

ALASKA LEGISLATURE COMMITTEE FILES 1991-1992 8672
7329 HOUSE TRANSPORTATION

STATE OF ALASKA
DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

WALTER J. HICKEL, GOVERNOR

150 THIRD STREET
JUNEAU, ALASKA 99801-1291
PHONE: (907) 465-4700

949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508-4302
PHONE: (907) 563-1073

February 20, 1992

POSITION PAPER

RE: SS HB 379

SPONSOR: Representatives G. Phillips, Zawacki

Program Effects of Bill:

The bill creates a \$2 recycling registration fee to be collected by the Division of Motor Vehicles and provides that the money collected may be appropriated by the legislature to the motor vehicle recycling grant fund to pay the cost of transporting junk or abandoned motor vehicles to recycling centers. The grant fund is established in the Department of Community and Regional Affairs.

Comments:

The Department of Community and Regional Affairs and the Department of Environmental Conservation have discussed the proposed grant fund and agree that the bill should be amended to put the program in the Department of Environmental Conservation for coordination with DEC's spring cleanup and other solid waste programs.

Edgar Blatchford

Edgar Blatchford, Commissioner



217 Second Street, Suite 200 • Juneau, Alaska 99801 • Tel (907) 586-1325, Fax (907) 463-5480

February 10, 1992

Position Paper

SS HB 379 - Motor Vehicle Recycling Registration Fee

The Alaska Municipal League supports HB 379, providing for the collection of an additional fee on motor vehicle registrations to finance a fund established to provide grants to municipalities for the purpose of paying the cost of transporting motor vehicles that are the end of their useful life to recycling centers.

The Alaska Municipal League's 1992 Policy Statement states,

"Solid Waste Reduction Programs: The League supports funding and implementation of solid waste reduction programs, e.g., recycling, litter reduction, waste oil recycling, required deposits on beverage bottles and cans, etc., to be developed and operated in conjunction with municipal governments."

Municipalities operate landfills and community clean-up programs to protect the health and environment of their communities. Motor vehicles are often abandoned in yards and along roadsides or taken to municipal dumps or landfills for disposal at the end of their useful life. The disposal of vehicles is problematic and costly. The cost of preparing a vehicle for disposal or transportation to a recycling center alone is estimated to be in excess of \$100 dollars. The public must understand and participate in the true cost of solid waste disposal at the front end of a consumer product's life as well as at the end of its useful life.

HB 379 proposes adding a fee to the annual motor vehicle registration fee and establishing a grant program to assist municipalities with the cost of transporting motor vehicles to recycling centers. Such a program will assist municipalities pick up unsightly and potentially hazardous abandoned and junk vehicles keep the environment clean and healthy and extend the life of our landfills.

sab6:hb379rec.ycl



Alaska Environmental Lobby, Inc.

P.O. Box 22151 Juneau, Alaska 99802

907-586-2345

February 25, 1992

Representative Gail Phillips
P.O. Box V
Juneau, Alaska 99811

Dear Representative Phillips:

Alaska Environmental Lobby is writing in support of House Bill 379, "An Act relating to motor vehicle registration."

The additional fee of \$2.00 to a motor vehicle registration to help reimburse municipalities cover the costs of transporting abandoned, unused motor vehicles to recycling centers is a good step for our environment. The \$2.00 additional fee should be increased to \$5.00 to provide more funding to municipalities so they can clean up more abandoned vehicles.

I agree with you that we surely have too many abandoned unused vehicles lying around or even half buried in every city, town or village. These vehicles detract from beautiful scenic views and are hazardous to the environment due to the chemical and toxic materials they are attached with.

By reimbursing municipalities for the cost of transporting the vehicles to recycling centers, the Department of Community and Regional Affairs will encourage more involvement by municipalities to recycle these abandoned, unused vehicles.

I wish you best of luck for the passage of this environmentally sound legislation.

Best regards,

Anna Phillip
Volunteer Lobbyist



CITY OF WASILLA

290 E. HERNING AVE.
WASILLA, ALASKA 99654-7091
PHONE: (907) 373-9050
FAX: (907) 373-0788

February 11, 1992

The Honorable Gail Phillips
Alaska State Legislature
P. O. Box V
Juneau, Alaska 99811

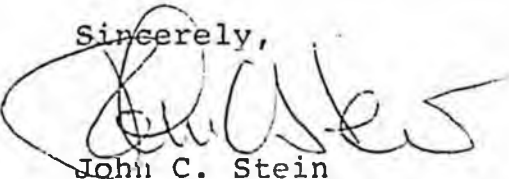
Re: SS HB 379

Dear Representative Phillips:

I'm writing to support SS HB 379, auto recycling fees. Having struggled with a never-ending stream of abandoned and illegally dumped vehicles this legislature promises...relief. We simply must assess the cost of junk car removal and recycling to vehicle operators.

At \$2.00 annually, I'm afraid that the costs won't be covered. Given a generous 10-year life only \$20.00 would be collected per vehicle. Our local contracted towing costs to wrecking yards range from \$50.00 to \$75.00. I suggest that you review your costs, including administrative expenses, and confirm your proposal. I suspect that \$8.00 to \$10.00 per year makes more sense. Even if only half of the vehicles end up as a public responsibility we still have a fifty-year backlog to clean up.

Sincerely,


John C. Stein
Mayor, City of Wasilla

JCS/sbh

1507 Second St.
Douglas, AK 99824
364-2928 home
586-6806 work
February 26, 1992

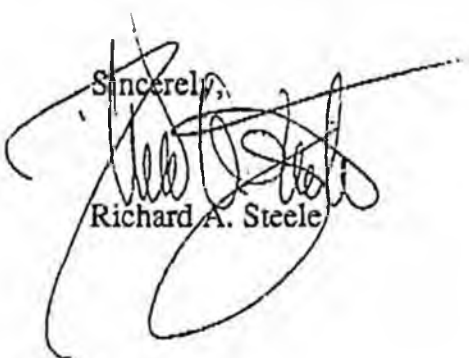
Rep. Gail Phillips
Alaska State House of Representatives
P.O. Box V
Juneau, AK 99811

Dear Rep. Phillips:

As Chair of the Juneau Citizens Advisory Committee on Waste Management, we would like to offer our support for House Bill No. 379, "An Act relating to motor vehicle registration." As we know to well, Alaska is infamous for its junk cars in yards. Why does Alaska seem to have so many junk cars? Part of the reason is the difficulty in getting those vehicles to a recycling center. This bill will establish some funds for that recycling effort. Also, it is commendable that this bill would use that money in the form of grants for retrieving those vehicles. This makes sense, will involve the private sector, and will go a long way to removing this blight on Alaska's landscape, not to mention provide steel and other materials for recycling.

We wholeheartedly support this bill.

Sincerely,



Richard A. Steele



KENAI PENINSULA BOROUGH

144 N. BINKLEY • SOLDOTNA, ALASKA 99669
PHONE (907) 262-4441

DON GILMAN
MAYOR

October 14, 1991

Representative Gail Phillip's Office
Attention: Mel
34824 Kalifonsky Beach Road
Soldotna, Alaska 99669

Subject: Junk/Abandoned Vehicles

Mel:

In response to your request, please find attached some of the information that I have accumulated on junk/abandoned vehicles.

The Kenai Peninsula Borough plans a one-time boroughwide junk vehicle cleanup next summer. The Borough plans to set up as a grant program to allow a business (successful proposer) to conduct the program with the Borough compensating the business for each vehicle that is removed from our Borough and is marketed as a recyclable.

Last summer over 400 vehicles from the Homer Landfill were crushed and transported for recycling. As these were vehicles that were brought to us for disposal, we did not require the disposers to have vehicle titles, and we did not have to follow the extensive steps that are necessary if vehicles are impounded (taken from the right-of-way or other location). The Borough does not have authority to remove vehicles from along the roadsides and therefore, does not perform any collection, this is handled by the various cities and/or through the troopers. If the Borough were to become involved in a program of picking up vehicles from the roadsides, it would require another staff person as well as substantial funding.

The costs to crush, transport and market scrap vehicles varies from \$15-\$70 per vehicle dependent on current market for scrap, location, condition of material, and transport costs. This does not include the cost if the vehicles have to be picked up from the roadsides and transported to a storage/impound location.

I hope this information is of some help. Please contact me at 262-9657 if I can be of further assistance.

Sincerely,

Catherine Mayer
Solid Waste Administrator

enclosures

xc. Ken Brown, Public Works Director




KENAI PENINSULA BOROUGH

144 N. BINKLEY • SOLDOTNA, ALASKA 99669
PHONE (907) 262-4441

M E M O R A N D U M

DON GILMAN
MAYOR

TO: Cathy Mayer, Solid Waste Administrator
TO: Thomas R. Boedeker, Borough Attorney
FROM:  Philip A. Reeves, Deputy Borough Attorney
DATE: July 16, 1991
SUBJECT: Abandoned vehicle and junk vehicle programs.

Over the past few months I've had several discussions with each of you regarding various possible programs dealing with abandoned and/or junk vehicles within the Borough. These programs range from dealing with junked cars currently stored in our landfill facilities to contracting or providing grants to private contractors for removal of abandoned vehicles from their site of abandonment. Through this memo I would like to point out the statutory requirements and potential liabilities which apply to the various scenarios which have been raised, and which I believe will require that we deal with "abandoned" vehicles and "junk" vehicles through separate programs. For the purpose of this memorandum I will refer to "junk" vehicles meaning vehicles still possessed by their titled owners (who are seeking to dispose of them) while "abandoned" vehicles will include vehicles whose titled owners can no longer be determined or located.

"Junked" vehicles can be dealt with fairly easily. The only real liability concern arising from dealing with "junked" vehicles is the potential for a hazardous material spill resulting from lost vehicle fluids (gasoline, lubricants, etc.) and batteries. While it is conceivable that a federal or state action seeking compensation for environmental clean-up costs arising from such a spill could be maintained against the borough, our landfill operational policy of removing batteries and draining fluids from all vehicles prior to final disposition should alleviate that potential problem.

"Abandoned" vehicles raise significant additional requirements as set out by the state statutes at A.S. Chapter 28.11 (see attached). These requirements include: 1.) written notice to the vehicle owner of record and to lienholders of record by certified mail, return receipt requested, stating grounds for removal and the location of impoundment of the vehicle, and 2.) that should the vehicle not be reclaimed within 30 days of notice the vehicle shall

Memorandum -- Abandoned Vehicles
July 16, 1991

Page 3

potential borough liability/responsibility arising from the
transporters' means and methods.

PAR:bl

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

REUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99801
907-465-3800

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

House Transportation

2-27-92

HB

380

FISCAL NOTE

Revision Date: 01/21/92
Title: Alaska Marine Highway Commission

Department Affected: DOT&PF
BRU: Marine Management

Sponsor: Mackie, Grussendorf
Requestor:

Component: Administration
Component Serial Number: 0621

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY93	FY94	FY95	FY96	FY97	FY98
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	24.2	24.2	24.2	24.2	24.2	24.2
CONTRACTUAL	3.0	3.0	3.0	3.0	3.0	3.0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING:	27.2	27.2	27.2	27.2	27.2	27.2

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUNDS	27.2	27.2	27.2	27.2	27.2	27.2
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE	0	0	0	0	0	0
TOTAL FUNDING:	27.2	27.2	27.2	27.2	27.2	27.2

POSITIONS

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

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary)

Assumes seven members of Commission. Three quarterly and one annual meeting of three days duration, minutes prepared by professional secretarial service and advertisements for each meeting.

Prepared by: John Halterman

Phone: 465-3950

Division: Alaska Marine Highway System

Date: January 21, 1992

Approved by Commissioner: 
Frank G. Turpin

Phone: 465-3900

Agency: Department of Transportation and Public Facilities

Date: January 21, 1992

Distribution By Preparer: Leg. Finance, Leg. Sponsor, Requestor, OMB/DBR, Gov. Leg. Office, Impacted Agency(ies).

FISCAL NOTE

Revision Date: 01/21/92
Title: Alaska Marine Highway Commission

Department Affected: DOT&PF
BRU: Marine Management

Sponsor: Mackie, Grussendorf
Requestor:

Component: Support Services
Component Serial Number: 1224

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY93	FY94	FY95	FY96	FY97	FY98
PERSONAL SERVICES	87.6	87.6	87.6	87.6	87.6	87.6
TRAVEL	5.0	5.0	5.0	5.0	5.0	5.0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0.5	0.5	0.5	0.5	0.5	0.5
EQUIPMENT	5.0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING:	98.1	93.1	93.1	93.1	93.1	93.1

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUNDS	98.1	93.1	93.1	93.1	93.1	93.1
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE	0	0	0	0	0	0
TOTAL FUNDING:	98.1	93.1	93.1	93.1	93.1	93.1

POSITIONS

FULL-TIME	1	1	1	1	1	1
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact: N/A

ANALYSIS: (Attach a separate page if necessary)

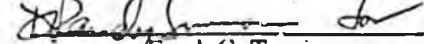
HB 380 amends the State Procurement Code (AS 36.30) to authorize AMHS to adopt its own procurement policies and procedures. This fiscal note authorizes and funds a new position (Purchasing Agent V) to carry out these responsibilities.

Prepared by: John Halterman

Phone: 465-3950

Division: Alaska Marine Highway System

Date: January 21, 1992

Approved by Commissioner: 
Frank G. Turpin

Phone: 465-3900

Agency: Department of Transportation and Public Facilities

Date: January 21, 1992

REPRESENTATIVE
JERRY MACKIE

P O BOX 73
CRAIG, ALASKA 99921
(907) 826-3008 OFFICE
(907) 826-2930 HOME

CHAIRMAN,
COMMUNITY & REGIONAL AFFAIRS COMMITTEE

VICE CHAIRMAN,
TRANSPORTATION COMMITTEE

Alaska State Legislature



WHILE IN JUNEAU
P O BOX V
JUNEAU, ALASKA 99811
(907) 465-4925

House of Representatives

STATEMENT ON HB 380

BY

REP. JERRY MACKIE

I introduced HB 380, establishing the Alaska Marine Highway Commission, as a different approach to improving the marine highway system than the authority concept of HB 10.

The seven member commission will bring continuity to the management of the marine highway system in order to achieve improvements in system operations, funding, and fleet acquisitions and replacements. It will also provide a better integration with community and private sector interests dependent on the marine highway system. In addition to appointing the director, the commission is responsible for advising and making recommendations on schedules and tariffs and conducting public meetings on system operations including proposed tariff increases or scheduling changes; management, planning and construction of facilities; replacement, refurbishing, and overhaul of vessels; and operating and capital costs. It is responsible for preparing a 5 year development and improvement plan that is subject to legislative approval.

Another feature of HB 380 is that it allows the marine highway system to design its own procurement code to best meet the special repair, maintenance and reconstruction needs of the system. This will help decrease the extended overhaul and breakdown/repairs experience and will also produce substantial cost savings.

The two main differences between the commission approach and an authority approach is that state employees of the system are totally unaffected by HB 380 and the legislature retains its traditional funding oversight of the Alaska Marine Highway System.

DIVISION OF LEGAL SERVICES

LEGISLATIVE AFFAIRS AGENCY STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

240 Main Street, Suite 500
Juneau, Alaska 99801-2101

MEMORANDUM

February 6, 1992

SUBJECT: Appointment power of the governor (HB 380)

TO: Representative Jerry Mackie
ATTN: Dave Gray

FROM: George Utermohle *GU*
Legislative Counsel

You have asked whether the governor can be compelled to appoint members of the Alaska Marine Highway Commission from a list of nominees prepared by a special interest group.

The executive power of the state is vested in the governor. Alaska Constitution, art. III, sec. 1. Furthermore the power to appoint subordinate executive officers is an executive function to be exercised by the governor. Bradner v. Hammond, 553 P.2d 1, 6 (Alaska 1976). If the legislature was to prescribe that the governor could only appoint members to the Alaska Marine Highway Commission from a list submitted by a special interest group, the legislature may, in my opinion, impermissibly infringe on the power of the executive branch and delegate governmental functions to a nongovernmental entity.

Courts in other states have held that statutes requiring the governor to appoint from a list submitted by a private entity are constitutional. Welch v. Key, 365 P.2d 154 (Okla. 1961) (upholding statute that required governor to make appointments to state election board from lists submitted by two leading political parties); Humane Society of the United States v. New Jersey Fish and Game Council, 362 A.2d 20, 27-28 (N.J. 1976). These cases have upheld the statutes even without construing them to allow the governor to reject all names, and ask for a new list. I am inclined to think that, because of the strong gubernatorial appointment power provisions of the Alaska constitution, Alaska courts would not follow these cases, as least as far as they do not allow rejection of all names. However, they do lend support to an argument that the governor may be required to choose members of the commission from a list submitted by a special interest group provided that the requirement can be construed to give the governor the power to reject all names on the list and ask for resubmission.

Representative Jerry Mackie
February 6, 1992
Page 2

I have attached a copy of two opinions by the Attorney General on this subject. Both opinions find that the governor's power to appoint members of boards and commissions cannot be circumscribed by delegating the power to make a list of nominees to another group or agency.

It may be useful to consult the governor as to whether he would veto HB 380, if it contained a provision requiring him to select members of the commission from a list submitted by a special interest group.

It is possible to allow interest groups to submit names of potential appointees to the governor without interfering with the governor's powers. However, to state in a bill that a group may suggest potential nominees to the governor is unnecessary and redundant because a group is always free to communicate with the governor regarding any matter, including appointments to boards and commissions.

If I may be of further assistance, please advise.

GU:pl
92-073.plm

Attachments

MEMORANDUM

State of Alaska

TO: Hon. Helen D. Beirne
Commissioner
Department of Health & Social
Services

DATE: April 23, 1981

FILE NO: J-66-698-81

TELEPHONE NO. 465-3600

FROM: WILSON L. CONDON
ATTORNEY GENERAL

SUBJECT: Proposed Council on
Domestic Violence
and Sexual Assault

By:

Rodger W. Pegues
Assistant Attorney General

You have asked whether establishment of a proposed Council on Domestic Violence and Sexual Assault poses any legal problems.

In the form proposed by the draft bill for an Act relating to domestic violence and sexual assault, the proposal violates the state constitution in two ways. */

The first constitutional infirmity in the proposed bill is that it unduly impairs the appointment authority of the chief executive, transferring it, as it were, to a special interest group under proposed AS 18.66.030(3). The proposed council's job is to carry out the law, and that function is vested by the constitution in the governor. To perform that function, he appoints subordinates to assist him. While reasonable qualifications may unquestionably be prescribed by law for those appointments, the power of selection cannot be shared except as the constitution itself provides. Bradner v. Hammond, 553 P.2d 1 (Alaska 1976).

Accordingly, in order to conform with the dictates of the state constitution, the requirement in proposed AS 18.-66.030(3) that appointments be from a list should be changed to a requirement for consultation with the Network of Domestic Violence and Sexual Assault. (We are concerned that the network may lack a formal, corporate status, thereby making even consultation haphazard.)

The second constitutional infirmity is that the bill gives the council tenure and also the authority to super-

*/ There are other existing and proposed councils on ad hoc subjects which share one or both of these constitutional defects, for example, CSHB 198 (Fin), establishing a seafood market council.

wise and direct a unit of state government in carrying out a significant part of the law which, under the constitution, is expressly a function and responsibility of the governor. We are not dealing here with a regulatory or quasi-judicial council, the members of which under the constitution, need not serve at the chief executive's pleasure. Humphrey's Executor v. United States 295 U.S. 602 (1935); Buckley v. Valeo, 424 U.S. 1, 140-141 (1976) (dicta). We are dealing rather with persons who are being placed in charge of carrying on the duties of an executive department of the government, and such officers must be responsible to the chief executive. Myers v. United States, 272 U.S. 52 (1926); cf., Alaska State Operated School System v. Mueller, 536 P.2d 99 (Alaska 1975), Walker v. Alaska State Mtg. Ass'n, 416 P.2d 245 (Alaska 1966).

Accordingly, in order further to conform the bill with the dictates of the state constitution, the last sentence of proposed AS 18.66.040 should be amended to delete after the word "members," the words "shall be limited to no" and insert "serve at the pleasure of the governor and may not serve" instead.

There are other, technical changes which should be made. For example, the Attorney General, rather than the Chief Prosecutor, should be named to retain the parallelism. The Attorney General would have the option of naming a designee. It makes no sense to appoint a subcabinet, non-statutory officer to a statutory council.

Finally, experience teaches that the establishment of a line division on domestic violence and sexual assault in whichever department should handle the subject (with an advisory council of concerned and involved citizens) will have much more effect than the establishment of a separate council which will not be part and parcel of either department's operations. That is a practical matter rather than a legal one, and we do not insist on a change, but we strongly recommend one.

RWP/pjg

cc: Hon. W.R. Nix, Commissioner
Department of Public Safety

Hon. Donald Clocksin
House of Representatives

Marie Pignalberi
Special Assistant to the
Governor

DATE: September 17, 1979

FILE NO: J-66-164-80

TELEPHONE NO:

AVRUM M. GROSS
ATTORNEY GENERAL ..

SUBJECT: Appointment to the
Advisory Council on
Cultural Facilities

By:
Rodger W. Pegues
Assistant Attorney General

You have asked whether the governor may appoint a person to the Advisory Council on Cultural Facilities who was not named on the list of candidates provided to him for that purpose by the State Council on the Arts.

While the answer cannot be certain, we believe that it is yes.

The statute establishing the Advisory Council on Cultural Facilities provides that its members are to be "appointed by the governor from a list of candidates provided to him for that purpose by the State Council on the Arts." AS 44.33.400(b). The statute controls unless it is at odds with the federal or state constitutions.

Under the Alaska Constitution, the governor is the appointing authority. Bradner V. Hammond, 553 P.2d 1 (Alaska 1976). There can be no sharing of his power to appoint except as expressly provided for in the constitution itself. Id. The legislature can no more provide for the governor to share the power with an agency created by it than it can share in that power itself.

Statutes such as AS 44.33.400(b) have no purpose other than to dilute the responsibility and authority of the elected chief executive. They are directly in opposition to the principal purpose of the executive article of the constitution, that is, to place the administration of the executive department of the government in the hands of a single chief executive who is responsible to the electorate for all of the successes and failures of his administration. Under the territorial government, responsibility for executing the laws was dispersed widely among various officers and boards and commissions, each of which acted autonomously from the other. As a result, the public could not assign overall responsibility for the government on anyone, and no one was responsible for the government's conduct. The constitutional convention decisively rejected the territorial model in

Marie Pignalberi
September 17, 1979
Page #2

favor of the strong chief executive. To the extent that AS 44.33.400(b) conflicts with the convention's decision, it is a nullity.

This does not mean that the governor cannot solicit the advice of the State Council on the Arts or follow it. It does mean that the council cannot constitutionally exercise a veto on his choice of appointees. If the governor wishes to appoint Mr. Evans, he may do so.

RWP/pjg

DIVISION OF LEGAL SERVICES

**LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

JAN 13 1992

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

240 Main Street, Suite 500
Juneau, Alaska 99801-2101

MEMORANDUM

January 13, 1992

SUBJECT: Sectional Summary of House Bill 380;
Alaska Marine Highway Commission
(Work Order No. 7-LS1745)

TO: Representative Jerry Mackie

FROM: George Utermohle *GU*
Legislative Counsel

This memorandum is a sectional summary of HB 380: An Act relating to the Alaska Marine Highway Commission; relating to repair, maintenance, and reconstruction of vessels of the Alaska marine highway system; and providing for an effective date.

A sectional summary of a bill is not an authoritative interpretation of a bill. The bill itself is the best statement of its contents.

Section 1 of the bill adds a new article to AS 19.65.

ARTICLE 3. ALASKA MARINE HIGHWAY COMMISSION.

Sec. 19.65.110 sets out the policy of the legislature in regard to the Alaska marine highway system.

Sec. 19.65.120 creates the Alaska Marine Highway Commission in the Department of Transportation and Public Facilities.

Sec. 19.65.130 relates to membership of the commission. The commission consists of seven voting members appointed by the governor. Voting members of the commission must take an oath and comply with state conflict of interest laws. Voting members of the commission must be state residents who have certain kinds of experience. Three voting members of the commission must reside in specified areas of the state. Voting members of the commission serve at the pleasure of the governor for five year terms and until a successor is appointed and qualified.

In addition to the voting members of the commission, the commissioner of transportation and public facilities serves on the commission as an ex officio, non voting member.

Representative Jerry Mackie

January 13, 1992

Page 2

Sec. 19.65.140 provides that the voting members of the commission do not receive compensation but are entitled to travel and per diem expenses.

Sec. 19.65.150 provides for the election of the chair of the commission, for setting the time and place for meetings of the commission, and for a quorum of four voting members.

Sec. 19.65.160 sets out the duties of the commission. The more notable duties of the commission are to hire and fire the director of the Alaska marine highway system, establish policy for the Alaska marine highway system, and advise and make recommendations regarding the operation of the Alaska marine highway system.

Sec. 19.65.170 requires the Alaska Marine Highway Commission, in cooperation with the Department of Transportation and Public Facilities, to prepare a comprehensive long-range plan for development and improvement of the Alaska marine highway system at least every five years. The plan is subject to legislative approval by law.

Section 2 of the bill amends AS 36.30.015 to allow the Alaska Marine Highway Commission to establish policies, consistent with the State Procurement Code, for the procurement of supplies and services for the repair, maintenance, and reconstruction of vessels of the Alaska marine highway system. Sections 2 and 3 of the bill exempt the Alaska marine highway system from strict compliance with the State Procurement Code when obtaining supplies and services for the repair, maintenance, and reconstruction of vessels of the Alaska marine highway system.

Section 3 of the bill amends AS 36.30.990(1) to eliminate the Alaska marine highway system from the definition of "agency" under the State Procurement Code in regard to obtaining supplies and services for the repair, maintenance, and reconstruction of vessels of the Alaska marine highway system.

Section 4 of the bill adds the Alaska Marine Highway Commission to the list of boards and commissions whose members are subject to state conflict of interest laws.

Section 5 of the bill amends AS 44.42.040 by adding a new provision describing the role of the Alaska Marine Highway Commission in the Department of Transportation and Public Facilities.

Section 6 of the bill sets out the terms of the initially appointed members of the Alaska Marine Highway Commission in order to provide for staggered terms.

Section 7 of the bill provides that the Act shall take effect January 1, 1993.

GU:gc
92-009.glc

ALASKA MARINE HIGHWAY COMMISSION LEGISLATION FACT SHEET
Sponsored by Sen. Jim Duncan and Rep. Jerry Mackie

- GOAL IS TO PROVIDE CONTINUITY IN MANAGEMENT RESULTING IN IMPROVED EFFICIENCIES AND CONSISTENT SERVICE.
- SYSTEM EMPLOYEES MAINTAIN CURRENT STATUS.
- A SEVEN MEMBER COMMISSION OVERSEES SYSTEM OPERATIONS.
- GOVERNOR APPOINTS COMMISSION MEMBERS.
- COMMISSION APPOINTS SYSTEM DIRECTOR.
- MEMBERS ARE APPOINTED TO FIVE YEAR TERMS ON A STAGGERED BASIS.
- AT LEAST THREE MEMBERS MUST BE COMMUNITIES SERVED BY THE SYSTEM.
(TWO FROM SOUTHEAST WITH ONE REPRESENTING RURAL COMMUNITIES AND ONE FROM THE GULF OF ALASKA WEST OF ICY CAPE.)
- ALL MEMBERS MUST BE STATE RESIDENTS WITH A KNOWLEDGE OF THE SYSTEM AND EXPERIENCE IN BUSINESS MANAGEMENT, FINANCE, TRANSPORTATION SERVICES, TOURISM OR ENGINEERING.
- THE COMMISSIONER OF THE DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES SERVES AS AN EX-OFFICIO NONVOTING MEMBER.
- THE SYSTEM IS EXEMPTED FROM STATE PROCUREMENT CODE IN REGARDS TO REPAIR, MAINTENANCE AND RECONSTRUCTION OF VESSELS. LEGISLATION DIRECTS COMMISSION TO DEVELOP PROCUREMENT POLICIES BASED ON FAIR COMPETITION AND CONSISTENT WITH STATE GUIDELINES.
- THE COMMISSION IS RESPONSIBLE FOR PREPARING A LONG RANGE PLAN EVERY FIVE YEARS FOR DEVELOPMENT AND IMPROVEMENT OF SYSTEM WHICH IS SUBJECT TO LEGISLATIVE APPROVAL.
- OTHER DUTIES INCLUDE ADVISING AND MAKING RECOMMENDATIONS ON:
 - +SCHEDULES AND TARIFFS;
 - +MANAGEMENT, PLANNING AND CONSTRUCTION OF FACILITIES;
 - +REPLACEMENT, REFURBISHING, AND OVERHAUL OF VESSELS;
 - +OPERATING AND CAPITAL COSTS.
- THE COMMISSION IS ALSO CHARGED WITH CONDUCTING PUBLIC MEETINGS ON SYSTEM OPERATIONS INCLUDING PROPOSED TARIFF INCREASES OR SCHEDULING CHANGES.

TESTIMONY OF
THE INLAND BOATMEN'S UNION OF THE PACIFIC, ALASKA
THE MARINE ENGINEERS BENEFICIAL ASSOCIATION, D-1 PCD
THE ALASKA STATE EMPLOYEES ASSOCIATION, AFSCME LOCAL 52
THE ALASKA PUBLIC EMPLOYEES ASSOCIATION/AFT
PUBLIC EMPLOYEES LOCAL 71
AND THE
ALASKA AFL-CIO
BEFORE THE HOUSE TRANSPORTATION COMMITTEE
ON
HOUSE BILL 380
ESTABLISHING AN ALASKA MARINE HIGHWAY COMMISSION

MY NAME IS VERN HIRSCH. I AM THE EMPLOYEE REPRESENTATIVE FOR ALASKA PUBLIC EMPLOYEES ASSOCIATION, BUT I AM ALSO TESTIFYING ON BEHALF OF THE MARINE ENGINEERS BENEFICIAL ASSOCIATION, PUBLIC EMPLOYEES LOCAL 71, THE ALASKA STATE EMPLOYEES ASSOCIATION, THE INLAND BOATMEN'S UNION OF THE PACIFIC-ALASKA REGION, AND THE ALASKA STATEWIDE AFL-CIO WITH REGARD TO HOUSE BILL 380, WHICH SEEKS TO ESTABLISH AN ALASKA MARINE HIGHWAY COMMISSION WITHIN THE DEPARTMENT OF TRANSPORTATION. BETWEEN US, THE UNIONS REPRESENTED HERE TODAY REPRESENT ALL BUT A SMALL HANDFUL OF THE EMPLOYEES OF THE ALASKA MARINE HIGHWAY SYSTEM.

I'D LIKE TO BEGIN BY THANKING CHAIRMAN FOSTER FOR ALLOWING US TO TESTIFY ON THIS BILL, AND BY THANKING COMMITTEE VICE-CHAIRMAN REP. JERRY MACKIE FOR INTRODUCING THE BILL. WE BELIEVE THAT HOUSE BILL 380 IS A MAJOR IMPROVEMENT OVER THE BILL WE DISCUSSED HERE LAST YEAR, AND WE THANK THE REPRESENTATIVE FOR TRYING TO DEVELOP A PIECE OF LEGISLATION THAT HELPS SOLVE THE MARINE HIGHWAY SYSTEM'S PROCUREMENT PROBLEMS AND PROTECTS THOSE SYSTEM EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS.

THE UNIONS I AM REPRESENTING TODAY ARE STILL WAITING TO HEAR BACK ON THE BILL FROM OUR RESPECTIVE MEMBERS IN THE MARINE HIGHWAY SYSTEM. WE HAVE SENT THEM COPIES OF THE LEGISLATION.

AFL-CIO TESTIMONY ON H B. 380
PAGE TWO

BUT BASED ON THE INITIAL FEEDBACK OUR JUNEAU MEMBERS HAVE PROVIDED - WE ARE STILL WAITING TO HEAR FROM MEMBERS IN THE MORE OUTLYING AREAS SUCH AS CRAIG, KETCHIKAN, SITKA, AND CORDOVA, FOR EXAMPLE -- INDICATES CONCERNS WITH THREE AREAS OF THE BILL. ACCORDINGLY, WE RESPECTFULLY PROPOSE THE FOLLOWING CHANGES BE MADE TO HOUSE BILL 380:

UNDER SECTION 19.65.130 (A) OF THE BILL, DEALING WITH MEMBERSHIP AND VACANCIES OF THE COMMISSION, WE BELIEVE TWO SEATS SHOULD BE ADDED TO THE COMMISSION: ONE FOR AN ON-VESSEL EMPLOYEE REPRESENTATIVE AND ONE FOR A SHORESIDE EMPLOYEE REPRESENTATIVE. WE BELIEVE THESE REPRESENTATIVES SHOULD BE FROM ALASKA MARINE HIGHWAY SYSTEM EMPLOYEE GROUPS ALREADY COVERED BY COLLECTIVE BARGAINING AGREEMENTS.

WE SUGGEST THESE TWO POSITIONS BECAUSE WE BELIEVE NO ONE KNOWS THE OPERATIONS AND NEEDS OF THE SYSTEM BETTER THAN ITS EMPLOYEES. IF THE COMMISSION IS TO PROVIDE THE SYSTEM'S LONG-RANGE PLANNING EFFORT, AS IT WOULD UNDER THIS BILL, THEN WE THINK IT VITAL THAT THE COMMISSION HAVE A FORMAL MECHANISM FOR RECEIVING EMPLOYEE INPUT AND SUGGESTIONS TO ENHANCE THE PLANNING FUNCTION. HAVING TWO EMPLOYEE REPRESENTATIVES ON THE COMMISSION WOULD ACCOMPLISH THIS GOAL. WE SEE NO PROBLEM WITH THE GOVERNOR APPOINTING THESE MEMBERS.

UNDER THE SAME SECTION, SUBPARAGRAPH (C), WHICH STATES: "VOTING MEMBERS SERVE AT THE PLEASURE OF THE GOVERNOR FOR STAGGERED FIVE-YEAR TERMS;" WE BELIEVE THE PHRASE: "AND CAN ONLY BE REMOVED FOR CAUSE" SHOULD BE ADDED TO THIS LINE.

FINALLY, UNDER SECTION 19.65.160 (2) (C), WHICH READS: "REPLACEMENT, REFURBISHING, AND OVERHAUL OF VESSELS," WE BELIEVE YOU SHOULD ADD "AND SHORESIDE DOCKING AND TRANSFER FACILITIES" TO THIS LINE.

AFL-CIO TESTIMONY ON H.B. 380
PAGE THREE

OTHER THAN THESE THREE CHANGES, WE ARE VERY PLEASED WITH THIS BILL AND FEEL IT REPRESENTS A POSITIVE STEP TOWARD MAKING THE ALASKA MARINE HIGHWAY SYSTEM MORE RESPONSIVE TO ITS MISSION AND THE COMMUNITIES IT SERVES.

AGAIN, MY THANKS TO THE CHAIRMAN FOR ALLOWING US TO TESTIFY. IF THE COMMITTEE HAS ANY QUESTIONS ON OUR TESTIMONY, WE WILL BE HAPPY TO TRY TO ANSWER THEM.

(END OF TESTIMONY)

STATE OF ALASKA
THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

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

House Transportation 1-21-92
House Transportation 2-11-92



House Transportation Committee

DATE: 1/21/92

PLACE: Room 17

SUBJECT OF MEETING:
 HB 380 - Relating to establishing
 an A.M.H.S. commission

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?
Vern V Hirsch	AMHS UNIONS	P.O. Box 20597	99802	586 3281	465 2707	<input checked="" type="radio"/>	N	HB 380
GEORGE U-TERMOHLE	LAA-LEGAL				465-2450	Y	N	HB 380 if required
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	



House Transportation Committee

DATE: 2/11/92

PLACE: 17

SUBJECT OF MEETING:

HB 380 - A.M. H.S. Commission

HB 434 - Motor Vehicle Special plates

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?	WHAT SUBJECT/ WHICH BILL?
Juanita Hensley	DPS/DMV	PO Box N, Juneau	99811		465-4335	Y N	Questions only
Jim Ayers or Randy Simmons	DOT/AMHS	3132 Channel Dr.			465-3900	Y N	
Jon Stables	AGEA/AA-CIO	641 Co. Willoughby, suite 100 PO Box 110900	99801		463-4949	Y N	HB 380
Jeff Morrison	DMVA	Juneau AK 99811			465-4600	Y N	HB 434
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	

HB

402

HOUSE COMMITTEE REPORT

(7)

Date Referred: January 15, 1992

FURTHER REFERRALS:

Finance

Date of Committee Action: 1/28/92

The TRANSPORTATION Committee considered:

HB 402

HOUSE BILL NO. 402

NAME GLENN G. BRIGGS BRIDGE (EAGLE RIVER)

"An Act naming the Glenn G. Briggs Bridge."

RECOMMENDATIONS: the same title
 be replaced with _____ a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____

APPROVES PREVIOUS: (Dept/Date) _____

fiscal impact _____

fiscal note(s) _____

zero fiscal note DOT PF

zero fiscal note(s) _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Frank Phillips</i>	<input checked="" type="checkbox"/>				
<i>Drew A. Lemah</i>	<input checked="" type="checkbox"/>				
<i>Eugene H. Kasper</i>	<input checked="" type="checkbox"/>				
<i>Bill Hurd</i>	<input checked="" type="checkbox"/>				
<i>Richard D. Gray</i>	*				

Richard D. Gray
 CHAIRMAN'S SIGNATURE

FISCAL NOTE

Revision Date: 01/15/92
Title: Naming the Glenn G. Briggs Bridge

Department Affected: DOT&PF
BRU: Design & Construction

Sponsor: R. Phillips
Requestor:

Component: CIP Program
Component Serial Number: 563

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY93	FY94	FY95	FY96	FY97	FY98
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING:	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUNDS	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE	0	0	0	0	0	0
TOTAL FUNDING:	0	0	0	0	0	0

POSITIONS

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

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Katy McHugn, Legislative Liaison

Phone: 465-3900

Division: Office of the Commissioner

Date: January 15, 1992

Approved by Commissioner: 

Phone: 465-3900

Frank G. Turpin

Agency: Department of Transportation and Public Facilities

Date: January 15, 1992



Member

House Finance Committee

Alaska State Legislature

Randy Phillips

State Representative

House District 15

Session

State Capitol
Juneau, AK 99801
(907) 465-4949

Interim

P.O. Box 142
Eagle River AK 99577
(907) 694-4949

Memorandum

TO: Representative Richard Foster, Chairman
House Transportation Committee

FROM: Representative Randy Phillips *REP*

DATE: January 22, 1991

RE: Sponsor Statement in Support of House Bill 402
"An Act naming the Glenn G. Briggs Bridge."

Glenn G. Briggs was a pioneer businessman and philanthropist who made major contributions to Alaska and to the Chugiak-Eagle River area in particular. He died on May 10, 1990 at the age of 87.

In 1932, Glenn Briggs was chosen by the U.S. government to to assist in the development of native-owned reindeer herds on the Seward Peninsula. With the outbreak of World War II, the reindeer project came to an end. In 1943 he decided that Eagle River was "a good place to park the pigs.", he then devoted the rest of his life to making the community a place where people like to live. Glenn Briggs purchased a 160 acre homestead in Eagle River and started a hog farm, meat-packing house and smoke house.

Mr. Briggs developed one of the first subdivisions in Eagle River. He helped to develop the Eagle River Shopping Center and the Parkgate Professional Building. Mr. Briggs underwrote the costs of writing and publishing the book BETWEEN TWO RIVERS, by Marjorie Cochrane, a history of the Chugiak-Eagle River area. He was instrumental in organizing the Chugiak-Eagle River Chamber of Commerce, the Eagle River Lions Club, Knik Little League and several other organizations. He was particularly supportive of youth and established scholarships that have benefitted a number of local high school students.

The true extent of Glenn G. Briggs' philanthropy will never be known as he often used fictitious names to identify his gifts. He refused requests to be photographed in connection with contributions and asked that he not be identified for his support of non-profit organizations.

Glenn G. Briggs was a man who refused to be recognized for his contributions while living. It is fitting that we should now give him the recognition he deserved by naming the Hiland Bridge in his honor.

If you have any questions do not hesitate to call me at 4949.

Eagle River pioneer Glenn G. Briggs dies May 10 at age 87

The man who in 1943 decided Eagle River was "a good place to park the pigs" — and then devoted the rest of his life to making the community a place where people like to live — passed away May 10, 1990.

At a memorial service held yesterday (Wednesday) at Evergreen Memorial Chapel, many friends related incidents from the life of Glenn Gillen Briggs. He was a businessman, developer and leader who still had an active interest in the welfare of his community when he died at the age of 87.

Having a background in animal husbandry and the meat packing industry, Mr. Briggs was chosen by the U.S. government to assist in efforts to develop native-owned reindeer herds. One of four unit managers hired by the Bureau of Land Management, he went to Nome in 1932 aboard the steamship "Victoria."

It was during his work on the Seward Peninsula that he met Mary Louise Campbell, daughter of the owner of the trading post at Kotzebue. They were married on November 18, 1936. Four years ago the couple celebrated their golden wedding anniversary among a large crowd of friends.

The reindeer project came to an end with the outbreak of World War II. Mr. Briggs went to Juneau to enlist in the armed forces but as a married man past age 35 was rejected, according to an interview recorded in "Between Two Rivers," a history of Chugiak - Eagle River written by Marjorie Cochran.

Having been impressed with the area while traveling from Anchorage to the young agricultural project in the Matanuska Valley, Mr. Briggs had been interested in the possibility of settling here and raising animals for meat. He arranged for a contract to supply the new Ft. Richardson military base with pork.

Mr. Briggs purchased the 160-acre homestead of Jack Cobol and established the hog ranch there. The couple continued the operation for several years.

At the conclusion of the war, Mr. Briggs saw the area's potential as a desirable residential community and developed one of the first Eagle River subdivisions. Even though not required at that time, he provided many amenities which added to the quality of the neighborhoods he created.



Glenn G. Briggs dead at age 87

Recognizing a need for goods and services in the growing community, Mr. Briggs joined in building Eagle River Shopping Center. It housed several businesses, including a grocery store, and the post office. He later formed a group which built

the Parkgate Professional Building.

Mr. Briggs was instrumental in organizing the Chugiak - Eagle River Chamber of Commerce and served on its first board of directors.

Cultural needs of the community were also backed by the pioneer developer who supported and contributed to various projects. He was instrumental in forming the Eagle River Lions Club, Knik Little League and other organizations. He was particularly supportive of activities for young people and through his business assisted with many of their financial needs.

Mr. Briggs shunned publicity for his philanthropies, in some cases inventing fictitious names to be listed as sponsors of such things as scholarships for local high school students. He declined requests to be photographed in connection with contributions and asked that he not be identified for his support of non-profit organizations.

Expanding his interest in affairs which affected the community, Mr. Briggs was active in politics. He was a staunch Republican and held local and state offices within the party. When the Greater Anchorage

Area Borough was formed in 1963, he was elected as the first assemblyman from Chugiak - Eagle River.

Mr. Briggs considered it important that the community's history be written. He underwrote printing of the "Between Two Rivers" book and provided many of the pictures it contained.

A charter member of the Chugiak - Eagle River Chamber of Commerce and Eagle River Lions Club, he held membership over the years in a number of other community groups. At the time of his death, he held a position on the board of trustees of the Chugiak Senior Center Foundation, Inc. and was active in that group.

Born November 16, 1902, in Independence, Iowa, Glenn Gillen Briggs was the son of John Damon Briggs and Nora A. Gillen. He is survived by his wife, Mary Lou Briggs of the family home in Eagle River; and two brothers, James Briggs of Valiceto, Calif. and Dale Briggs of Eagle River.

The family suggests that memorial contributions be made in his name to Chugiak Senior Center Foundation, Inc., HC78 Box 2890, Chugiak 99567.

attention:
Randy Phillips

Rivers and the next year work began on the Palmer Highway. The highway was a joint accomplishment of Anchorage Light and Power and Alaska Road Commission. Each built twelve miles of the meandering one-lane highway.

It was a highway in name only. Mary Siebenthaler Bryant, who moved to Palmer with her husband when he was hired to help build the colony, remembered it as "the awfulest road. When it was icy, you couldn't get around the curves. The road was so bad in winter that when we got to Eklutna Flats I'd usually say, "Stop, I want to get out and walk!"

Peter Bagoy, who had gone to work for the road commission in 1927, said that after freezeup, late in the fall of 1936, motorists could drive from Anchorage to Palmer. "It was not a good road," he added, "but it was passable."

But Melva Pippel called the road "the most interesting thing that ever happened in Southcentral Alaska."¹⁴ Melva and her husband Walter were colonists, newly arrived from Minnesota, and a decade later, they would have ninety acres of vegetables under cultivation in Eagle River. But when they reached Palmer in 1936, there were only eighteen miles of road in the Matanuska Valley. The colonists, used to thousands of miles of highways in the states, often felt trapped.

The Palmer Highway was "... a little narrow road, a one-car road with turnouts," Melva said. But when it was opened, "You never saw so many happy people. They had someplace to go." She and Walter drove an old truck to Anchorage to attend their first Fur Rendezvous that winter. She wore "a long red velvet gown over that little old narrow highway and Walter was all dressed up too." The following summer they took their four children to Anchorage's Fourth of July celebration. Melva remembered "all the old gold miners and trappers" who came to town for the Fourth. "They would take our little kids and buy candy for them. They were the kindest people . . . and talk about a wonderful time!"

Another traveler on the Palmer Highway not long after it was first opened was Glenn Briggs, a reindeer unit manager for the Department of the Interior in Western Alaska. He had been in Alaska since 1932, but had not visited the Southcentral area, and he was interested in its potential for livestock raising.

Briggs had graduated from Iowa State with a major in animal husbandry and a minor in economics. After graduation, he went to

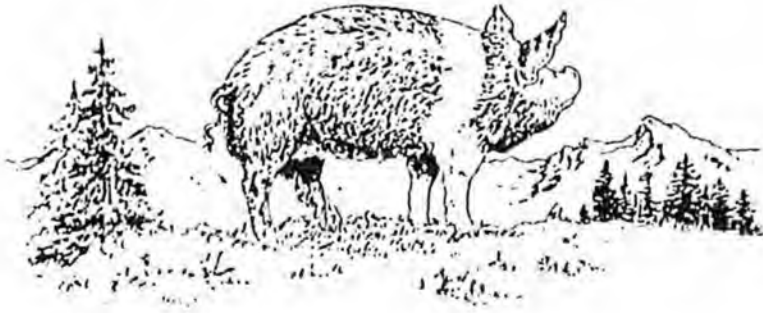
work for Armour Packing Company in Chicago. Western Alaska, at that time, was populated with reindeer which had been introduced several decades earlier to help provide Natives with a new source of meat when the area was threatened by food shortages. Gradually, many of the herds had been acquired by Lomen Company. Lomen deer and Native-owned herds had become intermixed, and by 1932, the Department of the Interior had ordered that only Natives would be allowed to own the herds. Negotiations began to return the herds of non-Natives to the Eskimos. Department of the Interior representatives visited the Mid-West, looking for persons experienced in animal husbandry who would represent the Natives during the changeover. Briggs was one of the four unit managers hired.

In Anchorage, on vacation, he met I.M.C. Anderson, head of the Farm Home Administration, and talked with him about the possibility of livestock raising in Southcentral Alaska. Anderson took him to Palmer, driving over the gravel, winding road closely bordered by willows. Briggs liked the looks of the country Anderson showed him and was convinced that he would like to return when his job with the Department of the Interior ended.

Enroute to Palmer, Briggs and Anderson probably passed a small, flat-roofed roadhouse near Upper Fire Lake. In 1934, before the bridge across Eagle River was completed, Ken Laughlin filed on 160 acres adjoining the Siebenthaler's homestead to the east. His land included Upper Fire Lake, and, in 1935, he built a small two-room cabin on a hill above the north end of the lake. The cabin was probably typical of many of the "prove-up" homestead dwellings. Its central room contained a wood stove, sink, cupboards, a small dining space and a daybed. A small bedroom opened off the main room. The floor and ceiling joists were of rough-cut spruce, and the exterior walls were covered with rounded spruce slats. Between the vertical slats and the framing was a layer of cardboard insulation.

Laughlin was an organist in the Empress Theater in Anchorage. In his free time, he hauled materials for his cabin by dog team from the Green Lake Loop Road, north of Anchorage. Laughlin had his cabin completed in time to open what might be called the first fast-food service in Chugiak - Eagle River. The new Palmer Highway was being built below the cabin, and Laughlin took over a construction campsite where he sold hotdogs and hamburgers to highway crews.

Peter Bagoy remembered stopping there for coffee. Since Laughlin



Chapter 3

Lovely Fields Below the Mountains: The Homesteading Years

ANTICIPATING THE NEED for a base in Southcentral Alaska, the federal government had withdrawn land for a military reservation by Presidential proclamation in 1939. The reservation swallowed several homesteads between Anchorage and Eagle River. North of Eagle River, between the river and Birchwood, a quarter-mile-wide strip of land along the Palmer Highway was withdrawn. The military reservation surrounded the Siebenthaler

homesteads. Frank and Fina had already given up mink farming and moved to Anchorage where Fina operated a greenhouse and Frank was a federal worker. Slim and Elsie still used their cabin for weekend outings. On May 1, 1941, both homesteads were withdrawn by executive order with the understanding that if the land were ever released, the Siebenthalers would be given the opportunity to buy it back for the same amount that the government paid them for it. The land was apparently used only for a "rest and recuperation" site for enlisted men. Not long after the war began, the cabin burned to the ground. Mary Siebenthaler suspected that "it was probably just some soldier who didn't know how to build a fire right."

Late in the fall of 1941, when Margaret and Paul Swanson were honeymooning in their one-room apartment, Glenn and Mary Lou Briggs celebrated their fifth wedding anniversary in Nome. The events that had led to their marriage began in 1930 in Kotzebue, when trader Tom Barriman's new wife Molly set out to trade for furs upriver. She paid the equivalent of \$2.50 for each of the muskrat skins she bought. When Barriman shipped them to his partner, Ernest Patterson, in Seattle, Patterson could market them for only 49 cents apiece. The financial fiasco convinced Patterson that he needed a representative in Kotzebue to handle his business. He sent his daughter, Teresa Campbell, north. A widow, Teresa was no newcomer to Alaska. She had helped her late husband run a store in Nome during the gold rush days. But there were few white women in Kotzebue when she arrived in the early '30's and she was homesick. She sent for her daughter Mary Lou to join her at the trading post."

Glenn Briggs' job with the Reindeer Service took him to most towns on the Seward Peninsula. By the time he got to Kotzebue, however, Mary Lou had left for California to study dress design and millinery. Two years later, when she returned, she and Glenn met. Mary Lou put her new dress-designing skills to work to make a street-length, coral taffeta wedding dress. The wedding ceremony was held November 18, 1936, in her mother's home. The next day Glenn left by dog team for three weeks of reindeer work.

By the time World War II began, the transfer of reindeer to Native ownership was nearly completed. In December of 1942, Glenn was released from the Reindeer Service. He went immediately to Juneau to enlist in the Army, only to learn that married men over 38 would not be accepted.

In Anchorage, 8,000 servicemen were stationed at Fort

Richardson. Glenn saw the opportunity to help supply the base with fresh meat, which was scarce during the war, by setting up the livestock operation he had planned for so many years. All non-military shipping to Alaska was prohibited during the war, but Glenn received permission from Territorial Governor Ernest Gruening to move a shipment of hogs to Alaska. He arranged with Major General Simon Dolivar Buckner to use garbage from the base to feed the pigs. He asked his brother Dale to buy a carload of hogs — 76 gilts and 4 boars — in Nebraska and ship them to Seattle. While he awaited their arrival, Glenn built special crates, each designed to hold four pigs. Glenn accompanied the hogs by ship to Seward and loaded them on a railroad car for Anchorage. But he had no place to house them once they were unloaded. He set up a makeshift corral beyond town, in the woods at the end of Merrill Field, while he looked for land:

Glenn wanted to settle as near the base as possible. The first piece of private property north of the main portion of the base was Jack Cobol's homestead in Eagle River. By luck, Cobol had already decided to sell the land. A week after Glenn reached Anchorage with his pigs, he paid Cobol \$7600 for the 160 acres, the small log cabin, an old Plymouth car, and a few pieces of equipment. On June 1, he trucked his pigs from Anchorage to Eagle River and turned their shipping crates into temporary hog houses. With the \$7600, the Cobols bought the Lane Hotel at 4th and C in Anchorage which they operated for several years.

When Glenn and Mary Lou moved onto their new homestead, the valley



Glenn and Mary Lou Briggs on the steps of the Cobol homestead cabin shortly after they purchased it in 1943.

(BRIGGS PHOTO)

The Homesteading Years



The original Jack Cobol homestead cabin on Meadow Creek, photographed in 1943. (Briggs photo)



George Morelander, left, principal of the Eklutna Industrial School from 1942 to 1945 when students were transferred to Sitka, often visited the pig farm and Eklutna students helped harvest the Briggses' potato crops.

(BRIGGS PHOTO)

was a broad expanse almost solidly covered with timber. The only clearings were the 20 acres on their property and the 20 acres that Nyberg had cleared. Their water came from Meadow Creek which flowed down from the Chugach Mountains through their land. They hand-dug wells for water for the hogs. Glenn built a brood house and a farrowing shed. The next spring they planted potatoes in the clearing beside the cabin and that fall they hired students from Eklutna school to harvest the crop.

From the windows of the log cabin, Mary Lou could see the Palmer Highway and the treacherous hill beyond the river bridge. In the winter when the hill was icy, she watched anxiously for the garbage truck which Glenn drove each morning to the base for the day's supply of pig food. It was always a relief, she remembered, when she saw the truck safely reach the bottom of the hill.

The initial hogs which Dale Briggs had hand-picked for Glenn in Nebraska were purebred Hampshires, selected for their hardiness. Glenn brought two carloads of grain to Alaska, along with the hogs, and for the first two years he supplemented the base garbage with the grain. By the time the grain was gone, however, it was apparent that the pigs did not need it and they were fed only the Fort Richardson leftovers.

Probably no pigs ever had a more exotic diet. The Army was wasteful. Some days there would be as many as 25 or 30 carcasses of lambs tossed out almost unused "because the military didn't like lamb," Glenn said. He hauled turkey and dressing and case after case of Spam, the cans unopened but pierced so that they could not be used by civilians. Mary Lou took some of the garbage to feed the chickens which she raised both for eggs and for eating.

In the winter months, which the Briggses remembered as much colder in the 1940's than they were in later years, Glenn kept a kerosene heater burning under the garbage-hauling truck to keep the oil warm. For weeks at a time, the thermometer registered 40 below zero. After Glenn left in the mornings for the base, Mary Lou moved the heater to the middle of a washtub in the chicken coop "and the chickens perched around the edge of the tub, keeping their toes warm."

At night the pigs were bedded 30 to 40 to a shed where body heat kept them warm. In extremely cold weather, the heat the pigs generated was a problem in itself. When the hogs left the sheds to feed, the sudden exposure to the cold caused occasional cases of pneumonia in the herd.

When Glenn returned with his load of garbage, the feed was spread on eating platforms for the pigs. But the platforms attracted black bears and the bears often stole not only garbage but the pigs, too. The bears came in over the fences and dragged the pigs out. Glenn would find their carcasses later in the nearby woods. He had help, however, from Fort Richardson soldiers in controlling the bear population.

"It was a big deal for military people to get away from the post," Glenn said. "On weekends, they'd come out to help with the farm work, just to get away from the base and have a homecooked meal."

When the bears became a nuisance, Glenn furnished guns for bear-hunting excursions. The first few years more than 40 black bears were killed near the homestead. Mary Lou rewarded the hunters with Sunday dinners which were even more of an attraction than the hunt itself. Hungry for home-cooking, the servicemen enjoyed the pork roasts and hams she served, along with garden produce and home-baked desserts.



In 1944, the flat-topped leaking roof of the Cobol cabin was replaced by the Briggses with a new gable roof. Soldiers from Fort Richardson helped with the repairs in exchange for a home-cooked meal. (BRIGGS PHOTO)

During their first winter on the homestead the Briggses discovered that the flat roof on the cabin leaked. When they decided to replace it with a gable roof, half a dozen men from the base volunteered to help. "We put the gable on in one weekend," Glenn said, "and they wouldn't take any pay."

Years later, the Briggses were still receiving letters from some of the former servicemen, telling them how much they had enjoyed the experience on the homestead.

Despite the volunteer help, there was more work than two people could handle. The need for more land for the expanding hog operation had led Glenn and Mary Lou to buy a 120 acre tract to the south of their homestead which had been staked by a man named Bailey who had never moved onto his property. In 1944, Dale Briggs

Richardson and as soon as bans on non-military travel were lifted, his wife Ruth came to Alaska to join him. With her were their four children: Lynn (10), Glenn (8), Michael (6) and Mark (3). Dale was credited by his children with winning the war single-handed. On the day that he was drafted, Germany surrendered. The day that he was sworn in, the Japanese called it quits."

Meanwhile, Dale had filed for a 160-acre tract of land adjoining Glenn and Mary Lou's homestead to the north. During his time off from the base, Dale began building a log cabin and proving up on his land.

The shell of the cabin went up in the summer of 1946. The family lived in base housing on Fort Richardson until the house was completed. It was built on a rise overlooking the pig farm. One of the children's tasks during the summer was to haul water from Meadow Creek to the house. Mary Lou's strawberry patch bordered the creek and, in exchange for helping to tend the berries, the children were allowed to sell strawberries at a roadside stand beside the Palmer Highway. The berries were huge and beautiful, their mother remembered. A handful filled a pint-size basket, which the children sold for 50 cents.

In the early days of livestock operation, Glenn took his hogs to Palmer for butchering, but that was so expensive that he began processing the meat himself. He built a smokehouse as well as a slaughterhouse, and sold hams and sausage to most of the hotels in Anchorage. Before long he was grossing \$40,000 annually. "It was a lot of money then," he said. "The cost of operating was low."



In 1944, Dale Briggs, right, came from Kansas to join his brother Glenn in the operation of the hog ranch.

(BRIGGS PHOTO)

Africans, a few Pilgrims. They named their homestead "Quanta La Goose Farm," a parody of a Spanish song entitled "Quanto Le Gusto" that was popular in the 1940's.

The couple raised chickens as well as geese and sold both eggs and fryers. The chickens led to one of the first experiments with solar heating in the area. Reese built coops with plexiglass windows

it.

Except for the Briggs farm, there was little other development along the first few miles of the Palmer Highway north of the Eagle River bridge until the late 1940's. But the Lars Nyberg property had changed hands. Walter Pippel had become disillusioned with the marketing restrictions imposed on farmers in the Matanuska Project. In 1936 his fields had produced the first marketable produce in the colony. "We had the most beautiful crop of vegetables in Palmer you ever saw," Melva remembered.

But Pippel did not want to be told how and when he could market the vegetables. He filed suit against the colony's regulations. Three years later, after Pippel received an out-of-court settlement, the family left Alaska to return to Minnesota. His fight with the government did not dampen Pippel's enthusiasm for the possibilities of agriculture in the territory. Shortly before World War II, the family



The one-lane "highway" between Palmer and Anchorage in the early 1940's passed through thick unbroken stands of birch and spruce. The only clearings were at the Cobol, Nyberg and Laughlin homesteads.

(BRIGGS PHOTO)

Virginia and Jim, joined him. Joyce had found an unoccupied cabin which had been built by Harold Swank on federal land a few miles north of Fire Lake Lodge at mile 18.5 of the Palmer Highway. Swank had not been able to claim the land and had given up the cabin. The Parksés staked five acres which included the cabin as soon as the area was opened for homesite development in January of 1945. Later,

to Eagle River could pick up their mail without driving to Anchorage.

As Christmas of 1947 approached, the families put aside their worries about power, school, and fires for a community celebration of the holidays. They planned a potluck supper and a Christmas party at which Santa would distribute presents. The Parks volunteered the use of their coffee shop. Three women agreed to make and fill 20 Christmas stockings for the smaller children. Vernon Haik donated a supply of red flapping for stocking material. Cloyce Parks offered to cut and decorate a tree. Fred Hasekoester worked with Cloyce for several days in mid-December to build tables and benches to seat the sixty-three children and adults. Daria Alex said she would make popcorn balls for all the youngsters.

The party of December 23 was declared "a great success." Tables were decorated with candles and baskets of frosted leaves and spruce branches. A report in the Community Club minutes indicates that "Sgt. Lane carved the tasty meat loaves. Sgt. Duncan and his men brought a handsome chocolate cake which was served at the end of the party."

In the midst of after-dinner games, Santa himself arrived, looking suspiciously like Paul Swanson, who had agreed earlier to "extend a personal invitation to Santa." He distributed toys and stockings to the children and the 50-cent gifts which each adult had brought. The party broke up about midnight. "It was a Merry Christmas," the report concluded."

The Eagle River homesteaders did not join the community club until later. In 1947, the only lights to shine through the Christmas dark were from the cabins of Glenn and Dale Briggs and two new families who were homesteading to the east.

Arthur and Eleanor Braendel and Frank and Jo Brink had filed for adjoining land that summer. The two couples had become friends through a Little Theater group in Anchorage not long after they had arrived shortly after the war ended.

It was music, not drama, that had introduced Eleanor and Arthur across the continent in 1943. Both were New Yorkers. Eleanor had enrolled at Cornell University to study accounting. Arthur, who had enlisted in the Navy, was sent to Cornell for a special three-months diesel engineering course. A cellist, he began looking for string players interested in forming a string quartet. Eleanor and her viola answered his bulletin board ad.

At the end of the three months, Arthur shipped out to the South

Pacific where he spent the rest of the war in the tropics. When the war ended, he went in search of "someplace cold" to recover from the heat and humidity of the past two years." He'd planned only a short visit to Alaska. But when he reached Juneau, he was hired by the FAA as a mechanical engineer and was transferred to Anchorage not long afterwards. He proposed to Eleanor by mail.

In the fall of 1946, Eleanor set out for Seattle from her home in New York by train, lugging Arthur's cello, her viola and violin, and a 50-pound chest of silverware Arthur's mother had given them for a wedding present. The conductor let her store the cello in a closet that held dirty linens. It was empty when they left New York, but the farther west the train traveled, the more dirty linens piled up in the closet until finally the cello was crowded out. Arthur met Eleanor in Seattle where they were married. They left immediately for Anchorage and a new life together.

That winter they helped found the Anchorage Symphony, and met the Brinks when they provided music for one of the Little Theater productions that Frank was directing. The Brinks were from Pennsylvania. After he was discharged from the Navy, Frank had taken a job with war surplus in Anchorage. Later, he opened an ice cream business with four other persons on Martin's Dairy near Merrill Field. The business was not a success and Frank's partner skipped town, leaving him to pay off the debts.

Both couples shared a desire to "get out in the woods" although they had not come from farming backgrounds. Besides, housing was difficult to find in Anchorage. Early in the summer of 1947, they drove to Eagle River for a picnic and hiked from the end of the Briggses' road up the mountain, looking for a possible homesite. They chose land bordering Meadow Creek both for the water the creek would supply and for the southern exposure.

The Braendels staked 154.6 acres, the Brinks 160. Arthur hired a "taciturn" bulldozer operator, he said, to brush out a road between the two homesteads to the creek. Brink, whom Arthur described as having "an erring sense of direction," had flagged the road. Arthur, wearing a red shirt, told the dozer operator to follow him while he followed the flags. He hadn't counted on the speed of the dozer operator or the problem in locating Brink's route. "There were trees falling down right behind me and I was running as fast as I could go. Finally the dozer operator stopped to eat lunch. That's what saved me from certain death," Arthur said.

Glenn Briggs, who had worked hard for orderly growth for Eagle River, was elected as the first Assemblyman from the community. Glenn had supported the establishment of a state park along Eagle River at the Glenn Highway bridge crossing when the Division of Lands a year or two earlier made available lands dedicated to mental health uses, but he wanted to see restrictions on additional land releases proposed for residential use. In a letter he sent to the Division of Lands, Glenn noted that 1800 acres of small tracts in Birchwood and the Eagle River bridge area had been sold with no restrictions.

"Today Birchwood is a blighted area," he wrote. "Spotted throughout are some nice homes and in most instances each is surrounded by shacks, substandard dwellings, and abandoned starts. Today in the Eagle River Small Tract block there is one F.H.A. approved house and perhaps a dozen others which could with some modifications meet F.H.A. minimum requirements. Fewer than half of the original tracts have any improvements. In some instances tracts were not developed because of the impracticability or impossibility of getting access roads to them. Others did not provide reasonably suitable building sites."

He recommended that if the state disposed of the mental health land for residences, lots should be laid out with the contour of the land so each would have a suitable building site; that covenants should be established to make sure homes met minimum F.H.A. requirements and public health standards; and that roads should be roughed in to provide access to all lots.

Briggs warned that although there was justification in 1953 for making small lots available without restrictions, "there is no justification for the policy now with the Eagle River area established as a growing community."

He concluded that the sale of land for residences should be controlled over a period of several years to provide for the extension of fire protection, a school bus system, power and telephones, and during his tenure on the borough Assembly he continued to push for these improvements.

Eagle River had formed its own volunteer fire department in the fall of 1959. Throughout the 1960's, it depended on subscriptions and donations to keep it in operation. The first fire truck was a 750-gallon, 1942 tanker which was kept in part of Walt Pippel's potato bars.

Much of the support for the fire department came from fund drives

organized by the new Lions Club. Almost as soon as the club received its charter, members began sponsoring Bingo games to finance the purchase of new equipment for the firemen. In 1965, the club applied for a long term land use permit for 40 acres near the river bluff which they could develop for recreational use. Part of the Bingo proceeds were used for the recreational program. Lions also helped buy the first Eagle River ambulance. Lion vice president Tom Slanker attended the state's first Emergency Medical Technician training in Sitka and volunteered for ambulance duty when he returned. Lions sponsored community cleanups, brought the circus to town, and conducted rabies clinics.

Little League baseball, the first organized sport in the community, pre-dated the Lions' charter. In 1959, Tom Slanker paid the \$125 sponsorship fee himself to allow local boys to join the Mountain View League. CBA members volunteered to get a field ready at Eagle River Elementary. In the meantime, youngsters practiced ball in Dale Briggs' front yard. Four years later the program had grown large enough to enable a separate Chugiak - Eagle River league to be formed.

There were no hockey rinks in the community, but at Fire Lake, where the Polyefkos had begun subdividing their property, Bob Boehm pumped water out of the lake in the winter to keep a rink on the lake ice flooded and skateable. He organized a hockey team and coached neighborhood children. In Eagle River, a 10-lane bowling alley opened for business on the hillside above the shopping center. Sled dog racing was popular and mushers organized a local club. One of its members was Shirley Gavin. She won the world's women's sled dog championships in 1966, 1969 and 1970.

East of Chugiak, where Little Peters Creek flowed down out of the Chugach Mountains, Ray Beam and his sons began planning a ski resort on their homestead in 1961. Building roads and putting in three rope tows, the longest one 2,000 feet, were costly and time-consuming. Not until 1967 did they have the area ready to open with an A-frame lodge and a ski rental shop at the base of the nearly treeless slopes.

The Ptarmigan Valley resort was short-lived, however. Plagued with conflicting land claims and beset with financial troubles, the Beams operated the ski area only one year and the land eventually became part of Chugach State Park.

In late March of 1964, when Chugiak High School was under

have given Chugiak - Eagle River direct representation in the State Legislature for the first time, had been struck down by the courts. The new Northeast District which Egan thought should be established was to extend from the Old Knik Bridge south to Mountain View in Anchorage, a distance of 40 miles, to include Fort Richardson and part of Muldoon as well as Chugiak - Eagle River. Although a number of local residents had been candidates for the legislature in primary elections, none had been successful in the at-large races in the single big district that included all of Anchorage.

When Egan's plan was rejected, the community was split instead between the Mat-Su and Anchorage districts. Under a plan formulated by the Supreme Court, Eklutna, Peters Creek, Birchwood and Chugiak were to be part of the Mat-Su District which had one representative in the state house. Fire Lake and Eagle River would be in the Anchorage Northeast district. Five hundred residents sent telegrams to the Supreme Court objecting to the division. Egan expressed concern over splitting "the natural socio-economic area." And the *Star* noted that "This community of 7500 persons, despite the hyphen we use in the name Chugiak - Eagle River, is one. The area on our side of the mountain is different from either the Anchorage or the Mat-Su areas. Our problems are different. Different solutions are needed. Solving the problems of our neighbors to the north and south does not always solve problems here."*

One long time Chugiak resident was bitter over the division because, he said, it came just when the community was beginning to pull together solidly, overcoming some of the ill feelings and jealousies of past years. Not until the end of 1973, however, was a new reapportionment plan finally approved which reunited Chugiak and Eagle River into a district that included Muldoon and Mountain View areas, with four seats in the House and two in the Senate.

In the intervening year, dissatisfaction with borough government had mounted in the community. There were controversies over where access sites from the old Glenn Highway onto the new four lane freeway should be located; where the proposed extensions of the first public sewers, built in 1972, should go; what site was best for a new elementary school, and for a fire station. Planning for the new facilities, residents felt, was too often done by borough newcomers who were unfamiliar with the community. When officials presented their proposals, residents were apt to find flaws and reject them.

In the summer of 1973, an editorial in the July 26 edition of the *Star* suggested that "The time has come for serious thought and expeditious movement toward some form of incorporation for this community." Already a group had been formed to push for secession from the Greater Anchorage Area Borough. Incorporation, the editorial continued, "would be a barrier against being swallowed up by annexations or through unification" and would allow elected local representatives "to plan for the community's needs and speak for it."

The *Star* noted disadvantages: the increased costs of local government and the possibility that it would still become part of Anchorage if a unification plan were ever accepted. But it argued that the cost of government could be absorbed, and that services which the area needed, like police protection and road maintenance, "would be grandiose" if offered by Anchorage, while local residents were more apt to favor only minimal, and less expensive, plans.

Assemblyman Ed Willis continued to advocate a second-class city as the best solution. Glenn Briggs warned, however, that "It was only with the clout and broad tax base of the Greater Anchorage Area Borough that sewer service was made available to the Eagle River area. Without sewers, the greater part of the business district of Eagle River would have died . . . and many homes . . . would now have been abandoned."

He said an incorporated city could not afford the police protection, road improvements, and public water system that were needed now more than ever.

Up and down the highway, more and more homes were going up. The construction of the oil pipeline from Prudhoe Bay to Valdez was gearing up. Although the pipeline itself would be built hundreds of miles away, many of the workers who were coming to Alaska from the southern oil states were buying homes in Chugiak - Eagle River. As the population continued to grow rapidly, there were thefts and break-ins, traffic tieups on the still-uncompleted highway between the community and Anchorage, and an alarming number of traffic accidents and deaths.

A wave of vandalism began that affected nearly every major local business. George Malekos, who had opened the North Slope Restaurant in Eagle River after a stint as a cook on the North Slope himself, described the damage. "They hit the liquor store, my

restaurant, the candy shop, the local tool rental business, the lumberyard, the taxidermist."''

In alarm, merchants and other residents formed a vigilante group that patrolled the streets at night and checked to make sure doors of businesses were locked.

Then, on December 7, 1973, an event occurred that was more earthshaking for the community than the Good Friday earthquake a decade earlier. At 2:50 a.m., 78,000 pounds of dynamite in a storage bunker on Alaska Railroad land a mile northwest of Eagle River exploded.

The blast jarred homes throughout the area, caused heavy property damage, although no lives were lost, and was felt from Palmer to Rabbit Creek. The storage bunker disintegrated, and the blast blew out a large crater in its place. Trees and brush were knocked down in a wide area.

At Eagle River Elementary, third graders reported their reactions to the explosion.

"I heard some rumbling and then I heard a big boom," one youngster wrote. "My dad told us to get some warm clothes on. We looked out the window and saw a big mushroom shaped smoke."

Another child reported that when the dynamite exploded, "our garage door fell off and flew away and my dad got excited."

A third noted that the first boom he heard "was the explosion. The next boom was my father jumping out of bed!" "

Four persons, three of them 18-year-olds from Eagle River, were arrested. They pleaded guilty to using a home-made bomb to detonate almost 40 tons of dynamite. Property owners filed claims against the railroad and the cases dragged on for several years before settlements were finally made. Despite the dangers that the blast had made apparent, other nearby bunkers continued to be used to store explosives over repeated objections from residents.

The explosion brought to a head the need for police protection for the area. Yet in a special election the following March, voters rejected extension of borough police powers by a margin of 50 votes. The measure passed in Eagle River, Fire Lake, and Chugiak precincts but failed in Eagle River Valley, Birchwood and Peters Creek. A lack of confidence in borough operation of a police department was blamed by some for the election's failure. Others feared that the costs of police protection would increase uncontrollably; some saw the result as a vote not against the proposed service area but against

the borough itself, or the possibility that it would be a step toward unification. One voter said he felt the ultimate solution was "to control our own services by forming a new borough."

Although the separatist movement was gradually gaining support, the one major argument against independence from Anchorage continued to be the lack of a broad tax base. Schools were the major employer in the community. No attempts at establishing industries had been successful. A plant opened in Eagle River to produce foam pellets but closed after only a few months when the building burned. The number of local businesses was increasing but they were small and had few employees. A corporation headed by Glenn Briggs built the community's first large office building, the Parkgate Building, and the office spaces were leased to a savings and loan institution, a travel agency, a beauty salon, a title company, a real estate firm, and others, evidence of the growing sophistication of the area.

Across the river, on its south bank, the state opened the Eagle River Correctional Center, a medium-security facility that was the first in the state to emphasize rehabilitation. Almost immediately it was criticized for its "country club" design and atmosphere. College classes and skill training for inmates were planned. It had "probably the best equipped kitchen in Alaska," a lounge, commissary, music room, library, gymnasium, shop — and a 14 foot fence surrounding it. "It's a nice place to visit," editor Lee Jordan concluded, "but I wouldn't want to live there." A third of its staff lived in Chugiak - Eagle River, but its payroll brought only a few added dollars to the area.

The only real source of income for a separate borough would be from property taxes. But so attractive was the idea of an independent government becoming, in spite of its costs, that in April of 1974, a group of Eagle River residents flew to Juneau to lobby for a bill which would put a vote on incorporation as a separate second-class borough on the ballot in the August primaries. If it failed, a second-class city within the existing borough would be proposed on the November ballot.

When the bill came up for consideration, other local residents, including Assemblyman Ed Willis, rushed to Juneau to testify against it. Willis called for an economic study before any such measure was voted on. Glenn Briggs and Stanley Nickerson warned that large tax increases would result. Anchorage Borough Mayor Jack Roderick agreed, pointing out that he saw no way that a separate Chugiak -

H B

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HOUSE COMMITTEE REPORT

(7)

Date Referred: January 15, 1992

FURTHER REFERRALS: Community & Regional Affairs
Finance

Date of Committee Action: 2/6/92

The TRANSPORTATION Committee considered:

HB 399

HOUSE BILL NO. 399

AUTHORIZE PORT AUTHORITIES

"An Act relating to the establishment of port authorities by municipalities; and providing for an effective date."

RECOMMENDATIONS:

be replaced with CS HB 399 (Trans) the same title a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____

APPROVES PREVIOUS: (Dept/Date) _____

fiscal impact _____

fiscal note(s) _____

zero fiscal note Dept of Transportation

zero fiscal note(s) _____

SIGNING <u>DO PASS</u>	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Eugene G. Kukuna</i>	X				
<i>Neil Hudson</i>	X				
<i>(Oran) D. Leman</i>	✓				
<i>Gail Phillips</i>	✓				
<i>Angie Mah...</i>	✓				
<i>Richard Joseph</i>	*				

Richard Joseph
CHAIRMAN'S SIGNATURE

FISCAL NOTE

Revision Date:

Department Affected: DOT&PF

Title: An Act relating to the establishment
of a port authority by municipalities

ERU: Headquarters

Component: Plans, Programs & Budget

Sponsor: Representative Baker

Requestor: Representative Baker

Component Serial Number: 0542

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY93	FY94	FY95	FY96	FY97	FY98
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING:	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE						
FUND SOURCE:	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUNDS	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
FUND SOURCE:	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

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

Estimate of current year impact: 0

ANALYSIS: (Attach a separate page if necessary)

No direct impact on this agency.

Prepared by: Rich Poor 

Phone: 465-2171

Division: DOT&PF, Plans Programs and Budget

Date: 1/27/92

Approved by the Commissioner: 

Phone: 465-3900

Frank G. Turpin

Agency: Department of Transportation and Public Facilities

Date:

Distribution by Preparer: Legislative Finance, Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies)

Alaska State Legislature

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Representative Larry Baker **MEMORANDUM**

DATE: December 16, 1991
TO: Members of the House
RE: Sponsor Statement for Port Authority Legislation



Public transportation facilities are critical to the economic future of Alaska. Our resource exports pass through ports as well as all of our goods and supplies in order to provide services to our state residents. Tourists, intrastate business and numerous other activities move through Alaska's ports and harbors. The economic importance of ports justifies a focused, separate economic entity for the future of the State of Alaska.

The State of Alaska is slowly making the transition from totally paying for, owning and operating public transportation facilities in Alaska. In some cases facilities have already transitioned to local governments. In recent years, facilities have been built by revenue bonds rather than solely with state grants.

Port authorities have been an important economic development tool by other states and nations. Authorities often bridge municipal, state and international boundaries to achieve economies of scale in order to be self-sufficient.

Regional port authorities will be vital to the State of Alaska as we progress toward a more diverse economic base.

If you have any questions, please give my office a call.

LB:elm



*Department of Transportation
and Public Facilities*

POSITION PAPER

BILL NO: HB 399

APPROVED: *J. J. [Signature]*

TITLE: Authorizes Port Authorities

DATE: February 4, 1992

The intent of this bill is to allow municipal governments the authority to establish a port authority within certain jurisdictions and to spell out the power of that authority. This bill will allow municipalities to establish port authorities. Once established, the authority will have separate and independent legal authority. The bill does not determine how a board member is selected or the length of term in office. This is established by the municipality. The port authority will have all normal powers to allow for efficient operations, but will also have Power of Eminent Domain, leasing and bonding authority, be exempt from taxation, but would not have taxation authority. The Department of Transportation proposes an amendment to allow powers of Eminent Domain only if approved by the municipality.

THE ANCHORAGE CHAMBER OF COMMERCE
Legislative Priority

Title Port Authority Legislation

THE ISSUE

Municipalities are restricted in their abilities to provide revenue bond authority and independent political identity for its port. Municipalities rely on state funding to develop ports. As state revenues decline over the next decade, the amount of funding provided for port development will diminish.

THE IMPORTANCE

Empower Anchorage port development by:

1. Allow establishment of an independent port authority.
2. The port authority would have the power to raise bonds, collect fees, own or lease land and develop port projects.
3. Development plans by the authority would be subject to review by the municipality. The authority would not have the power to raise taxes.

The above powers would allow increasing the scope of business activity at the Port of Anchorage without state assistance. Economic development in the port will help diversify the economy and capture a larger share of maritime business.

CHAMBER POSITION

The Chamber supports Port Authority legislation that will benefit the Anchorage economy by allowing the Municipality to independently develop its port and increase port related business.

Approved January 17, 1992

A Resolution of the Alaska Municipal League Board of Directors

Board Resolution No. 92-1

**A RESOLUTION URGING THE PASSAGE OF LEGISLATION
TO ALLOW FOR LOCAL AND REGIONAL PORT AUTHORITY**

WHEREAS, the people of Alaska find themselves with many opportunities in maritime and aviation commerce, international trade, tourism, fisheries, oil and mineral development, timber development, transportation, and other industries in Alaska;

WHEREAS, ports are vital to Alaska's economic well-being and future economic development of these industries and new industries in Alaska;

WHEREAS, the future development of ports in Alaska will require the expenditure of large sums of money and the close cooperation of the State of Alaska, its regions, and political subdivisions in the encouragement of the investment of capital and the formulation and execution of the necessary physical plans;

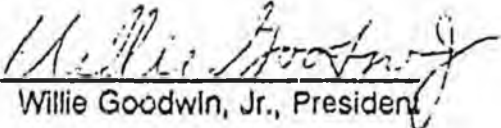
WHEREAS, it is confidently believe that a better coordination of ports, harbors, transportation, and other facilities of commerce in, about and through ports in Alaska, will result in greater economies, benefiting the people of Alaska;

WHEREAS, the foregoing are best accomplished through the enactment of legislation expressly authorizing the formation of local or regional port authorities, defining the purposes, jurisdictions, powers, and duties for such authorities, and authorizing the issuance of self-liquidating revenue bonds by them to finance acquiring, constructing, equipping, maintaining and operating of their ports;

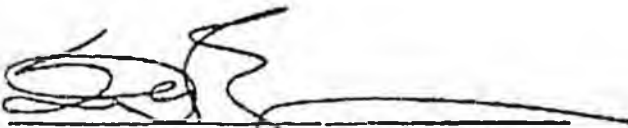
WHEREAS, the foregoing can best be accomplished through the cooperation of one or more of the regions and communities in Alaska by and through one or more joint and common port authorities;

NOW, THEREFORE, BE IT RESOLVED that the Alaska Municipal League urges the Alaska legislature to proceed with all due speed to enact legislation expressly to allow and to provide for the structure for the formation of local and regional port authorities within Alaska and that once enacted, the legislation be signed into law by the Governor of the State of Alaska.

Adopted this 16th day of November 1991.


Willie Goodwin, Jr., President

Attest:


Scott A. Burgess, Executive Director

President R. B. Stiles
122 West 9th Ave. Suite 201
Anchorage, Alaska 99501
Tel. (907) 276-6868
Fax. (907) 276-2395



Alaska Coal Association

Secretary Charles P. Boddy
122 First Avenue Suite 302
Fairbanks, Alaska 99701
Tel. (907) 452-2625
Fax. (907) 451-6543

Representative Larry Baker

Subject: Port Authority Legislation

Dear Representative Baker,

Attached please find a resolution in support of the enactment of legislation enabling the establishment of local and regional Port Authorities. This resolution was passed by the Alaska Coal Association at our annual meeting in November of 1991.

We believe that the establishment of local and, more importantly, regional Port Authorities is essential to the health and growth of the coal industry in the State of Alaska.

While Alaska is rich in natural resources, in state markets for coal, timber and minerals are small to non-existent. In state sources of capital needed to develop these resources are equally small. Thus, developers and producers of Alaska's natural resources must pursue external markets and sources of capital. A critical concern of both customer and capital markets is the inadequate transportation and port infrastructure of Alaska.

Development of transportation systems and port facilities is, for the most part, a function and responsibility of the public sector. While transportation systems are developed largely in response to a general public need, ports are developed in response to more specific needs. Development of ports in Alaska is, at best, a uncoordinated and marginally effective effort of various public and private sector entities. We believe that legislation enabling the establishment of Port Authorities has the potential for significantly increasing the effectiveness of port development.

Given that, in many circumstances, an area served by a port would encompass multiple local political subdivisions it is essential that legislation enabling the establishment of Port Authorities allow for both local and regional authorities.

Development of adequate transportation and port infrastructure is a long term and evolving process. We believe that legislation such as HB 399 is essential to this long term process. Such legislation sends a clear message to both customer and capital markets that Alaska is not only committed to fostering the development of its natural resources; but is equally committed to the development of the transportation and port infrastructure systems needed to get these resources to market.

President R. B. Sules
122nd West 9th Ave, Suite 201
Anchorage, Alaska 99501
Tel (907) 276-6868
Fax (907) 276-2395



Secretary: Charles P. Boddy
122 First Avenue, Suite 302
Fairbanks, Alaska 99701
Tel (907) 452-2625
Fax (907) 451-6543

Alaska Coal Association

RESOLUTION

WHEREAS, the people of Alaska find themselves with many opportunities in maritime and aviation commerce, international trade, tourism, fisheries, oil and mineral development, timber development, transportation, and other industries in Alaska;

WHEREAS, ports are vital to Alaska's economic well-being and future economic development of these industries and new industries in Alaska;

WHEREAS, the future development of ports in Alaska will require the expenditure of large sums of money and the close cooperation of the State of Alaska, its regions, and political subdivisions in the encouragement of the investment of capital and the formulation and execution of the necessary physical plans;

WHEREAS, it is confidently believed that a better coordination of ports, harbors, transportation and other facilities of commerce in, about and through ports in Alaska, will result in greater economies, benefiting the people of Alaska;

WHEREAS, the foregoing are best accomplished through the enactment of legislation expressly authorizing the formation of local or regional port authorities, defining the purposes, jurisdictions, powers, and duties of such authorities, and authorizing the issuance of self-liquidating revenue bonds by them to finance acquiring, constructing, equipping, maintaining and operating of their ports;

WHEREAS, The foregoing can best be accomplished through the cooperation of one or more regions and communities in Alaska by and through one or more joint and common port authorities;

NOW THEREFORE BE IT RESOLVED, that the undersigned urges the Alaska legislature to proceed with all due speed to enact legislation expressly to allow and to provide the structure for the formation of local and regional port authorities within Alaska and that once enacted, the legislation be signed into law by the governor of the State of Alaska.

Passed by the members of the Alaska Coal Association on November 6, 1991.

TESTIMONY OF J. J. BRECHT
BEFORE THE
HOUSE TRANSPORTATION COMMITTEE
ON
HOUSE BILL 399

Anchorage, Alaska
January 30, 1992

Good morning. My name is Julius J. Brecht, and I am an attorney in private practice with the law firm of Wohlforth, Argetsinger, Johnson and Brecht, with offices in Anchorage, Alaska. I wish to thank the committee for the opportunity to offer this written testimony to the record on House Bill 399.

In the way of further introduction of myself and the bill before you, I am the former Director of the Alaska Division of Banking and Securities and practice law in the corporate, finance, and securities areas. I have resided in Anchorage since leaving the division in 1980. I have been involved with various civic and professional groups studying issues of importance to Alaska. Over the past year, I have chaired an ad hoc committee composed of representatives of the Matanuska-Susitna Borough, the Municipality of Anchorage, and several private individuals including myself. We call ourselves the Port Authority Committee.

The common interest of the committee members has been the consensus that port authorities offer an opportunity to support and encourage economic development in an area as yet essentially untapped in Alaska. It is true that Alaska has many harbors and ports. However, with limited exception, these present facilities are woefully under utilized and with limited exception are not in a position to compete in a world marketplace even though Alaska has many resources to offer in that marketplace.

The first charge of the committee was to prepare a resolution to encourage individuals and organizations in Alaska to support the introduction and

enactment of legislation providing for the establishment of port authorities in Alaska. It soon became apparent subsequent to the preparation of that resolution that precious time was being lost in waiting for a draft of such legislation to be produced. I personally volunteered to prepare a first draft of the legislation. That first draft has become HB 399 which is before you today.

The resolution prepared by the Port Authority Committee notes that the people of Alaska find themselves with many opportunities in waterborne and other commerce and other industries in Alaska. The resolution further states that ports are vital to Alaska's economic well-being and future economic development of these industries and new industries in Alaska. In some respects, Alaska can have the greatest natural resource wealth in a number of areas. However, without the infrastructure to get it to market, it is, in large respect, worthless and, in any case, it contributes very little to the economic base in this state. The net result is that we become even more dependent upon existing sources of economic activity, e.g., oil, and even more dependent upon government to "spend" its way out of problems.

An alternative means for economic development and a proven use in other states and countries is the establishment of port authorities and the development of ports in Alaska.

The HB 399 is an attempt to allow for the establishment of such port authorities. Please note that the legislation permits, but does not require, the formation of port authorities.

Briefly, the mechanism set forth in the bill is to allow one or more municipalities to form a port authority by the adoption of parallel ordinances. The port authority would be formed as a public corporation and instrumentality of the municipality or municipalities creating it. It will have separate legal existence from those municipalities. The bill sets out various powers that a port authority may have. One very critical power will be the authority to issue revenue bonds. However, the bill expressly provides that neither the faith and credit of the state nor of the municipalities participating in a port authority will be involved in the issuance of such bonds or other obligations of the port authority.

The bill provides for the establishment of port authorities by local government and not by the state. The bill then does not provide for simply establishing another state program which would be in competition with other state programs for shrinking state revenues in the future. That is, the bill will allow access by a port authority to the revenue bond marketplace separate from that of the state revenues. Furthermore, the particular project which is the subject of the revenue bonds will have to be economically feasible in order to be sold in that marketplace.

The bill provides for a structure of a port authority including the appointment of a board of directors by the governing bodies of the municipalities participating in the port authority. That board of directors will, in turn, hire an executive director to carry out the directives and manage the day-to-day operations of the port authority.

The bill expressly provides that the port authority will have no taxing authority.

The bill, in essence, provides that one or more municipalities may contract with one another to establish a port authority and carry out economic development within that port authority.

I would be most pleased to respond to any questions which you may have regarding the bill, the resolution, or the concept of port authorities. Thank you again for the opportunity to submit testimony before this body.

Alaska Association of Harbormasters & Port Administrators, Inc.

334 Front Street
Ketchikan, Alaska 99901

November 12, 1991

Jerome Selby, President
Alaska Municipal League

Dear Mr. Selby:

The Alaska Association of Harbormasters and Port Administrators recently held its annual conference in Kenai, Alaska. One of the presentations and items of discussion was the Department of Transportation and Public Facilities Ports and Harbors Task Force proposal: Sustaining and Developing Alaska's Ports and Harbors.

Our Association supports the proposal and the essential program elements outlined in the report. The three components: Development Plan, Financial Foundation, and Cooperation must be supported to enhance our facilities and local economies.

The Alaska Association of Harbormasters and Port Administrators feels very strongly that a Financial Foundation must be established as the first step in implementing the proposal. Our Association also feels that harbor maintenance which the State has deferred can be deferred no longer. To that end we request the State appropriate sixty million dollars to perform deferred maintenance of existing facilities, provide matching funds for U. S. Army Corps of Engineers projects, and fund new harbor development.

Please convey our position to your members as you discuss the State-wide Proposal. We are aware that funds are limited and other programs may have a higher priority. We are the operators of facilities that are twenty to forty years old; facilities that are the property of the citizens of our State; facilities that are of great importance to our/your local economy.

Please support us in our efforts.

Sincerely,



A. D. Ensley II, President
Alaska Association of Harbormasters
and Port Administrators

Post-It™ brand fax transmittal memo 7671 # of pages 1

To	RICH WILSON	From	DOUG ENSLEY
Co.	Lik. H&L CREE	Co.	CITY OF KTN
Dept.	2171	Phone #	228-5632
Fax #	561-4674	Fax #	225-5075

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE,

I APPRECIATE THE OPPORTUNITY TO PRESENT TO YOU HOUSE BILL (HB) 399, MY PORT AUTHORITY LEGISLATION.

THIS LEGISLATION WILL PROVIDE NECESSARY FLEXABILITY TO ALLOW ONE OR MORE MUNICIPALITIES TO BAND TOGETHER AND ESTABLISH A SINGLE OR REGIONAL PORT AUTHORITY WITH AUTONOMOUS AUTHORITY FROM THE MUNICIPALITY FROM WHICH IT IS ESTABLISHED.

WHEN I BEGAN LOOKING AT THE NEED FOR CHANGES IN THE WAY ALASKA'S PORT SYSTEM WAS STRUCTURED, I STARTED WITH REVIEWING THE WAY OTHER PORTS ARE ESTABLISHED THROUGHOUT AMERICA. I FOUND THAT MANY OF THE EARLY PORT AUTHORITIES WERE ESTABLISHED AS A PUBLIC RESPONSE TO PROBLEMS ARISING OUT OF RAILROAD CONTROL OF COMMERCIAL PORT AREAS. WHILE THIS IS NOT THE CASE HERE IN ALASKA, SOME CONCERN HAS BEEN EXPRESSED OVER ELEMENTS OF THIS LEGISLATION WHICH MAY BE SIMILAR TO THE STRUCTURE OF THE ALASKA RAILROAD.

THE TERM PORT AURHORITY CAN BE MISLEADING AND EVEN INACCURATE IN IMPLYING AUTONOMOUS OR SEMI-AUTONOMOUS, SELF-SUSTAINING PUBLIC BODY. SOME DO IN FACT MEET THAT CRITERIA. HOWEVER, IN HB 399, PARTICIPATING MUNICIPALITIES WILL DETERMINE THE PORTS' STRUCTURE AN THE MEMBERS OF THE BOARD OF DIRECTORS.

WITH RESPECT TO LAND USE DECISIONS AND PORT BOUNDARIES, THE PARTICIPATING MUNICIPALITIES WILL MAKE THIS DETERMINATION WHEN LOCAL ENABLING LEGISLATION IS ADOPTED.

SINCE DEVELOPING THE PIECE OF LEGISLATION YOU HAVE BEFORE YOU TODAY, I HAVE MET WITH EACH OF THE AFFECTED DEPARTMENTS, THE GOVERNOR'S OFFICE, AND SEVERAL OF MY COLLEAGUES. THIS HAS RESULTED IN MINOR, TECHNICAL CHANGES WHICH I AM OFFERING TO YOU TODAY AS A CS.

YOU WILL SEE THAT THE ONLY CHANGES ARE AS FOLLOWS:

1. Page 2, Line 9, "WITH ANY OR ALL OF THE POWERS PROVIDED" HAS BEEN INSERTED.
2. Page 3, Line 28, A "COMMA" HAS BEEN INSERTED AFTER "RESPECT TO".

3. Page 6, Line 16, "WITHIN ITS PHYSICAL BOUNDARY" HAS BEEN INSERTED AFTER EMINENT DOMAIN.
4. Page 11, Line 24, "EXCEPT FOR AS 19.25.080 - 19.25.180 AND AS 19.27" HAS BEEN INSERTED.

MEMBERS OF THE COMMITTEE, WHILE PORT AUTHORITY POWERS VARY WIDELY, ALL SHARE THE COMMON PURPOSE OF SERVING THE PUBLIC INTEREST OF A STATE, REGION, OR LOCALITY. HOUSE BILL 399 WILL SERVE EACH AREA OF THE STATE OF ALASKA IN A SOUND, RESPONSIBLE, AND MUCH NEEDED WAY. THIS LEGISLATION WOULD BE A STEP IN THE RIGHT DIRECTION WHEN IT COMES TO HELPING OUR LOCAL AREAS DIVERSIFY, ESTABLISH A MODE OF ECONOMICALLY VIABLE MOVEMENT OF GOODS, AND MOST IMPORTANTLY, WEAN SOME AREAS FROM CONTINUED DEMAND FOR STATE DOLLARS.

I WOULD BE HAPPY TO ANSWER ANY QUESTIONS FROM MEMBERS OF THE COMMITTEE.

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

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JUNEAU, ALASKA 99811
907-465-3800

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Mary Van Nimwegen

House Transportation

1 - 30 - 92

HB

417

1992 LEGISLATIVE SESSION

BILL NO. 10-17

Revision Date: _____
 Title: An Act Relating To The Financing Authority of AIDEA

Department Affects: Commerce & Econ. Development
 BRU: AIDEA
 Component: AIDEA

Sponsor: Rep. Choquette
 Requestor: _____

COMPONENT SERIAL NO.

1	2	3	4
---	---	---	---

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
FUND SOURCE:						

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: -0-

ANALYSIS: (Attach a separate page if necessary.)

This bill will have no fiscal impact on AIDEA.

Prepared By: William H. Scott, Executive Director Phone: 561-8050
 Division: AIDEA Date: 1/27/92
 Approved by Commissioner: [Signature]
 Agency: _____ Date: 1-29-92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

Alaska State Legislature
House of Representatives

INTERIM

3111 C Street
Anchorage, Alaska 99503
(907) 561-2032



SESSION

P.O. Box V
Juneau, Alaska 99811
(907) 465-2995

Representative Dave Choquette

M E M O R A N D U M

DATE: January 27, 1992

TO: Rep. Richard Foster, Chairman
House Transportation Committee

FROM: Rep. Dave Choquette *D.C.*

RE: HB 417, "An Act relating to the loan authority of the Alaska Industrial Development and Export Authority (AIDEA) and to a project for which the legislature has approved the Authority's issuance of bonds; and providing for an effective date."

I would appreciate your scheduling HB 417 for consideration by the House Transportation Committee at the Committee's earliest convenience.

I've attached a copy of the legislation and a sectional analysis. My position paper, which will summarize the major components of the bill, will be forthcoming. In addition, I have requested a position paper from AIDEA and a fiscal note from the Department of Commerce and Economic Development, both of which I will forward upon receipt.

Your timely consideration is appreciated.



Alaska State Legislature
House of Representatives



INTERIM

3111 C Street
Anchorage, Alaska 99503
(907) 561-2032

SESSION

P.O. Box V
Juneau, Alaska 99811
(907) 465-2995

Representative Dave Choquette

M E M O R A N D U M

DATE: January 31, 1992

TO: Wendy Mulder, Committee Aide
House Transportation Committee

FROM: Josh Fink, Legislative Aide
Representative Dave Choquette

RE: House Bill 417 (HB 417)

Per your request, I have summarized the components of HB 417.

* BONDING AUTHORITY

Chapter 123 SLA 1990 provided for a sunset of AIDEA's ability to issue bonds through a delayed effective date clause. HB 417 would repeal this subsection, which took effect on January 1, 1992, and provide language allowing AIDEA to continue to issue up to \$10 million in bonds without prior legislative approval.

* LOAN PARTICIPATION

Currently, AIDEA may participate up to 80% in loans up to \$10 million. In Alaska, the limited sources of funds for secondary financing has reached a crisis point, and AIDEA has become a primary source of secondary financing. HB 417 would allow AIDEA to participate in loans over \$10 million, but would limit AIDEA's exposure to \$10 million.

* FLOATING INTEREST RATE

Currently, interest rates charged by financial institutions on AIDEA's guarantees are fixed to the prime on the day the loan guarantee is made. HB 417 would allow the interest rates to be floating with the prime.



Wendy Mulder
Memo on HB 417
January 31, 1992
Page 2

* BROADENS DEFINITION OF PROJECT TO INCLUDE
TOURISM DESTINATION FACILITIES

Currently, AIDEA cannot develop, own, and/or operate facilities which enhance Alaska's tourism industry. HB 417 would allow AIDEA to develop, own, and/or operate a new tourism destination facility, or the expansion of a tourism destination facility, if it would not compete with an existing hotel, motel, or restaurant.

* AIR CARGO/AIR TRANSPORT SUPPORT FACILITY IN ANCHORAGE

HB 417 would amend the project approval given by sec. 25, ch. 123, SLA 1990, to express legislative project approval for AIDEA to construct, own, and operate a more versatile aircraft facility at Anchorage International Airport.

In 1990, the legislature gave approval for AIDEA to issue \$50 million in bonds to construct, own and operate a multi-bay aircraft maintenance facility at Anchorage International Airport to be used jointly by Alaska Airlines and Federal Express. Currently only Alaska Airlines wants to move forward with the Authority on this project, and their requirement is for a large maintenance hangar as well as air freight, storage, and ground maintenance complex, all located in a single facility. HB 417 would accommodate these changes.

Much of the language and renumbering in HB 417 is technical and necessary to clean-up the Statute and implement the new provisions.

HB 417 An Act relating to the loan authority of the Alaska Industrial Development and Export Authority and to a project for which the legislature has approved the Authority's issuance of bonds.

The Authority supports House Bill 417.

The bill as proposed reinstates the Authority's ability to issue bonds up to \$10,000,000 for projects which enhance Alaska's economy and provide job opportunities for Alaskans; modifies interest rate restrictions of the Authority's guarantee loan programs and allows the Authority to participate in business development or enhancement loans of any size while limiting the Authority's participation or exposure to \$10,000,000; improves the Authority's ability to develop infrastructure and superstructure to support Alaska's expanding tourism industry while not competing with the private sector; allows the Authority to invest assets of the Authority directly into the Alaskan economy without selling bonds; and diversifies the use of an aircraft facility at the Anchorage International Airport approved by the legislature in 1990.

While many section of the proposed legislation are technical amendments, the Authority believes that HB 417 is critical to our continued success. All sections of the proposed bill support and enhance the Authority's mission to promote, develop and advance the general prosperity and economic welfare of the people of Alaska, to relieve problems of unemployment and to create additional employment. The Alaskan banking industry has expressed an interest in increasingly utilizing the Authority's programs with the modifications to the guarantee loan programs and participation loan programs proposed in HB 417.

While the Authority is in full support of this legislation, we would suggest the following technical amendments:

Page 1:

Line 1: Change loan authority to financing authority.

Page 2:

Line 24: Change word application to applicant.

Line 30: Add the words in which the participation is following the word "loan"

Page 3:

Line 3, Line 6, Line 15 and Line 20:

Add the word the prior to word participation.

Staff of the Authority recommends full support of this bill with the technical amendments above.



Glenn A. Olds, Commissioner
Department of Commerce and Economic Development
Date: 1.27.92

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THE LEGISLATURE

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Mary Van Nimwegen

House Transportation

2-4-92



House Transportation Committee

SUBJECT OF MEETING:
Overview - rural airports
HB 417

DATE: *2/4/92*

PLACE: *17*

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?
<i>William H. Scott</i>	<i>AIDEA</i>	<i>Anchorage</i>			<i>561 8050</i>	<i>Y</i>	<i>N</i>	<i>HB 417</i>
						<i>Y</i>	<i>N</i>	
						<i>Y</i>	<i>N</i>	
						<i>Y</i>	<i>N</i>	
						<i>Y</i>	<i>N</i>	
						<i>Y</i>	<i>N</i>	
						<i>Y</i>	<i>N</i>	
						<i>Y</i>	<i>N</i>	
						<i>Y</i>	<i>N</i>	
						<i>Y</i>	<i>N</i>	

H B

4 2 2

HOUSE COMMITTEE REPORT

(7)

Date Referred: January 27, 1992

FURTHER REFERRALS:

Judiciary
Finance

Date of Committee Action: 2/20/92

The TRANSPORTATION Committee considered:

HOUSE BILL NO. 422

REVOCATION OF DRIVER'S LICENSE

"An Act relating to the revocation of a person's driver's license, privilege to drive, or privilege to obtain a license; and providing for an effective date."

- RECOMMENDATIONS: the same title
 be replaced with _____ a new title
- have attached amendments(s)
 do pass
 do not pass
 no recommendations
 individual recommendations
 additional referral to the _____ Committee

ADOPTS: House Transportation letter of Intent

- ATTACHES NEW FISCAL NOTE(S): (Dept: _____) APPROVES PREVIOUS: (Dept/Date) _____
- fiscal impact DPS fiscal note(s) _____
- zero fiscal note _____ zero fiscal note(s) _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Harold D. Lehman</i>	✓				
<i>Edward G. Kuhn</i>					
<i>Bill Hurd</i>	✓				
<i>Richard J. Jolley</i>	*	<i>David Phillips</i>		✓	
				✓	

Richard J. Jolley
CHAIRMAN'S SIGNATURE

FISCAL NOTE

Revision Date: 02/20/92
Title: Revocation of a person's driver's license

Agency Affected: DOT&PF
BRU:

Sponsor: House Rules Committee
Requestor: Governor

Components:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTURAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	<10,600>*	<10,600>*	<21,200>*	<21,200>*	<22,200>*	<22,200>*
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	<10,600>*	<10,600>*	<21,200>*	<21,200>*	<22,200>*	<22,200>*
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

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

Estimate of current year impact: None

* Estimates of future year impacts are based on the Federal Highway Administration's tentative allocation of the Intermodal Surface Transportation Efficiency Act of 1991 for the next six years.

ANALYSIS: Failure to enact legislation to bring Alaska into compliance with PL 101-516 (1990) will put our highway dollars in jeopardy. PL 101-516 (1990) provides for 5% sanctions against highway funding for states that do not comply by October 1, 1992. If a state is not in compliance by 1993, 10% sanctions will be applied against its highway dollars.

Prepared by: M. Clyde Stoltzfus
Division: Office of Strategic Management, Policy and Planning

Phone: 465-3900
Date: February 20, 1992

Approved by Commissioner: Frank G. Turpin 
Agency: Department of Transportation and Public Facilities

Date: February 20, 1992

Distribution (by preparer):

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

FISCAL NOTE

No. 1
 Bill Version: HB 422
 (H) Publish Date: 1/27/92

STATE OF ALASKA
 1992 LEGISLATIVE SESSION

Revision Date: _____ Department Affected: Public Safety
 Title: "An Act relating to the revocation of a driver's license for drug convictions..." BRU: Motor Vehicles
 Component: Driver Services
 Sponsor: Rules
 Requestor: Governor COMPONENT SERIAL NO.

5	0	0
---	---	---

EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0	43.3	43.3	43.3	43.3	43.3
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	1.4	1.4	1.4	1.4	1.4
SUPPLIES	0	.5	.5	.5	.5	.5
EQUIPMENT	0	8.2	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	53.4	45.2	45.2	45.2	45.2

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE GF/PRGM FUND SOURCE: 1005	0	54.0	54.0	54.0	54.0	54.0
--------------------------------------	---	------	------	------	------	------

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER GF/PRGM FUND SOURCE: 1005	0	53.4	45.2	45.2	45.2	45.2
TOTAL	0	53.4	45.2	45.2	45.2	45.2

POSITIONS:

FULL-TIME	0	1	1	1	1	1
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary.)

See attached.

Prepared By: Juanita Hensley Phone: 465-4335
 Division: Motor Vehicles Date: 1/17/92
 Approved by Commissioner: Richard L. Burton
 Agency: Department of Public Safety Date: 1/17/92

This bill, mandated by federal law, will require the Division of Motor Vehicles to revoke the driver's license of persons who have been convicted of controlled substance offenses in Alaska or in the Federal Court system.

The Department of Law reports that approximately 500 persons a year are convicted of misdemeanor or felony drug offenses each year in Alaska. The federal law requires that notice of a conviction must be sent to the offender's home state, and the home state must take the action to revoke the driver's license. The federal courts were not able to report the number of Alaska residents who are convicted of drug offenses nationwide; the Division of Motor Vehicles estimates an additional 100 convictions from the federal courts.

In order to handle these 600 additional license suspensions a year, one full-time Document Processor III will be required. The duties of this position are detailed in the attached request for a new position. The cost for personal services for a Document Processor III is 37.9; the additional 5.4 is for overtime expenses associated with reinstatement of a revoked driver's licenses. The overtime pay is requested in lieu of a Motor Vehicle Representative III position, as the workload required to reinstate the offenders' driver's licenses will be borne by all of the Motor Vehicle Field offices throughout the state.

To revoke 600 additional driver's licenses a year takes over 30 processing steps per revoked license. Each processing step varies in the time it takes to complete the transaction. Complete accuracy is essential as an error of entry onto a record could result in civil liability to the State. It takes approximately 20 minutes per applicant to reinstate a revoked driver's license; the person must make a new application for the driver's license, take all of the required tests, pay the reinstatement fee and submit proof of SR-22 (Certificate of Insurance), thus totalling approximately 200 hours of additional workload for the Motor Vehicle Field office personnel.

Under existing law, each person whose license has been suspended must pay a \$100 fee when applying for reinstatement of his or her driver's license. Assuming that 90 percent of the individuals who are eligible for reinstatement will comply with the reinstatement requirements, approximately 54.0 will be generated annually as program receipts.

No. 1
Bill Version: HB 422
(H) Publish Date: 1/27/92

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DETAIL

		<u>FY94</u>
100	PERSONAL SERVICES	43.3
	One Document Processor III 37.9	
	Overtime for MVRIII Field Office 5.4	
200	CONTRACTUAL	1.4
	Postage and tolls	
400	SUPPLIES	.5
	Routine Office Supplies	
500	EQUIPMENT	8.2
	1 Computer Terminal	
	1 Network Line Hook-up	
	1 Desk	
	1 Chair	
	1 5-Drawer File Cabinet	
	TOTAL	<u>53.4</u>

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Position Title Document Processor III			No. of Positions 1	Range/Step 10A	Barg. Unit GGU			
Time Status PFY	Staff Months 12		Location Juneau		Election District			
Type of Expenditure			Justification					
			<p>This position would handle the necessary paperwork and computer entry onto the person's driving record. Among other duties, this person will send out notice of license revocation, prepare files, prepare certified copies of driving records, file, close files out, sanitize for microfilm, microfilm, enter microfilm documents for microfilm retrieval, enter license revocation, change status, change record to reflect new court action, send judgement to home state of an out-of-state resident, and process court judgements for driving while license revoked.</p>					
1						2		
3						Amount		
Salary*						25.3		
Benefits*						12.6		
Premium Pay (Included in Above)						//////////		
Other						//////////		
Total Personal Services						////////// 37.9		
Travel								
Contractual						1.4		
Commodities						.5		
Equipment						8.2		
Other - Overtime						5.4		
Total Cost						53.4		
Funding Source for Total Cost								
Federal Receipts 1002								
G.F. Match 1003								
General Fund 1004								
Program Receipts/GF 1005			53.4					
I-A Receipts 1007								
CIP Receipts 1061								
Other								
<p>* Personal Services Salary and Benefits Costs are from PACS calculations.</p>								

No. 1
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**REQUEST FOR
NEW POSITION**

AGENCY Department of Public Safety
 BRU Division of Motor Vehicles
 COMPONENT Driver Services

Page 4 of 4
 Revised Date

FY 93

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WALTER J. HICKEL
GOVERNOR

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 27, 1992

*The Honorable Ben Grussendorf
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182*

Dear Speaker Grussendorf:

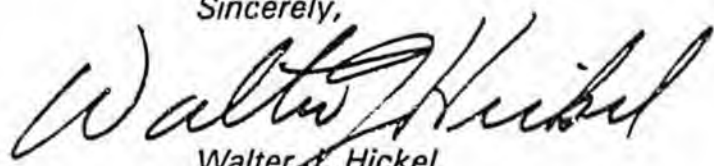
Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the revocation of a person's driver's license, privilege to drive, or privilege to obtain a license upon conviction for an offense involving controlled substances.

The bill requires a court to revoke, for a minimum of six months, a person's driver's license, privilege to drive, or privilege to obtain a license when the person is convicted of any drug offense. A new federal law (Public Law 101-516, November 5, 1990) requires the withholding of federal highway money if the state does not enact this legislation by October 1, 1993. The only alternative by which the state could continue to receive the highway money at risk (\$15,000,000) is if, during this session, I certify that I am opposed to the enactment of such a law and both houses of this legislature adopt resolutions expressing opposition to such a law.

The provisions of this bill are similar to existing state law (AS 28.15.185) governing the revocation of the driver's license of a juvenile who is adjudicated delinquent for a drug or alcohol offense. This bill is broader for drug-related offenses, however, in that it applies to all persons and not just juveniles. Under the bill, the period of revocation of a juvenile's license or privilege to drive is increased to a minimum of six months for a drug-related conviction or adjudication.

I urge your favorable action on this bill.

Sincerely,



Walter J. Hickel
Governor



Please complete all sections

House Transportation Committee

DATE: 2/20/92

PLACE: Room 17

SUBJECT OF MEETING:
 HB 422 -
 HB 444 -
 HB 351 -

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?	
		Please complete all sections					Y	N	
JOSH FINK	REP. CHARLOTTE					<input checked="" type="radio"/>	N	HB 444	
Juanita Hensler	DPS/DMU	PO Box 20020	99802		465-4335	<input checked="" type="radio"/>	N	HB 422 / 444	
Margo Knuth	law	P O Box KC		3428		<input checked="" type="radio"/>	N	422	
Chance E Hodge		5350 A Comm AFB Eink			272-1659	<input checked="" type="radio"/>	N	HB 444	
Sarah Bergey		P.O. Box 301 King Salmon, AK 99613	99702		246-6695	Y	N		
						Y	N		
						Y	N		
						Y	N		
						Y	N		
						Y	N		