

ALASKA LEGISLATURE COMMITTEE FILES

1991-1992 8672

7732

SENATE TRANSPORTATION

284

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- 4) retroactive liability;
- 5) lack of a statute of limitations.

If the bill were to become law as drafted, it is likely that general ocean marine coverages would become unavailable in Alaska. Underwriters would be concerned that policies never intended to cover costs encompassed by the bill might now be required to respond.

Admiralty attorneys who have reviewed the proposed legislation have expressed alarm. Instead of clarifying responsibility for wrecked vessels, H 232 would throw existing law and wreck removal into complete disarray.

H 232 is not just a problem for underwriters. Vessel owners, charterers and cargo owners would also be subject to liability. Failure to remove in thirty days could also result in conviction for a misdemeanor. Owners of certain vessels would be subject to an additional penalty of double the removal and restoration costs.

Under H 232, a municipality could insist on the expenditure of enormous sums to remove vessels or cargoes, even though there is no threat to navigation and no real danger of pollution.

H 232, if enacted, would pose serious problems for vessel owners, charterers, cargo owners and marine underwriters. Availability of marine insurance in Alaska would be seriously affected. AIMU hopes that all affected parties can work together to avoid such a crisis. Please contact AIMU counsel Marilyn [Name], at (212) 732-4646.

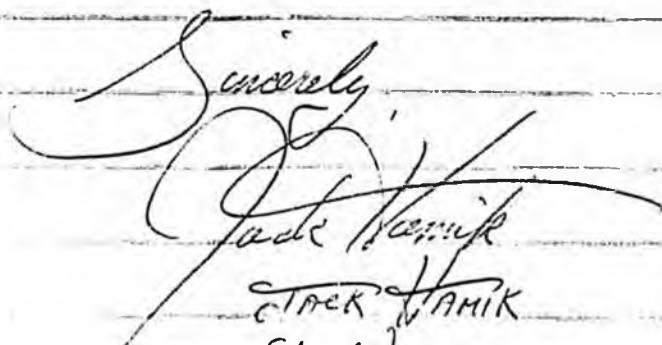
RECEIVED FEB 6 1992

TO: FRED ZARHOFF

RE: H 232 - REMOVAL OF WRECKS FROM ALASKAN WATERS

Dear Sir,

Please do not saddle our fishermen
with more liability than we know what to
do with. Remain consistent with Federal law
and remove impediments to navigation, but
please - defeat H. 232.

Sincerely,

JACK KENIK
c/o WATKINS
4002 KACHENAK Way
Homer, Alaska 99603

**KODIAK LONGLINE
VESSEL OWNERS' ASSOCIATION**



326 CENTER AVENUE, P.O. BOX 135
KODIAK, ALASKA 99615
(907) 486-3781 FAX (907) 486-2470

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February 12, 1992

Senator Curt Menard, Chairman
SENATE TRANSPORTATION COMMITTEE
Alaska State Legislature
Juneau, Alaska

Sent by Fax: 465-3756

Dear Senator Menard,

I am writing in regards to HB 232 which is before your committee on February 13th.

We would like you to know that we are deeply concerned about the ramifications if this bill becomes a law. We have heard from insurance companies that coverage will not be available for vessels in the event of a sinking, or that coverage may be severely restricted.

This issue has been discussed among fishery groups and I can say that in almost every case, there is opposition to the bill. My members held a meeting this past week and wanted me to let you know that they do not support the bill. If the bill is passed, they believe that their commercial fishing ventures will be limited, if not eliminated due to the inability to acquire insurance.

Sincerely,

Linda Kozak
Director

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Excerpt from Insurance Issues Report
February 14, 1992
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HB-232. Sunken or Abandoned Vessels

The Senate Transportation Committee held a work session on HB-232 on February 13. Sen Curt Menard, committee chair, was the only member present.

HB-232, sponsored by Rep. George Jacko, requires the removal of sunken or abandoned vessels and cargo unless the agency having jurisdiction gives permission to do otherwise. Abandoned vessel is defined in the bill as a vessel that is unattended; sunk, aground, or in immediate danger of sinking or grounding; and one that obstructs navigation or endangers life, personal or real property, or natural resources of the state; or one that has been moored or otherwise left unattended in or on water of the state or a municipality of the state for more than 30 days without permission. The bill would apply to all vessels and cargo of vessels, other than those designated as historical monuments or sites, that have been sunk or abandoned.

Sen. Menard said his office and the sponsor have been inundated with opinions about this bill and it was his desire to air those opinions in a more informal setting. He said he would like to find some "middle ground" with this bill and if so move it forward. He said he concurs there is a problem with abandoned vessels, but doesn't know if there is an answer to this problem that is economically feasible in Alaska.

Marilyn Lytle, a representative for the American Institute of Marine Underwriters, said her trade association represents about 110 domestic marine insurers that write over 90 percent of the marine insurance in the US. She prefaced her comments by saying she is not aware of any wrecks that have not been removed in Alaska where P&I coverage was provided by domestic insurers. Lytle said this bill would have several impacts on domestic insurers, vessel owners, and maritime commerce in Alaska. She pointed out three specific problems she sees with this legislation.

1. Lytle believes this bill is retroactive to cover all existing wrecks and requires them to be removed within 30 days. She said no premium has been collected for this retroactive exposure. Lytle said she understands there is one wreck in Alaska that may cost as much as \$20 million to remove. She added she has been told this bill is not intended to be retroactive, but she has consulted many maritime attorneys that do not agree with that opinion.

Breck Tostevin, an Assistant Attorney General, said the way the bill is now drafted, it applies to grounding as of the effective date of the bill. He said any groundings that occurred before the effective date of the law would need

permission to stay on state or municipal property. Tostevin said that wreck removal is required under existing state law and no new liability would be added by this bill except new penalties for failure to remove a wreck. He added it is not really retroactive liability in a legal sense.

Lytle does not agree that current state law requires wreck removal and added the state doesn't have the resources to either remove or salvage wrecks within 30 days. Tostevin said the law would allow the state or municipality to grant an extension to the 30 day removal period, but it must be sought within the first 30 days. Tostevin said the state's Derelict Vessel Act states it is illegal to abandon a wrecked vessel, and environmental statutes make it illegal to abandon hazardous materials. Additionally, there is common law based on trespass and public nuisance theories that make it illegal to leave a vessel on another's land. Tostevin said there may be municipal requirements as well.

Lytle said that domestic insurance contracts cover wreck removal under federal statutes, which require removal only when it is a hazard to navigation. She said the contracts do not consider removal when a vessel does not interfere with navigation. She added that there is a proviso in the Derelict Vessel Act which states that nothing in the Act will conflict with federal law. She said federal law allows a vessel owner to abandon a wreck, as long as it is not done negligently. It then becomes the obligation of the Corps of Engineers. Lytle added that there are several municipal cases that have held that the federal statute is preeminent. She urged the committee to address this issue before moving forward with the bill.

Tostevin said that the federal act was amended in 1986. Regardless of fault, he said a wreck that is a hazard to navigation must be removed. He added that the law doesn't say anything about abandonment. Tostevin said he does not believe that this law would be preempted by the federal statute.

A US Coast Guard representative, named Rand, said he agrees with Tostevin that present state law does not conflict with the federal law.

Lytle asked the committee to look at the public policy behind the federal Limitation Liability Act in regard to vessels. She said it was created to protect those in marine vessel commerce against catastrophic losses. Tostevin said this law was passed in 1851 and doesn't extend to wreck removal or trespass actions.

2. Lytle said her second problem with the bill relates to the direct action provisions against underwriters. She said that a P&I insurance contract is one of indemnity; it is not a liability policy. Lytle said that underwriters are unwilling to subject the assets of their company to direct action and multiple suits. She added that only one amount is available under a contract and if this language becomes law she believes most domestic underwriters will withdraw from Alaska. Lytle believes direct action is in the bill because of the difficulty the state is having in gaining jurisdiction over P&I clubs. She said she doesn't

think this will solve their problem, but added it will make insurance harder to obtain.

Tostevin asked that if P&I insurance underwriters are already hiring lawyers to defend their insured in court for coverage under their policy, why is direct action more onerous? Lytle said direct action exposes an insurer to multiple suits because the contractual liabilities are beyond the policy. She said it is against the public policy of any state in the US to subject an insurance company's assets to unlimited liability. She said just because someone may say the liability is limited to contractual terms doesn't mean that it will be interpreted that way by the courts who may be looking for a deep pocket.

Ray Gillespie, representing Crowley Marine, Delta Western, and Petro Marine, said that based on the experience of his clients with marine pollution insurance, direct action is a problem: in most cases it is totally unavailable. If this bill passes, Gillespie said his clients have been informed that insurance for marine and diesel fuel carriers may dry up in Alaska.

Tostevin said that the Alaska Legislature first instituted direct action for marine insurance in 1981, in a law requiring proof of financial responsibility to cleanup oil spills. At that time, the insurers said they would not write policies of this sort. He added that after the law was passed and for the next ten years, such policies were available. Tostevin believes if this law passes the same thing will probably happen again. Lytle said that no one in Alaska is in compliance with that law now because the insurance is not available.

Gillespie said for a period of time direct action was available. Since the Exxon Valdez oil spill, however, it has not been available and Gillespie said one of his client's is operating under a conditional permit from DEC that may be illegal. He said legislation may be necessary to address this issue.

3. Lytle said as drafted, there is no limit to liability in this bill. She said an underwriter must be able to rely on a set limit of liability to price a policy and underwrite it. She added unlimited liability presents a solvency problem for insurers. She said if there is no limit to liability it affects the vessel owners as well. She said if this law passes, it is possible there will be coverage available, but it will be expensive. Additionally, she doubts whether the limits available would cover the actual removal cost of a wreck, placing the vessel owner in a position of significant uninsured exposure.

Tostevin does not believe this bill allows direct action beyond policy limits. He said the intent is to only allow direct action within coverage limits. He asked why it is difficult to calculate the cost for this type of insurance when insurance companies now calculate losses under the federal navigation requirements. Lytle said there is over 100 years experience with the federal law so insurers know the exposure, and marine insurance is experience rated.

Ken Sykes, Division of Insurance, said if this bill passes there could be two court actions. First, the insurer could sue the insured saying he didn't live up to

the terms of the agreement by abandoning his vessel without proper notification and therefore the insurer is not responsible. At the same time the insured could sue the insurer for policy coverage. Sykes added that there is actuarial data, but it is not available for Alaska.

Lytle said it is confusing which underwriter Tostevin is talking about. She said that wreck removal is a liability under a P&I policy. There are some instances where a hull underwriter will pay for salvage she added, but only if the value after salvage exceeds the cost of salvage. She said the "hull problem is exacerbated" under this bill and it is confusing which underwriter should respond. She added that under this bill a hull insurer could be liable for wreck removal as well as a P&I insurer.

Menard asked Lytle when a hull underwriter pays off and when P&I coverage applies. She said that wreck removal is a liability covered under P&I coverage, but only as required by law. She said the federal statute is contemplated in the coverage, requiring removal only when it is a hazard to navigation. She said that coverage under P&I could be expanded to cover the Alaska wreck removal liability, but it would cost substantially more and would subject the vessel owner to greater exposure. She said if the expense for wreck removal is as high as she has been told, she doubts that coverage would pay the full cost of removal. Lytle said premiums must support losses in the insurance business. She said the more payments made for wreck removal, the higher the cost of insurance.

Lytle said there could also be an insurance availability problem for fishing vessels since it is such a hazardous class of business. She said companies that are marginally involved in writing insurance for these vessels now, may withdraw from the market if this legislation becomes law.

Lytle proposed three other approaches the committee could consider:

- ** increasing penalties and requiring preventative measures;
- ** establishing a fund to cover catastrophic costs of removal;
- ** reviewing whether the federal government has preempted this area.

Lytle said she sees this third issue as a significant problem and advised the committee that if it is not addressed now, the bill may be back in several years when insurers refuse to pay claims because they argue that the federal law preempts this state law. She added that Florida has a fund to cover catastrophic removal costs that is managed by their Dept. of Natural Resources. She said there is a proviso in the Florida law, however, that states it may not conflict with federal law. Lytle said that the Corps of Engineers has changed its regulations in the Gulf of Mexico recently due to problems with pipelines. She said the committee may contact the Corps to see if changes are forthcoming in regard to wrecked or abandoned vessels.

Dean Paddock of the Bristol Bay Driftnetters Association, comprised of boat owners of vessels less than 32 feet, said fishermen are on the ropes now and can't stand any increases in their costs. Paddock said he has been assured by

his insurance people that if this bill passes, insurance costs will rise. He said that P&I is not always the largest item in a policy, but any increase will be difficult for the small boat owner. Paddock said he is not sure the "problem is big enough for this draconian response." He believes there are probably adequate provisions in the federal statute to address the really pressing problems.

Tostevin said this legislation is not targeted at the small vessels, that the problem is usually with the larger vessels. Current state litigation is with foreign vessels over 90 feet in length. He said it is difficult to tell how insurance costs will rise, since they may already be rising due to difficulties within the fishing industry. Tostevin said there is a definite problems with wrecked and abandoned vessels in the Aleutian and Pribilof Islands, particularly on St. Paul. He said he understands there are problems in Southeast Alaska as well.

Sen. Menard said it is his job to look at both sides of the issue and try to come up with an acceptable compromise. He said there may be no responsible way to handle this bill and the committee may have to look at other possible solutions.

Bryce Edgmon, aide to Rep. Jacko, said the sponsor still supports the bill as it is now. He said that their constituency is made of up fishermen, however, and it is not their intent to cause them any distress.

Tostevin asked Lytle if the bill would be acceptable if the limits defining the aspect of direct action were clarified. Lytle said that would not be sufficient, that direct action is unacceptable. She said even if direct action were removed, the retroactive provisions would still be a problem. Sen. Menard asked what would she think if the retroactivity was removed. Lytle said that would be a start.

In response to a comment by Lytle that the retroactive provisions may be illegal, Tostevin said that in a civil context, retroactive laws are not unconstitutional. He added that this bill only clarifies existing state law and the only new liability is the increased penalties which are prospective.

Lytle said she disagrees that the current law requires wreck removal and said "it isn't that simple." Tostevin replied that legal issues are never simple. He added that there will be a lot of litigation under the state law by the end of this year and it should result in some answers, at least on the federal preemption issue. Tostevin said that US District Court Judge Andrew Kleinfeld issued a preliminary analysis stating that Alaska's wreck removal statute is not subject to limitation by the federal act. He added that no final answer has been issued in the case.

Lytle said she believes the effort to pass this bill is being fueled by the four wrecks on St. Paul Island, and the AG's frustration dealing with P&I clubs. She

said they can be difficult to deal with, but doesn't think it is right to base public policy on this litigation.

Rich Davis, a member of a seafood processors coop in Sitka, said this bill will prove to be a hardship on fishermen. He said in the past if a vessel was taking on water the skipper would run it on shore for sanctuary. He said if he knew he might be in debt for years to the state or a municipality for removal of his wrecked vessel, he would head out to the ocean and "pull the plug." He said the bill is not workable.

Staff to Sen. Menard asked if there are now limits on wreck removal liability. Tostevin said no, the only limits are those within the P&I coverage.

Sen. Menard adjourned the session and did not announce when the bill might be brought up again.

QUESTIONS FOR MARINE UNDERWRITERS

Direct action allows the state or a municipality to sue an insurance company directly in Alaska court for wreck removal (for costs up to the limits of the insurance policy), rather than first suing a sometimes small, sometimes foreign vessel owner who would then obtain payment from the insurance company.

The Alaska Legislature first instituted direct action for marine insurance in 1981 in a law requiring proof of financial responsibility to cleanup oil spills. At that time, the insurers said they would not write policies of this sort. However, after the law was passed -- and for some ten years -- policies of this sort became available. Won't this also happen if we adopt this bill with a direct action requirement?

- ① Why is direct action, the ability to sue an insurance company directly, so onerous? Isn't the insurance company already hiring lawyers to defend their insured in court and won't they under the present system of liability for wreck removal be paying the cost of any verdict against their insured up to the limits of their policy?

Isn't direct action already the law of Louisiana? Doesn't the oil insurance requirements of the Federal Clean Water Act, the Trans-Alaska Pipeline Act and the Outer Continental Shelf Lands Act and the Civil Liability Convention of 69 Countries (which excludes the United States) include direct actions? *

- ② What do Marine Underwriters mean when they say HB 232 subjects them to "unlimited liability?" Is it the fear that insurers would be held liable for damages in excess of their insurance policy limits through the direct action provisions?

If it was clear that insurers are not liable for amounts other than what they contracted for in their insurance policies -- their policy limits -- would the industry still oppose this legislation?

Would the marine insurance industry oppose this legislation if it lacked a direct action requirement?

- ③ Insurers have claimed that the risk of paying for wreck removal is impossible to calculate. How are the costs of wreck removal any harder under Alaska law to calculate for an insurer than the current "hazard to navigation" wreck removal requirements of federal law?

Why is it impossible for an insurance company to calculate the risk concerning wreck removal but possible to calculate the risk for such wide-ranging and expensive risks as floods, earthquakes, legal and medical malpractice, or domestic aviation accidents?

- ④ Given the fact that wreck removal statutes already are part of federal law and state law in numerous coastal states such as California and Hawaii why hasn't marine insurance become

unavailable in those states or in the U.S. in general?

- ⑤ What do insurers mean when they say this bill imposes retroactive liability when state law presently imposes wreck removal liability on a vessel owner under the Derelict Vessel Act, the state's environmental laws, as well as under the state's common law?

Doesn't this bill simply clarify existing law and impose additional incentives in the form of specific penalties for failure to timely remove problem vessels?

- ⑥ Isn't it true that P&I insurance now contains a standard clause covering all wreck removal "compulsory by law" subject to the insurance policy's coverage limits?

- ⑦ Isn't it true that cargo policies now include a general "debris removal" clause that cover cargo removal should cargo be declared a loss as a result of a covered casualty?

- ⑧ Isn't it true that pollution underwriters already provide coverage for damages as the result of releases of oil or other hazardous substances from a vessel subject to the policies specific coverage limits?

- ⑨ Under current law and under this bill, vessel owners are liable for wreck removal costs; insurers are only liable to the limits of the policy they issue. Are vessel owners claiming their liabilities are unlimited and that the amount they should pay for wreck removal be capped? Is this a form of "tort reform"? What makes vessel owners liabilities unique such that they should be capped as opposed to shore-base operations who face similar liabilities in other situations?

Statement of the
American Institute of Marine Underwriters
before the
Transportation Committee of the Alaska Senate
on H.B. 232
by Marilyn Lytle

February 13, 1992

The American Institute of Marine Underwriters, AIMU, is a trade association of 110 marine insurance companies who write over 90% of the marine insurance written in the United States. AIMU represents the domestic marine insurance market. We understand that H.B. 232 was drafted to address a problem that has developed with respect to certain wrecked vessels on Alaskan shores which are primarily insured in foreign markets. We are unaware of any problems with respect to vessels insured in the American market. Nevertheless, H.B. 232 would severely impact the domestic ocean marine insurance industry and the commercial fishing boats, tugs, barges and other vessels owned by Alaskans which are insured in the domestic marine insurance market. We would like to outline the insurance problems which we believe would be created by enactment of H.B. 232:

1. The bill is retroactive in its application. All existing wrecks in Alaskan waters regardless of location must be removed within 30 days of enactment. This would be a monumental task. The resources to accomplish this do not exist. This new requirement imposes an additional liability on the vessel owner which was not previously insured under domestic contracts. The protection and indemnity (P & I) policies provided by American insurance companies contemplate coverage of wreck removal when it is compulsory under federal law. Federal law requires removal when the wreck interferes with navigation. This new liability is therefore not covered under pre-existing contracts. This additional Alaskan liability was not contemplated and premium was not collected to

cover this additional exposure. But H.B. 232 would attempt to recover such costs from pre-existing policies.

2. Alaska H.B. 232 provides for direct action against any insurer who may cover wreck removal. Marine P & I policies are contracts of indemnity. The policy indemnifies the assured only when the assured becomes liable to pay for a loss and actually does pay. Such policies do not contemplate direct action and the only loss payee is the vessel owner.

Furthermore, domestic insurance companies will not and cannot subject their assets to direct action for unlimited liability. Insurance companies which are regulated by the various states are not permitted by public policy to insure unlimited liability. Other policy holders and shareholders would be put at risk. A solvency problem could easily develop which no insurance regulator would permit. Most states put a limit on the amount of exposure which any company may assume on any particular risk.

Direct action provisions are also unacceptable to insurers because of very large potential extra-contractual liabilities which may be imposed by courts seeking "deep pockets." The possibility of having to defend a company's assets against multiple suits in diverse and distant locations, without the protection of the contract to limit expenditures, along with possible imposition of extra-contractual liabilities make it irresponsible for an insurance company to submit itself to direct action. If H.B. 232 is enacted as drafted, we anticipate that most domestic marine

insurers will be forced to withdraw from the Alaskan market because of the direct action provision.

3. The bill itself contains no limitation of liability either for underwriters or vessel owners. In addition to the solvency problem discussed above, an underwriter must have a limitation on his future contractual liabilities in order for him to predict future exposures and to adequately price the product. An insurance company cannot insure unlimited liability.

H.B. 232 also imposes unlimited liability on the vessel owner which presents additional insurance problems. Assuming that the bill were amended to do away with the direct action, unlimited liability, and retroactivity problems imposed on the insurance companies, the vessel owners in Alaska would still face an availability and affordability problem with respect to insurance of these additional liabilities. We anticipate this would be a problem particularly for fishing vessel owners. It is conceivable that cover would evolve to insure these new liabilities to the state of Alaska if the insurance problems were eliminated. However, it is likely that cover would only be available at lower limits, particularly initially. This could leave the vessel owner with substantial uninsured exposures. For example, a vessel owner's liability for wreck removal under the Alaska statute would be unlimited. Perhaps the limit on his P & I policy which might include this liability could be \$300,000.00. Even if excess cover were available, it would not be for unlimited costs. Removal of

wrecks from shorelines can be very expensive because of surf and tidal action and other forces. We understand that the removal of one of the wrecks on St. Paul's Island may cost as much as \$20,000,000.00.

Since the removal of wrecks on the shorelines can be more expensive than traditional wreck removal as required under the Federal Statute and because of additional exposures, we anticipate that premium for this additional cover would involve increased costs for the vessel owner. The class of business must support the losses experienced by that class of business. Because of this new exposure (removal of wrecks when not required by federal law) there will be additional losses to be paid. It is likely that these removal costs will be high and these costs will be passed on to the insureds, the vessel owners. It can be expected, therefore, that fishing vessel owners as a group and other Alaskan vessel owners will experience increased insurance costs as a result of the enactment of H.B. 232.

4. H.B. 232 will seriously disadvantage the domestic marine insurance market and its assureds. It is ironic that the foreign insurers who are the target of H.B. 232 will not be affected by the bill. Apparently, an Assistant Attorney General is having some difficulty in forcing foreign underwriters (called P & I Clubs) to remove four wrecks on St. Paul's Island. H.B. 232 appears to be designed to overcome whatever difficulties the State Attorney General is experiencing in those court cases. The P & I Clubs will

not be affected by the bill since they operate offshore and there will be no domestic jurisdiction to impose direct action. Furthermore, the law in England, which is the law applicable to P & I Clubs, prohibits direct action against the clubs. Enactment of H.B. 232 will do nothing to resolve whatever frustrations the Assistant Attorney General may be experiencing in his litigation. It will, however, cause a crisis of catastrophic proportions for Alaska vessel operators and their domestic marine insurers. There are thousands of fishing vessel owners who have placed their domestic P & I cover with American marine insurance companies who will be affected by H.B. 232.

5. As drafted, H.B. 232 could be interpreted to permit direct action against underwriters other than P & I insurers. For instance, hull insurers pay for salvage of a wreck when the value of the recovered vessel exceeds the cost of salvage. This is a cost saving measure intended to reduce the cost of hull insurance overall. Hull insurance is not generally intended to pay for liabilities of the vessel owner to third parties, such as federal or state governments which require wreck removal. The hull policy is a contract between the vessel owner and the insurer under which the vessel owner gets paid for loss of or damage to his vessel. Liability for wreck removal is covered by the P & I policy, not the hull cover. If the state could attach the proceeds of a hull policy, then vessel owners who lose their boats would not be able to purchase a new vessel and start over again. This would

discourage vessel owners from seeking refuge in ports and harbors and should raise serious safety concerns.

It is not appropriate for AIMU to comment on how the State of Alaska should balance the needs of vessel owners versus environmental concerns involving abandoned vessels in state waters. Our purpose is merely to point out the many serious insurance problems in the current drafting of H.B. 232.

We are aware that the Committee is considering other approaches as solutions to the problem, including increased penalties and safety standards. AIMU takes no position with respect to any particular approach. However, the Committee may wish to explore the possibility of the Corps of Engineers taking on responsibility for removal of certain wrecks particularly when they are foreign owned. A review of potential conflicts between Alaskan law and federal law regarding wreck removal by an impartial party may also be helpful. It is also possible to establish a fund in Alaska to cover wreck removal in Alaskan waters when not required by Federal law. The cost of removal could be recoverable from the vessel owner where appropriate. A cap could be placed on the vessel owner's liability so that the fund would handle catastrophic removal costs. The Committee may wish to review the State of Florida's approach to the problem.

Thank you for this opportunity to present the views of the American ocean marine insurance industry. We would be pleased to provide any further assistance to the Committee in its deliberation on H.B. 232.

HB

380

SENATE COMMITTEE REPORT

DATE: 4/8/92

FURTHER: Finance

DATE TURNED INTO OFFICE: _____

Transportation Committee considered CSHB 380 (FIN) AM

MARINE HIGHWAY PLAN AND OPERATION

and recommends:

replace with Senate CS for CS HB 380 (Trans)

or adopt previous _____ CS _____

attaches amendment(s)

same title
 new title
 technical title change (HB-only)

adopts _____ Letter of Intent

further referral to the _____

do pass

do not pass

no recommendation

individual recommendations

NEW FISCAL NOTES: Dept/Date

zero fiscal notes _____

fiscal notes _____

appropriation--no fiscal note

PREVIOUS FISCAL NOTES: Dept/Date

zero fiscal notes _____

fiscal notes DOTRE/AMHS - 2/13/92

DO PASS:

[Handwritten signatures]

OTHER RECOMMENDATIONS:

[Handwritten signature] DO PASS
Chair: Signature and Recommendation

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

Changes in Sen CS for CS HB 380 (TRANS) have no fiscal impact. This fiscal note is appropriate.

ANALYSIS: (Attach a separate page if necessary)

4/23/92

date Comte Aide (initial)

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: Joan 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).

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JERRY MACKIE

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CHAIRMAN,
COMMUNITY & REGIONAL AFFAIRS COMMITTEE

VICE CHAIRMAN,
TRANSPORTATION COMMITTEE

Alaska State Legislature



House of Representatives

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

April 8, 1992

MEMORANDUM

To: Sen. Menard, Chair
Senate Transportation Committee

From: Rep. Mackie 

Re: Calendaring HB 380, procurement and planning of the Alaska Marine Highway System.

HB 380 passed the House and was referred to the transportation committee today. I would appreciate consideration of HB 380 for calendaring at your earliest convenience. The finance CS (title change) eliminated the proposed commission for the marine highway system. The remaining measures will definitely affect cost savings for both the near and long term. In short, the legislation is very appropriate to this session's dominating concern for budget reductions. Another provision was added as a floor amendment which relates to the Ketchikan marine repair facilities and a pending AIDEA involvement.

I am most willing to provide additional information and support documentation that you and the committee may require.

REPRESENTATIVE
JERRY MACKIE

P. O. BOX 73
CRAIG, ALASKA 99921
(907) 826-3008 OFFICE
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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 to affect improvements to the operation, upkeep, and expansion of the Alaska marine highway. Originally, the legislation would establish the Alaska Marine Highway Commission, a development and improvement planning process, and the ability to adapt certain procurement procedures to the specialized needs of the system. The finance committee substitute retains the last two features.

The legislation mandates that the Department of Transportation and Public Facilities prepare a comprehensive, five year development and improvement plan for the legislature's review. The plan would provide a long range view on the fiscal, capital, and operational requirements of the system necessary to provide anticipated services. Adjustments and revisions to the plan due to changing circumstances and developments will also be presented to the legislature.

The other feature of CS HB 380 (Fin) is that it allows the marine highway system to establish a limited procurement policy suited to meet the special repair, maintenance and reconstruction needs of the system. The policy must be based on principles of competitive bidding. This provision will help decrease the extended overhaul and breakdown/repairs experience of the system. It will also produce substantial cost savings in both the near term and long term.

REPRESENTATIVE
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CHAIRMAN,
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The final feature of the bill was added in a House floor amendment. The amendment restated the state policy of providing a preference for using in-state marine repair and maintenance facilities. It also extends a sunset provision on this policy for 5 years.

SECTIONAL ANALYSIS
of
CS HB 380 (FIN) AM

Section 1 requires 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 and its revisions must be submitted to the legislature.

Section 2 of the bill amends AS 36.30.015 to allow the Department of Transportation and Public Facilities to establish policies, consistent with the State Procurement Code, for the procurement of supplies and services for the repair, maintenance, and reconstruction of vessels, docks and vehicle transfer facilities. Section 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, docks, and vehicle transfer facilities 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.

Section 4 replaces AS 36.90.050 with new language restating the preference for maintenance and repair of marine vessels at in-state facilities.

Section 5 establishes an sunset date for AS 36.90.050 as August 30, 1997.

Section 6 provides and immediate effective date.

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: 

Phone: 465-3900

Frank G. Turpin

Agency: Department of Transportation and Public Facilities

Date: January 21, 1992

HB

402

SENATE COMMITTEE REPORT :

DATE: 4/17/92

FURTHER: Finance

DATE TURNED INTO OFFICE: 5/5/92

Transportation Committee considered CS FOR HOUSE BILL NO. 402 (RULES)

"An Act naming the Briggs Bridge."

and recommends:

[X] replace with Senate CS For CS HB 402 (Trans)
or [] adopt previous CS
[] attaches amendment(s)

[] same title
[X] new title
[] technical title change (HB only)

[] adopts Letter of Intent

[] further referral to the

[X] do pass

[] do not pass

[] no recommendation

[] individual recommendations

NEW FISCAL NOTES: Dept/Date

[] zero fiscal notes

[] fiscal notes

[] appropriation--no fiscal note

DO PASS:

PREVIOUS FISCAL NOTES: Dept/Date

[X] zero fiscal notes DOTPF / 1/15/92

[] fiscal notes

OTHER RECOMMENDATIONS:

Handwritten signatures: Tom De...
Ken...
Dick...

Chair: Signature and Recommendation
Handwritten signature and "DO PASS"



Alaska State Legislature

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

Member

Randy Phillips
State Representative
House District 15

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

House Finance Committee

Memorandum

TO: Senator Curt Menard, Chairman
Senate Transportation Committee

FROM: Representative Randy Phillips

DATE: May 4, 1992

RE: Sponsor Statement in Support of C S for House Bill 402 (Rules)
"An Act naming the Briggs Bridge."

Glenn G. Briggs and his brother Dale and their families were a pioneers in the Chugiak-Eagle River area. They have made major contributions to Alaska and in particular the Chugiak-Eagle River area. Glenn Briggs 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. In 1945 Dale Briggs and his family hoomesteaded the 160 acres adjacent to Glenn Briggs farm.

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. His brother Dale and their families continue to contribute to the quality of life in Alaska. It is fitting that we should now give this family the recognition they so deserve by naming the Hiland Bridge in their honor.

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 steamer "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 died 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 businesses 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 Vallecito, 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." 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

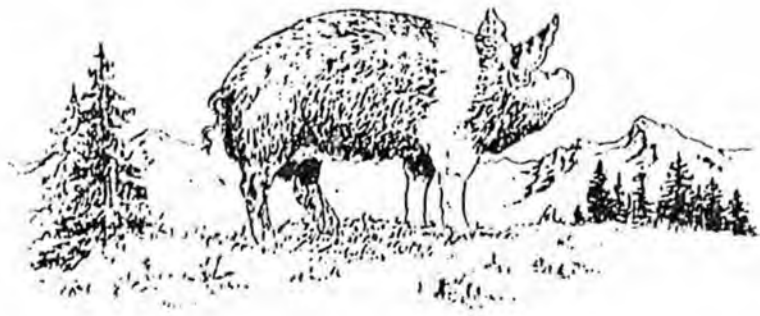
work for Armour Packing Company in Chicago. Western Alaska, at that time, was populated with reindeer which had been introduced several decades earlier to help provide Natives with a new source of meat when the area was threatened by food shortages. Gradually, many of the herds had been acquired by Lomen 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 Bolivar 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 casing 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.

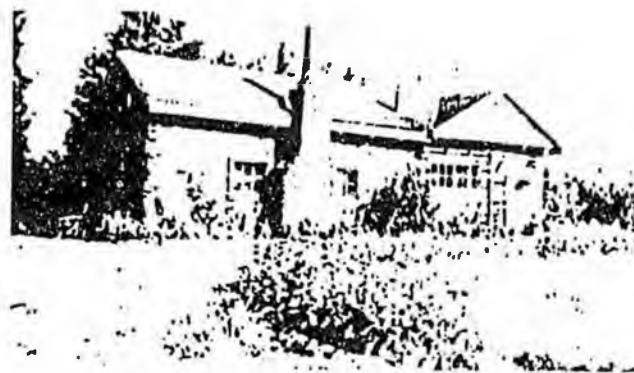
In the winter months, which the Briggses remembered as much colder in the 1940's than they were in later years, Glenn kept a kerosene heater burning under the garbage-hauling truck to keep the oil warm. For weeks at a time, the thermometer registered 40 below zero. After Glenn left in the mornings for 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

came from Kansas to join the livestock operation. He had hardly arrived before he was drafted. Dale was stationed at Fort 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)

His only major expense was hauling the pig feed from Fort Richardson. Forty years later, Glenn said there was no chance for hog raisers to make money in Alaska's economy in the 1980's when you could buy pork cheaper in the supermarket than you could raise 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)

moved back to Alaska to farm in what is now the Spenard area of Anchorage where they raised potatoes and hogs. Wanting to expand his operation, Pippel bought the Nyberg homestead not long afterwards. He planted crops on the Eagle River land but the family continued to live in Spenard.

Figs had generated the first agricultural venture on the southern end of Chugiak - Eagle River. Geese marked an early farming experiment on the north.

In 1945, Reese Tatro filed on 130 acres of land north of Peters Creek, which included all of Mirror Lake. Above the lake's eastern shore, Bear Mountain rises precipitously and on early maps the lake was called Bear Lake. Not until 1960 did the name "Mirror Lake" appear on USGS maps, but a mirror was what it most resembled. Sheltered by the mountain above it, the lake reflected the peak and the seasoned colors of the thick stands of birch that surrounded it. Reese, trucking supplies and passengers from Anchorage to Independence Mine in Hatcher Pass in the late 1930's, often stopped long enough to admire the lake's beauty.¹⁰

Reese had first come to Alaska in 1934 to manage a CCC camp at Cordova and had worked on construction jobs in different parts of the state before moving to Anchorage. During the war, he met Grace, a newly-arrived payroll clerk who was employed by the district Corps of Engineers on Fort Richardson, and they were married not long afterwards. In 1946, Reese and Grace pitched a tent on Reese's Mirror Lake homestead. Grace continued to work during the winter months on Fort Richardson. She took summers off to help Reese clear and farm the land.

Reese built a frame around the tent and the couple lived in the cozy two-layer home for several years, lighting it with gas lanterns and carrying their water from the lake.

They soon discovered that the lake was an ideal home for geese, and Anchorage's growing population offered a good market during the winter holiday season. In the summer they sold goslings. The Tatro's built up a large flock: big grey Toulouse, White Chinac, 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

facing south to keep the chickens warmer in the winter.

They planted several acres of barley and other grains on the land they cleared but potatoes were their major crop. They sold the potatoes to the Army on contract. In winter, Grace remembered, it was almost a full-time job to keep the potatoes sorted. Like the Pippel fields to the south, the Tatro fields included cabbages and other hardy vegetables. The gravelled Palmer Highway bisected their homestead and Grace planted acres of daisies on either side. She sold daisy plants along with vegetables at a roadside stand.

After the cabbages were gathered in the fall, moose moved into the fields to glean the leftovers and once a moose slept under the Tatro's kitchen window all winter. Loons swam with the geese on the lake in the summer and beavers built a nearby lodge. Homesteading was not easy, but the bonuses were many. "I wouldn't take anything for those early days," Grace said 30 years later.

Between the Briggses' hog ranch and the Tatro's Quanta La Goose Farm, other pockets of land along the Palmer Highway were attracting newcomers. In 1945, small tracts legislation had been extended to Alaska by the Secretary of the Interior. It provided for the sale or lease of tracts not exceeding five acres of "vacant, unreserved, surveyed public land" as "a home, cabin, camp, convalescent, recreational or business site" at a price "which shall not be less than survey costs."¹¹

The first five-acre, small-tract homesite in Chugiak - Eagle River was staked south of Peters Creek by Cloyce and Justine Parks. They were Nebraskans and, before the war, Cloyce operated a decorating business, selling draperies, rugs, and furniture. But with the war, all manufacturing that was not essential to the nation's defense stopped. Cloyce could not continue his business. He was nearing 40, the Parks had two teen-age children, and he was ineligible to enter the service. Instead, he went to work as a civilian with the Corps of Engineers and was offered a one-year assignment in Alaska.

Cloyce was sent to Fort Richardson as foreman of a roofing crew. As soon as civilian travel was permitted, Justine and the children, Virginia and Jim, joined him. Cloyce 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 Parks 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.

"I used to hate telling people that I lived in Peters Creek," Sunny said, "because people would say, 'Oh, you live out there with all those poor people.' That's how they thought of Peters Creek, as full of poor people.""

Bill pointed out that Peters Creek families weren't rich, but they weren't poor either. They all worked and had incomes of some sort. "But they were do-it-yourselfers. Maybe they'd go for three years with tarpaper siding on their houses. But later those places were nice homes. People enjoyed building for themselves. They were the sort of people who came up here for roughing it and for freedom."

By the time the Platzeks arrived in Alaska, Eagle River was developing as a more sophisticated part of the community, where more amenities were available and the first subdivisions with city-size lots were appearing.

Early in 1950, Glenn Briggs sold 40 acres and his hogs to John and JoAnn Vanover. The Vanovers had operated a hog ranch in Mountain View but Anchorage was growing up around them. The military population on Fort Richardson and Elmendorf was dropping and Glenn realized that there was no longer going to be enough garbage to support all of the hog farms in the area.

Not long after the Vanovers bought the Briggses' pigs, one of several sides of bacon the new owners were smoking dropped into the fire pit and blazed up. The smoke house also caught fire, burning rapidly. A year later, the log house which Jack Cobol had built in the 1930's went up in flames. The following year their brood house was destroyed by fire. To add to the Vanovers' troubles, a short time later their slaughter house in Mountain View burned to the ground.

Problems of a different kind plagued the area's largest poultry farm, which was located a mile or so to the north. Henry and Bertie Hermann started for Alaska in 1950 from Buffalo, New York, pulling a 36-foot house trailer behind their truck. When they reached Anchorage, they found that there were no trailer courts with spaces large enough to accommodate theirs. Looking for a site, they arranged with Walter Pippel to buy land from him. Hermann was a contractor and he had planned to continue in the building trade when he reached Alaska. But his arrival coincided with a prolonged carpenter's strike. The Hermanns turned to chicken-raising instead.

Before long they had hundreds of chickens housed in a 16,000-square-foot building which was described as "better quarters than a lot of people were living in then." At the peak of its produc-

tion, the firm boxed as many as 3,300 eggs a day. But the same problems that beset most agricultural ventures in Alaska plagued the Hermanns. The cost of importing feed for the chickens was prohibitively high. Merchants could buy eggs from outside cheaper than the Hermanns' poultry farm could produce them. A few years later, the farm went out of business.

Meanwhile, at the top of the grade north of Eagle River bridge, Tony Bochstahler had opened a woodcraft shop. Bochstahler's hand-made furniture was popular throughout the Anchorage area, and the cache that he built beside the shop became something of a landmark over the next two decades. Bochstahler and his wife Betty homesteaded upriver and worked for many years to preserve the natural beauty of Eagle River, as well as for other environmental causes.

The beauty of Eagle River valley was proving to be worth the difficulties of reaching it. Milford Johnson and Jack Stewart, whose brother Robert was already living in Peters Creek, built a mile and a half of road up the valley in 1952 in order to reach their new homesteads. Their cabins marked the end of the road.

"All the cars you saw coming up the road were either headed for Milford Johnson's place or mine, Jack remembered. That winter, however, a man named Kochinke and his wife mushed a dog team on past the Johnsons and Stewarts to claim land in the roadless valley and build a cabin. Before the decade ended, the valley was a patchwork of homesteads stretching a dozen miles upriver along a road that each successive settler pushed farther east.

As the population of the area grew, there was an increasing need for services closer to home and Anchorage. In the fall of 1955, construction began on a quarter-million dollar shopping center at Mile 14½ on the Glenn Highway. The *Anchorage Daily News* called the center "one of the most modern and complete in Alaska."⁶⁰ The *News* reported that it would be called the Eagle River Shopping Center and would be owned and operated by Tedrow's, Inc., a local corporation, locally financed. Officers were Ray Tedrow, president; Mary Lou Briggs, vice president; Evelyn Sehm, manager, Glenn Briggs, treasurer; and Lucille Tedrow, secretary.

Mrs. Sehm said that the center was the result of three years of extensive research to be sure that it would provide "the businesses, services, and professions best suited to fill the needs and desires of our community and also to attract the general public." She

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 barn.

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."¹⁴

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 results 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 -

IN THE HOUSE

Legis. Resolve 61

HOUSE CONCURRENT RESOLUTION NO. 32

IN THE LEGISLATURE OF THE STATE OF ALASKA

SIXTEENTH LEGISLATURE - FIRST SESSION

REQUESTING THE STATE GEOGRAPHIC BOARD TO
NAME A MOUNTAIN ON THE KENAI PENINSULA
AFTER BRUCE MCGHAN.

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

WHEREAS BRUCE MCGHAN WAS BORN AND RAISED IN THE STATE AND SPENT MANY HOURS ENJOYING THE BEAUTY OF CRESCENT LAKE AND THE SURROUNDING MOUNTAINS ON THE KENAI PENINSULA; AND

WHEREAS BRUCE MCGHAN WAS KILLED IN AN INDUSTRIAL ACCIDENT AT THE AGE OF 33 LEAVING BEHIND FAMILY AND FRIENDS WHO KNEW AND LOVED HIM; AND

WHEREAS FOUR GENERATIONS OF BRUCE MCGHAN'S FAMILY HAVE LIVED IN THE STATE, COMING TO THE STATE IN THE 1940'S AND BRINGING THE BRASS RAIL THAT IS STILL INSTALLED IN THE ANCHORAGE FOURTH AVENUE THEATRE; AND

WHEREAS MEMBERS OF BRUCE MCGHAN'S FAMILY INSTALLED THE FIRST TRANSMITTER STATION ON MOUNT SUSITNA AND WORKED ON THE STATEHOOD COMMITTEE; AND

WHEREAS BRUCE MCGHAN'S GRANDFATHER, CLIFFORD D. MCGHAN, DROVE ONE OF THE FIRST CARS OVER THE ALASKA HIGHWAY AND OPERATED ONE OF THE EARLY AIR-LINES BETWEEN ALASKA AND SEATTLE; AND

WHEREAS BRUCE MCGHAN'S HISTORIC FAMILY TIES TO THE STATE WERE MADE STRONGER BY HIS FATHER, TERRY MCGHAN, WHO INSTALLED THE FIRST PUBLIC WATER AND SEWER SYSTEMS USED IN SPENARD; AND

WHEREAS BY BEING A CONSCIENTIOUS AND HARD WORKER, BRUCE MCGHAN ACCOMPLISHED MUCH IN HIS SHORT LIFE, BEGINNING AT THE AGE OF EIGHT WHEN, AS THE YOUNGEST PAPER BOY FOR THE ANCHORAGE DAILY NEWS, HE ESTABLISHED ONE OF THE LARGEST PAPER ROUTES IN SPENARD AND WON DOZENS OF AWARDS FOR HIS EFFORTS;

9 AND

1 WHEREAS BRUCE MCCOHAN ALWAYS EXHIBITED THE ALASKA TRAIT OF ACCEPTING
2 ANY CHALLENGE, INCLUDING WHEN AT AGE 13, HE LEARNED TO RUN HIS FIRST PIECE
3 OF HEAVY EQUIPMENT, FIXED THE BULLDOZER WHEN IT BROKE DOWN, AND BUILT A
4 RUNWAY AT MENTASTA LODGE ON THE TOK CUTOFF, AND

5 WHEREAS BRUCE MCCOHAN CONTRIBUTED TO THE HISTORY OF THE STATE WHEN HE
6 WORKED FOR A REMOTE BUSH CONSTRUCTION COMPANY TO BUILD SEVERAL VILLAGE
7 SCHOOLS; AND

8 WHEREAS BRUCE MCCOHAN WORKED FOR THE FORMER STATE DEPARTMENT OF PARKS
9 AND HELPED TO DESIGN AND BUILD THE BEAR-PROOF GARBAGE CANS THAT ARE USED
10 TODAY; AND

11 WHEREAS BRUCE MCCOHAN EXEMPLIFIED THE SPIRIT OF THE STATE BY SIMPLY
12 BEING A GOOD AND HONORABLE MAN AND BY TAKING PRIDE IN HIS HOME STATE, PRIDE
13 IN EVERY JOB HE DID, AND PRIDE IN THE FAMILY HE LEFT BEHIND; AND

14 WHEREAS BRUCE MCCOHAN'S ASHES ARE SPREAD ON A CERTAIN UNNAMED MOUNTAIN,
15 AMONG NINE OTHER UNNAMED MOUNTAINS, IN THE AREA HE LOVED SO MUCH; AND

16 WHEREAS IT IS APPROPRIATE THAT A GEOGRAPHIC FEATURE WITHIN THE
17 CRESCENT LAKE AREA BE NAMED IN HIS HONOR AS A PERMANENT TESTIMONY TO HIS
18 MEMORY; AND

19 WHEREAS THERE IS STRONG PUBLIC SUPPORT FOR THIS ACTION, AS DEMON-
20 STRATED BY LOCAL POLITICAL BACKING, RESOLUTIONS, LETTERS OF SUPPORT, AND A
21 PETITION BEARING MORE THAN 1,200 SIGNATURES; AND

22 WHEREAS THE UNNAMED MOUNTAIN IS LOCATED ON THE NORTH SHORE OF KENAI
23 LAKE AND SOUTH SHORE OF CRESCENT LAKE AT SECTION 13, TOWNSHIP 4 NORTH
24 RANGE 2 WEST, SEWARD MERIDIAN, 60 DEGREES 26'00"N, 149 DEGREES 31'50"W;

25 BE IT RESOLVED THAT THE ALASKA STATE LEGISLATURE URGES THE STATE
26 GEOGRAPHIC BOARD TO NAME THE ABOVE-DESCRIBED MOUNTAIN IN THE KENAI PENIN-
27 SULA "MOUNT MCCOHAN."

28 A COPY OF THIS RESOLUTION SHALL BE SENT TO THE HONORABLE DAVID G.
29 JOHNSON, CHAIR OF THE STATE GEOGRAPHIC BOARD AND TO THE MEMBERS OF BRUCE
30 MCCOHAN'S IMMEDIATE FAMILY.

STATE OF ALASKA
1992 LEGISLATIVE SESSION

NO. 1

Bill Version: HB 402

(H) Publish Date: 1/29/92

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
---------	---	---	---	---	---	---

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 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)

Changes in 563 for US HB402 (Trans)
have no fiscal impact. This
fiscal note is appropriate.

5/5/92

date

Gmm

Comite Aide (initial)

Prepared by: Katy McHugh, 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

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

COMMITTEE COPY

HB

434

STATE COMMITTEE REPORT

Frank

DATE: 3/6/92

FURTHER: State Affairs

DATE TURNED INTO OFFICE: 3-27-92

Transportation Committee considered HOUSE BILL NO. 434

"An Act relating to special motor vehicle registration plates for veterans and recipients of the Purple Heart."

and recommends:

- replace with _____ CS _____ ()
- or adopt previous _____ CS _____ ()
- attaches amendment(s)

- same title
- new title
- technical title change (HB only)

- adopts _____ Letter of Intent
- further referral to the _____

- do pass
- do not pass
- no recommendation
- individual recommendations

NEW FISCAL NOTES: Dept/Date

- zero fiscal notes _____
- fiscal notes _____
- appropriation--no fiscal note

PREVIOUS FISCAL NOTES: Dept/Date

- zero fiscal notes Public Safety
2/10/92 ()
- fiscal notes _____

DO PASS:

Shirley Craft
Dick Shultz

OTHER RECOMMENDATIONS:

Chair: Signature and Recommendation **DO PASS**

REPRESENTATIVE TOM MOYER

DISTRICT 19 • 119 N. CUSHMAN ST., SUITE 203 • FAIRBANKS, AK 99701 • (907) 456-8161

International Trade & Tourism, Chair • State Affairs, Vice Chair • Resources, Member

SPONSOR STATEMENT

CONCERNING HB 434, " AN ACT RELATING TO SPECIAL MOTOR VEHICLE
REGISTRATION PLATES FOR VETERANS AND
RECIPIENTS OF THE PURPLE HEART"

Passage of SB 65 in 1989 allowed veterans and recipients of the Purple Heart to buy a set of commemorative veterans license plates. Inadvertently, language limiting purchase to one set of plates was left in the bill. The plates became available in 1991.

This minor glitch has come to my attention over the interim from a veteran in my district who has more than one vehicle and would like to buy plates for each one.

HB 434 would simply permit eligible vets or Purple Heart recipients to purchase special plates for as many vehicles as they own.

Currently, the following veteran plates are available:

Disable Veteran
Ex-FOW
Pearl Harbor Survivor
National Guard
Purple Heart
Army
Navy
Air Force
Marines
Coast Guard

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. HB 434

Revision Date: _____ Department Affected: Public Safety

Title: An Act relating to special BRU: Motor Vehicles

motor vehicle registration plates. Component: Field Services

Sponsor: Representative Moyer

Requestor: House Transportation COMPONENT SERIAL NO.

5	0	2
---	---	---

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

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	-0-	-0-	-0-	-0-	-0-	-0-
----------------	-----	-----	-----	-----	-----	-----

REVENUE FUND SOURCE:	-0-	-0-	-0-	-0-	-0-	-0-
---------------------------------	-----	-----	-----	-----	-----	-----

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER FUND SOURCE:						
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

ANALYSIS: (Attach a separate page if necessary.)

No fiscal impact is anticipated.

Prepared By: Juanita Hensley Phone: 465-4335

Division: Motor Vehicles Date: 2/10/92

Approved by Commissioner: *David H. ...* Richard L. Burton

Agency: Department of Public Safety Date: 2/10/92

REPRESENTATIVE TOM MOYER

DISTRICT 19 • 119 N. CUSHMAN ST., SUITE 203 • FAIRBANKS, AK 99701 • (907) 456-8161

International Trade & Tourism, Chair • State Affairs, Vice Chair • Resources, Member

Memorandum

To: Senator Curt Menard, Chair,
Transportation Committee

From: Representative Tom Moyer *TM*

Date: March 11, 1992

Re: HB 434, An Act Allowing Veterans and Recipients of the
Purple Heart more than one special motor vehicle
registration.

With this memo, I am requesting that HB 434, An act allowing veterans and recipients of the Purple Heart more than one special motor vehicle be scheduled for a hearing in the Senate Transportation Committee as soon as possible.

In 1989, SB 65 was passed which allowed veterans and recipients of the Purple Heart to buy a set of commemorative veterans license plates. Inadvertently, language limiting purchase to one set of plates was left in the bill. The plates became available in 1991.

This minor glitch has come to my attention over the interim from a veteran in my district who has more than one vehicle and would like to buy plates for each one.

HB 434 would simply permit eligible vets or Purple Heart recipients to purchase special plates for as many vehicles as they own.

If you have any questions please contact me or David Guttenberg at 4930.

HB

454

SENATE COMMITTEE REPORT

DATE: 4/2/92

FURTHER: L&C

DATE TURNED INTO OFFICE: _____

Transportation Committee considered CS HB 454 (TRANSPORTATION) am

"An Act relating to the transfer of ownership of a motor vehicle."

and recommends:

- replace with Senate CS For CS For HB 454 (Trans)
- or adopt previous _____ CS _____
- attaches amendment(s)

- same title
- new title
- technical title change (HB only)

adopts _____ Letter of Intent

further referral to the _____

do pass

do not pass

no recommendation

individual recommendations

NEW FISCAL NOTES: Dept/Date

zero fiscal notes _____

fiscal notes _____

appropriation--no fiscal note

PREVIOUS FISCAL NOTES: Dept/Date

zero fiscal notes

Dept. Public Safety / 2/26/92

Dept. Environ. Conservation / 2/19/92

fiscal notes _____

DO PASS:

Shirley Craft

OTHER RECOMMENDATIONS:

Dick Stutz No Rec.

Chair: Signature and Recommendation

[Signature]

PUBLIC OPINION MESSAGE

DEAR: SENATOR MENARD

NAME: DAVE STRICKLAND

TITLE:

ADDRESS: 416 JUNEAU AVENUE

CITY: FAIRBANKS

ZIP: 99701

PHONE: 456-5147

BILL NO: HB 454

SUBJECT: BAN CAR SALE IF POLLUTION CONTROL ALTERED

MESSAGE: I WOULD LIKE TO EXPRESS MY STRONG OPPOSITION TO THIS BILL. A LARGE PERCENTAGE OF CAR OWNERS, INCLUDING MYSELF, ARE UNAWARE OF ANY MODIFICATIONS DONE TO THEIR VEHICLES. THIS WOULD IMPOSE A FINANCIAL AND TIME-CONSUMING BURDEN ON INNOCENT PEOPLE. EOM/MJO

POMID: 07122204

DATE: 92/04/10

TIME: 12:22:04

LIONAME: FAIRBANKS LIO

COPIES: REPRESENTATIVES SENATORS

BOYER

KOPONEN

M.W.MILLER

MOYER

SHARP

CRAFT

FRANK

SHULTZ

JONES

PEARCE



REPRESENTATIVE LOREN LEMAN West Anchorage

3111 C Street Anchorage, AK 99503 561-7614 During Session: P.O. Box V Juneau, AK 99811 465-2095

SPONSOR STATEMENT

DATE: April 3, 1992
BY: Representative Loren Leman
SUBJECT: CSHB 454 (TRANSPORTATION) am: An Act Relating to
the Transfer of Ownership of a Motor Vehicle
=====

CSHB 454 is designed to provide consumer protection and improve air quality for residents of Anchorage and Fairbanks.

This legislation will void the sale of motor vehicles in certain cases if the vehicle's pollution control system has been tampered with or removed. The language closely follows federal regulations regarding pollution control devices, but improves protection of the consumer.

Additionally, CSHB 454 will assist Anchorage and Fairbanks in meeting the federal Clean Air Act requirements for air quality. When a resident of these cities buys a car from a used car dealer, the dealer will be required to present a certificate of emission compliance or non-compliance.

The presence of emission inspection documents at the time of sale will help consumers living within I/M program areas to make educated decisions regarding the purchase of used vehicles. Used car businesses should be happy to document the proper performance of their autos.

Sale of non-compliance vehicles or "junk" cars for parts or restoration will not be prohibited. No increase in costs is expected for either the Municipality of Anchorage or City of Fairbanks as a result of CSHB 454.

The Division of Motor Vehicles, the Department of Environmental Conservation, and the Fairbanks and Anchorage Vehicle Inspection Programs support this legislation. I urge the passage of this bill.

FISCAL NOTE

No. 1

Bill Version: CSHB 454 (TRA)

(H) Publish Date: 2-28-92

STATE OF ALASKA
1992 LEGISLATIVE SESSION

Revision Date: _____
Title: Transfer of ownership of a motor
vehicle
Sponsor: Leman
Requestor: (H) Trans.

Department Affected: Environmental
Conservation
BRU: Environmental Quality
Component: Air Quality Management

COMPONENT SERIAL NO.

1	4	2	8
---	---	---	---

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	0.0	0.0	0.0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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REVENUE						
FUND SOURCE:						

FUNDING: (Thousands of Dollars)

GENERAL FUND	0.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS						
OTHER						
FUND SOURCE:						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

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

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

Tampering with a vehicle's emission control device is a violation of federal and state law. Such vehicles emit a disproportionate share of air pollutants, adding to air quality problems. This bill will help keep these vehicles out of the chain of commerce.

Prepared by: Janice Adair
Division: Commissioner's Office

Phone: 465-5050
Date: 2/19/92

Approved by Commissioner: *Janice Adair*
Agency: Environmental Conservation

Date: 2/19/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

No. 2

Bill Version: CSHB 454 (TRA)

(H) Publish Date: 2-28-92

STATE OF ALASKA
1992 LEGISLATIVE SESSION

Revision Date: _____ Department Affected: Public Safety

Title: "An Act relating to the transfer of BRU: Motor Vehicles

ownership of a motor vehicle" Component: Field Services

Sponsor: Representative Leman

Requestor: House Transportation COMPONENT SERIAL NO.

	5	0	2
--	---	---	---

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

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	-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 FUND						
FEDERAL FUNDS						
OTHER FUND SOURCE:						
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: _____

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Juanita Hensley Phone: 465-4335

Division: Motor Vehicles Date: 2/26/92

Approved by Commissioner: *Richard L. Burton* Richard L. Burton

Agency: Department of Public Safety Date: 2/26/92

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

March 31, 1992

SUBJECT: Definition of "negligently" - (CSHB 454(TRA))

TO: Representative Loren Leman

FROM: Michael F. Ford *M.F.*
Legislative Counsel

You have asked what it means to act "negligently." The term generally refers to the failure to use reasonable care. Reasonable care is that amount of care that a reasonably prudent person would use under similar circumstances. A reasonably prudent person is not the exceptionally cautious or skillful individual, but a person of reasonable and ordinary carefulness. See Leigh v. Lundquist, 540 P.2d 492 (Alaska 1975).

However, if a person has superior knowledge, skill, or intelligence the person is required to use reasonable care expected from a person with those superior talents. For example, a person trained as an automobile mechanic, is expected to act with reasonable care consistent with a trained automobile mechanic. Likewise, a person with no special automotive skills is expected to use reasonable care of a person with no special automotive skills. Prosser, Torts, 4th Ed. sec. 32.

Please contact me if you have further questions.

MFF:pl
92-231.plm

May 6, 1991

TO WHOM IT MAY CONCERN:

Emissions Conflict on '87 Escort

1. Purchased as used vehicle from Anchorage Chrysler, 2601 East 5th Ave, Anchorage. September 18, 1990 along with extended warrenty contract #05618486 for 2 years.
2. License ^{duplicate} renewed February 1, 1991 when emissions test was also due. Went to Y. & B Texaco 3304 Spenard Road about 12/19/90 to have headlight replaced and IM test. I.M. test for Municipality of Anchorage did not pass.
3. Made appointment with city referee to have car checked about 12/23/90. While at the referee, they told me that this Escort qualified for a recall and gave me copy of letter dated July 1989 from Dearborn Michigan on Emissions Recall 89E78 which should have gone to the previous owner or original owner. Referee also suggested I check previous emissions record with Department of Motor Vehicles, which I did next.
4. Motor Vehicles said the car passed emissions according to their records which seems strange to me since it was 2/90 after the letter and yet I had such detailed problems and experiences one year later.
5. Since car was purchased from Chrysler and I felt it their responsibility I took it to them 1/4/91. They sent me to a Ford Garage so I chose Worthington Ford, 1950 Gambell Street, Anchorage and thence work was Chrysler's problem, done by Ford.
6. From then on two service managers were involved: P. C. Gray (Asst. Service Manager with Chrysler) and Ray (Service man with Ford). When work was finally finished after day after day more parts needed replacing I was told some things were not covered by Chrysler warrenty and Ford recall amounting to \$110 and since I was a senior citizen I owed \$99.00 which I paid and took the car to the umpire again, where it passed.
7. However, two months later, April 5, 1991, I received a bill for \$299.54 balance on repair order #78371, completely by surprise.
8. I am now told by Dennis Stanley, Asst. Service Manager at Worthington Ford that Ray is no longer employed by them as of about the time this bill was made out, whether related or not I do not know.
9. P. C. Gray at Chrysler told me of his involvement with Ray and I enclose a photostat of the hassel he had getting approval and contact with Ray via phone calls, etc. and suggested I contact Nancy Dahle with Ford which I have not done, because everyone has an excuse of one kind or another.
10. I am transferring this to Better Business Bureau and possibly to Small claims Court to resolve the \$299.54 controversy. Also I am told that a bill is currently in the legislature to require used car dealers to prove with a live polutions test before sale of any vehicle. AMEN!

1 extended warrenty enclosed

2 Recall enclosed

3 CHRYSLER #49707 enclosed

4 #77961 } all enclosed FORD
5 #51343 }
6 #78371 } with attachments
7 bill enclosed

#9a card enclosed

#9b card enclosed

8 phone record enclosed

4 again #77961 enclosed

ADDED ELEMENT PLEASE NOTE: Worthington work order 1/15/91 #77961 instructions were to do IM work first which was not done. I paid them \$162.00 to take car apart (no further work done yet) and then towed it to Chrysler since Head



Alaska State Legislature

HOUSE OF REPRESENTATIVES

Official Business

CONSTITUENT REQUEST/RESPONSE

P.O. Box V
State Capitol
Juneau, Alaska 99811

Initial Contact: Kelley
Assigned to: Kelley

PRECINCT: _____

NAME: Shura, Jerry

ADDRESS: 3221 E. 43rd # B 99508

PHONE: 561-4864

[Faint handwritten notes and a large diagonal scribble]

REQUEST: (711 E. Northwest Lights Blvd)

Bought a car from Clinton Auto (Phil Clinton). He said it passed I.M., it didn't. She needs a new engine to pass. It also has a '76 engine in a '81 car which is illegal (according to the Referee Station.)

Wants to make this illegal, please pass a bill.

"as is"

RESPONSE:

John has Loren is drafting a bill related to Emission testing.

8/28/91 @ 5:45 - 220 w Shura

\$1700

M.S.

offer an exchange w/ Clinton - he refused

she wants to testify in support of my bill

[Handwritten signature]

INSTRUCTIONS:



Alaska State Legislature

HOUSE OF REPRESENTATIVES

Official Business

CONSTITUENT REQUEST/RESPONSE

P.O. Box V
State Capitol
Juneau, Alaska 99811

Initial Contact: KIP
Assigned to: KIP

PRECINCT: _____

DATE: 2/5/92
TIME: 10:00

NAME: JOHN + JASON HOCKER

ADDRESS: 7400 DEBARR RD

PHONE: 337-3463

REQUEST: Jason Hocker purchased auto from individual who represented that it would easily pass I/M. Auto failed after purchase. Jason discovered that different engine had been installed w/o catalytic converter and other pollution control

RESPONSE:

devices. Repairs to meet I/M would cost over \$1000. Jason will have to sell car at substantial loss outside of I/M program area.

INSTRUCTIONS:

Contact if HB454 is heard.

HB

472

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) 485-4925

House of Representatives

S P O N S O R S T A T E M E N T

As the legislator representing Klawock and Prince of Wales Island in Southern Southeast, Alaska I have been requested to respond to the well documented desires of these communities in regard to the Klawock airport. HB 472 is my response to the wishes of my constituency.

HB 472 "An Act naming the Frank Peratrovich Airport" is an attempt to further recognize the lifelong achievements of Mr. Frank Peratrovich. The airport I am seeking to rename is situated in the community of Klawock. Mr. Peratrovich lived out his life in Klawock and is a highly revered leader in the history of Klawock.

The Klawock airport services the airline transportation needs of the entire Prince of Wales Island. Attached, please find resolutions and or letters of support from the Prince of Wales communities of Craig, Klawock, Thorne Bay, Kasaan, Hydaburg and Pt. Baker.

Additionally, I have attached a supporting resolution from the Grand Camp of the Alaska Native Brotherhood and Alaska Native Sisterhood. This resolution was passed in convention and approved by vote by delegates from every local ANB/ANS camp throughout the entire Southeast region.

Please join me in recognizing the contributions of Frank Peratrovich: former territorial legislator, state senator, Vice Chair of the State Constitutional Convention, Mayor of Klawock, President of the Alaska Native Brotherhood and President and founder of the Alaska Purse Seiner's Association.



P.O. Box 23, Craig, Alaska 99921

(907) 826-3275

RESOLUTION 89-17

A RESOLUTION RECOMMENDING A NAME FOR THE PRINCE OF WALES ISLAND AIRPORT

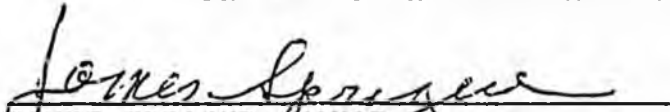
WHEREAS, the City of Craig has been requested to support a renaming of the local airport to recognize and honor former Senator Frank Peratrovich; and

WHEREAS, the City of Craig desires to recognize the contributions of Frank Peratrovich while maintaining a geographic reference to the local area;

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CRAIG THAT:

The regional airport situated on Prince of Wales Island be named the Peratrovich Prince of Wales Island Airport.

PASSED AND ADOPTED THIS 6TH DAY OF APRIL, 1989



JAMES SPRAGUE, MAYOR



ATTEST: HELEN GRAY, CLERK

CITY OF KLAWOCK, ALASKA
RESOLUTION 91-31

RENAMING OF THE KLAWOCK AIRPORT TO THE FRANK PERATROVICH AIRPORT.

WHEREAS, the Klawock Airport funding was secured by legislation introduced by the late Senator Frank Peratrovich in the early 1970's, and

WHEREAS, the airport was specifically designed and built adjacent to the City of Klawock for several reasons, i.e., land availability, access, cross-wind characteristics, etc., and

WHEREAS, Senator Frank Peratrovich was from Klawock when he was a legislator and was always from Klawock, up to the time of his death in 1983, and

WHEREAS, the people of Klawock honor Senator Peratrovich for all he has done, both as a member of the House of Representatives and as the President of the Senate, for the people of Alaska, and

WHEREAS, Senator Frank Peratrovich was member of Klawock ANB Camp #9, a member of the Eagle Clan, and by naming the airport created through his legislation after him, the people of Klawock and the members of the Alaska Native Brotherhood and Sisterhood would be honoring the efforts Senator Peratrovich contributed to the State of Alaska, and

WHEREAS, the Klawock City Council passed a similar resolution in 1989, and

WHEREAS, the Alaska Department of Transportation would like regional support to name the Airport, now

THEREFORE BE IT RESOLVED that the City Council of Klawock, Alaska agree that the airport should be named by the State of Alaska, "The Frank Peratrovich Airport" of Klawock, and

BE IT FURTHER RESOLVED that a copy of this resolution be sent to Representative Jerry Mackie and Senator Richard Eliason with a cover letter strongly recommending that such a bill be introduced in this 1992 Alaska State Legislative session, and

BE IT FURTHER RESOLVED that this resolution be sent to the Prince of Wales Advisory Council for approval and ratification of its member communities.

PASSED and APPROVED by the KLAWOCK CITY COUNCIL on this 10th day of December, 1991.

..... Absent
City Council Member

..... Absent
City Council Member

Helen M. Jackson
City Council Member

ATTEST:

Karen Moore
City Clerk

Robert Armour
City Council Member

Jack D. Williams
City Council Member

Jonathan O. Rouan, Jr.
City Council Member

Clayton Lucas, Jr.
MAYOR

RESOLUTION 92-02-06-03

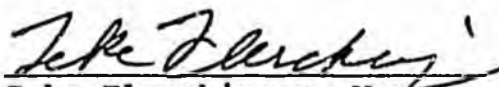
A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF THORNE BAY, ALASKA, ENDORSING CITY OF KLAOCK, ALASKA RESOLUTION 91-31, REQUESTING THAT THE KLAOCK AIRPORT BE RENAMED AS THE FRANK PERATROVICH AIRPORT OF KLAOCK.

WHEREAS, the City Council is the governing body for the City of Thorne Bay, Alaska; and

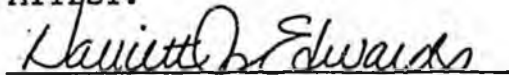
WHEREAS, the City Council has reviewed City of Klawock, Alaska Resolution 91-31 and concurs with its substance;

NOW, THEREFORE, BE IT RESOLVED that the City Council for the City of Thorne Bay hereby endorses City of Klawock, Alaska Resolution 91-31, requesting that the Klawock Airport be renamed as "The Frank Peratrovich Airport of Klawock."

PASSED AND APPROVED on February 6, 1992.


Zeke Flerchinger, Mayor

ATTEST:


City Clerk

(Sponsor: Tom Edwards)

CITY OF KASAAN, ALASKA
RESOLUTION NO. KA-92-02-156

A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF KASAAN, ALASKA, ENDORSING CITY OF KLAWOCK, ALASKA RESOLUTION NO. 91-31, REQUESTING THAT THE KLAWOCK AIRPORT BE NAMED AS THE FRANK PERATROVICH AIRPORT OF KLAWOCK.

WHEREAS, the City Council is the governing body for the City of Kasaan, Alaska; and

WHEREAS, the City Council has reviewed City of Klawock, Alaska Resolution No. 91-31 and concurs with its substance;

NOW, THEREFORE, BE IT RESOLVED THAT: the City Council for the City of Kasaan hereby endorses City of Klawock, Alaska Resolution No. 91-31, requesting that the Klawock Airport be named as "The Frank Peratrovich Airport of Klawock."

PASSED, APPROVED AND ADOPTED by a duly constituted quorum of the Kasaan City Council on this 14 day of FEBRUARY 1992.

ROLL CALL VOTE:

Yea 6
Nay 0
Abstain 0
Absent 1

Kathleen Wasserman
Mayor

ATTEST:

Paula K. Peterson
City Clerk



CITY OF HYDABURG

P. O. Box 49


Hydaburg Alaska 99922

(907) 285-3761 or 285-3793

February 11, 1992

Representative Jerry Mackie
Rm. 110, Capitol
P.O. Box V
Juneau, Alaska 99811

This is a letter of support for our State Representative Jerry Mackie's effort to rename the Klawock Airport to "Frank Peratrovich Airport". The resolutions will be endorsed by the city council at their next regular meeting on February 18th, 1992.

Signed,


Eugene Natkong
Mayor for the City of Hydaburg

Post-It™ brand fax transmittal memo 7871		# of pages > 1
To Jerry Mackie ca	From City of Hydaburg ca	
Dept.		

F A X C O V E R P A G E

TO: REP JERRY MACKIE

FAX NO.: 465-2299

PAGE 1 OF 1, COVER PAGE INCLUDED

2-11-92

The Point Baker Community Association
Has no objection to a change in name
of the Kluwock Airport.

Signed Joseph Sebastian
CHAIRPERSON



Grand Camp
Alaska Native Brotherhood

ALASKA NATIVE SISTERHOOD AND BROTHERHOOD
76TH ANNUAL CONVENTION
JUNEAU, ALASKA
NOVEMBER 14-19, 1988

RESOLUTION NO. 53

TITLE: Klawock Airport - Name

WHEREAS, the Klawock Airport funding was secured by legislation introduced by the late Senator Frank Peratrovich in the early 1970s, and

WHEREAS, the airport was specifically designed and build adjacent to the city of Klawock for several reasons, i.e., land availability, access, cross-wind characteristics etc., and

WHEREAS, without any consultation, hearings, or anything of that nature, the airport is being referred to as the Craig/Klawock airport, and

WHEREAS, Senator Frank Peratrovich was from Klawock when he was a legislator and was always from Klawock, up to the time of his death in 1983, and

WHEREAS, the people of Klawock honor Senator Peratrovich for all he has done, both as a member of the House of Representatives and as the President of the Senate, for the people of Alaska, and

WHEREAS, Senator Frank Peratrovich was a member of Klawock ANB camp #9, a member of the Eagle Clan, and by naming the airport created through his legislation after him, the people of Klawock and the members of the Alaska Native Brotherhood and Sisterhood would be honoring the efforts Senator Peratrovich contributed to the State of Alaska, now

THEREFORE BE IT RESOLVED that the Grand Camp of the Alaska Native Brotherhood and Sisterhood assembled in Juneau, Alaska during the week of November 14-19, 1988 agree that what is now mistakenly referred to as the Craig/Klawock airport, should be named, by the State of Alaska, "The Frank Peratrovich Airport" of Klawock, and

BE IT FURTHER RESOLVED that a copy of this resolution be sent to Representative Peter Goll and Senator Richard Eliason with a cover letter strongly recommending that such a bill be introduced in this 1989 Alaska State Legislative session.



REPRESENTATIVE LOREN LEMAN West Anchorage

3111 C Street Anchorage, AK 99503 561-7611 During Session: P.O. Box V Juneau, AK 99811 465 2095

M E M O R A N D U M

DATE: April 3, 1992
TO: Senator Curt Menard
Chairman, Senate Transportation
FROM: Representative Loren Leman
SUBJECT: Request for Hearing
CSHB 454 am: An Act Relating to the Transfer of
Ownership of a Motor Vehicle

=====
I request that you schedule CSHB 454 am for a hearing at your earliest convenience.

Attached are the following:

- o Sponsor Statement
- o Zero fiscal notes from Departments of Environmental Conservation and Public Safety
- o Backup information

The House Transportation and Labor and Commerce Committees each discharged this bill with five "do-pass" recommendations.

The House passed the bill 29 "YEAH"s to 9 "NAY"s on April 1.

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



House of Representatives

WHILE IN JUNEAU
P.O. BOX V
JUNEAU, ALASKA 99811
(907) 485-4925

March 30, 1992

Jon

MEMORANDUM

To: Sen. Menard, Chair
Senate Transportation Committee

From: Rep. Mackie *JM*

Re: Hearing HB 472 which names the Klawock and Nome airports.

The House recently passed HB 472 and it was referred to your committee. I would appreciate consideration of hearing of HB 472 at your earliest convenience. This legislation is without controversy. In part, it commemorates an august member of the upper chamber, Senator Frank Peratrovich.

SENATE COMMITTEE REPORT

DATE: 3/25/92

FURTHER:

DATE TURNED INTO OFFICE: _____

Transportation Committee considered CS FOR HOUSE BILL NO. 472 (TRA)

"An Act naming the Frank Peratrovich Airport and the Munz City Field."

and recommends:

replace with Senate CS HB 472 (Trans)

or adopt previous _____ CS _____ (_____)

attaches amendment(s)

same title
 new title
 technical title change (HB only)

adopts _____ Letter of Intent

further referral to the _____

do pass

do not pass

no recommendation

individual recommendations

NEW FISCAL NOTES: Dept/Date

zero fiscal notes _____

fiscal notes _____

appropriation--no fiscal note

PREVIOUS FISCAL NOTES: Dept/Date

zero fiscal notes 4. Trans. Comm / 4/9/92

fiscal notes _____

DO PASS:

OTHER RECOMMENDATIONS:

[Handwritten signatures]

Chair: Signature and Recommendation

[Handwritten signature] **DO PASS**

HJR

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WALTER J. HICKEL, GOVERNOR

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

OFFICE OF THE COMMISSIONER

P.O. BOX Z
JUNEAU, ALASKA 99811-2500
PHONE: (907) 465-3900

March 13, 1991

The Honorable Richard Foster, Chair
House Transportation
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Representative Foster:

My staff has prepared the attached overview of the highway bill recently released by the administration. Less than seven months remain before the U.S. Congress must pass legislation if we are to receive new apportionments of federal highway funds. As introduced, the administration's highway bill is favorable to Alaska. Our analysis suggests that unfavorable changes are likely to be made as the bill moves through Congress. In fact, our worst case scenario shows a drop in the funding level from \$151 million to only \$28 million! Luckily, no such proposal has so far been introduced into the Congress.

As the overview indicates, House committee action is likely in May. We will continue our active monitoring of the legislative situation in Washington, D.C. and provide further information when warranted.

Sincerely,



Frank G. Turpin
Commissioner

H.R. 1351¹
The Administration Highway Bill

The proposals in this bill provide a framework that the U.S. Congress may use as it tackles re-authorization of the federal highway program. This program is the state's largest single source of programmatic assistance from the federal budget. No new funds are available after September 30 of this year, unless Congress re-authorizes the program. Last year the state's obligations for highway planning and construction exceeded \$150 million; this year they are expected to exceed \$175 million. These federal funds pay for all phases of constructing road improvements in urban and rural Alaska. With the exception of safety funds, they must be spent on the federal-aid system. These federal funds can not be used for maintenance purposes.

The Administration's Highway Bill proposes a new way of doing business. It would make four major changes:

- (1) **Elimination of the current program structure.** Most current features would be discontinued if this bill is enacted.
- (2) **Establishment of a new, "simplified" program structure.** The bill proposes a new set of federal requirements that replaces the current requirements the state must meet.
- (3) **Definition of a single system of nationally-significant, federal-aid highways.** This system would be somewhat more comprehensive than the existing system of Interstate highways.
- (4) **Some integration of transit assistance programs into the highway program.** Many members of Congress believe that any bill must address both transit and the environment. The administration's bill does not speak to these concerns.

NEW PROGRAM FEATURES

Almost half of all funding in the overall program goes to the National Highway Program (NHP). In general, this funding is destined for a nationwide system of about 150,000 miles spread through-out the fifty states. Other major components include the urban/rural and bridge programs. The urban/rural program replaces many of the most familiar features of the current program - for example, the secondary and urban systems. Funding will be distributed based on each state's contributions to the Highway Trust Fund. Alaska's share of funds under both the urban/rural and bridge programs is small.

National Highway System (NHS) in Alaska - The administration's bill contains specific directions to be followed to determine the composition of the NHS in each state. In Alaska's case we will be starting from scratch, in

¹ The administration bill is not yet introduced in the U.S. Senate.

The Administration's Highway Bill

that Interstate routes in Alaska are not automatically part of the NHS. In exercises to date on this topic, Alaska has come away with the impression that the federal government is advocating a route selection process that is too restrictive. We continue to believe that at a minimum the NHS in Alaska must serve the state's larger coastal communities and the interior.

Marine Highway Improvements - Our past efforts were successful in getting the administration to recognize that ferry system improvements must be an eligible use of funding from the National Highway Program. The administration's bill distinguishes between transfer facilities and vessels. Any type of federal funding can potentially be used to improve transfer facilities and approaches, even if the ferry is privately operated. On the other hand, vessel construction can be funded only if the vessel operates on a route on the NHS.

Transferability - Current highway law enables Alaska to direct different types of funds to the most needed highway improvements without regard to most program restrictions. Similar language is included in the administration highway bill. Alaska would continue to enjoy the benefits of this flexibility. In particular, National Highway Program funds would not have to be spent on NHS routes in Alaska. The current restrictions about spending funds off the federal-aid system would continue in a modified form, however.

State and/or Local Match - One of the more contentious elements of the administration's highway bill is the requirement for more matching funds from state and local governments. Lower matching rates lead to a bigger program, but require that non-federal sources contribute the extra dollars. For example, in Alaska urban/rural funds would match at a rate no higher than seventy-five percent, compared to the current 88.71. Additional state match dollars would be required for any improvement not on the NHS. At the national level this increase is of major concern; final legislation will likely require less match than the administration bill.

Transit - Alaska would continue to receive its relatively small amount of federal funding for transit in the same manner. At the national level the source of these funds would shift from the U.S. Treasury to the Mass Transit Account of the Highway Trust Fund. Transit interests believe federal funding for transit must increase, and believe this shift in funding source is misdirected. Similar to the highway program, more match dollars would be required from non-federal sources. Transit would be an eligible use of funds from the urban/rural program if a state elected to use these highway funds for transit purposes.

Funding levels for Alaska under different program scenarios

--- Caution advised: the many proposals made by the administration could prove favorable to Alaska, but the most favorable features are likely to be altered by Congress before final passage.

The Administration's Highway Bill

- A single formula factor, land area, would generate about seventy-five percent of Alaska's overall funding. This reliance on a single factor carries over from formulas that are currently used for distributing funds to the states.
- The way the land area factor is used is so favorable that Alaska might receive more than ever before from the Highway Trust Fund.

Funding Projections from the Administration's Bill

	FFY'91 ¹	FFY'92 ²	FFY'94	FFY'96 ³
Overall funding	\$151 million	\$241 million	\$251 million	\$354 million
National Highway Program	N/A	\$216 million	\$225 million	\$307 million

- The U.S. House, in particular, is expected to substitute other formula factors for the land area factor so beneficial to Alaska. We are still in the dark about how much funding we will actually get.

Worst Case Scenario

	FFY'91 ¹	FFY'92 ²	FFY'94	FFY'96 ³
Overall funding	\$151 million	\$28 million	\$30 million	\$42 million
National Highway Program	N/A	\$17 million	\$18 million	\$25 million

FURTHER ACTION

Further action by the Alaska Department of Transportation and Public Facilities will key on committee action in the U.S. House of Representatives. The authorizing committee in the U.S. House is dominated by representatives from states with large urban areas, such as California, New Jersey and Pennsylvania. Only one member out of fifty represents a rural Western state with viewpoints similar to Alaska. This committee plans to report a bill to the House floor by the end of May. The results of their deliberations are likely to determine how wide-ranging this year's debate will be. If their bill calls for a new program framework, but does not retain funding provisions favorable to Alaska, our work will be cut out for us in the U.S. Senate. While we await committee action in the U.S. House we will continue our active monitoring of all re-authorization related materials coming out of Washington, D.C.

¹ Baseline amount: these apportionments were received last October.

² First year covered by the administration bill.

³ FFY'96 is the first year that spending is not constrained by last year's budget agreement.

FISCAL NOTE

REQUEST:

Revision Date: 3/14/91
 Title: Relating to federal highway trust fund
 Sponsor: House Transportation Committee
 Requestor: House Transportation Committee
 Agency Affected: DOT
 BRU: _____
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

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

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

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Wendy Mulder Phone: _____
 Division: House Transportation Committee Date: 3/14/91

Approved by Commissioner: *Richard...* Date: _____
 Agency: _____

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