaska and American have held the line on pricing. The single-plane service, known as the "interchange," is a valuable travel option.

Alaska Airlines cooperates with several other carriers to offer "joint fares" throughout the Lower 48. To St. Louis and New York, Alaska and TWA offer lower fares than Delta, United or Northwest after May 13. Also, Alaska mileage club members earn credit on all TWA flights.

To Pittsburgh, Charlotte, N.C., and Miami, Alaska cooperates with USAir for similar savings. To Atlanta and other Southeastern destinations, Alaska and Eastern

McMURREN: Fare hikes on the

Continued from Page E-1

offer the most affordable prices.

Remember the carriers are rushing to hike the "joint fares" to bring them up to the new, higher levels.

My guess is that travelers have anywhere from two to six weeks before the joint fares start rising.

If you know exactly when and where you want to go this summer, you might want to purchase your tickets within the next couple of weeks. If, however, you have not made up your mind and you have some flexibility on dates — wait.

Chances are good that at least one charter carrier will be coming to Anchorage in time for the summer travel season. If Morris Air Service is successful now and May, chances are good that Lake City-based operator will schedule for summer travel. Sometime in April we can look for that MLT Vacations will again offer flights from Anchorage to Seattle, Salt Lake City and Denver.

Scott McMurren is marketing director of Anchorage travel agency.

GO TO

SEATTLE

TOMORROW

FROM \$299* ROUND TRIP

FROM \$159* ONE WAY

ANCHORAGE TO SEATTLE
Monday, Dep 12:00 noon, Arr 6:15 pm
Wednesday, Dep 5:00 pm, Arr 11:15 pm
SEATTLE TO ANCHORAGE
Monday, Dep 11:15 pm, Arr 7:55 pm
Thursday, Dep 8:00 am, Arr 10:25 am

NO ADVANCE PURCHASE NECESSARY
TWO FLIGHTS WEEKLY
NON-STOP

LOS ANGELES

FROM \$349* ROUND TRIP

FROM \$199* ONE WAY

ANCHORAGE TO LOS ANGELES
Monday, Dep 11:10 am, Arr 4:30 pm
Wednesday, Dep 5:00 pm, Arr 11:15 pm
LOS ANGELES TO ANCHORAGE
Monday, Dep 7:55 pm, Arr 11:15 pm
Thursday, Dep 11:15 pm, Arr 7:55 pm

NON-STOP FLIGHT

DISNEYLAND

FROM \$389

Includes: Round trip airfare Anchorage/Los Angeles
3 nights accommodations
Entrance into Disneyland
Transfer

CANCUN

FROM \$699

SEA AND SKI

Package Includes:
11 Days with 10 nights accommodations
Round Trip Air Anchorage / Salt Lake City
Transfers in Salt Lake and Cancun

SALT LAKE CITY

FROM \$399* ROUND TRIP

FROM \$199* ONE WAY

ANCHORAGE TO SALT LAKE CITY
Monday, Dep 11:15 pm, Arr 7:55 pm
Thursday, Dep 8:00 am, Arr 10:25 am
SALT LAKE CITY TO ANCHORAGE
Monday, Dep 7:55 pm, Arr 11:15 pm
Thursday, Dep 11:15 pm, Arr 7:55 pm

DENVER

FROM \$449* ROUND TRIP

FROM \$249* ONE WAY

ANCHORAGE TO DENVER
Monday, Dep 11:15 pm, Arr 7:55 pm
Thursday, Dep 8:00 am, Arr 10:25 am
DENVER TO ANCHORAGE
Monday, Dep 7:55 pm, Arr 11:15 pm
Thursday, Dep 11:15 pm, Arr 7:55 pm

MORRIS AIR SERVICE 907-258-6262 800-44-0000

or call your local travel agent

All money held in escrow until travel is completed.

Charter airline's gutsy move finally forces fares down

There is nothing like an air fare war to get folks excited about traveling. As soon as the price of air travel dips below \$300 to Seattle everyone starts talking very quickly as they reach for a calendar to plan their next vacation.

All I can say is that it's about time. As competition in the Anchorage market began to thin out, prices crept higher. It took an innovative charter operator to spur on the latest round of price-cutting.

Salt Lake City-based Morris Air Service is responsible for the scheduled carriers lowering their prices last week. Prior to the charter carrier's entry into the market, the lowest fare to Seattle was \$418. Beginning Dec. 19, the fare drops to as low as \$299 round-trip.

In the summer, larger carriers like Alaska, United and Delta might not pay attention to a few charter flights over the course of the tourist season. But during the off-season, all airlines search for passengers to fill the



scott mcmurren

half-empty planes which fly between Anchorage and Seattle. So when Morris Air threatened to take a bite out of the price-conscious leisure travel market, Alaska Airlines responded.

The result was a broad-based price cut to all cities served by Alaska Airlines and Horizon Airlines in the Lower 48. Even travelers flying to Fairbanks and Juneau can

benefit from lower fares.

The round-trip fare on Alaska to Seattle dropped overnight to \$308, a savings of \$110. To San Diego, the fare dropped from \$533 to \$429. Fares from Anchorage to all destinations dropped by about \$100 round-trip.

The new fares are not without penalties, however. All tickets must be purchased at least 30 days prior to departure and are completely non-refundable. No changes are permitted on your outgoing flight. Changes on the return are available if made in advance and are subject to fees.

These stiff penalties exceed those at Morris Air, where a ticket is non-refundable only if canceled within seven days of departure.

Although Alaska's prices now are lower, Morris still is setting the pace to Los Angeles, Salt Lake City and Denver. The charter fare to Los Angeles is \$349 round-trip, compared to Alaska's \$339 fare of \$429. Alaska filed a fare

to Salt Lake City in conjunction with Horizon Air for \$429, \$30 more than the charter rate of \$399.

Alaska's lower fares are in effect for travel beginning between Jan. 5 and March 4. Morris has several departures in the last week of December, but service to Salt Lake City and Denver starts Jan. 5.

It is important to note some of the basic differences between charters and scheduled carriers. While charters offer lower prices, they do not offer the scheduling flexibility available to passengers on airlines like Delta or United. The charter flights run once or twice a week, compared with Alaska's schedule of seven flights per day to Seattle.

Charters can offer less expensive fares because they can tailor their flights to where folks want to go instead of providing constant

See Page J-6, AIR FARES

Daily News 11/6/88

AIR FARES: Lower for winter

Continued from Page J-1

service to a destination all year long. Expensive airline extras like frequent flyer plans, large reservations centers, airport staffs and flight kitchens contribute to large fixed costs which charter companies can avoid.

After Alaska Airlines dropped their fare to all cities in their system, United, Delta and Northwest matched the new fares in competitive markets. The new savings have not spread to East Coast or Midwest markets like Denver, Chicago or Boston. But new rules make it easier to book the least expensive fares.

Last week Delta Air Lines chopped the advance-purchase requirement for its cheapest fares from 30 to 14 days. Also, the Atlanta-based carrier now offers the 14-day advance-purchase fare with just seven days' advance purchase.

For example, the cost to Boston is \$598 round-trip. Last month, you were required to pay 30 days in advance to qualify. Today, you can bank your money for an extra two weeks before paying. It is important not to change your mind, since the new rules make the fares non-refundable. The new seven-day advance purchase fares carry a 25 percent penalty for changes.

United, Northwest and Alaska matched Delta on the rule change nationwide.

If this sounds confusing, it is. The most important thing to remember is that you can save money for travel this winter — thanks to a gutsy move by a charter operator that sensed what we knew all along: Fares are too high.

□ Scott McMurren is marketing director for an Anchorage travel agency.

AIR TRAVEL — COMMENTARY

Attorneys general take the airlines to task

by Mike Shoup
Knight-Ridder Newspapers

As if by magic, dramatic changes occurred a few weeks ago in the way airlines advertise their fares to the public.

The biggest and most obvious change is that fares are now advertised round-trip, instead of one-way. There are some who have contended in the past — and I am one of them — that it was misleading to advertise a one-way fare when it was only available if you bought a round-trip ticket. Not everybody looked down to the tiny asterisk that added, "Based on round-trip purchase." Caveat: employer, said the airlines.

There are other more subtle but nonetheless critical changes that have been taking place. Almost all the airline ads now specify that you can't exchange bargain tickets or get your money back. Most ads also now state that the special low fares are available only on a limited basis, and that fares are subject to change without notice. Most also include fuel surcharges and other add-ons that heretofore only showed up when you bought the ticket. Most of these warnings just weren't being used a year ago.

But what caused the changes? Federal law, you say? Consumer furor over declining service, and the resultant public and congressional pressure? Indirectly, these may be partially correct. But the real answer is that the attorneys general of the states simply said to the airlines: Change the ads and stop deceiving the public, or we'll sue you under our consumer-protection statutes.

Perhaps the sorriest part of this whole episode is that the federal agencies that should be protecting consumers in such instances — primarily the U.S. Department of Transportation (DOT) and the Federal Trade Commission (FTC) — long ago went to sleep as far as the airlines are concerned.

"It was the lack of action on the part of the appropriate federal authorities that really drew the attorneys general into these areas of concern to begin with," said Robert Stephan, attorney general for the state of Kansas. There was a lot of frustration as to the lack of any real movement for the consumer by DOT or the FTC, and so we took up the gauntlet."

Stephan was on the executive committee of a task force put

together last year by the National Association of Attorneys General to "study the advertising and marketing practices of the airline industry in the U.S." and "determine the nature and extent of existing unfair and deceptive airline advertising practices." The "guidelines for air travel advertising" were issued with very little publicity on Dec. 12, and took effect in mid-January.

There was an immediate hue and cry from the industry about a lack of jurisdiction, an issue still being raised in some quarters. "We think that it's really probably beyond the scope of the attorneys general, in the sense that regulation of the airlines and interstate commerce in general just isn't their bailiwick," said Rick Scott, a spokesman for Continental Airlines.

"That's just a lot of poppycock," says Stephan. "We only wanted the airlines to have the same kind of business and advertising practices that other businesses in the nation had. But they had this laissez-faire attitude; they thought they were untouchable."

C2 Anchorage Daily News Tuesday, March 22, 1988

Firms wasting billions in travel fares, study says

The Associated Press

NEW YORK — While the major U.S. airlines may be losing millions of dollars with their frequent-flyer programs and triple-mileage travel awards, a new study contends that companies are wasting as much as \$12 billion a year on business travel.

The survey of 57 large and medium-sized companies by Travelmation Corp., a travel agency based in Stamford, Conn., found that U.S. businesses are squandering 10 percent to 15 percent of their annual travel budgets.

Travel agents' use of "antiquated" airline reservation systems that can't keep pace with fast-changing fares is the main cause of the waste, according to the study.

Airline analysts estimate that U.S. carriers currently make around 40,000 fare changes a day.

"Millions of dollars could be saved by companies each year without reducing quality, by combining the use of advanced computer technology with a carefully worked out corporate travel plan," said Travelmation President Louis Van Leeuwen, who directed the survey.

Conventional travel agencies — whose methods worked well before deregulation of the U.S. airline industry in 1978 — are now unable to offer companies the best travel values, Van Leeuwen said.

- Among the study's other findings:
- Conventional travel agencies, even those equipped with computers, can't keep track of constant fare changes.
- Many travel agents can't guarantee they will find flights at the lowest fares available.
- Many agents don't automatically process the daily-changing rules governing which fares can be used on which flights.
- Corporate travel policies are largely ignored by travel agents.

\$69 Seattle fares extended

By JIM ERICKSON
Daily News business reporter

The cut-rate airfares instituted this month on flights between Anchorage and Seattle will be continued by at least two airlines until mid-October.

Spokesmen for Western Airlines and Alaska Airlines said Friday their companies will continue to offer one-way tickets on Seattle-Anchorage routes for \$69. That special rate, which began Sept. 1, was set to expire Monday.

Both airlines are offering the tickets with no advance

purchase requirements, although the number of tickets available on any given flight are limited by the airlines. The fares will expire on Oct. 15, and travel must be completed before Nov. 15.

The budget fares also were offered in September by United Airlines and New Wien Inc., but employees of those companies could not confirm Friday the discounts would be continued. New Wien is charging \$59.50 for one-way flights between Anchorage and Seattle.

Local travel agents say

United also will continue the \$69 fare under the same conditions as Western and Alaska.

Those four airlines are locked in a fare war along the Seattle-Anchorage route. The battle began when New Wien, a successor to Wien Airlines, launched its service in mid-August with a \$99 one-way fare on its single daily flight between Anchorage and Seattle.

United upped the ante Aug. 31 by announcing it would offer \$69 seats. The other airlines quickly offered the special rates, too.

The reduced rates are not expected to continue beyond mid-October, said Rachel Cavitt, sales manager for Western Airlines in Anchorage.

Tom McKeaney, tariffs analyst for TravelCenter, said the airlines normally do not offer special fares during the busy holiday season.

The 30-day disparity between the last day to buy tickets and the last day to travel "gets people back to the idea that if they want discounts, they'll have to purchase tickets 30 days in advance," he said.

4-24-87

Dear Senator Hanley,

I don't usually complain much but this recent article in the Anchorage paper really gauled me; so much so that I cancelled a trip to Seattle next month.

Several years ago it seems our legislature in Juneau complained to the airlines about singling out Alaskans for higher fares to the states and they lowered them for awhile but it didn't last long.

Also, why do I have to pay a full month in advance to get any break at all?

Hope you can help us out.

Sincerely,

Gordon Halkett

3103 Brookside Dr.

Apt. 5

Anchorage, Ak 99517

Air fare wars to continue this summer

But won't apply to Alaska

By BILL MENEZES
The Associated Press

NEW YORK — Several major airlines said Monday they would extend their lowest discount fares through the end of summer, but the tickets would be more expensive and carry more restrictions than the cut-rate fares unveiled earlier this year.

The lower fares will not apply to travel between Alaska and the Lower 48, a local travel agency spokesman said.

"It's fair to say that in the current pricing environment that the relatively high fares between Anchorage and the Lower 48 help offset losses from fare wars in the Lower 48," said Scott McMurren of Easy Travel.

Also Monday, Continental Airlines said it had asked the Department of Transportation to require U.S. airlines to routinely disclose service information such as on-time performance, complaints about lost luggage, and the time it takes for answers on telephone reservation lines.

Continental and Eastern Airlines, both units of Texas Air Corp., said they would continue offering the special "Maxsaver" fares previously slated to end May 20.

Those non-refundable fares, which were matched by other major airlines when introduced in late January, are discounted as much as 80 percent from regular fares and are less than the supersaver fares that previously were the industry's lowest.

Northwest Airlines said it would match the discount fare extension. United and Delta and American representatives said their companies were studying the fare announcements.

Industry analysts said they expected the major airlines to follow the move, noting the summer fares would be higher to reflect the peak travel season and the advance purchase requirements would be slightly greater.

"Those are two positives," said Louis Marckesano, of Janney Montgomery Scott Inc. in Pittsburgh. "We were hoping they would modify pricing upward and or increase the minimum stay involved."

Thomas G. Plaskett, Continental's president, told a news conference the Maxsaver fares had proven "extremely popular," and some 3 million passengers had bought the fares since Feb. 1.

The fares good through May 20 — intended to fill seats that otherwise would go empty on many flights — could be purchased at any time up until two days before the flight. Passengers changing or canceling their reservations forfeited the entire ticket price.

The summer fares will cost more than the earlier Maxsavers and the advance purchase requirement was stretched to seven days. They also require a Saturday night stayover and a roundtrip purchase.

The summer Maxsavers are priced from \$38 to \$278 roundtrip, compared with a range of \$38 to \$198 roundtrip before May 20. A Maxsaver flight from New York to Los Angeles, for example, would be \$129 one-way this summer, compared with \$89 each way before May 20.

Continental also said it was trimming the advance purchase restriction on its regular supersavers to seven days from 30 days, while reducing the cancellation penalty to 25 percent from 50 percent.

Juneau Empire
1/21/88

**Lower fares would
create happy faces**

Dear Editor:

I think concerns are being misplaced about Alaska Airlines' advertising symbol. While this issue has been capturing headlines and legislators' attention, Juneauites continue paying air fares that are among the highest in the country.

I'm currently planning a trip to Boston. The round-trip air fare for the approximately 900 miles from Juneau to Seattle is \$340.60. The round-trip fare for the approximately 3,000 miles from Seattle to Boston is \$238. I've lived in Juneau for 14 years and I've yet to talk to anyone who hasn't shared my ill feelings about air fares from Juneau. I really cannot believe that costs here justify fares two or three times greater per mile than typical Lower 48 fares. I'd at least feel a lot better about paying higher

air fares from Juneau if those fares could be justified and that justification be publicized with the same vigor as the recent logo switch.

I do have empathy for the airline business here in that I don't think it's reasonable to expect healthy competition in such a confined market. I believe it would be good for the public and the airline industry if an appropriately sanctioned monopoly could be granted to one airline to serve all of Southeast Alaska. I'm thinking of this in similar terms of the monopolies that utility companies now operate under. In the case of air service we would have the opportunity to nationally solicit bids to obtain the best service for the best price over a specified time.

In this manner, the public would benefit from expanded competition and the winning airline would be assured the highest possible volume to allow the lowest possible cost per passenger mile. This would bring air fares down and I suspect Juneau would see more tourists while the state and private sector would save on travel costs.

I appreciate having the opportunity to share my views and I encourage others to share their opinions about this. I think we need everyone to work honestly together on this so we will all be winners and fly with a happy face.

Sincerely,
Mark J. Miller
Douglas

**New logo suggested
for Alaska Airlines**

*Juneau
Empire
2/12/88*

Dear Editor:

While watching television last night I saw a commercial on one of the Seattle TV stations for Alaska Airlines. This ad was for roundtrip airfare to San Diego - 2,100 air miles, plus two nights' hotel accommodations for a total of \$267. The cheapest roundtrip airfare from Juneau to Seattle, 1,818 air miles, is \$340 and includes nothing extra.

Seeing this commercial brought to mind the Great Logo Crisis of Alaska Airlines that has been in the news so much during the past few weeks. My suggestion is to get rid of the Eskimo and replace him with a picture of Jesse James - gun, mask and all. This would better represent the highway robbery we all face buying an airline ticket in Southeast Alaska.

Thank you,

Dean Nordanson

Auke Bay



Official Business

Alaska State Legislature

Senate

Pouch V
State Capitol
Juneau, Alaska 99811

January 25, 1985

The Honorable Norman Gorsuch
Attorney General
State of Alaska
Pouch K
Juneau, Alaska 99811

Dear Mr. Attorney General:

As you know, Alaska Airlines has announced substantial fare increases for coach class passengers.

Advertising has indicated that each of the other interstate carriers (United Airlines, Northwest Airlines and Western Airlines) has followed the new Alaska Airlines fare schedule with virtual exactitude.

Before the new increases took effect, the one-way coach class fare between Anchorage and Seattle, on each of the carriers, amounted to a cost of 22 cents per mile. Alaska Airlines charged a one-way fare of \$324.90. Two other carriers (Northwest Airlines and Western Airlines) were three cents cheaper, at \$324.87. United Airlines charged \$5.90 less than Alaska Airlines, or \$319.00. This is an obviously miniscule "spread", and, as noted, each of the carriers is charging 22 cents per mile in fact.

The route between Anchorage and Juneau is extremely important to State government, inasmuch as many passengers are flying either on state business, at state expense, or because they are exercising their right or duty of citizenship to visit and speak with officials of the government. The fare over this route, where no competition exists, is 33 cents per mile.

For the purpose of this inquiry, however, I will not concern myself with the Anchorage-Juneau route, because only one carrier serves the route. Instead, I will confine my comparisons to the interstate route between Anchorage and Seattle, and other destinations in the continental United

The Honorable Norman Gorsuch
January 25, 1985
Page Two

States, on the one hand, and other American routes, not involving an Alaska airport, on the other. The comparisons are based upon the old fares before this month's increases took effect.

Between Anchorage and Seattle, passengers in coach class (disregarding "super saver" passengers) paid 22 cents per mile, as noted. This cost per mile is twice the cost per mile between Salt Lake City, Utah, and Washington, D.C. The distance between Salt Lake City and the nation's capital is 413 miles greater than the distance between Anchorage and Seattle. The fare is \$109.00 less than the Anchorage-Seattle fare before the new increase!

... If Alaskans were able to travel for 11 cents per mile, they would pay a one way fare to Seattle of \$162.45, not \$319.00 to \$324.90, or the higher fares now in effect.

Another example -- and the examples are endless, obviously -- is the flight between Kansas City and Seattle, a distance of 1,851 miles (slightly farther than the distance from Anchorage to Seattle). Western Airlines offers a one-way fare of \$185.00, or 12 cents per mile, between Kansas City and Seattle.

Because "super saver" fares are offered virtually everywhere, and have many restrictions, including a requirement for round trip purchases, I have not attempted to calculate their effect. Our research is particularly interesting, I think, in its showing that the four carriers in the Alaska trade follow virtually equivalent coach class fares, as well as super-saver fares, and are also identical in their failure to offer any type of other discount fares (except senior citizens' discounts offered by Alaska Airlines and United Airlines).

Many Alaskans expected that deregulation of the industry would result in lower fares. Many Alaskans expected that the entry into the Alaska trade of United Airlines would enhance competition and result in savings to the consumer. As shown by the two newspaper clippings I enclose (article from the Anchorage Daily News of January 17, 1985 and editorial from the Anchorage Times of January 18, 1985), the fare increases are of interest and concern to Alaska residents.

The problem of the cost of travel is exacerbated for Alaskans because of the absence of rail or other surface travel modes that can be reasonable alternatives for many, given the distances to be covered and the climate that prevails during most of the year.

The Honorable Norman Gorsuch
January 25, 1985
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The inability of Alaskans to travel out-of-state means diminished opportunities for contact with family and friends in "the lower 48", and diminished opportunities for education, professional seminars, and other activities important to the development and fulfillment of the individual Alaskan in his or her personal life and career.

With all of these considerations in mind, I would be grateful for any reflections you and your Department may have, and would like to know particularly:

1. The elements of proof that would normally be required to show an unlawful "contract, combination or conspiracy" in restraint of trade, or other violation of the state anti-trust law. (AS 45.50.562 et. seq.)
2. Whether there may be a possible application of state anti-trust laws, for restraint of trade or price fixing by agreement or conscious parallelism, in this context.
3. Whether state anti-trust laws apply to interstate air carriers.
4. If not, whether state anti-trust statutes could be changed in a constitutional manner to provide such applicability and to establish state court jurisdiction.
5. Whether there is any precedent for anti-trust suits against air carriers in interstate commerce, either under federal or state anti-trust statutes, brought by attorneys general on behalf of state governments or their people, for alleged price-fixing and restraint of trade.
6. Whether there are any other statutory remedies that can be considered or developed to deal at the state level with the problem.
7. Whether the state has been given any data from the carriers which might justify either the apparent coincidence in their respective fare structures or the recent round of fare increases.

Because the matter I have raised is of great importance to the Alaska tourism industry and Alaska business in general, I am sending a copy of this letter to the Honorable Loren H. Lounsbury and I am inviting him and the Department

The Honorable Norman Gorsuch
January 25, 1985
Page Four

of Commerce and Economic Development, which he heads, to share with me any comments or ideas that they may have. At a minimum, it would be my hope that state officials in the executive branch will express to the carriers some of the concerns I have voiced here, and encourage fare competition and lower fares.

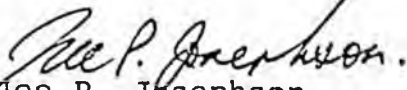
One of the puzzling factors in all of this is that it would appear to me to be evident that if fares were lower, more passengers would fill the airlines' seats. I am wondering whether the government or the industry has any information or studies, such as studies for the Division of Tourism of the Department of Commerce and Economic Development, which could help us (and the carriers) estimate what the passenger load factor would be if fares were lower.

Today, Alaskans pay more than 100 percent above what coach class travelers pay, on a per mile basis, elsewhere in the nation. Alaskan travelers appear to be subsidizing travelers on other routes.

All of this occurs at a time when the rate of inflation in Alaska is less than the rate of inflation across the nation. In the past several years, the federal government has noted on many occasions that the cost-of-living differential between Alaska and the rest of the country is narrowing, not growing. And airline fuel costs are reportedly stabilizing, too. Some airlines, as we know, have renegotiated union agreements to reduce labor costs. Finally, as I have noted above, we are in a deregulation environment that is a supposed benefit to the consumer.

Your assistance and advice would be very welcome, so that all of us in state government, working together, can help bring down the cost of airplane travel, absent compelling justifications from the carriers showing good reasons why prior rates and recent increases have been necessary and good reasons why all the carriers are charging essentially the same fares.

Sincerely,


Joe P. Josephson
State Senator

JPJ:rak
Enclosures

cc: The Honorable Loren H. Lounsbury

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

POUCH K - STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3600

RECEIVED

February 5, 1985

Josephson,

The Honorable Joe P. Josephson
Alaska State Senate
Pouch V
Juneau, Alaska 99811

Re: Airline Ticket Prices
A.G. File 166-312-85

Dear Senator Josephson:

Your recent inquiry concerning the high prices Alaskans are forced to pay for airline tickets has been reviewed in detail by my department. This is a matter of substantial public concern, as air travel costs impact Alaskans in many different ways.

My office has been monitoring the situation for sometime. In particular, the nearly identical prices charged by the carriers for travel between Anchorage and Seattle caught our attention. We did initiate an inquiry to find out how and why Alaska Airlines, United, Western, and Northwest all charge essentially the same prices on this heavily travelled route.

Our investigation revealed that the airlines are able to keep track of each others prices, and proposed price increases, through several computerized information networks. The main network is the Airline Travel Publishing Company's computer service (ATPCO). The ATPCO system publishes routes, schedules, fares, and proposed fare changes nationwide, and is apparently updated daily. This system is used by travel agents as well as by the airlines, and allows its subscribers to know -- to the penny -- what any given airline is charging on its routes.

We are informed that airlines generally "move in packs" when it comes to prices. That is to say, as a general rule, no one airline wants to offer a fare that is much higher than any other airline, for fear of losing business. Air travel is a particularly price-sensitive industry. Consumers will fly the airline that offers the best price, with other factors (schedule, quality of in-flight service, etc.) running far behind price as a factor in selecting which airline to choose. If one airline lowers its prices, its competitors follow suit quickly.

Senator Joe P. Josephson
Alaska State Senate
A.G. File 166-312-85

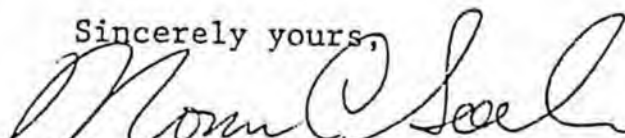
February 5, 1985
Page 2

We are informed that when an airline decides to raise its prices, it will publish the planned increase through the ATPCO system with an effective date of one to two months after the initial announcement. Thus, its competitors are given notice of any up-coming price rise. The competitors are in a position to follow the leader and file corresponding price increases. Unless one airline does not go along, we are told, the upward change is likely to happen. By closely following the proposals of their competitors, and responding to the changes as they occur, airlines are able to keep their prices within a few percentage points of each other. This process is what is known as "conscious parallelism" in antitrust law. It is not illegal, under either the Alaska Restraint of Trade Act or the Federal Sherman Act, to closely follow and to respond to a competitor's prices.

Your letter asks for my thoughts on how the state antitrust laws apply, and whether they ought to be changed, in this situation. The problem is not one of jurisdiction, nor is it, in my opinion, one which can be remedied easily by changes to the law. If it could be shown by direct evidence that the airlines actually met, and agreed to charge any particular fare on Alaska routes, this office would be able to intervene and seek redress on behalf of consumers. But to prove pricefixing, we need evidence which we do not have, and which our initial inquiry does not indicate we would find. Nor would it be wise policy to seek a change in the law making it illegal for a business to watch a competitor's prices and respond to them -- consumers benefit when businesses cut prices in response to competition.

I join with you in expressing concern for the high prices Alaskans have to pay for airfare, in a time when the cost of air travel elsewhere in the country has declined dramatically. I certainly hope that consumers will express their concerns to the airlines. Perhaps one or more of the air carriers serving Alaska may respond by reducing its fares.

Sincerely yours,



Norman C. Gorsuch
Attorney General

NCG:jf

ALASKA STATE SENATE

JOE P. JOSEPHSON
DISTRICT H — ANCHORAGE
1526 F STREET
ANCHORAGE, ALASKA 99501
(907) 277-4419

WHILE IN JUNEAU
POUCH V
JUNEAU, ALASKA 99811
(907) 465-4525



OFFICE OF MINORITY WHIP

COMMITTEES
BUDGET & AUDIT
HEALTH, EDUCATION & SOCIAL SERVICES
RULES
TRANSPORTATION
SENATE CHAIR, ANCHORAGE CAUCUS

February 6, 1985

Mr. Bruce Kennedy
President
Alaska Airlines
P.O. Box 68900
Seattle, Washington 98188

Dear Mr. Kennedy:

As a state senator from Anchorage, I have asked why air fares have increased in Alaska this year, at the same time that significant new discount fares are offered elsewhere. My inquiries have resonated in the Alaska community, because Alaskans know that fares charged for flights to and from Alaska were high, both in relative and absolute terms, even before the latest increases took effect.

I am enclosing a copy of my letter to the Attorney General of Alaska dated January 25 and a copy of the press release which I issued at that time. I am also enclosing three other newspaper clippings on this subject, including a recent editorial and a recent travel column, which show the existence of widespread community concern.

This office has received many messages from constituents, and there has been a proliferation of letters to the editor on this subject. For example, I also enclose some letters to the editor of the Anchorage Daily News which appeared in that paper recently.

Alaskans who travel know that the fares now available between points in the continental United States tend to be far lower than the fares available between Anchorage and Seattle, on a cost-per-mile basis. From a traveler's standpoint, as the enclosed newspaper clippings make manifest, there does not appear to be an obvious rationale for the existing fare structures, and there is certainly no discernible relationship between distance and cost.

I need not detail here the very serious consequences to us Alaskans of the high airplane fares. We have no rail alternative. Buses and cars do travel over the Alaska

Mr. Bruce Kennedy
February 6, 1985
Page Two

Highway, but considerations of climate, distance and time make these modes all but useless for most business and vacation travelers.

On the other hand, there is an alternative to the high fares now charged Alaskans on the Anchorage-Seattle route: Alaskans can stay home. Their relatives and friends in the "lower 48", and potential tourists, can stay home, too, rather than visit the 49th State.

That alternative is bad for the airlines. It is bad for Alaskans. It is bad for family relationships. It is bad for tourism. It is bad for commerce. It is bad for those who want to pursue educational curricula and professional seminars in other states. It is bad for community morale. It is bad for the relationship between the airlines and their customers. It is bad for the taxpayers of Anchorage who have invested in a new convention center, a sports arena, and other amenities designed to enhance tourism.

Alaskans are educated and sophisticated. They ask me:

1. Why are airline fares going up here while fares in other places are going down?

2. Why do all airlines consider the high fares to be more profitable, even though they compel many would-be travelers to stay put?

3. What are the justifications for the higher Alaska route fares? Are Alaska state airport landing fees higher than elsewhere? Is jet fuel bought for travel to and from Alaska more expensive? Is there a wage differential paid to employees working in Alaska? Are load factors so low that the costs of operation per seat, relative to revenues, are very high? If so, why do four carriers compete over the market, and why wouldn't lower fares build profits, at least on certain flights, or at least on designated flights off-season? Or, conversely, are load factors so high that it matters not to the carriers whether some Alaskans choose to be price-resistant?

4. Why has deregulation not led to price competitiveness here?

Mr. Bruce Kennedy
February 6, 1985
Page Three

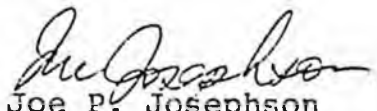
I am considering introducing legislation on this subject, and as a member of the Senate Transportation Committee, I have requested public hearings on this question. The Chairman of the Transportation Committee, I am informed, has scheduled such hearings.

I have also received a response from the Attorney General of the State of Alaska to my inquiry about possible anti-trust violations. The reply of the Attorney General indicates that an element in any anti-trust litigation would be evidence of actual consultations among the carriers to set prices; it does appear that such evidence is difficult to obtain, if it exists at all. The Airline Travel Publishing Company computer service gives every carrier access to detailed fare schedules from every competitor, and so a consciously parallel fare policy can be set without direct communication among competitors on the subject.

The remedies for Alaskans in this environment would appear to be limited to a spontaneous or concerted abstinence or boycott from air travel; consultations with the Alaska delegation in Congress to explore inducements or sanctions at the federal level; utilization of the state's bargaining position as a major customer to bring about price concessions benefiting all Alaska travelers; encouragement of a new entrant in the Alaska market; and public relations rewards and honors to that carrier which is imaginative enough to be the first to give Alaska travelers some overdue relief.

I solicit your comments and suggestions so that Alaskans can begin to get some of the price benefits deregulation was supposed to bring. I have written in an identical vein to your three counterparts at the other interstate air carriers. In my judgment, imaginative leadership in this regard will inure to the short-range and long-range benefit of the company displaying it, and will certainly earn the recognition and gratitude of the legislature and the people of Alaska.

Sincerely,



Joe P. Josephson
State Senator

JPJ:rak
Enclosure

JJ's copy ^{file} Air Fares

RECEIVED

FEB 22

Josephson,

MEMORANDUM

TO: Vince O'Reilly,
Deputy Commissioner

Vince O'Reilly
2/13/85

DATE: February 12, 1985

FROM: Orhan M. Yildiz
Economic Analysis Section

SUBJECT: Airline Industry

THROUGH: Committee of Directors, Economic Analysis Section

In response to your request concerning determinants of airline travel demand we performed a literature search on the subject. Not surprisingly, there is no relevant information specifically for the Alaska market. However, from the limited literature that is available locally I have put together the following discussion, which may shed some light on the questions raised by Senator Josephson.

The 1978 Airline Deregulation Act has increased competition in most of the U.S. airline markets. Consequently, consumers have, in general, benefited from lower fares. In the Alaska market, however, steady price increases in recent years above the inflation rate indicate that Alaskans might not have benefited from the industry deregulation equally. Finding the reasons behind this would require an analysis of the local market characteristics and the airline industry structure in Alaska.

In spite of the increase in competition in the U.S. air travel market, the industry earnings in the post deregulation years have been good, except around the 1980 recession period, and were exceptionally good in 1984. Earnings are expected to increase in 1985. (This information was given by Albert Khan, the man responsible for the deregulation of the airline industry, on the KTOO TV show "Firing Line" on Feb. 9, 1985.) This may imply a price elastic (or price responsive) demand for air travel -- i.e., a decrease in fares is more than offset by an increase in demand so that the industry revenues in fact increase. Why, then, is this experience in the lower 48 not transferable to Alaska?

First, the Alaska market has little competition compared to markets elsewhere in the U.S. Even the national market is not entirely competitive, since it is still dominated by the large Trunks, although their market share decreased considerably after the deregulation. In Alaska not only are the alternative modes of travel practically absent, but few airlines operate within the state boundaries. The existence of a small number of operators with similar cost structures and nearly identical products makes

the disadvantage of rivalry clear. This does not necessarily imply collusion. When the market is dominated by one large airline that airline could act as the leader and set the market price, which would be adapted immediately by the smaller airlines. Thus, it is likely that the Alaska market gravitates toward a monopolistic structure or toward an oligopoly with joint profit-maximizing behavior.

Where the air fares are set depends on how easy it is for other airlines to enter the market and the elasticity of demand for air travel. If barriers to entry were low, fares would not be much above those found in a "competitive market," for otherwise new airlines would enter the market to share profits. Thus, one question to be answered is how difficult it is to open the Alaska market to further competition.

If demand for air travel is not responsive to price changes the industry can pass most of the general operating cost increases on to the customers. The existence of monopoly conditions would further exacerbate the situation, because costs due to inefficiencies would be added to the overall costs -- while in a competitive market the inefficient airline would be forced to drop from the market. If the demand responds elastically to price changes cost increases would be born mostly by the industry. Hence, any price increase due to increasing costs would cut revenues drastically. Conversely, a decrease in price would increase revenues but not necessarily the profits of a monopolist. Therefore, the second question that would need to be answered is whether the demand for airline travel in Alaska is responsive to changes in prices.

Whether the Alaska market can become more competitive depends on several factors. Entering into the Trunk business involves economies of scale. Literature indicates that "... a carrier would have to supply at least two billion available ton miles ... in order to achieve unit costs comparable to those of the typical Trunk;" beyond this level of operation economies of scale disappear.^{1/} In this situation the economical alternative would be the entry of an existing airline company, not a new carrier, to the Alaska market. This way the airline would pick the revenue

^{1/} Paul Biederman, "The U.S. Airline Industry: End of an Era," Praeger Special Studies, 1982.

Ton miles is the available tons multiplied by mileage flown.

passenger miles of travelers destined to other locations within the U.S. The market share of a carrier also depends on the frequency of service (number of flights per day), although as length of trip increases this becomes less of a factor.^{2/} In Alaska, trip lengths between Anchorage and Seattle, Southeast and Seattle, and Southeast and Anchorage would make it feasible to capture a reasonable share of the market with few flights per day.

Obviously, each carrier does not have the same cost structure, since there are other determinants of cost than size. One indicator of carrier efficiency is employee productivity, which could be measured as revenue ton miles per employee.^{3/} Total operating expenses of a carrier depends on total employment; age of aircraft fleet (affects maintenance), type of aircraft (technology) and cargo revenue. Since the two major airlines operating in Alaska are lower 48 based their employee costs in routes between Alaska and Seattle are probably not much higher than an average U.S. carrier. Of course, airlines have to maintain ground crews (for maintenance and service) at every airport. In addition, the cost of providing service within Alaska would be higher. One factor of great importance for the Alaska market is the cargo revenues of carriers. These work to reduce operating costs considerably. In all likelihood airlines in Alaska receive considerable cargo revenues, which lower operating costs and increase total revenues. Consequently, it is not clear whether operating cost of air carrier service to Alaskans is overall costlier than elsewhere. If further work in the airline cost area is sought, financial data for Alaska carriers could be obtained from the Federal Aviation Administration (FAA). Such reporting is a requirement of FAA.

In addition to operating costs, a major obstacle to entry into the Alaska market would be fixed depreciation and amortizations costs of investment. Airlines with the monopoly power could easily undercut the prices, even below the level of a competitive market, to drive out a new entrant to the market. A carrier with high financing costs might not survive such rivalry unless it is protected by a parent corporation.

^{2/} George C. Eads, "The Local Service Airline Experiment," The Brookings Institute.

^{3/} A revenue ton mile is the revenue generated from carrying one ton a distance of one mile.

For a new carrier to enter the Alaska market it is important to know whether Alaska travelers are sensitive to price reductions. If they are not, utilization of additional carrier capacity offered by the new carrier may require deep price cuts, which would also reduce the total revenue earnings of the industry. On the other hand, if there are barriers to entry into a market, companies with the monopoly advantage benefit from inelastic demand. When demand is not responsive to price the reduction in demand would be proportionately less than the price increase, resulting in an increase in revenues.

The results of demand elasticity analysis in the U.S. carrier market has mixed results. In general, demand for business travel is relatively insensitive to price, whereas the reverse is true for vacation travel. Nevertheless, it is not clear that these conclusions apply to the Alaska market. It is possible that even the vacation travel might be inelastic, considering that few substitutes for air travel exist. Besides, demand for travel is derived from demand for other things, such as business, vacation, visiting family or friends. It is generally acknowledged that the geographical conditions here necessitate occasional vacations to outside. Also few Alaskans may spend their annual leaves at a touristic location of Alaska. There is also the fact that most people here have relatives in the lower 48, whom they may need to visit occasionally. Without specific analysis of the market we can not draw definitive conclusions, although these arguments point to a market with low price responsiveness to air travel. However, acknowledging the price sensitivity of vacation travelers, air carriers offer price discounts. Thus, the existence of different fare categories in Alaska indicate that nonbusiness travelers still have a more price elastic demand curve, but this is likely to be a matter of degrees.

A study for the airline travel in the North Atlantic market seems to give some, albeit shaky, evidence to the hypothesis of inelastic demand in Alaska. Cigliano has analyzed the effect of price and income elasticity of airline travel between the U.S. and Europe, and also between Canada and Europe.^{4/} The total demand (aggregate of different fare classes) was responsive to personal income in both markets, responsive to price in the U.S. market but unresponsive to price in the Canada market. The author attributes

^{4/} J. M. Cigliano, "price and Income Elasticities for Airline Travel; The North Atlantic Market," Business Economics, 1980.

the price inelastic demand in Canada to a different mix of travelers — e.g., more first class or business travelers. It is also possible that the special relationship of Canada to England requires a level of governmental and business interaction which is less sensitive to price. Alaska's remote geographical location to the mainland U.S. could easily be likened to the Canadian situation. Cherington, who did the first comprehensive, but subjective, review of airline pricing concluded that price changes of less than 10 percent produced an inelastic response.^{5/} This study is now out dated, but for a new entrant to the market this figure gives an idea of the type of strategy required in order to be competitive.

In conclusion, the position of the State of Alaska should be the encouragement of competition in the Airline industry by making entry to the market easier. This can take the form of low interest business loans, tax legislation, or contract bidding. By opening the fiscal year air travel to a bidding process the government would be acting as a monopsonist (a monopolist of the user of services). If the size of government related travel is large the bidding process may prove to be very effective and may even lure a new carrier to enter the Alaska market.

^{5/} Paul Biederman, op. cit.

Offered: 2/14/86
Referred: Finance

Original sponsors: Herrmann, Wallis
and Thompson

1 IN THE HOUSE BY THE TRANSPORTATION COMMITTEE
2 CS FOR HOUSE CONCURRENT RESOLUTION NO. 36 (Transportation)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - SECOND SESSION
5 Relating to intrastate airline travel.
6 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:
7 WHEREAS intrastate air travel is an essential and often the only
8 effective means of transportation to and from rural areas of the state; and
9 WHEREAS competitive market forces in many other states have caused a
10 decline in commercial air fares; and
11 WHEREAS these same competitive forces have not caused a significant
12 decline in air fares offered by the major carriers for travel to and from
13 rural areas of the state; and
14 WHEREAS the cost of air travel to and from rural areas of the state
15 has become prohibitively expensive; and
16 WHEREAS the high cost of air travel to and from rural Alaska has the
17 appearance of profiteering and may constitute a violation of state or
18 federal law;
19 BE IT RESOLVED by the Alaska State Legislature that the Governor is
20 respectfully requested to direct the Department of Transportation and
21 Public Facilities, and the Department of Commerce and Economic Development
22 to jointly investigate the tariffs charged by major air carriers servicing
23 rural areas of the state; and be it
24 FURTHER RESOLVED that the results of the investigation and in parti-
25 cular recommendations for action by the legislature be reported to the
26 First Session of the Fifteenth Legislature by January 31, 1987.



Representative Bette Cato, Chair House Transportation Committee

SUBJECT OF MEETING:
HCR 58

DATE:

PLACE:

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?
JON SCHEIDT	DOT & PF	Bx 3-1000 JUNEAU	99801	789 9810	789 6261	<input checked="" type="radio"/>	N	N/A
Don Dieckmeyer	DOT & PF	PO Box 1467 JUNEAU DEC 1987	99802	789 5063	364 4347	Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	

H J R

11

HOUSE COMMITTEE REPORT

(5)

Date Referred: January 12, 1989

FURTHER REFERRALS: FINANCE

Date of Committee Action: 3/16/89

The TRANSPORTATION Committee recommends that:

HOUSE JOINT RESOLUTION NO. 11 [REAUTHORIZATION OF THE CLEAN AIR ACT]
Relating to Congressional reauthorization of the Clean Air Act.

[] be replaced with c/s HJR 11 Transportation [] the same title
[] a new title

[] have attached amendment(s)

- [] do pass
- [] do not pass
- [] no recommendation
- [] individual recommendations
- [] additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- [] fiscal impact
- [] zero fiscal note
- [] zero with analysis

APPROVES PREVIOUS:

- [] fiscal note(s) published: _____
- [] zero fiscal notes(s) published: _____

SIGNING DO PASS:

Bill Huels
Richard Stokes
Robert C. Byrd
Drew L. Lewis

SIGNING OTHER THAN DO PASS:
(Do Not Pass, No Recommendation, Amend)

Butte C. St.
Chairman's signature

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Mary Van Nimwegen

HJR 11

House Transportation

2/28/89



Official Business

COMMITTEE:

House Transportation Committee

DATE: 2/28/89

SIGN-IN

Subject of meeting:

HJR 11
HB 163

NAME Please include title **ADDRESS** Please use full address. Please include zip. **PHONE** **REPRESENTING** **DO YOU WANT TO TESTIFY?**

NAME Please include title	ADDRESS Please use full address. Please include zip.	PHONE	REPRESENTING	DO YOU WANT TO TESTIFY?
JEFF CRIBSEN DIRECTOR	PO Box 2 Juneau	907-2951	DOT PF	IF NECESSARY
Meredith Harrison STUDENT	PO BOX 56092 north side	465-0625	Fairbanks Alternative	YES
Steven Torok ✓	3200 Hospital Dr. Juneau	586-7619	U.S. EPA	yes
LARRY Dietrick ✓	PO Box 33073 Juneau AK	465-2640	AOEC	yes
Ray [unclear] ✓	Juneau AK [unclear] ✓	378-1	Alaska [unclear]	

HJR 11
HB 163
HJR 11

ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION

POSITION PAPER

HJR 11

A Resolution relating to Congressional
reauthorization of the Clean Air Act.

The Department fully supports measures to reduce carbon monoxide levels in Anchorage and Fairbanks. The need for such measures is great--both from the standpoint of protecting public health and from the standpoint of avoiding stiff federal sanctions for failing to meet national air quality standards.

The resolution states that carbon monoxide can be reduced in Anchorage and Fairbanks by two primary strategies: reducing the number of automobile miles traveled and by reducing the amount of carbon monoxide each vehicle emits. The Department agrees.

As for reducing the amount of carbon monoxide a vehicle emits, one of the few options that holds significant promise in Alaska is for automobile manufacturers to build cars that emit less carbon monoxide at colder temperatures. Current pollution equipment is effective at higher temperatures, but not at colder ones. What is needed is pollution control equipment that works at Alaska temperatures.

The resolution calls for the U.S. Environmental Protection Agency to certify new motor vehicles for compliance with emission standards at 20 degrees Fahrenheit. Automobile manufacturers would have to produce cars that emit less carbon monoxide at lower temperatures. The technology exists. The costs would range from \$50 to \$150 depending on the type of vehicle. The Department has been working with the Governor's Washington, D.C. office to call for a cold start requirement in the next Clean Air Act. Other northern states support us and have joined us. This resolution would enhance that effort.

Reducing the number of vehicle miles traveled is also a significant part of solving our carbon monoxide problems. All alternatives to current commuting patterns need to be considered. Mass transit and ride sharing programs have significantly contributed to lowering carbon monoxide levels in other parts of the country. We support any and all funding sources for transportation measures that would reduce air pollution while also being cognizant of the possibility of sanctions and the need to maintain the overall level of funding to the state. The Department fully supports the concept of improving and expanding alternative transportation systems as a necessary step towards clean air in Fairbanks and Anchorage.

Testimony
February 28, 1989
House Transportation Committee
Teleconference

I am Cheryl Richardson, and I represent the Anchorage Clean Air Coalition, a volunteer group of the American Lung Association of Alaska.

We appreciate the opportunity to discuss the important transportation issues addressed by HJR 11. When I contacted members of the Anchorage Health and Human Services Commission and the Anchorage Transit Advisory Board to come testify today they had already made other commitments for this morning. However, I have their written statements available for you.

HJR 11 is easy to support, both the cold start amendment and the local option program. Please remember that in Richard Joy's testimony earlier today, he talked about how the cold start amendment if passed today, would begin cleaning up our air in the year 2000. We all support the cold start amendment, but please remember that it takes Detroit seven years to tool up to manufacture cars differently, and another several years for us to purchase these new cars and replace the old ones in our fleet. It will be the year 2000 before the cold start amendment could help us, even if it became law today.

I will speak primarily to the local option program because it has brought the most concern from State DOT officials. Anchorage and Fairbanks have serious problems with carbon monoxide pollution. When air is calm enough with low inversions, we have unhealthy levels of carbon monoxide. We've had 13 violations this winter and 15 in the calendar year 1988.

The cause of this pollution is the automobile, and yet the transportation planners call for a road network that will deliver twice as much carbon monoxide as Anchorage air can absorb and still stay healthy.

Alaska clearly needs more transportation infrastructure. We are a young state. We are still growing. Local option simply gives us the flexibility to develop that transportation infrastructure so that we can also have clean air.

As we develop we must protect the public health. There is no need to repeat the mistakes of the lower 48.

We can have a developing, growth oriented transportation system. We just need the flexibility this amendment offers us to reach both goals and not sacrifice air quality. Today, we spend approximately 10 million dollars a year on transit operations in Anchorage and approximately 200 million dollars on the automobile (in road construction, operation and maintenance, police and fire services related to the automobile, and parking garages). It is entirely appropriate that we begin to shift some of these monies into more healthy, beneficial transportation systems for the longterm in Alaska.

The following organizations support the Clean Air Coalition in advocating for local option. I can quote from their position statements if you like:

1. The Anchorage Health and Human Services Commission
2. The Anchorage Transit Advisory Board
3. The National Mayor's Conference
4. The American League of Women Voters
5. The National Association of Air Pollution Managers

Thank you for the opportunity to testify on this resolution. Please vote in favor of all of it , including local option.

Recommended Objectives: Air Pollution
Municipal Health and Human Services Commission

1987 Anchorage

PROBLEM SUMMARY

The adverse health effects of air pollution have been well documented. Lead poisoning causes cramps, constipation, anemia, kidney disease, mental retardation; benzene and asbestos are carcinogenic; carbon monoxide contributes to cardiovascular disease; and total suspended particulates serve as a vehicle for introducing a variety of toxic substances into the body. A national study demonstrate that between 1967 and 1977 the health related costs alone of air pollution could range above \$10 billion annually.

The two most serious known air pollutants in Anchorage are carbon monoxide and PM10 (suspended particulates equal to or smaller than 10 microns in size). The Municipality exceeded the EPAs air quality standards for CO 58 times in 1984/85 and 17 times in 1985/86. Anchorage is particularly susceptible to CO pollution due to atmospheric conditions which result in frequent dense inversions in winter. The Municipality has exceeded EPAs particulate standard six times in 1986. The exact source of the suspended particulates is unknown at this time. Additional research is needed in order to determine whether or not the source of the pollutants is from natural sources such as silt blown from the Knik River or if it is man-made and within the control of the Municipality.

Data concerning the nature and extent of indoor air pollution is scarce. However, potential sources include tobacco and other smoke, formaldehyde, infectious agents, radon, and particulates. The problem of indoor air pollution in Anchorage is exacerbated by tight building construction designed to conserve energy in cold climates.

The 1970 amendments to the Clean Air Act required the Environmental Protection Agency (EPA) to set National Ambient Air Quality Standards for "criteria air pollutants" to protect public health and welfare. In addition to setting standards, EPA is also responsible for conducting research on prevention and control of air pollution, and providing technical and financial assistance to state and local governments for air pollution control.

Under the Clean Air Act, as amended, state and local governments have primary responsibility for the control and prevention of air pollution. In Alaska, the Department of Environmental Conservation is responsible for preparing a State Implementation Plan (SIP) describing how it will control emissions from mobile and stationary sources in order to meet National Ambient Air Quality Standards.

It should be pointed out that the ultimate responsibility of meeting the National Ambient Air Quality Standards rests with the Municipality of Anchorage. The Municipality is currently con-

sidered to be a non-attainment area since it has failed to meet the standards involving carbon monoxide. If the Municipality is not in compliance by December 31, 1987, it is in danger of losing approximately \$80 million in federal transportation funds. In response to this federally mandated requirement, the Municipality operates an Inspection/Maintenance program designed to reduce mobile sources of air pollution. The Municipality also monitors air pollution in Anchorage in order to determine the effectiveness of its programs. Specific on-going problem areas which need to be addressed include stationary sources such as incinerators and both stationary and mobile sources involving the construction industry and air transportation facilities.

Indoor air pollution does not fall within the purview of the Clean Air Act. As a result, state and local governments as well as non-profits such as the Alaska Lung Association are the primary agencies active in this area.

The EPA has recently revised its regulations involving particulates. The new regulations are primarily concerned with the respirable particulates PM10, i.e., those particulates smaller than 10 microns in diameter. Beginning from the date of publication (July 2, 1987) the State of Alaska has nine months to submit a State Implementation Plan (SIP) addressing the new regulation. The Municipality of Anchorage must work with the state in preparing the SIP component for Anchorage. The end product of this effort will be a set of strategies designed to mitigate air quality problems due to particulate matter.

OBJECTIVES

INDOOR AIR POLLUTION

1. The Municipality of Anchorage should create a task force on indoor air pollution which should, among other things, set indoor ambient air standards and determine who should enforce them and develop a centralized indoor air quality complaint system.
2. The Municipal Department of Health and Human Services should conduct a survey utilizing indoor air quality monitoring equipment to determine the extent and nature of indoor air pollution in Anchorage.
3. The Municipality of Anchorage should pass an ordinance prohibiting smoking in enclosed places and aggressively enforce it.
4. The Municipality of Anchorage should perform spot checks to ensure that commercial ventilation systems are being operated and maintained properly.

5. The Municipality should develop a centralized indoor air quality complaint system or standarize the complaint form used by all agencies.

OUTDOOR AIR POLLUTION

1. The Municipality of Anchorage needs to re-evaluate strategies in the State Implementation Plan (SIP) for carbon monoxide reduction and adequately fund the strategies chosen.

2. The Municipality of Anchorage should modify its Inspection and Maintenance program by extending requirements for cars up to 20 years old, tightening requirements for older cars, enforcing illegal vehicle registrations, bringing the Mat-Su Valley into the program or requiring Mat-Su Valley commuters to comply with emissions standards.

3. The Municipality of Anchorage should impose a local gasoline tax and recommend that the proceeds be used to fund health and social service programs.

4. The Municipality of Anchorage should expand transit and ridesharing through aggressive marketing campaigns, the use of federal highway dollars for transit operations, compatible planning and zoning decisions, improving and increasing transit routes, and aggressively exploring the possibility of a light commuter rail system from the Mat-Su Valley to Anchorage.

5. The Municipality of Anchorage should proceed to develop and implement a plan for reducing particulates in Anchorage through such strategies as road and sidewalk sweeping, dust control, open burning restrictions, compatible planning and zoning decisions, improved road sanding procedures, and regulations restricting the removal of vegetation on lots awaiting sale or construction.

Cross Reference the Following Problems for Related Objectives

- Ionizing Radiation Hazards
- Occupational Hazards
- Tobacco Addiction
- Respiratory and COPD
- Cardiovascular Diseases

Date: November 1987

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Testimony

MR. Jeff OTTosen File # 1

Department of Transportation Article # 2
and Public Facilities

POSITION PAPER

BILL NO: HJR 11

APPROVED: Mark D. Hly

TITLE: A Resolution relating to
Congressional reauthorization
of the Clean Air Act.

DATE: February 27, 1989

The problem of winter time air pollution in Anchorage and Fairbanks is a serious health issue. The department supports that portion of the resolution that would require EPA to certify motor vehicles for carbon monoxide emission compliance at a colder temperature.

We oppose Alaska taking a position at the national level that would contravene a long standing prohibition against the use of federal-aid highway receipts for operating purposes. We believe this message would be detrimental to the on-going, emotionally-laden debate concerning how the formula for allocating the federal gas tax receipts should be constructed.

Presently, Alaska is the greatest beneficiary state receiving over \$5 for every \$1 dollar of contribution. Many high-population states which receive less than their total gas tax contributions find this inappropriate. At this time, the 50 state highway or transportation administrators (equivalent to our DOT&PF Commissioner) have been debating a policy position for submittal to Congress. At the root of our basic argument for maintaining Alaska's high ratio of receipts to contributions is the premise that we are a young, sparsely populated state, hampered by a significant percentage of federal in-holdings, which has yet to complete a basic highway network.

With this resolution we would seriously deflate this argument. The idea that we have such an "abundance" of federal-aid that we can divert some of it to transit operating assistance instead of our basic highway needs would seriously undermine our position. We, of course, already have a difficult job of persuasion, given our low state gas tax and the permanent fund dividends which are generally misunderstood by officials from other states.

At this time, some of the federal-aid highway receipts are used by the Anchorage Transit Authority for capital purposes. Approximately \$1 million per year is appropriated for this purpose. However, there has been a long-standing prohibition on the use of the highway funds for state operating purposes, whether for highway operations or transit operations.

For more information contact Catherine McHugh - 465-3900

There is already a federal program for providing operating assistance to municipal transit authorities. The Urban Mass Transit Authority (UMTA) has a transit-aid program for this purpose. In the near future the Congress will consider the new budget. In the current submittal the UMTA federal transit aid program would be slashed by 50% including total elimination of operating assistance aid for all municipalities greater than 200,000 population.

In addition, both Anchorage and Fairbanks have the ability under state law to levy fuel tax increments for transit related projects. That they have not yet utilized this avenue for revenue would not be lost on defenders of the highway trust fund.

In conclusion, we believe the request that Congress permit the use of federal-aid highway receipts for transit operating purposes would be controversial and unattainable and therefore detrimental to sensitive on-going discussion concerning how the new formula will allocate federal gas tax receipts. As an alternative, we recommend a resolution supporting an enlarged UMTA transit aid program as an appropriate method by which to pursue resolution of the winter time air problem.

This position is not meant to be contrary to the public need for transit or clean air. At present, the federal-aid received by the state is insufficient for our capital needs. Deteriorating highways and important new routes yet unbuilt speak volumes to this fact. Given the strength of the highway lobby at the national level, the resolution is not likely to achieve the intended result. But on the downside, the resolution could undermine the state's vigorous defense of our share of the federal gas tax receipts. If this debate is lost Alaska stands to lose millions of dollars annually. It is in this context that our position is proffered.

-
1. We do support the change EPA certification at lower temps. (carbon monoxide)
 2. The option of using highway funds for operations whether transit or highways would seriously undermine an active nationwide debate on how future funds will be allocated.
 3. Alaska has much to lose in this debate. Indeed our case is precarious at best. Any message that we have sufficient funds that we can divert some to operations could be very detrimental to state interest at this time.

For more information contact Catherine McHugh - 465-3900

be very detrimental to state interest at this time.

4. As an alternative, we believe a request for an enlarged UMTA budget would be beneficial. UMTA already has programs that provide operational support for small and large transit authorities. These programs are slated, under Reagan budget submission, for major reductions.
5. Our position is not meant as anti-transit or anti-clean air. But if we send the wrong message at this time very powerful foes of Alaska's share of the federal gas tax receipts could prevail at the loss of transit, clean-air and highways.

Testimony

Rep Kay Brown

FILE # 7

ARTICLE # 7

Kay Brown

Alaska State Legislature House of Representatives

MEMORANDUM

TO: Rep. Bette Cato, Chair
House Transportation Committee

FROM: Rep. Kay Brown *TW*

DATE: February 27, 1989

RE: HJR 11, Relating to Congressional reauthorization of
the Clean Air Act

Reauthorization of the federal Clean Air Act is again before Congress. HJR 11 urges Congress to support the reauthorization. Moreover, it urges Congress to include two amendments that will help address the carbon monoxide problems in Alaskan cities, as well as in the rest of the country. Currently, neither Anchorage nor Fairbanks are in compliance with air quality standards; the high levels of carbon monoxide present in cold weather pose a serious health hazard to our citizens, particularly infants, the elderly, and those with heart and lung diseases.

The first amendment supported by HJR 11 would permit cities that exceed air quality standards (Anchorage and Fairbanks as well as about 60 other cities in the nation) the local option of using federal gas tax funds to operate transportation programs that can reduce air pollution. The utilization of federal gas taxes for mass transit, light rail, ride-sharing systems, and similar transportation measures would allow nonattainment cities to address their transportation needs in an overall plan that includes air quality and health concerns.

The second amendment to the Clean Air Act supported by HJR 11 would require the Environmental Protection Agency to certify motor vehicle emission compliance at a colder temperature range. Certification at temperatures beginning at 20 degrees Fahrenheit instead of only at 68 to 86 degrees could reduce carbon dioxide emissions by as much as 28 percent. This amendment has been urged by Alaska successfully in the past; last year it was included in legislation approved by the U.S. Senate and incorporated into a version of the Clean Air Act reauthorization. The 100th Congress failed to pass a reauthorization bill, but, according to the Governor's Washington office, the state is continuing this "cold start" effort with the current Congress.



HJR 11 has been endorsed by the Fairbanks Assembly, the Alaska Lung Association, the League of Women Voters, and others. The Anchorage Assembly is taking up a resolution of support on Feb. 28. A resolution very similar to HJR 11 was previously adopted by the U. S. Conference of Mayors.

I thank you for hearing HJR 11. I hope the committee will agree that the Alaska Legislature's support of reauthorization of the Clean Air Act, with the proposed amendments, is important to the health of Alaskan residents.

*** ANCHORAGE PARTICIPANT LIST ***

TO: ALL TELECONFERENCE SITES
FROM: DAVID ----> ANCHORAGE

SUBJECT: _____ CLEAN AIR ACT: HOUSE TRANSPORTATION
DATE: _____ MARCH 1, 1989 _____

TO TESTIFY:

- 1.) CHERYL RICHARDSON, ANCHORAGE CLEAN AIR COALITION
- 2.)
- 3.)
- 4.)
- 5.)
- 6.)

TO OBSERVE:

- 1.)
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- 4.)
- 5.)
- 6.)

EOX ***** DJ

T/C NO: 89-02-330

DATE: FEBRUARY 28, 1989
SPONSOR: HOUSE TRANSPORTATION
SUBJECT: HJR 11 AND HB 163
MODERATOR: MELBA
SITE: FATBANKS

PARTICIPANT LIST
FINAL STATS

TESTIFIED

	NAME/REPRESENTING	ADDRESS	PHONE	BILL NO.
1.	JOE RYAN, HB 163			
2.	RICHARD JOY, FNSB - HJR 11			
3.	SCOTT DECLUE, FNSB - HJR 11			
4.				
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OBSERVED

	NAME/REPRESENTING	ADDRESS	PHONE	BILL NO.
1.				
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4

SHANNON LAIRD

TASHA TALLON

MISTY OFFIELD

JOSH TURKAL

ROWDY TURKAL

MERRIE HARRISON

TERRY SUNNYBOY

ROBERT HEFFLE

JIM JERNSTROM

STUDENTS

Mark Rippy, Maida Buckley. Teachers