

ALASKA LEGISLATURE COMMITTEE FILES 1995-1996 8672

8996 SENATE RESOURCES

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SJR 38

Revision Date: initial Dept. Affected: _____
 Title: Opposing expansion of TRI program BRU: _____
 Component: _____
 Sponsor: Senate Resources Committee
 Requester: Senate Resources Committee COMPONENT SERIAL NO. _____

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 100	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

Estimate of any current year (FY96) cost: \$ -0-

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Senate Resources Committee Phone: 465-4907
 Division: _____ Date: 5/1/96
 Approved by: Senator Loren Leman, Chairman Date: 5/1/96
 Agency: _____

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9-LS1761A/
Lauterbach
3/6/96

**SENATE JOINT RESOLUTION NO.
IN THE LEGISLATURE OF THE STATE OF ALASKA
NINETEENTH LEGISLATURE - SECOND SESSION**

BY THE SENATE RESOURCES COMMITTEE

**Introduced:
Referred:**

A RESOLUTION

1 **Opposing the proposed expansion of the United States Environmental Protection**
2 **Agency's toxics release inventory program.**

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

4 **WHEREAS** the United States Environmental Protection Agency has proposed new
5 rules to expand the Toxics Release Inventory (TRI) Program; and

6 **WHEREAS** this expansion could add electric utilities, waste management facilities,
7 mining, oil and gas exploration and production, materials recovery and recycling, and some
8 warehousing activities to the list of facilities required to report toxic chemical releases under
9 the TRI program; and

10 **WHEREAS** only manufacturing facilities must currently report under the TRI program
11 and there are significant fundamental differences between manufacturing facilities and the
12 facilities threatened with addition to the list; and

13 **WHEREAS** nearly all of the produced water, natural gas, and other miscellaneous
14 materials from oil and gas exploration and production facilities are discharged to deep disposal
15 wells far below the groundwater aquifer; and

16 **WHEREAS** the Environmental Protection Agency's profiles of various industries not

1 currently required to report under the TRI program assume that typical releases remain
2 constant; this is not the case for at least some operations where the concentrations of
3 chemicals in wastestreams change constantly; and

4 **WHEREAS** the only way to monitor these varying discharges would be for operators
5 to perform regular, expensive wastestream tests; and

6 **WHEREAS** the information gained from these tests would not benefit communities
7 significantly because much of the information regarding onsite hazardous substances is already
8 required to be reported to local emergency planning committees, the Alaska State Emergency
9 Planning Commission, the State Fire Marshall's office, and local fire departments; and

10 **WHEREAS** the Alaska State Legislature considers this proposed rule-making would
11 result in an unnecessary, duplicative reporting burden; and

12 **WHEREAS** this expanded reporting requirement will force companies operating in
13 Alaska to redirect financial resources to a reporting effort with far less benefit than current
14 reporting requirements; and

15 **WHEREAS** the State of Alaska has been implementing changes to minimize the cost
16 burden on marginal oil and gas projects and those nearing their economic end;

17 **BE IT RESOLVED** that the Alaska State Legislature respectfully requests that the
18 United States Environmental Protection Agency cease from imposing additional, duplicative
19 reporting mandates on industry; and be it

20 **FURTHER RESOLVED** that, if the Environmental Protection Agency continues with
21 the implementation of the proposed rule, the Alaska State Legislature requests that oil and gas
22 exploration and production be exempted from the TRI program reporting requirements.

23 **COPIES** of this resolution shall be sent to the Honorable Bill Clinton, President of the
24 United States; the Honorable Al Gore, Jr., Vice-President of the United States and President
25 of the U.S. Senate; the Honorable Robert Dole, Majority Leader of the U.S. Senate; the
26 Honorable Newt Gingrich, Speaker of the U.S. House of Representatives; the Honorable Ted
27 Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young,
28 U.S. Representative, members of the Alaska delegation in Congress; and to Carol Browner,
29 Administrator, U.S. Environmental Protection Agency.

WORK ORDER REQUEST FORM

W.O. [19] LS-1761

KEYWORDS: ENVIRONMENTAL CONCERNS ASSIGNED: Lauterbach

OIL/GAS

REQUEST FOR: Resolution TAKEN BY: Lamonica

SUBJECT: Toxics Release Inventory

REQUESTED FOR: SC SRES BY: Annette PHONE: 465-2095

DELIVER TO: Sen. Leman, Cap. 115

INSTRUCTIONS: Draft Senate Joint Resolution relating to Legislature's position on Environmental Protection Agency's proposed rule to require oil and gas exploration and production companies to report under the Toxics Release Inventory. See attached.

OBTAIN	SPECIAL DRAFTING INSTRUCTIONS ATTACHED []
	AUTHORIZED TO CONFER WITH _____
	RETURN _____
	_____ TO REQUESTOR
	APPROVED: <input checked="" type="checkbox"/> DIRECTOR, LEGAL SERVICES

REVIEWED _____
IN <u>03/05/96</u> DUE _____
TYPED: Draft _____ Date _____
Final _____ Date _____
PROOFED _____ DELIVERED _____

SPECIAL INSTRUCTIONS to TYPING/PROOFING

Request for DRAFT



Alaska State Legislature

Official Business

MEMO

State Capitol
Juneau AK 99801

TO: Legal Services
via fax: two pages only X2029

FROM: Annette Kreitzer, Aide to Senate Resources Committee *(Signature)*

DATE: March 4, 1996 *(Signature)*

RE: Senate Joint Resolution re: Toxics Release Inventory

Please draft a Senate Joint Resolution noting the Alaska Legislature's position regarding a proposed rulemaking by the Environmental Protection Agency that would include oil and gas exploration and production companies with those now required to report under the Toxics Release Inventory.

WHEREAS the U.S. Environmental Protection Agency has proposed a rulemaking to expand the Toxics Release Inventory Program; and

WHEREAS the expansion could add electric utilities, waste management facilities, mining, oil and gas exploration and production, materials recovery and recycling, and some warehousing activities to the list of facilities required to report toxic chemical releases under the TRI program; and

WHEREAS currently only manufacturing facilities must report under TRI and there are significant fundamental differences between manufacturing facilities and those facilities threatened with addition to the list; and

WHEREAS, nearly all of the produced water, natural gas and other miscellaneous materials from oil and gas exploration and production facilities are discharged to deep disposal wells far below the groundwater aquifer; and

WHEREAS the EPA profiles of various industries not currently reported under TRI assume that "typical" releases remain constant, this is not the case for at least some operations where the concentrations of chemicals in wastestreams change constantly; and

WHEREAS the only way to monitor these varying discharges would be for operators to perform regular, expensive wastestream tests; and

WHEREAS the information gained from such tests would not benefit communities significantly, since much of the information regarding onsite hazardous substances is already required to be reported to Local Emergency Planning Committees, the State Emergency Planning Commission, the State Fire Marshall's office, and local fire departments; and

WHEREAS the Alaska Legislature deems this proposed rulemaking an unnecessary, duplicative reporting burden; and

WHEREAS this expanded reporting requirement will force companies operating in Alaska to redirect financial resources to a reporting effort with far less benefit than current reporting requirements; and

WHEREAS the State of Alaska has been implementing changes to minimize the cost burden on marginal oil and gas projects and those nearing their economic end;

BE IT RESOLVED that the Alaska Legislature respectfully requests that the Environmental Protection Agency cease from imposing additional, duplicative reporting mandates on industry; and

BE IT FURTHER RESOLVED that if the EPA continues with the implementation of the proposed rule, that oil and gas exploration and production be exempted from TRI reporting requirements; and

BE IT FURTHER RESOLVED that copies of this resolution shall be sent to President; Vice President; Carol Browner, EPA Administrator; Speaker U.S. House of Representatives; Majority Leader of U.S. Senate; and Alaska Congressional Delegation (note to drafter: please include appropriate titles, names of those to be copied - thanks)

from: Loren Leman
Room 14-172

2 pages

to: Annette Kretzer
fax 907/465-3810

DRAFT SENT VIA FAX TO SENATOR LOREN LEMAN
ROOM 14-172
LOEW'S L'ENFANT PLAZA
(202) 646-4456

IL - comment + fax back, p2.
Be it resolved; - not sure what you want.
left a voice mail message for you. MEMO
(initials)

TO: Legal Services
via fax: two pages only X2029

FROM: Annette Kretzer, Aide to
Senate Resources Committee

DATE: March 4, 1996

RE: Senate Joint Resolution re: Toxics Release Inventory

OKs
rejection
code to Alaska

Please draft a Senate Joint Resolution noting the Alaska Legislature's position regarding a proposed rulemaking by the Environmental Protection Agency that would include oil and gas exploration and production companies to those required to report under the Toxics Release Inventory.

WHEREAS the U.S. Environmental Protection Agency has proposed a rulemaking to expand the Toxic Release Inventory Program; and

WHEREAS ^{exploration and} this expansion could add electric utilities, waste management facilities, mining, oil and gas production, materials recovery and recycling, and some warehousing activities to the list of facilities required to report toxic chemical releases under the TRI program; and

WHEREAS currently only manufacturing facilities must report under TRI and there are significant fundamental differences between manufacturing facilities and those facilities threatened with addition to the list;

WHEREAS the EPA profiles of various industries not currently reported under TRI assume that "typical" releases remain constant, this is not the case for at least some operations where the concentrations of chemicals in wastestreams change constantly; and

WHEREAS the only way to monitor these varying discharges would be for operators to perform regular, expensive wastestream tests; and

WHEREAS the information gained from such tests would not significantly benefit communities since much of the information regarding onsite hazardous substances is already required to be reported to Local Emergency Planning Committees, the State Emergency Planning Commission, the State Fire Marshall's office, and local fire departments;

WHEREAS the Alaska Legislature deems this proposed rulemaking an unnecessary, duplicative reporting burden; and

WHEREAS ¹ nearly all of the produced water, natural gas and other miscellaneous materials from oil & gas exploration and production facilities are discharged to deep disposal wells far below the groundwater aquifer;

WHEREAS this expanded reporting requirement will force companies operating in Alaska to redirect financial resources to a reporting effort with far less benefit than current reporting requirements;

BE IT RESOLVED that the Alaska ^{from} Legislature respectfully requests that the Environmental Protection Agency cease imposing additional, duplicative reporting mandates on industry;

Be it FURTHER RESOLVED that if the EPA continues with implementation of the proposed rule, that oil and gas exploration and production be exempted from TRI reporting requirements.

BE IT FURTHER RESOLVED that copies of this resolution shall be sent to President; Vice President; Carol Browner, EPA Administrator; Speaker U.S. House of Representatives; Majority Leader of U.S. Senate; and Alaska Congressional Delegation

WHEREAS the State of Alaska has been implementing changes to minimize the cost burden on marginal oil and gas projects and those nearing the end of their economic life; (to prolong their economic life)

Legal Services TRI Resolution

Annette -
These changes add a little more "bite" to the resolution, with particular emphasis on oil & gas E&P. Good job getting it together. These give to drafting. These
Joren
3/1/96 11:30

2 pages

DRAFT SENT VIA FAX TO SENATOR LOREN LEMAN
ROOM 14-172
LOEW'S L'ENFANT PLAZA
(202) 646-4456

(LL) - comment + fax back, p2.
Be it resolved; - not sure what you want.
Left a voice mail message for you. MEMO
(AK)

TO: Legal Services
via fax: two pages only X2029

FROM: Annette Kreitzer, Aide to
Senate Resources Committee

DATE: March 4, 1996

RE: Senate Joint Resolution re: Toxics Release Inventory

Please draft a Senate Joint Resolution noting the Alaska Legislature's position regarding a proposed rulemaking by the Environmental Protection Agency that would include oil and gas exploration and production companies to those required to report under the Toxics Release Inventory.

WHEREAS the U.S. Environmental Protection Agency has proposed a rulemaking to expand the Toxic Release Inventory Program; and

WHEREAS this expansion could add electric utilities, waste management facilities, mining, oil and gas production, materials recovery and recycling, and some warehousing activities to the list of facilities required to report toxic chemical releases under the TRI program; and

WHEREAS currently only manufacturing facilities must report under TRI and there are significant fundamental differences between manufacturing facilities and those facilities threatened with addition to the list;

WHEREAS the EPA profiles of various industries not currently reported under TRI assume that "typical" releases remain constant, this is not the case for at least some operations where the concentrations of chemicals in wastestreams change constantly; and

WHEREAS the only way to monitor these varying discharges would be for operators to perform regular, expensive wastestream tests; and

WHEREAS the information gained from such tests would not significantly benefit communities, since much of the information regarding onsite hazardous substances is already required to be reported to Local Emergency Planning Committees, the State Emergency Planning Commission, the State Fire Marshall's office, and to local fire departments;

WHEREAS the Alaska Legislature deems this proposed rulemaking an unnecessary, duplicative reporting burden; and

(1)

WHEREAS this expanded reporting requirement will force companies operating in Alaska to redirect financial resources to a reporting effort with far less benefit than current reporting requirements;

BE IT RESOLVED that the Alaska Legislature respectfully requests that the Environmental Protection Agency cease imposing additional, duplicative reporting mandates on industry.

Am. to expand TRI

BE IT FURTHER RESOLVED that copies of this resolution shall be sent to President; Vice President; Carol Browner, EPA Administrator; Speaker U.S. House of Representatives; Majority Leader of U.S. Senate; and Alaska Congressional Delegation

TO FAX: 907/465-3810

You would have been proud of the Alaskan delegation today. We took on the Administration's messengers re ANWR. I have some choice quotes I'd like to give Wendy. Let her know I will call.

Annette,

At today's session, Mark Rubin from API tipped us off about a proposed rulemaking by EPA to add the Oil & Gas Exploration & Production industry to the list of industries required to report under the toxics release inventory (TRI). As I am sure you know, probably better than I, the TRI was designed for the Community Right-to-Know provisions under EPCRA. EPCRA has the option for expansion - but it is not mandated. I am told that 651 "toxic" chemicals are now on the list for this inventory. Approx. 80 ^{have to} will be reported if Oil & Gas E&P is added to list of industries req'd to report. M.

Mark Rubin asked that attendees write Carol Browner, EPA Administrator, to note that expansion of TRI to include E&P is not appropriate. I am happy to do that, but also thought that a Senate Resources Committee resolution would be appropriate. My colleagues here (Green, Rokeberg, Gail Phillips, G. Davis) agree. We are particularly concerned that additional reporting will drive Cook Inlet production to closure even faster.

Please start preparing a resolution, using the accompanying fact sheet as starters. I am sure you can get the proposed rulemaking from EPA or elsewhere. Rubin said that EPA will make a decision by the end of March, so we should move fast. I'd like to notice the hearing Thursday, pending referral, for ~~Monday, March 11~~. Rubin probably will be willing to testify. I suggest that you work w/ Alaska companies to get details on what this means to them, factor in stuff from the House resolution & backup on its NPDES resolution, as well as stuff from our SB69. If possible, I'd like to circulate a draft on Wednesday, 7/6. Hearing to report produced water & natural gas under TRI, for deep well disposal just doesn't make sense! Thanks,
Loren

SJR

39

STATE OF ALASKA
THE LEGISLATURE

1996

Source
CSSJR 39(RES)

Legislative
Resolve No.
LR 47



Relating to the U.S. Environmental Protection Agency draft National Pollutant Discharge Elimination System general permit for placer mining in Alaska.

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

WHEREAS, in 1994, the United States Environmental Protection Agency (EPA) issued a National Pollutant Discharge Elimination System (NPDES) general permit for placer mining in Alaska; and

WHEREAS the EPA has issued a new draft NPDES general permit as the result of the settlement of a lawsuit filed by the Sierra Club Legal Defense Fund; and

WHEREAS this new draft NPDES general permit contains substantive, unrealistic restrictions for commercial mines such as

- (1) prohibiting moving a discharge location during the mining season; and
- (2) requiring a minimum 1,000-foot separation distance between dischargers; and

WHEREAS this new draft NPDES general permit contains substantive, unrealistic restrictions on dredge and recreational mining operations in Alaska, such as

(1) requiring all dredgers, for the first time ever, to have an NPDES permit, despite the fact that the EPA does not have the personnel to process all of these newly required permits; and

(2) requiring an arsenic level of 0.18 parts per billion; and

WHEREAS the officials in the EPA headquarters in Washington, D.C., have approved arsenic levels of 50 parts per billion in 25 other states; and

WHEREAS the Alaska State Legislature finds that this treatment of Alaska is arbitrary, capricious, and without scientific foundation;

BE IT RESOLVED that the Alaska State Legislature respectfully requests the EPA to withdraw from the settlement in the lawsuit filed by the Sierra Club Legal Defense Fund on behalf of American Rivers and Northern Alaska Environmental Center; and be it

FURTHER RESOLVED that if the EPA cannot withdraw from the settlement, that it discard this draft NPDES general permit and begin again with a more reasonable approach consistent with the EPA's own Common Sense Initiative; and be it

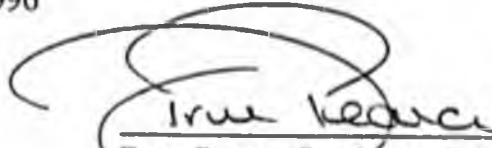
FURTHER RESOLVED that the Alaska State Legislature requests, if the EPA goes forward with this draft NPDES or another draft, that the EPA extend the public comment period to May 1, 1996, and hold hearings in at least two additional locations in Alaska before any draft NPDES general permit is included in a settlement agreement.

COPIES of this resolution shall be sent to the Honorable Carol M. Browner, Administrator, U.S. Environmental Protection Agency; to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress; and to the governors and state legislatures of the other states in the EPA Region 10: Idaho, Oregon, and Washington.

AUTHENTICATION

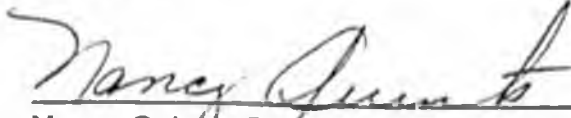
The following officers of the Legislature certify that the attached enrolled resolution, CSSJR 39(RES), consisting of 2 pages, was passed in conformity with the requirements of the constitution and laws of the State of Alaska and the Uniform Rules of the Legislature.

Passed by the Senate March 18, 1996



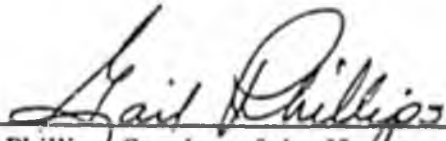
Drue Pearce, President of the Senate

ATTEST:



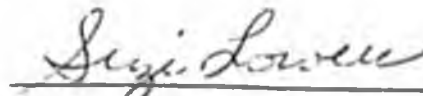
Nancy Quimby, Secretary of the Senate

Passed by the House April 15, 1996



Gail Phillips, Speaker of the House

ATTEST:



Suzi Lowell, Chief Clerk of the House

ACTION BY GOVERNOR

Read by the Governor _____ 19 _____

Tony Knowles, Governor of Alaska

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What Others Say

Common sense left out of placer mining rules

A BRIEF NEWS STORY A FEW WEEKS AGO ANNOUNCED an agreement between the Environmental Protection Agency and the Sierra Club Legal Defense Fund concerning the regulation of placer mining in Alaska. The agreement may satisfy those two parties, but it should come as no surprise that the deal is bad news for the people actually being regulated.

The agreement concerns the so-called general permit issued annually for placer mining in Alaska. The general permit in itself is a good idea — it dispenses with a lot of paperwork in one fell swoop. However, the Sierra Club didn't like some of the things EPA was allowing in that permit. So it sued. The EPA acquiesced in an agreement that, because it is an out-of-court settlement, needs to conform neither to the law nor to common sense.

The legalities of water quality regulation are so byzantine that determining whether this agreement is, in fact, lawful would be beyond most people. But it without question fails the common sense test.

Consider just one small but important section of the new permit: The amount of arsenic allowed in water leaving a placer mine. Arsenic is a common mineral in Interior Alaska, and also seems to have some association with gold deposits. Given arsenic's poisonous nature, it's reasonable to keep limits on how much gold mines stir up.

But the limits ought to be reasonable, too. Those in the new general permit are not. The new permit requires water leaving a placer mine to contain no more than .18 parts of arsenic per billion parts of water.

Steve Borell, executive director of the Alaska Miners Association, outlined the problem in a "Miners Alert" Feb. 23. "There is no scientific basis for requiring an arsenic level of .18 ppb as proposed in the general permit. EPA Headquarters in Washington, D.C., does not support this level. EPA Headquarters has already approved arsenic levels of 50 ppb in at least 25 states. ... To impose this requirement only on Alaska placer mines is arbitrary and capricious."

Borell goes on to describe more absurdity. "The draft GP includes reporting requirements for arsenic levels that are below detection." If you can't reliably detect arsenic at .18 ppt, how can you set such a standard? Even the most sophisticated equipment can only detect arsenic down to a couple parts per billion.

It doesn't end there. "The draft GP assumes 'zero' for background levels of arsenic and turbidity (in placer mining streams), which is seldom the case," Borell said.

So here we have a standard that is far more strict than any scientific studies can justify, which even the national EPA headquarters does not require in other states, which requires testing technology that does not exist and which assumes no natural levels of arsenic in the water.

Is this what the law dictates? Who knows? Is this what common sense dictates? Certainly not.

—Fairbanks Daily News-Miner
March 3

The Anchorage Times

Publisher: BILL I. ALLEN

"Believing in Alaskans, putting Alaska first"

Editors: DENNIS FRADLEY PAUL JENNINS WILLIAM J. TOBIN

The Anchorage Times Commentary in this segment of the Anchorage Daily News does not represent the views of the Daily News. It is written and published under an agreement with former owners of The Times in the interests of preserving a diversity of viewpoints in the community.

Gold rip-off

THE SCAM artists are at it again — and Alaska is the intended victim. The Clinton administration, in cahoots with environmental lawyers, is preparing to pull off another heist, and this time the target is Alaska gold.

As the result of an out-of-court settlement proposed between the Environmental Protection Agency and the American Rivers environmental group, the EPA has proposed regulations that threaten to wipe out small gold mining operations that use suction hoses to scoop up gravel and gold bits from river beds. Recreational dredge mining also is in peril.

The Alaska Miners Association says the regulations envisioned by the EPA are far stricter than those that apply in other states. For instance, no paperwork is required for suction dredge operators in California. By requiring small operators in Alaska to comply with the same permitting rules that apply to the larger, commercial operators, the net result will be to benefit businesses in other states at Alaska's expense.

But the impact would extend beyond commercial operations. Steve Herschbach, owner of Alaska Mining & Diving Supply, says the Gold Prospector's Association of America each year brings to Alaska thousands of visitors who hunt for gold. Once the EPA proposed regs go into effect, he says, these vacation prospectors will choose California and elsewhere.

The EPA held hearings in the state this past week on its regulations and, as expected, a number of Alaskans testified against them. The miners' association, however, isn't hopeful that the testimony alone will persuade EPA to change its mind. The miners are seeking help from the congressional delegation in Washington to use its clout to stop the regulatory rip-off. Gov. Tony Knowles may want to step in as well. After all, Alaska's constitutional right to regulate activities on its rivers will be usurped if the EPA rules take effect.

The technique used by the feds and environmentalists to give themselves the authority to deny the state its rights in this instance is a familiar one.

Two years ago, lawyers for American Rivers sued to halt what had been the accepted practice of exempting recreational miners from the extensive permitting requirement. Rather than fight it out before a judge, the EPA "settled" with the environmental lawyers by basically agreeing to their demands.

This technique of settling a lawsuit in the environmentalists' favor is played out often in Alaska. The Forest Service uses it routinely to block its own timber sales. The Park Service used it to shut down gold mines in Kantashna. Now the EPA is using it to squeeze out gold seekers from recreational activity on Alaska rivers.

The scam's not likely to end until Alaskans, together, get mad enough to stop it.



Alaska State Legislature

Senate Resources Committee

State Capitol
Juneau AK 99801

Official Business

SPONSOR STATEMENT

SJR 39: Relating to NPDES Permits for Placer Mining

Why must Alaska continue to be treated more stringently than other states with economic development? The Environmental Protection Agency, as a result of a negotiated lawsuit with the Sierra Club Legal Defense Fund, now proposes standards for dredge and recreational mining activities that are as strict as some standards set for large, commercial mining operations.

Despite its 30 percent budget reduction by Congress, EPA still manages to propose rulemakings and negotiate settlements which cost independent businesses time, money and effort for little environmental gain.

Alaska has a long, solid history of mineral production. As other regions of the U.S. have perhaps lost touch with the bounty of natural resources, the EPA should not subject Alaska to unscientific, burdensome reporting and permitting requirements at the whim of someone who has never had dirt under his or her fingernails.

Alaskans are for the wise use of our resources. We are far closer to our resources than some other areas of the United States where inhabitants enjoy the end product of mineral extraction, but have no concept of how their computer components were created.

We must continue to pressure the federal government to stop requesting information and permits that serve no useful purpose and to cease from imposing onerous restrictions such as 0.18 parts per billion arsenic levels for mining discharges - orders of magnitude less than what is required for drinking water.



* * * * MINERS ALERT * * * *

February 23, 1996

TO: Miners, Dredge Miners, Recreational Miners

SUBJECT: New NPDES General Permit for Alaska

Your immediate action is needed! If the Draft NPDES General Permit now out for public comment is accepted, most placer operations will be required to meet conditions that are nearly impossible. Under this GP all dredge mining in the state will be effectively eliminated or each will require an Individual Permit.

Background - In 1994 the EPA issued a General Permit (GP) for placer mining in Alaska. If you have an NPDES discharge permit it is likely that you have one of these GPs. SCLDF (Sierra Club Legal Defense Fund) sued EPA arguing, among other things, that the permit did not guarantee protection from metals in the discharge water. Rather than allow the Federal Court to dictate a solution, EPA and SCLDF reached a negotiated settlement. This Draft NPDES GP is the resulting settlement.

Your Action

1. You need to write EPA and tell them why you feel this Draft GP will not work. Send comments to: Tim Hamlin, U.S. EPA Region 10, 1200 Sixth Avenue SO-155, Seattle, Washington 98101. Comments must be received at EPA by March 18, 1996.
2. If possible, attend the Public Hearing to be held Tuesday, March 5, 1996, 5:30 p.m. to 11 p.m. at the BLM Northern District Office Building, Main Conference Room, 1150 University Ave., Fairbanks, AK.
3. Get a copy of the Draft GP from EPA at 222 W. 7th Avenue, Room 537 or call (907) 271-5083.

The following are some of the major problems with the Draft GP. You may wish to use these topics as part of your comment letter and/or public comments:

1. The Draft GP is a substantive change to the existing GP due to its impact on existing GP holders, expanded application to new operators and new reporting rules.

2. The Draft GP contains unrealistic restrictions: a) prohibits moving an outfall location during the mining season, and b) requires a minimum 1,000 ft. separation distance between dischargers having modified turbidity limits.

3. The 30018 flow limit is excessively restrictive. The 30010 formula was designed for another purpose and is not applicable here.

4. There is no scientific basis for requiring an arsenic level of 0.18 ppb as proposed in the GP. EPA Headquarters in Washington, D.C. does not support this level. EPA Headquarters has already approved arsenic levels of 50 ppb in at least 25 states whereas this GP requires 0.18 ppb. To impose this requirement only on Alaska placer mines is arbitrary and capricious.

5. The Draft GP includes reporting requirements for arsenic levels that are below detection. This is arbitrary and capricious and is in conflict with EPA Headquarters.

6. The Draft GP assumes "0" for background levels of arsenic and turbidity which is seldom the case. The current GP assumes actual background.

7. The reporting requirements would require the miner to report arsenic levels that cannot be measured and then charge him civilly and/or criminally if he reports finding arsenic.

8. The Draft GP is in conflict with and seeks to override state regulations which allow mixing zones.

9. The Draft GP will increase the number of Individual Permits and permit processing costs, rather than reducing permit processing costs which was the purpose of the GP.

10. Because of the stipulations in this GP regarding a) silt, and b) adjacent dredgers, all dredge mining in the state will now be required to have an NPDES Individual Permit.

11. This GP for the first time ever, requires that all dredgers have an NPDES permit and stipulations of this GP are so onerous that no dredge miner will qualify for a GP. This will add between 1,000 and 2,000 new permittees, all of which will be forced to have an Individual Permit. All of which, because of their minimal impact, are not required to have any other permit. It is arbitrary and capricious to require this change without scientific basis and is a violation of due process.

12. The Fortymile River, and some other areas surrounded by "Wild & Scenic River" designations, are State-owned navigable waterways and not a Wild & Scenic River as envisioned in the Draft GP. It is arbitrary and capricious to require a different standard for this state river or any other river or stream unless there is scientific support and no such support has been offered.

13. EPA does not have the people to process the new GPs or the IPs that will be generated by this Draft GP. Also, there is not time for EPA to review all existing GPs, publish them, and still issue them in time for the upcoming mining season.

Please write immediately and ask that EPA: 1) withdraw from the settlement, 2) discard the Draft GP, 3) hold public hearings in each state of Region 10 (including at least two locations in Alaska) before any other Draft GP is included in a settlement agreement.

Steve Borell

Steven C. Borell, P.E.
Executive Director



Fairbanks North Star Borough

Assembly

809 Pioneer Road

P.O. Box 71267

Fairbanks, Alaska 99707-1267

907/459-1000

Fax 907/459-1224

March 18, 1996

MAR 19 1996

Mr. Al Vezey, Representative
Alaska State Legislature
State Capitol (MS 3100)
Juneau, Alaska 99801-1182

Dear Representative Vezey:

Enclosed for your information is a copy of Fairbanks North Star Borough Resolution 96-022, recently adopted by the Assembly.

The resolution addresses the EPA's recent proposal for changing the National Pollutant Discharge Elimination System permits.

I would call your attention to the third page which expresses the most fundamental problem in government. We have jumped track from our constitutional foundation by delegating the authority to create law to unelected bureaucracies.

Your efforts to return us to our constitutional foundations are greatly appreciated. It is time the legislature re-assert its duty to make law. The bureaucracy does not govern us. It is there to serve the people, comply with the law of the elected representative, and perform in an advisory capacity when the legislature is crafting law.

Please alert others in the legislature of our resolution, particularly any committees which will debate your proposed legislation.

Sincerely,

Bob Logan, Assemblymember
Fairbanks North Star Borough

Enclosure as stated
Faxed 3/18/96, original mailed

Post-It® Fax Note	7871	Date	3/18/96
To	Rep. Al Vezey	From	Bob Logan
Co./Dept.		Co.	FNSB Assembly
Phone #		Phone #	
Fax #		Fax #	

By: Bob Logan
Ladd McBride
Hank Bartos
Larry Hackenmiller
Dan LaSota
Karen Parr
Jay Quakenbush
Paul Chizmar
Cheryl Kilgore

Introduced: 03/14/96
Amended: 03/14/96
Adopted: 03/14/96
Immediate Reconsideration
Failed: 03/14/96
Adopted: 03/14/96

RESOLUTION NO. 96-022

A RESOLUTION OPPOSING THE DRAFT ENVIRONMENTAL PROTECTION AGENCY'S MODIFICATIONS OF A GENERAL NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) PERMIT TO DISCHARGE TO WATERS OF THE UNITED STATES, AS IT RELATES TO ALASKA

WHEREAS, the Environmental Protection Agency (EPA) has issued draft NPDES General Permit (GP) modifications and is currently accepting public comment; and

WHEREAS, the draft GP is a substantive change to the existing GP because of its impact on existing GP holders, expanded application to new operators and new reporting rules; and

WHEREAS, the draft GP contains unrealistic restrictions including prohibiting moving an outfall location during the mining season, and requiring a minimum 1,000 foot separation distance between dischargers having modified turbidity limits; and

WHEREAS, there is no scientific basis for requiring an arsenic level of 0.18 ppb as proposed in the draft GP. EPA headquarters in Washington DC does not support this level and has already approved arsenic levels of 50 ppb in at least 25 states. To impose this requirement only on Alaska placer mines is arbitrary and capricious; and

WHEREAS, the draft GP includes reporting requirements for arsenic levels that are below detection, and then can charge the miner civilly and/or criminally if arsenic is found. Also, the levels are in conflict with requirements accepted by EPA headquarters; and

WHEREAS, the draft GP assumes '0' for background levels of arsenic and turbidity which is seldom the case. The current GP assumes actual background; and

WHEREAS, the draft GP is in conflict with and seeks to override state regulations which allow mixing zones; and

WHEREAS, for the first time this draft GP requires that all dredgers have an NPDES permit and stipulations of this draft GP are so onerous that no dredge miner will qualify for a GP. The proposed changes will add between 1,000 and 2,000 new permittees, all of which will be forced to have an individual permit. Because of the otherwise minimal impact, these miners are not required to have any other permit. This proposed change is without scientific basis and is a violation of due process. The draft GP will not only increase the number of individual permits but will increase permit processing costs rather than reducing the costs which was the purpose of the new GP; and

WHEREAS, the Forty-mile River and some other areas surrounded by 'Wild & Scenic River' designations, are state-owned navigable waterways and not a Wild & Scenic River as envisioned in the draft GP. It is arbitrary and capricious to require a different standard for this state river or any other river or stream unless there is scientific support for those standards. To date, no such support has been offered; and

WHEREAS, EPA does not have the people to process the new Gps or the Ips that will be generated by the requirements contained in the draft GP. Also, there is not time for EPA to review all existing Gps, publish them, and still issue them in time for the upcoming mining season; and

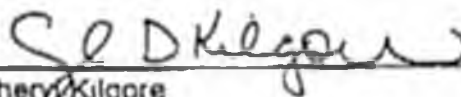
WHEREAS, economic damage from these restrictions will be felt in commercial placer mining and all related support industries as well as in recreational mining which is a resident and tourist activity,

NOW, THEREFORE, BE IT RESOLVED that the Fairbanks North Star Borough Assembly respectfully requests the Environmental Protection Agency to (1) withdraw from the settlement; (2) discard the draft GP; and (3) hold public hearings in each state of Region 10 (including at least two locations in Alaska) before any other draft GP is included in a settlement agreement.

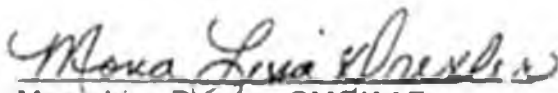
BE IT FURTHER RESOLVED that this arbitrary and capricious action demonstrates to our Congressional Delegation that it is time to take regulatory authority away from nonelected bureaucracies and place the authority to write law where it belongs under the constitution. . . with those who are elected.

BE IT FURTHER RESOLVED that copies of this resolution shall be sent to the Honorable Bill Clinton, President of the United States of America; Carol Browner, Administrator, United States Environmental Protection Agency; Tim Hamlin of the United States Environmental Protection Agency, Region 10; all members of Alaska's Congressional Delegation; the Honorable Tony Knowles, Governor, State of Alaska, the Honorable Michele Brown, Commissioner, Alaska Department of Environmental Conservation and all members of the Interior Delegation.

PASSED AND APPROVED THIS 14TH DAY OF MARCH, 1996.


Cheryl Kilgore
Presiding Officer

ATTEST:


Mona Lisa Drexler, CMG/AAE
Municipal Borough Clerk

Ayes: Parr, Hackenmiller, Logan, Bartos, McBride, Quakenbush, LaSota, Chizmar and Kilgore

Noes: Layne St John

RESOLUTION NO. 96-022

Page 3 of 3

WHAT OTHERS SAY

✓ EPA's gold heist

The scam artists are at it again — and Alaska is the intended victim. The Clinton administration, in cahoots with environmental lawyers, is preparing to pull off another heist, and this time the target is Alaska gold.

As the result of an out-of-court settlement proposed between the Environmental Protection Agency and the American Rivers environmental group, the EPA has proposed regulations that threaten to wipe out small gold mining operations that use suction hoses to scoop up gravel and gold bits from river beds. Recreational dredge mining also is in peril.

The Alaska Miners Association says the regulations envisioned by the EPA are far stricter than those that apply in other states. For instance, no paperwork is required for suction dredge operators in California. By requiring small operators in Alaska to comply with the same permitting rules that apply to the larger, commercial operators, the net result will be to benefit businesses in other states at Alaska's expense.

But the impact would extend beyond commercial operations. Steve Herschbach, owner of Alaska Mining & Diving Supply, says the Gold Prospector's Association of America each year brings to Alaska thousands of visitors who hunt for gold. Once the EPA proposed regs go into effect, he says, these vacation prospectors will choose California and elsewhere.

The EPA held hearings in the state this past week on its regulations and, as expected, a number of Alaskans testified against them. The miners' association, however, isn't hopeful that the testimony alone will persuade EPA to change its mind. The miners are seeking help from the congressional delegation in Washington to use its clout to stop the regulatory rip-off. Gov. Tony Knowles may want to step in as well. After all, Alaska's constitutional right to regulate activities on its rivers will be usurped if the EPA rules take effect.

The technique used by the feds and environmentalists to give themselves the authority to deny the state its rights in this instance is a familiar one.

Two years ago, lawyers for American Rivers sued to halt what had been the accepted practice of exempting recreational miners from the extensive permitting requirement. Rather than fight it out before a judge, the EPA "settled" with the environmental lawyers by basically agreeing to their demands.

This technique of settling a lawsuit in the environmentalists' favor is played out often in Alaska. The Forest Service uses it routinely to block its own timber sales. The Park Service used it to shut down gold mines in Kantishna. Now the EPA is using it to squeeze out gold miners from recreational activity on Alaska rivers.

The scam's not likely to end until Alaskans, together, get mad enough to stop it.

—Voice of the (Anchorage) Times, March 8

Absurd agreement

A brief news story on page A-3 a few weeks ago announced an agreement between the Environmental Protection Agency and the Sierra Club Legal Defense Fund concerning the regulation of placer mining in Alaska. The agreement may satisfy those two parties, but it should come as no surprise that the deal is bad news for the people actually being regulated.

The agreement concerns the so-called general permit issued annually for placer mining in Alaska. The general permit in itself is a good idea—it dispenses with a lot of paperwork in one fell swoop. However, the Sierra Club didn't like some of the things EPA was allowing in that permit. So it sued. The EPA acquiesced in an agreement that, because it is an out-of-court settlement, needs to conform to neither the law nor common sense.

The legalities of water quality regulation are so Byzantine that determining whether this agreement is, in fact, lawful would be beyond most people. But it without question fails the common sense test.

Consider just one small but important section of the new permit: the amount of arsenic allowed in water leaving a placer mine. Arsenic is a common mineral in Interior Alaska, and also seems to have some association with gold deposits. Given arsenic's poisonous nature, it's reasonable to keep limits on how much gold mines stir up.

But the limits ought to be reasonable, too. Those in the new general permit are not. The new permit requires water leaving a placer mine to contain no more than .18 parts of arsenic per billion parts of water.

Steve Borell, executive director of the Alaska Miners Association, outlined the problem in a "Miners Alert" Feb. 23. "There is no scientific basis for requiring an arsenic level of .18 ppb as proposed in the general permit. EPA Headquarters in Washington, D.C., does not support this level. EPA Headquarters has already approved arsenic levels of 50 ppb in at least 25 states....To impose this requirement only on Alaska placer mines is arbitrary and capricious."

Borell goes on to describe more absurdity. "The draft GP includes reporting requirements for arsenic levels that are below detection." If you can't reliably detect arsenic at .18 ppb, how can you set such a standard? Even the most sophisticated equipment can only detect arsenic down to a couple parts per billion.

It doesn't end there. "The draft GP assumes 'zero' for background levels of arsenic and turbidity (in placer mining streams), which is seldom the case," Borell noted.

So here we have a standard that is far more strict than any scientific studies can justify, which even the national EPA headquarters does not require in other states, which requires testing technology that does not exist and which assumes no natural levels of arsenic in the water.

Is this what the law dictates? Who knows? Is this what common sense dictates? Certainly not.

Attend the public hearing Tuesday from 5:30-11 p.m. at the BLM building on University Avenue. Tell them

what you think

SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 3/11/96

FURTHER:

Date of 5-Day Notice: Waived 3/11/96
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 3-12-96

The Resources Committee considered SJR 39

Relating to the U.S. Environmental Protection Agency draft National Pollutant Discharge Elimination System general permit for placer mining in Alaska.

and recommends:

- be replaced with CS SJR 39 (Res)
- adopt previous CS ()
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:**
- same title
 - new title
- House Bill:**
- same title
 - technical title
 - new: SCR# _____

SIGNING (DPASS)	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Rich Halstead</i>	✓	<i>Tom Hoff</i>	✓		
<i>Kevin Taylor</i>	✓				
<i>Irma Wallace</i>	✓				
CHAIR: <i>Steve D. Jensen</i>	✓	CHAIR:			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
<i>Res. Committee</i>	<i>3-11-96</i>	✓	

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal

fiscal note sent to CS 3/10/96

APPROPRIATION -- no fiscal note

*Include fiscal notes accompanying Governor's bill

CS FOR SENATE JOINT RESOLUTION NO. 39(RES)
IN THE LEGISLATURE OF THE STATE OF ALASKA
NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE RESOURCES COMMITTEE

Offered:
Referred:

Sponsor(s): SENATE RESOURCES COMMITTEE

A RESOLUTION

1 Relating to the U.S. Environmental Protection Agency draft National Pollutant
2 Discharge Elimination System general permit for placer mining in Alaska.

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

4 WHEREAS, in 1994, the United States Environmental Protection Agency (EPA)
5 issued a National Pollutant Discharge Elimination System (NPDES) general permit for placer
6 mining in Alaska; and

7 WHEREAS the EPA has issued a new draft NPDES general permit as the result of
8 the settlement of a lawsuit filed by the Sierra Club Legal Defense Fund; and

9 ~~WHEREAS this new draft NPDES general permit contains substantive, unrealistic~~
10 ~~restrictions for commercial mines such as~~

11 ~~(1) prohibiting moving a discharge location during the mining season; and~~

12 ~~(2) requiring a minimum 1,000-foot separation distance between dischargers;~~

13 and

14 WHEREAS this new draft NPDES general permit contains substantive, unrealistic
15 restrictions on dredge and recreational mining operations in Alaska, such as

16 (1) requiring all dredgers, for the first time ever, to have an NPDES permit.

1 despite the fact that the EPA does not have the personnel to process all of these newly
2 required permits; and

3 (2) requiring an arsenic level of 0.18 parts per billion; and

4 WHEREAS the officials in the EPA headquarters in Washington, D.C., have approved
5 arsenic levels of 50 parts per billion in 25 other states; and

6 WHEREAS the Alaska State Legislature finds that this treatment of Alaska is
7 arbitrary, capricious, and without scientific foundation;

8 BE IT RESOLVED that the Alaska State Legislature respectfully requests the EPA
9 to withdraw from the settlement in the lawsuit filed by the Sierra Club Legal Defense Fund
10 on behalf of American Rivers and Northern Alaska Environmental Center; and be it

11 FURTHER RESOLVED that if the EPA cannot withdraw from the settlement, that
12 it discard this draft NPDES general permit and begin again with a more reasonable approach
13 consistent with the EPA's own Common Sense Initiative; and be it

14 FURTHER RESOLVED that the Alaska State Legislature requests that, if the EPA
15 goes forward with this draft NPDES or another draft, that the EPA extend the public comment
16 period to May 1, 1996, and hold hearings in at least two additional locations in Alaska before
17 any draft NPDES general permit is included in a settlement agreement.

18 COPIES of this resolution shall be sent to the Honorable Carol M. Browner,
19 Administrator, Environmental Protection Agency; to the Honorable Ted Stevens and the
20 Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S.
21 Representative, members of the Alaska delegation in Congress; and to the governors and state
22 legislatures of the other states in the EPA Region 10: Idaho, Oregon, and Washington.

3/18 16-2
reconsidered



ALASKA MINERS ASSOCIATION, INC.

301 W. Northern Lights Blvd., Suite 203, Anchorage, Alaska 99503 FAX: (807) 278-7887 Telephone: (807) 278-0347

March 11, 1996

FAX TO: Annette Kreitzer
Office of Senator Leman

FROM: Steve Borell

SUBJECT: SJR-39

I would suggest that the following changes be made to SJR-39:

1. Add a new WHEREAS on page one at line 9 to read:

WHEREAS this new draft NPDES general permit contains substantive, unrealistic restrictions for commercial mines such as

(1) prohibiting moving a discharge location during the mining season; and

(2) requiring a minimum 1,000 ft separation distance between some dischargers; and

2. Add a new WHEREAS on page two at line 1 to read:

WHEREAS the Fortymile River is a State-owned navigable waterway and must not be treated different than other waters in the State; and

3. Change page two line 3 to read:

BE IT RESOLVED, that the Alaska State Legislature respectfully requests the EPA to withdraw from the settlement in the lawsuit filed by the Sierra Club Legal Defense Fund on behalf of American Rivers and Northern Alaska Environmental Center; and be it

Sincerely,


Steven C. Borell, P.E.
Executive Director

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SJR 39

Revision Date: initial Dept. Affected: _____
 Title: Relating to NPDES general permit BRU: _____
for placer mining Component: _____
 Sponsor: Senate Resources Committee
 Requester: Senate Resources Committee COMPONENT SERIAL NO. _____

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 100	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

Estimate of any current year (FY96) cost: \$ -0-

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Senate Resources Committee
 Division: _____
 Approved by: Senator Loren Leman, Chairman
 Agency: _____

Phone: 465-4907
 Date: 3-11-96
 Date: 3-11-96

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information, call the Governor's Legislative Office

SR

2

MARK O. HATHFIELD, OREGON CHAIRMAN

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United States Senate

COMMITTEE ON APPROPRIATIONS

WASHINGTON, DC 20510-6025

JIMMY KENNEDY STAFF DIRECTOR
 JAMES P. ENGLISH DEPUTY STAFF DIRECTOR

March 10, 1995

Dr. John Sims
 Vice-President Marketing
 Usibelli Coal Mine, Inc.
 122 1st Avenue
 Suite 302
 Fairbanks, Alaska 99701

Dear John:

Enclosed is a copy of a letter I received from the Department of Energy in response to my inquiry on your behalf regarding the inclusion of coal in the current draft of the International Maritime Organization Hazardous and Noxious Substance Convention. I will let you know when I receive a response from the Maritime Administration and the State Department.

I hope you find this information useful.

With best wishes.

Cordially,



TED STEVENS



Department of Energy

Washington, DC 20585

March 3, 1995

1995 MAR -7 AM 10 30

The Honorable Ted Stevens
 United States Senate
 Washington, D C 20510

Dear Senator Stevens:

This is in response to your letter of January 30, 1995, on behalf of your constituent, Dr. John Sims, regarding the issue of including coal in the current draft of the International Maritime Organization (IMO) Hazardous and Noxious Substance (HNS) Convention.

Member countries of the IMO, which includes the United States represented by the Coast Guard, included coal in the draft HNS Convention. We believe this classification of coal as an HNS is not warranted. Since the drafting of the HNS list, several countries, most notably Italy, Canada, Australia, and Japan, have either expressed their objection to this classification of coal, or have indicated they may reconsider their previous positions.

Reflecting its concern over this issue, the Department of Energy (DOE) prepared a position paper supporting the exclusion of coal from the HNS list. This position paper was coordinated with representatives of the National Mining Association. The DOE position has been transmitted to the HNS Interagency Working Group for its consideration. It is our understanding that one of the options being considered, besides the complete exclusion of coal, is to set up a separate account for coal. This means that it would not be lumped with other substances such as wood chips, wood pulp, and ammonium nitrate. At this time, no final U.S. position has been adopted.

The treaty is in the final stages of negotiation, with a final draft to be produced in April 1995. The final text will then be forwarded to the Diplomatic Conference for possible adoption in early 1996.

We appreciate your interest in this matter.

Very truly yours,

Patricia Fry Godley
 Patricia Fry Godley
 Assistant Secretary
 for Fossil Energy



WARR G. PATRICK, CHIEF OF STAFF

TO STEVEN, ALASKA

- WALTER BRIDGES, PENNSYLVANIA
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- WILLIAM G. GIBSON, TEXAS
- WILLIAM H. GORDON, MISSOURI
- WILLIAM H. GORTON, WASHINGTON
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- WILLIAM H. HARRIS, WISCONSIN

United States Senate

COMMITTEE ON APPROPRIATIONS

WASHINGTON, DC 20510-5025

WILLIAM H. HARRIS, CHIEF OF STAFF
WILLIAM H. HARRIS, CHIEF OF STAFF

March 22, 1995

Dr. John Sims
 Vice-President Marketing
 Usibell Coal Mine, Inc.
 122 1st Avenue
 Suite 102
 Fairbanks, Alaska 99701

Dear John:

Enclosed are copies of letters I received from the Maritime Administration (MARAD) and the State Department in response to my inquiries on your behalf regarding the inclusion of coal in the International Maritime Organization Hazardous and Noxious Substance Convention. It appears that MARAD is aware that the NCA/CEA rejects the separate account approach.

I hope you find this information useful.

With best wishes.

Cordially,



TED STEVENS



US Department
of Transportation

Maritime
Administration

ADMINISTRATIVE

400 Seventh Street, S.W.
Washington, D.C. 20590

1995 MAR 1 4 29

0 3 MAR 1995

The Honorable Ted Stevens
United States Senate
Washington, D.C. 20510-6025

Dear Senator Stevens,

Thank you for bringing to my attention the concerns of your constituent, Dr. John Sims, Vice President Marketing, Usibelli Coal Mine, Inc., with respect to the proposed inclusion of coal in the International Maritime Organization's (IMO) International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea (HNS Convention).

We expect the issue on whether coal will be included in the HNS Convention will be considered at the next session of the IMO's Legal Committee, to be held in London from April 3-7, 1995. In preparation for this London session, there is scheduled a Shipping Coordinating Committee (SHC) meeting on March 16, 1995, from 1:00 p.m. to 3:00 p.m., at Coast Guard Headquarters, Room 2415, 2100 Second Street, S.W., Washington, D.C. The United States is still developing its position on this issue and the purpose of the SHC meeting is to solicit public comment on the various issues set for discussion at the Legal Committee session. The overall goal of the United States is to encourage an HNS Convention which is comprehensive and ensures predictability in collection of damage claims and includes a reasonable level of maximum liability faced by defendant shipowners and cargo interests. With numerous varieties of liability laws among the many maritime countries, the international forum can often provide consistency and stability.

There are pros and cons to including coal in the HNS Convention. Those who argue for including coal maintain that coal can be considered a hazardous substance on board vessels because of a history of safety problems (injuries and loss of life and damage to property). On the other hand, some, like your constituent, argue that coal should be excluded because of economic and scientific considerations, such as the large amount of coal exported and that coal is not a "noxious and hazardous" substance, or at least it is not as dangerous as other HNS substances. With special reference to the General Fund/sector approach, discussed in detail in the October 6, 1994 National Coal Association/Coal Exporters Association of the United States

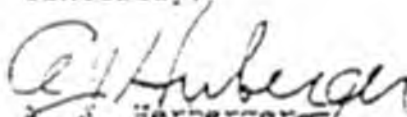
(NCA/CEA) joint letter, the industry has stated that it is unfair for coal to 'cross-subsidize' damages which may be caused by more hazardous materials grouped within the high volume-low hazard definition, e.g., ammonium nitrate.

A possible middle ground is to have coal included in the HNS Convention but treated in a separate category, called a Special Account. This would mean that each industry covered by a Separate Account would be a 'self insurer.' Coal would not contribute to or be covered by the General Fund but, instead, would be responsible for paying claims that exceed the carrier's insurance liability limits when incidents occur involving the industry's product. Separate Accounts will not be finally determined until a scheduled 1996 Diplomatic Conference.

It is our understanding the NCA/CEA rejects the Separate Account approach and prefers coal not be included in any liability regime covering claims for loss of life, personal injury or property damage stemming from HNS incidents. My staff has invited representatives of the NCA/CEA to brief them on the coal associations' views regarding the HNS Convention. I assure you that the Maritime Administration will work to achieve a reasonable and fair solution to this issue.

As you know, the Coast Guard is the lead agency for IMC issues and you may wish to contact them for further information.

Sincerely,


X. J. Herberger
Maritime Administrator

cc: Admiral Robert E. Kramek, USCG
Commandant, U.S. Coast Guard

MARIE J. PATRICK (MCCON) CHAIRMAN

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 ROBERT L. DREW MISSISSIPPI
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 BETTY MURRAY WASHINGTON

United States Senate

COMMITTEE ON APPROPRIATIONS

WASHINGTON, DC 20510-6025

KEITH KENNEDY STAFF DIRECTOR
 JAMES H. ENGLISH MINORITY STAFF DIRECTOR

January 30, 1995

Dr. John Sims
 Vice-President Marketing
 Usibelli Coal Mine, Inc.
 122 1st Avenue, Ste. 102
 Fairbanks, Alaska 99701

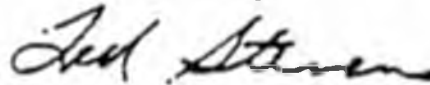
Dear John:

Thank you for letting me know about your concerns with the inclusion of coal in the current draft of the International Maritime Organization Hazardous and Noxious Substance Convention.

In an effort to address the concerns you have raised, I have contacted the Department of Energy, the State Department and the Maritime Administration and requested that they address this matter. Once I receive their responses, you can be sure that I will share them with you.

With best wishes,

Cordially,



TED STEVENS



United States Department of State

Washington, D.C. 20520

335 MAR 13 PM 4:27

MAR 11 1995

Dear Senator Stevens:

We are pleased to provide the following information in response to your letter regarding the concern of your constituent, John Sims, about the inclusion of coal in the draft International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea (HNS Convention) being developed under the auspices of the International Maritime Organization (IMO). Your letter and that of Mr. Sims will be shared with members of the U.S. interagency working group on the HNS Convention and will be given careful consideration.

The basic purpose of the draft HNS Convention is to establish liability and provide compensation to victims of accidents involving hazardous and dangerous cargo transported by sea. The draft Convention sets up two tiers of liability and compensation. The first tier establishes the limit of ship owner liability. The second tier provides for an international fund to pay compensation up to an overall Convention limit (not yet determined) in the event damages exceed the shipowner's limit or the shipowner is unable to pay. The international fund will be financed by fees paid by importers or receivers of HNS in a contracting state. Substances are included within the definition of "HNS, *inter alia*, by virtue of their appearance on other IMO codes of dangerous or hazardous materials. As currently structured, coal is included as an HNS substance because it appears on a list of "solid bulk materials possessing chemical hazards".

Recently, there has been some strong sentiment favoring the exclusion of coal from the HNS Convention. The main concerns underlying this view focus on the perceived inequities to the coal industry and major coal importers, and the resulting economic effects of including coal in the HNS Convention. Specifically, it has been argued that because contributions to the international fund will be calculated, in part, on annual tonnage received, large coal receivers or importers would pay a disproportionate share of contributions relative to the risk of personal injury or damage to the environment posed by coal

The Honorable
Ted Stevens,
United States Senate.

-2-

accidents. Because coal accounts for such a large volume and tonnage compared to other HNS cargoes, in effect, coal industry receipts would be subsidizing other more hazardous HNS industries. Moreover, some argue that coal presents such a minimal risk to the marine environment that it should be excluded altogether from the HNS Convention.

On the other hand, others argue that while the environmental risks posed by coal may not be significant, coal should be included in the Convention because it poses some safety risks through fire, spontaneous combustion, or explosion. This is important because the draft HNS Convention covers personal injury and death and property damage, not just environmental or pollution damage. Moreover, some maintain that the exclusion of coal could undermine the fundamental structure of the Convention. Specifically, it is argued that many other substances that are defined as "HNS" by the Convention could make similar, or better, claims than coal for exclusion on scientific or safety grounds. Excluding coal could require a review of all HNS substances on a singular and individual basis for their respective hazards in comparison to coal. As the HNS list is very long this would be a burdensome task, especially if the scheduled 1996 diplomatic conference on the HNS Convention is to become a reality.

Other methods of reducing or eliminating the potential inequity to the coal industry and receivers without excluding coal completely from the HNS Convention are being considered. These include a so-called "separate account" procedure under which the coal industry and receivers would pay only minimal administrative costs if transporters maintain a good safety record.

During the past few months the interagency working group on HNS has focused heavily on the question of whether coal should be included in the HNS Convention but has not yet taken an official position. The Coast Guard has also been in contact with the National Mining Association, the Coal Exporters Association, and other countries considering this issue and has shared their views with the group. We continue to debate this important issue and are carefully reviewing all options. We expect that this issue will be discussed at the next session of Legal Committee of the International Maritime Organization (IMO), to be held in London from April 3-7, 1995.

In preparation for this IMO meeting, a Shipping Coordination Committee (SHC) meeting will be held on March 16, 1995, from 1:00 p.m. until 3:00 p.m., at Coast Guard

Headquarters, Room 2415, 2100 Second Street, SW, Washington D.C. The purpose of the SHC meeting is to solicit public comment on the various issues set for discussion before IMC Legal Committee to assist the U.S. Delegation in preparing its official negotiating positions. Please inform your constituent that he is invited to attend. If he cannot he may provide comments to Commander Steve Poulin at (202) 257-0094 or fax: (202) 257-4496.

I hope this information is helpful in responding to your constituent's concerns. If you need further assistance on this or any other matter, please let us know.

Sincerely,

Wendy R. Sherman

Wendy R. Sherman
Assistant Secretary
Legislative Affairs



National Mining Association
Foundation for America's Future

March 3, 1985

TO: John Sims, Usibelli Coal Mine
FROM: Moyra Pheleps *M.P.*
RE: Draft HNS Convention - Meeting with MARAD

As follow-up to our telephone conversation yesterday, Susan Carver and I met with MARAD on Wednesday to discuss our position regarding the inclusion of coal in the draft HNS.

We met with Cher Brooks (Congressional liaison), Fran Merduolo (MARAD representative on Interagency Working Group) and Joan Bondareff (General Counsel). MARAD has not taken an official position on the inclusion of coal. MARAD received a letter from Senator Stevens with your letter and the NCA/CEA letter to the Coast Guards as attachments. The letter from Senator Stevens is what prompted this meeting.

We discussed our opposition to the inclusion of coal in the HNS. Questions were asked about the safety of coal and I said the Code of Safe Practices and other mechanisms address that issue. Coal is not a hazardous material from either the safety or environmental aspects. Mr. Merduolo agreed that the current structure is not correct and our concerns regarding the cross-subsidization, etc. were correct. He asked how we felt about a separate account. I told him we opposed a separate account because 1) coal is not a hazardous material; 2) current insurance levels for coal are among the lowest and being included in the Convention could increase rates and open coal up to be included in other regulations, etc. that currently do not apply to coal because it has not been classified as a hazardous material.

MARAD indicated they would be preparing a response to Sen Stevens. They did not indicate MARAD's position. However, both Susan and I felt that they may be inclined to support the idea of the separate account. It is a compromise position as they see it:

- 1) Coal would be responsible only for coal claims above the first-tier or shipowner level.

2) If we are as safe as we say we are and claims will not be enough to trigger the second-tier, then we have nothing to worry about.

3) It doesn't jeopardize the integrity of the convention by carving out coal and opening up the convention to materials that could make claims similar to those made by coal. (In my opinion, this is a major problem for the Legal Committee. In the haste to find an existing list, Appendix B was not the one to choose. The materials on the list are too diverse.)

As we discussed, it would be helpful if Usibell wrote to Senator Stevens to let him know that NMA/CEA met with MARAD. The idea of a separate account was discussed at the meeting and we oppose it for the following reasons:

1) Coal is not hazardous material. This convention addresses the environmental and safety hazards of hazardous materials. It is not a hazardous material. Coast Guard does not list it as one. It is not in SOLAS or MARPOL.

2) By including coal in the Convention, it would be assumed that coal is a hazardous material and could change insurance ratings and how it is treated in other IMO or domestic codes for bulk or hazardous materials.

I am sending you the joint UMWA/BCOA letter. As always, we appreciate your assistance. I will keep you informed of developments.

Attachment

cc: Susan Carver
Tom Altmeyer

IMO still to tax coal as hazardous waste

Moves to reclassify coal as a hazardous waste continue to cause concern in the coal industry. Under International Maritime Organisation (IMO) proposals, coal would be included in the Hazardous and Noxious Substances Convention from 1996, meaning that users of the material would be forced to contribute to a fund to cover compensation claims arising from environmental catastrophes at sea.

Those in the coal community say there is no justification for including coal in the list and that the industry will suffer through having to subsidise damage caused by more obviously hazardous materials in its sector, such as ammonium nitrate. However, many feel that it is the huge amounts of coal shipped by sea that make it attractive to those collecting the tonnage-based tariffs.

Under the proposals, coal parties would have to pay \$5-4 per tonne for each time the coal was handled, covering exporting and receiving ports. Transhipped coal would therefore carry a treble levy of at least \$12 a tonne.

The proposal is due to be discussed in detail at the IMO's interim meeting this April in London, having been opposed by a host of coal bodies and governments, most vocally from Japan, Italy and the US.

Dominic Maiello, a leading member of the European Union Coal Committee and the United Nations Coal Working Party said "There has never been a case of sea, beach or human contamination that has exceeded normal insurance cover. If people are made to fear this tax on top of proposals to levy a carbon tax and a little help from the gas industry's propaganda machine, coal is going to be killed off forever."

Why did the chicken cross the road? To fuel a power plant...

Farmers in the United Kingdom are being urged to save their chicken manure and to plant trees on surplus land to provide new fuels for power stations; in a scheme announced by the UK's Department of Trade and Industry (DTI).

The scheme is part of a programme to set up renewable-energy power stations driven by a variety of methods, which also includes straw and household waste-firing, wind and water power.

Charles Wardle, junior minister for industry and energy said the UK government was anxious to foster technologies of the future as part of its Non-Fossil Fuel Obligation (NFFO) which is intended to ensure diversity of power supply.

Three projects requiring a total 20,000 acres of tree-planting to feed the furnaces of three power stations would produce electricity at 8.45 pence a unit, more than three times the cost of coal.

Farmers in England and Wales will be paid to plant genetically engineered poplars and willows, which grow so fast that harvesting of the wood can begin in two years. The 90,000 tonnes of wood



Is wind the fuel of the future?

Cutting down diesel and dust fumes

Concerns over potential adverse health effects caused by diesel-powered equipment in underground coal mines in Australia have given rise to a project by BHP Steel Collieries and ACARP, the Australian Coal Association Research Program.

BHP Steel Collieries Division has, with ACARP funding, spent the past four years researching the use of diesel equipment underground and looking at ways of controlling exposure to diesel emissions. The research highlighted the fact that in a number of situations, workers were not actually being exposed to diesel particulates but to roadway dust disturbed by the force and direction of the exhaust outlet. This finding has led to a review of the exhaust direction on all vehicles in BHP Steel's collieries.

By monitoring diesel particulates, the Tower Colliery Research Group has come up with a range of distillate type fuels and has clearly established the link between low sulphur in the fuel and lower diesel particulate levels. A side-benefit has been a similar reduction in odour levels with reduced sulphur content.

Other forms of control technology have been formulated, including improved maintenance procedures, scrubber tanks, chemical decoking of engines and the use of disposable post-scrubber tank filter systems.

ACARP believes that this last area has the potential to have a major impact. Research on these devices in the US has found them to be very effective, with reductions in diesel particulates of up to 90 per cent. However, the design had the potential to catch fire under certain conditions - therefore rendering it unsuitable for especially gassy coal mines.

produced each year would be turned into gas in special furnaces before being piped into power stations.

Power from chicken manure or straw (occasionally mixed with waste wood) is another boom area and a cheaper option at around five pence a unit. The prices are expected to drop as the technologies improve.

Landfill gas is such a proven generator that it is the cheapest renewable resource for producing electricity. Forty-two such schemes were approved by the DTI.

More controversial schemes for producing electricity by burning household and industrial waste are likely to be encouraged by the government's Landfill Levy, which will make local authorities more inclined to send their rubbish to power-generating incinerators.

Some of the schemes are expected to fail because of planning objections, since to be economic they often have to be sited in residential areas. In England and Wales there were 520 bids, of which 141 projects were approved.

SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 4/7/95

FURTHER:

Date of 5-Day Notice: 4-10-95
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 4-19-95

Resources Committee considered SR 2

Opposing a proposed international convention classifying coal as a hazardous and noxious material.

and recommends:

- be replaced with _____ CS SR 2 (RPS)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:
 - same title
 - new title
- House Bill:
 - same title
 - technical title
 - new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Robert Taylor</i>		<i>[Signature]</i>	✓		
<i>Irue Leance</i>		<i>[Signature]</i>	✓		
CHAIR: <i>[Signature]</i>	✓				

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
<i>S. Resources Comte</i>	<i>4/19</i>	✓	

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

*Include fiscal notes accompanying Governor's bill

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. SR 2

Revision Date: _____ Dept. Affected: None
 Title: SR 2: Opposing proposed international
convention classifying coal as hazardous DRU: _____
 Sponsor: Senate Resources Comte Component: _____
 Requester: _____ COMPONENT SERIAL NO. _____

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

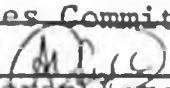
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ _____

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: _____
 Division: Senate Resources Committee
 Approved by Commissioner: 
 Agency: Senator Loren Leman, Chair

Phone: 465-4907
 Date: 4/19/95
 Date: _____

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information, call the Governor's Legislative Office

Memo From The Desk Of



Charlie Boddy

April 12, 1995

Annette Kreitzer
Office Of Senator Loren Lemam
Capitol Building - Room 113
Juneau, Alaska

Re: SR2, A resolution opposing a proposed international convention classifying coal as a hazardous and noxious material.

Annette:

There is a correction that needs to be made to line 5, page 2. The organization "the National Coal Association" should be changed to "the National Mining Association." In March of this year the National Coal Association and the American Mining Congress merged to form the new mining organization, the National Mining Association.

I am prepared to testify this afternoon, and would seek your advice on what your Senator would like to have provided in the way of information during my testimony. Thank you for your direction on this important issue. With warmest regards, I remain,
Cordially yours,

ak041295

**CS FOR SENATE RESOLUTION NO. 2(RES)
IN THE LEGISLATURE OF THE STATE OF ALASKA
NINETEENTH LEGISLATURE - FIRST SESSION**

BY THE SENATE RESOURCES COMMITTEE

**Offered:
Referred:**

Sponsor(s): SENATE RESOURCES COMMITTEE

A RESOLUTION

1 **Opposing a proposed international convention classifying coal as a hazardous and**
2 **noxious material.**

3 **BE IT RESOLVED BY THE SENATE:**

4 **WHEREAS** the International Maritime Organization (IMO), an organization under the
5 auspices of the United Nations, is currently drafting proposals for an international treaty
6 adopting and expanding insurance indemnity provisions for seaborne commodities; and

7 **WHEREAS**, in contrast to existing maritime classifications and the policies and
8 regulations of the United States Department of Transportation and the United States Coast
9 Guard, the IMO proposes classifying coal as a hazardous and noxious material; and

10 **WHEREAS** there is no rational reason or precedent for classifying coal as a hazardous
11 or noxious material and the current maritime insurance has, without exception, adequately
12 provided insurance indemnity for seaborne coal shipping; and

13 **WHEREAS** action classifying coal as a hazardous or noxious material could
14 significantly increase insurance rates and the delivered cost of coal to the benefit of competing
15 fuel sources; and

16 **WHEREAS** this action would dramatically reduce the competitiveness of coal as an

1 import fuel and reduce the amount of exported coal from countries such as the United States;
2 and

3 **WHEREAS** this action would reduce the potential for the increased export of Alaska
4 coal; and

5 **WHEREAS** the National Mining Association, the United States Coal Exporters
6 Association, and the Alaska Coal Association, together with labor organizations, adamantly
7 oppose the IMO proposal; and

8 **WHEREAS** it is critical that United States government representatives to the IMO
9 convention oppose the classification of coal as a hazardous or noxious material;

10 **BE IT RESOLVED** that the Senate respectfully urges the United States Senate not
11 to ratify a Hazardous and Noxious Substance Convention proposed by the International
12 Maritime Organization that includes coal as a designated hazardous or noxious material.

13 **COPIES** of this resolution shall be sent to the Honorable Al Gore, Jr., Vice-President
14 of the United States and President of the U.S. Senate; the Honorable Bob Dole, Majority
15 Leader of the U.S. Senate; the Honorable Strom Thurmond, President Pro Tempore of the U.S.
16 Senate; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators,
17 and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in
18 Congress.




Alaska State Legislature

Session:
State Capitol
Juneau AK 99801-1182

MEMO

Interim:
716 W 4th Avenue
Anchorage AK 99501-2133

TO: George Utermohle, Attorney
Legal Services
VIA FAX: 2029

FROM: Annette E. Kreitzer, Aide to 
Senate Resources Committee

DATE: April 13, 1995

RE: Amendment to LS1027C (SR2: Opposing Classifying Coal as
Hazardous/Noxious)

Please draft a FINAL Resources committee substitute for SR 2 with the following change:

Page 2, line 5:

Delete [NATIONAL COAL ASSOCIATION]

Insert: National Mining Association

04/12/95

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM

LTN1150

15:41:41

PARTICIPANT LIST (ALL PARTICIPANTS)

BY:FBX

TCN:50585

SCHEDULED FOR:04/12/95 15:30 TO 17:00

FOR:FBX

PUBLIC HEARING

SENATE RESOURCES

LOCATION:FAIRBANKS

SR 2

MR.

CHARLIE

BODDY

TESTIFY

President: R. B. Stiles
111 H Street, Suite 600
Anchorage, Alaska 99501
Tel: (907) 276-6868
Fax: (907) 276-2195



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

ALASKA COAL ASSOCIATION

THE ALASKA COAL ASSOCIATION SUPPORTS HOUSE RESOLUTION NO. 7

House Resolution No. 7 urges the U.S. Senate to not ratify an International Maritime Organization (IMO) convention which would designate coal as a hazardous and noxious material.

Designation of coal by the IMO as a hazardous and noxious material would have the net effect of placing coal in a pool of materials against which an additional handling fee per unit of weight is assessed by the IMO each time the coal is loaded onto or unloaded from a vessel. The proceeds from these fees would be used to cover the cost of marine spills of these materials in excess of insurance limits.

The Alaska Coal Association strongly opposes the designation of coal as a hazardous and noxious material for the following reasons:

- Coal spills in the marine environment present no hazard to marine flora and fauna and the cleanup of such spills have never exceeded the insurance limits for such spills.
- Such a designation would arbitrarily place coal in a pool with other materials, which materials, if spilled in the marine environment, may represent a hazard to the marine environment and the spills may be very costly to cleanup.
- The U.S. Coast Guard places no such designation on coal because coal spills are not hazardous to the environment. Imposition of this hazardous and noxious designation by an United Nations (the IMO) Organization is clearly overreaching.
- The fees assessed against coal would increase the costs to the coal energy consumer without providing any additional benefit to anyone or to the environment.

Designation of coal by the IMO as a hazardous and noxious material is clearly an attempt to address a non-problem and such a designation is opposed by coal producers, shippers and users throughout the world.

The Alaska Coal Association greatly appreciates the Alaska Legislature taking a strong stand in opposition to an arbitrary and unwarranted action by the IMO.



COAL NEWS

December 19, 1994 • No. 5218

The Weekly Newsletter of The National Coal Association

C O L U M N I

Republicans push administration for moratorium on regulations

By V. Sam Lawr.

IMO activity regarding HNS has potential for severely impacting U.S. coal exports

Those of us active in the international marketing of U.S. coal become so focused on demand and prices that we often overlook activities in international forums that have the potential for severely impacting U.S. coal exports.

One such activity is the International Maritime Organization (IMO) projected drafting of a regime for the liability and compensation for damage caused in connection with the carriage of hazardous and noxious substances by sea. Before you jump to the next page of the newsletter, the Hazardous and Noxious Substance Convention (HNS), as currently drafted, includes coal and has the potential for adding significant costs to coal.

What is the HNS?

Since 1987, the Legal Committee of the IMO has been drafting the HNS and using the 1969/1971 Conventions on Oil Pollution Liability and Compensation as its models. It is IMO's intention to hold a diplomatic conference in 1996. If successful, the HNS Convention will have to be approved by Congress.

The convention defines HNS to include "solid bulk materials possessing chemical hazards covered by Appen-



See COLUMN 1, page 2

The White House last week rejected a Republican proposal to impose a regulatory moratorium, calling it a "blunderbuss that could work in unintended ways."

Eight Republican leaders in both houses of the newly elected GOP-controlled Congress — including Senate Majority Leader Robert Dole (R-Kan.) and House Speaker Newt Gingrich (R-Ga.) — sent a Dec. 12 letter to President Clinton, requesting a moratorium on all federal rulemaking through the first 100 days of the 104th Congress.

During that time, the lawmakers requested federal agencies provide Congress a list of current and proposed regulations with costs to society that outweigh intended benefits, as well as recommendations for eliminating any unnecessary regulations and providing flexibility for local governments in



White House calls proposal a "blunderbuss"

meeting U.S. mandates.

"Excessive regulation and red tape have imposed an enormous burden on our economy," the GOP letter said. "Private estimates have projected the combined direct cost of compliance with

all existing federal regulations to the private sector and to state and local governments at well over \$500 billion per year."

In a response to the GOP leadership, Sally Kates, a White House official who handles regulatory affairs, said while "burdensome regulations need to be cut back," the Republican proposal "would stop rules from being issued regardless of their merit."

Some observers said even though the administration decided against the moratorium, Congress could impose it legislatively, a move which might be politically damaging to the White House.

One House Republican staffer said the new Congress is going to "do some fairly significant things" with risk assessment and cost/benefit analysis legislation.

Meanwhile, a news conference was held on Capitol Hill last week announcing the creation of Project Relief, a nationwide coalition formed at the request of incoming House Republican Whip Tom DeLay (R-Texas). The group seeks reform of the way the government develops regulations.

NCA, CEA oppose ECE draught survey proposal

NCA and the Coal Exporters Association (CEA) said they oppose adoption by the International Standards Organization (ISO) of a draft international standard for the performance of draught surveys of coal cargoes, as proposed by the Economic Commission for Europe (ECE).

"We fail to understand why coal is being singled out as the only bulk cargo requiring an ISO standard for the performance of a draught survey," the groups said in comments filed with the U.S. Coast Guard.

"If ISO is going to adopt a standard, it should be a standard setting out draught survey procedures for all bulk cargoes."

In addition, the ECE Code "does not

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Clinton set out plan	4

C O L U M N I

Continued from page 1

of the Code of Safe Practices for Solid Bulk Cargoes, as amended." The appendix includes coal as a hazardous material when in bulk (MHB).

The current draft is based on a post-event system of collection. It establishes a two-tier system of tiered liability for damage. The first tier is comprised of the shipowner, who will be required to carry compulsory insurance to cover liability up to a yet determined level. The shipowner liability, or first tier, is supplemented by a second tier establishing a scheme or fund to provide additional compensation when the damage exceeds the shipowner's liability.

The second tier currently is comprised of two sectors: Sector 1) solid, liquid or gas, and Sector 2) high volume, low hazard (Appendix B of the Code of Safe Practice for Solid Bulk Cargoes, as amended).

Appendix B includes substances of very diverse properties. For instance, coal, wood chips and ammonium nitrate are included in the list. Coal and wood chips are not hazardous and noxious substances while ammonium nitrate can be very explosive.

NCA and its affiliate, the Coal Exporters Association, oppose the inclusion of coal in the HNS.

As currently outlined, Sector 2) would have a "Y"

rating until an accident occurred with a Sector 2) substance in which the liability exceeded the shipowner, or first tier, liability. At that point, the second tier would be responsible for the additional liability. Once Sector 2) is "activated," it and Sector 1) would be responsible for providing funds to cover additional liability associated with any future incidents requiring compensation from the second tier.

It is very important to note that even if coal does not have an accident requiring funds from the second tier, but a substance in Sector 1) does have an accident requiring compensation, all substances in Sector 1) become active and must contribute.

A limited number of separate accounts would be specified in the convention and these accounts may cover oil, LNG and possibly LPG. Finally, as currently proposed, the HNS Convention also would apply to domestic coastwise trade as well as international trade.

What is the Coal Industry Doing?

NCA and its affiliate, the Coal Exporters Association, oppose the inclusion of coal in the HNS. In letters sent to the U.S. Coast Guard, the

lead U.S. agency to the IBC, NCA/CEA have pointed out that it was not the original intent to include materials such as coal, which are high volume but not hazardous and noxious substances. NCA/CEA maintain that the selection of materials to be covered in the convention should be based upon known, accepted guidelines that clearly show that the included materials are hazardous and noxious substances. Criteria do not exist to include coal in the convention; in fact, criteria do exist to indicate that it should not be included.

The IBC's Marine Environment Pollution Committee specifically asked the GESAMP EHS Group to evaluate the potential marine pollution hazards from the discharge of solid bulk cargoes. In July 1992, the GESAMP evaluated the hazardous properties of coal. Coal was given a "Y" rating for bioaccumulation and mutagenic hazard to human health (oral intake and skin contact) and for reduction in amenities. It was noted, coal dust may cause mild skin irritation if it comes in contact with the skin. Coal, with regard to damaging living resources, is not hazardous but it may blanket the bottom of the sea; and coal, with regard to the reduction of amenities, may be slightly objectionable but will not interfere with the use of beaches. It is clear from these hazard factor rankings that coal is not a hazardous and noxious substance with environmental/property risks that prompt its inclusion in the convention.



Criteria does not exist to include coal in the convention

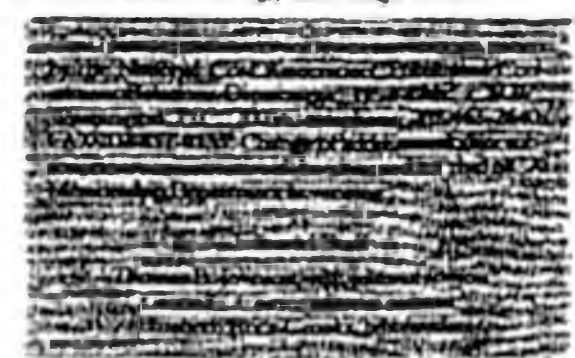
With regard to coal's inclusion in Appendix B, NCA/CEA have pointed out that the purpose of Appendix B is to provide guidelines for the safety of vessel and crew as solid bulk cargoes are loaded, during ocean transport and unloaded at the port of destination. Coal's ranking of MHB (materials hazardous only in bulk) is defined by IMO as "materials (which) when carried in bulk, present sufficient hazards to require specific precautions." Specifically, the Code of Safe Practices addresses two possible hazards (oxygen reduction in the cargo space and self-heating) in connection with the transport of coal. The Code carefully outlines guidelines to be adhered to which should significantly reduce or eliminate the hazards.

What is the Current Status of the HNS?

The next meeting of the Legal Committee is scheduled for early April 1995. At the last meeting in October, several countries raised the issue of excluding coal from the HNS. It was tabled for possible discussion at a future meeting of the Legal Committee or the Diplomatic Conference in 1996. It is expected that the issue to exclude coal from the HNS will be formally raised at the next meeting by Japan with the support of several other countries.

The U.S. government currently is developing its position on the inclusion of coal. It is extremely important that the U.S. coal industry as well as those in the shipping community express opposition to the inclusion of coal in the HNS. Also, as contracts for 1995 are negotiated, it is vital that we bring the HNS to the attention of our customers and strongly encourage them to con-

tact the appropriate government officials to register opposition to the inclusion of coal. Both coal exporting and importing nations should unite to widespread and strong opposition to including coal in a convention covering HNS damage.





USIBELLI COAL MINE, INC.

MARKETING

122 First Avenue, Suite 302
Fairbanks, Alaska 99701
907 452 2625 FAX 907 451-5543

January 18, 1995

Honorable Ted Stevens
United States Senate
522 Hart Building
Washington D.C. 20510-0201

Dear Senator Stevens:

Attn: Kristen Richmond and Trevor McCabe
U.S. Senate Commerce Committee

The Coal Exporters Association of the United States (CEA) is very concerned that the current draft of the International Maritime Organization (IMO) Hazardous and Noxious Substance (HNS) Convention includes coal. As a member of the Board of CEA representing Usibelli Coal Mine, Inc., I am soliciting your interest and involvement in this issue. There is absolutely no evidence to suggest that coal should be included in the Convention, and to do so would constitute a means of increasing the costs of doing business. Since the HNS Convention is a treaty it would eventually require ratification by the US Senate - we would obviously like to see coal excluded completely from the Convention.

Enclosed is a copy of NCA's latest newsletter that includes a "Column One" written by Sam Lewis, CEA's Chairman. The interagency Working Group comprised of several government agencies (MARAD, Dept. of Justice, State Department, Dept. of Energy, Dept. of Commerce, etc.) is developing its position on the inclusion/exclusion of coal. It appears the Working Group is split. The interagency Working Group was slated to meet again on January 17.

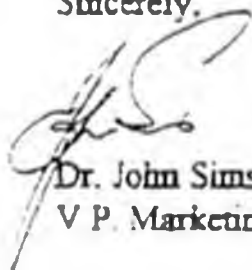
I have also included a letter written by NCA President Richard Lawson and Sam Lewis, Chairman of CEA to the Coast Guard detailing the coal industry's opposition. I should point out that, in addition to the arguments outlined in the letter, the US Coast Guard does not include coal in its listing of hazardous marine pollutants (CFR parts 171 & 176) as published in the Federal Register November 5, 1992.

Senator Stevens
 January 18, 1995
 Page 2

This is an issue which falls within the jurisdiction of committee(s) on which you serve. I would like to suggest that you express your concern to the Commander of the Coast Guard and the Secretary of Transportation and I would further ask that you track this issue and oppose inclusion of coal in the version of the HNS Convention that the US Senate may eventually approve.

I appreciate any assistance you can render in this regard.

Sincerely,



Dr. John Sims
 V P. Marketing

JS/mc

Enclosures

cc: Moya Phelleps - CEA

**USIBELLI COAL MINE, INC.****MARKETING**

122 First Avenue Suite 302

Fairbanks, Alaska 99701

907 452-2625 FAX 907 451-6543

March 6, 1995

Honorable Ted Stevens
United States Senate
522 Hart Building
Washington, D.C. 20510-0201

Dear Senator Stevens:

Thank you for your action regarding inclusion of coal in the I.M.O. draft Hazardous and Noxious Substance (HNS) Convention. I have learned that MARAD officials Fran Mardulo (MARAD representative on the Interagency Working Group), Cher Brooks (Congressional Liaison) and Joan Bondareff (General Counsel) met with National Coal Association executives Susan Carver and Moya Pheileps last week. The MARAD delegation had received your letter, which clearly prompted the meeting, together with copies of my letter to you on the subject and the NCA/CEA letter to the Coast Guard.

The meeting, I am informed, was inconclusive with MARAD failing to indicate its position. MARAD explored the possibility of seeking to categorize coal within a separate account (currently coal is included in the draft together with other commodities of a diverse nature).

The idea of a separate account category for coal in the HNS Convention is opposed by the National Mining Association (NMA) and the Coal Exporters Association (CEA) and by USIBELLI COAL MINE, a committed member of these industry associations. This opposition is rooted in the following reasons.

1) Coal is not hazardous material. This convention addresses the environmental and safety hazards of hazardous materials. U.S. Coast Guard does not list coal as hazardous material and it was not included as such in the International Convention on Prevention of Pollution from Ships (MARPOL 73/78 and subsequent modifications) nor in the International Convention for the Safety of Life at Sea (SOLAS 1974 and subsequent modifications). Furthermore coal is not included in the International Maritime Dangerous Goods Code.

Senator Stevens
March 6, 1995
Page 2

2) By including coal in the HNS Convention it would be assumed that coal is indeed hazardous by nature and that of itself could result in changes in insurance ratings to be borne by industry

Again thank you for your interest and involvement in this issue.

Sincerely,



Dr. John Sims
V P Marketing

JS/me

cc: Senator Frank Murkowski
Congressman Donald Young
Susan Carver
Moya Phelleps
Joseph E. Usibelli, Jr.

SR

4

SENATE COMMITTEE REPORT
 First Committee of Referral

Annette

DATE: 5/7/95

FURTHER:

Date of 5-Day Notice: 24-hour rule
 (in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 5-8-95

Resources Committee considered SR 4

Requesting Congress to clarify that the Reindeer Industry Act of 1937 no longer applies in Alaska.

and recommends:

- be replaced with _____ CS _____
- adopt previous _____ CS _____
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

Senate Bill:
 same title
 new title
 House Bill:
 same title
 technical title
 new: SCR# _____

SIGNING DCPASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Rich Halford</i>	<input checked="" type="checkbox"/>	<i>Debra A. ...</i>		<input checked="" type="checkbox"/>	
<i>Chris Taylor</i>	<input checked="" type="checkbox"/>	<i>John Hoff</i>		<input checked="" type="checkbox"/>	
<i>Alan</i>	<input checked="" type="checkbox"/>				
CHAIR: <i>Alan D. ...</i>	<input checked="" type="checkbox"/>				

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
<i>D.F.E.</i>		<input checked="" type="checkbox"/>	
<i>forthcoming</i>			

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

*Include fiscal notes accompanying Governor's bill

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. SR 4

Revision Date: _____ Dept. Affected: Fish and Game
 Title: Reindeer Industry Act of 1937 BRU: Wildlife Conservation
 Component: Wildlife Conservation
 Sponsor: Senator Halford
 Requester: Senate Resources COMPONENT SERIAL NO. 473

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Geron Bruce GB Phone: 465-6143
 Division: Commissioner's Office Date: 5/7/95
 Approved by Commissioner: Frank Rus Date: 5/8/95
 Agency: Commissioner

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Reindeer for Natives only, judge rules

By PETER S. GOODMAN
Daily News reporter

A federal judge in Anchorage on Wednesday dismissed a suit challenging a 1937 law that gives Alaska Natives the exclusive right to raise reindeer.

The ruling came as a defeat for Tom Williams, a reindeer farmer and practicing attorney who filed the suit. Under Judge John Sedwick's ruling, Williams

now has 30 days to dispose of his roughly 200 animals, either by selling them to someone outside of Alaska or by slaughtering them.

Williams, a non-Native man who lives in the Butte area, says the 1937 Federal Reindeer Act is racist. He blasted Sedwick's decision.

"The independent, non-Native Alaskan should really get the hell out of Alaska," Williams said.

"Soon it'll be that only Natives can live in Alaska. All white people should leave." Native reindeer farmers embraced the ruling. They say the Reindeer Act specifically was intended to benefit Alaska Natives to compensate for the ill-effects of European colonialism.

"There is a long history of Indian legislation specifically designed to correct

violations of human rights and land ownership," Rose Fosdick, director of the Nome-based Reindeer Herder's Association, said in an interview last August.

The association, which represents more than a dozen reindeer farmers on the Seward Peninsula, began

Please see Page B-3.
REINDEER

REINDEER: Lawyer has 30 days to get rid of herd

Continued from Page B-1

the legal action in 1991, complaining to the U.S. Department of Interior's Board of Indian Appeals that Williams was violating the Reindeer Act. He had brought reindeer into Alaska from Canada four years earlier, setting up his farm in the Butte.

The appeals board ruled with the association. That prompted Williams to file his own appeal in Federal Court. It was that appeal that Sedwick ruled on Wednesday.

Fosdick says Native reindeer farmers can't compete with non-Natives, who have access to roads, ports and cheaper electricity. If non-Natives are given the right to raise reindeer, Natives would be put out of business, Fosdick said. That would be a cultural blow, she said.

"When we were growing up here, we couldn't afford to buy many of the foods that were sold in the store," Fosdick said. "Reindeer meat is something we can rely on. It's become part of our culture and part of our tradition."

Williams, who has lived in Alaska for more than four decades, doesn't buy it.



"Non-Natives can own reindeer in any U.S. state except Alaska," he said. "Alaska is kind of a special state. It has less rights."

Williams provided contradictory accounts of what he'd do next.

First he said he would comply with the ruling: "Am I going to take on the U.S. Army? Am I going to go out like those Branch Davidians? No way."

Then, claiming the Reindeer Act obligates the U.S. government to pay him "fair market value" for his reindeer, Williams said he wouldn't get rid of the animals until he was paid. He said that a 1991 appraisal placed the value of his reindeer and his farm at over \$2 million.

"I'm gonna keep right on farming until they come over to my house with a big check," he said.

He ruled out another appeal, saying he couldn't afford one.

REINDEER HERDERS ASSOCIATION
KAWERAK, INC.
P.O. BOX 948
NOME, ALASKA 99762
TELEPHONE: 907-443-5231 FAX: 907-443-5708

"The purpose of the Reindeer Herders Association is to provide assistance in the development of a viable reindeer industry, to enhance the economic base for rural Alaska, and improve the management of the herds."

HISTORY

Reindeer were first introduced to Alaska when the Reverend Sheldon Jackson, General Agent of Education in Alaska, imported sixteen reindeer from Siberia in 1891. Jackson believed reindeer would provide a stable food supply for Alaska Natives. Between 1892 and 1898 Alaska Natives were trained by hired Siberian Natives and Lapp herders.

Under various owners and managers, the population of reindeer was fluctuated. By 1905 there were 10,000 head and by 1937 there were an estimate 640,000 reindeer. In 1985 there were 23,000 reindeer in Alaska.

After hearings in Washington, D.C. the Reindeer Act of 1937 was passed which restricted ownership of reindeer to Alaska Native people. The special provisions of the Reindeer Act gave Alaska Natives the opportunity to make a living and contribute to the economic well-being of rural Alaska.

CURRENT

The reindeer industry was evolved since its introduction. Herd sizes are on the rise, largely due to increased knowledge of improved herding techniques and on-going applied research by the University of Alaska Fairbanks Reindeer Research Program. The population in Alaska is estimated at 40,000 with over 25,000 on or near the Seward and Baldwin Peninsulas.

RANGES

The entire Seward and Baldwin Peninsulas serve as reindeer range, as well as permitted areas near Shaktoolik, Stebbins, and on St. Lawrence Island. There are also herds on the island of Nunivak, Umnak, Hagemeister and Kodiak. Herders apply and receive land use permits from land managers.

REINDEER HERDERS ASSOCIATION

The Reindeer Herders Association (RHA) was formed to encourage, foster and facilitate the orderly and efficient production, distribution and marketing of reindeer products. RHA provides administrative, logistical, advocacy and field support to its members. Members are owners and managers of reindeer herds. An Executive committee provides policy and direction to the staff located in Nome under Kawerak, Inc., a regional non-profit corporation. RHA received support from the Department of Interior Bureau of Indian Affairs, and State of Alaska Department of Natural Resources.

Dated: April 6, 1993

KAWERAK, INC.
REINDEER HERDERS ASSOCIATION MEMBERSHIP

Tom Gray
White Mountain, AK 99784
(907) 638-3971

Clifford Weyiouanna
Shishmaref, AK 99772
(907) 649-3451

Harry Karmun
Deering, AK 99736
(907) 363-2125

Fred Goodhope Jr
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(907) 649-3641

Nathan Hadley
Buckland, AK 99727
(907) 494-2162

Larry Davis
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(907) 443-2393

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Shaktoolik, AK 99771
(907) 955-3411

Doug Sheldon
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Kotzebue, AK 99752
(907) 442-3766

Herman Toolie
Savoonga IRA Herd
Savoonga, AK 99769
(907) 984-6414

Pius Washington
St. Michael IRA Herd
St. Michael, AK 99659
(907) 923-3772

Leonard Olanna
Brevig Mission, AK 99785
(907) 642-3811

James Noyakuk
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(907) 664-3281

Wilfred Kakaruk
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Teller, AK 99778

Roger Menadelook
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Merlin Henry
Box 24
Koyuk, AK 99753
(907) 963-3381 Msg.

John Walker
Box 285
Kotzebue, AK 99752
(907) 442-3592

Fred Pete
Stebbins IRA Herd
Stebbins, AK 99671
(907) 934-3561

ASSOCIATE MEMBERS:

Donnie Olson
Box 142
Nome, AK 99762
(907) 443-2229

Jean Strutz
Kaguna Reindeer Ranch
10670 Bench Circle
Homer, AK 99603

ALASKA FEDERATION OF NATIVES, INC.

1993 ANNUAL CONVENTION

RESOLUTION 93 - 58

TITLE: IN OPPOSITION TO AMENDING THE REINDEER ACT

WHEREAS: the ownership of reindeer is a critical issue of the reindeer herders; the reindeer industry and Alaska Native people, and

WHEREAS: the Reindeer Industry Act of 1937 provides for the right of Alaska Native people to be the sole owners and managers of reindeer in Alaska; and

WHEREAS: in November 1992 the Interior Board of Indian Appeals decided that "where BIA learns that non-Native owned reindeer are kept for commercial purposes, it is required to take some action to eliminate the threat or potential threat to the Native industry," and

WHEREAS: a number of people have signed petitions and submitted them to Alaska's Congressional delegation requesting amendment to the Reindeer Act of 1937, and Senator Murkowski has stated in a letter that he was considering submitting an amendment to the Reindeer Act;

NOW THEREFORE BE IT RESOLVED by the delegates to the 1993 Annual Convention of the Alaska Federation of Natives, Inc. that the Alaska Federation of Natives delegation in assembly declares opposition to any amendments to the Reindeer Industry Act of 1937;

BE IT FURTHER RESOLVED that the Bureau of Indian Affairs, as the department of the federal government with trust oversight responsibility, be requested to take all necessary steps to protect this very vital trust resource.

SUBMITTED BY: Joint Elders/Youth Conference

COMMITTEE RECOMMENDATIONS: Do Pass

CONVENTION ACTION: Do Pass



P.O. Box 40
Kotzebue, Alaska 99752

City Hall
442-3401

Police Dept.
442-3331

Fire Dept.
442-3404

Public Works
442-3401

RESOLUTION #94-02

ENTITLED: "A RESOLUTION OF THE CITY OF KOTZEBUE, ALASKA IN SUPPORT OF THE 1937 REINDEER INDUSTRY ACT AS WRITTEN."

WHEREAS: the reindeer industry in Alaska was established just over 100 years ago to provide an alternative food source for Aleut, Eskimo and Indian people in Alaska;

WHEREAS: Aleut, Eskimo and Indian people have managed the reindeer industry to benefit the small communities by providing red meat, jobs and new moneys,

WHEREAS: the Reindeer Industry Act of 1937 was enacted to "...establish and maintain for the said natives of Alaska a self-sustaining economy by acquiring and organizing for and on behalf of said natives a reindeer industry or business, by encouraging and developing native activity and responsibility in all branches of the said industry or business, and by preserving the native character of the said industry or business thus established."

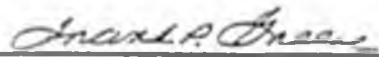
WHEREAS: the reason for the Reindeer Act was to prevent competition;

WHEREAS: there is an attempt now to amend the original act to open the ownership of reindeer to non-Natives;

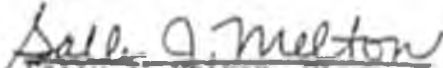
WHEREAS: we are in opposition to any amendments to the Reindeer Act of 1937.

NOW THEREFORE, BE IT RESOLVED, that we urge Congress, the Alaska Congressional delegation, and the Secretary of Interior to oppose amendments to the Reindeer act of 1937.

Passed and adopted by the City of Kotzebue this 6th day of January, 1994 in a regularly scheduled meeting.


Frank P. Greene, Mayor
City of Kotzebue

(SEAL)

ATTEST:

Sally J. Melton, Clerk
City of Kotzebue

RESOLUTION NO 43-12

WHEREAS, the reindeer industry in Alaska was established just over 100 years ago to provide an alternative food source for Aleut, Eskimo and Indian people in Alaska;

WHEREAS, Aleut, Eskimo and Indian people have managed the reindeer industry to benefit the small communities by providing red meat, jobs and new moneys,

WHEREAS, the Reindeer Industry Act of 1937 was enacted to "establish and maintain for the said natives of Alaska a self-sustaining economy by acquiring and organizing for and on behalf of said natives a reindeer industry or business, by encouraging and developing native activity and responsibility in all branches of the said industry or business, and by preserving the native character of the said industry or business thus established."

WHEREAS, the reason for the Reindeer Act was to prevent competition,

WHEREAS, there is an attempt now to amend the original act to open the ownership of reindeer to non-Natives;

WHEREAS, we are in opposition to any amendments to the Reindeer Act of 1937,

NOW THEREFORE BE IT RESOLVED that we urge Congress, the Alaska Congressional delegation, and the Secretary of Interior to oppose amendments to the Reindeer Act of 1937.

PASSED unanimously this 29th day of DECEMBER, 1993 in an regularly scheduled meeting of the QULYU MISSION TRADITIONAL COUNCIL

Robert T. Smith dated: 29 DEC 1993
Mayor of President of Qulyu Mission Traditional Council

Edward Lutz dated: 29 DEC. 1993
City Clerk or Secretary of Traditional Council

RESOLUTION NO 94-01-03-01

WHEREAS, the reindeer industry in Alaska was established just over 100 years ago to provide an alternative food source for Aleut, Eskimo and Indian people in Alaska;

WHEREAS, Aleut, Eskimo and Indian people have managed the reindeer industry to benefit the small communities by providing red meat, jobs and new moneys.

WHEREAS, the Reindeer Industry Act of 1937 was enacted to "...establish and maintain for the said natives of Alaska a self-sustaining economy by acquiring and organizing for and on behalf of said natives a reindeer industry or business, by encouraging and developing native activity and responsibility in all branches of the said industry or business, and by preserving the native character of the said industry or business thus established."

WHEREAS, the reason for the Reindeer Act was to prevent competition.

WHEREAS, there is an attempt now to amend the original act to open the ownership of reindeer to non-Natives;

WHEREAS, we are in opposition to any amendments to the Reindeer Act of 1937,

NOW THEREFORE BE IT RESOLVED that we urge Congress, the Alaska Congressional delegation, and the Secretary of Interior to oppose amendments to the Reindeer Act of 1937.

PASSED unanimously this 1st day of January, 1994 in an regularly scheduled meeting of the Koyuk CITY COUNCIL

[Signature]
Mayor or President of CITY of Koyuk

Dated: 01/03/94

[Signature]
City Clerk or Secretary of CITY of Koyuk

Dated: 01/03/94

Native Village of Shishmaref
Shishmaref, Alaska 99772

Resolution # 93-24

WHEREAS, the reindeer industry in Alaska was established just over 100 years to provide an alternative food source for Aleut, Eskimo and Indian people in Alaska, and

WHEREAS, Aleut, Eskimo and Indian people have managed the reindeer industry to benefit the small communities by providing red meat, jobs and new moneys, and;

WHEREAS, the reindeer Industry Act of 1937 was enacted to "... establish and maintain for the said natives of Alaska a self-sustaining economy by acquiring and organizing for and on behalf of said natives a reindeer industry or business, by encouraging and developing native activity and responsibility in all branches of the said industry or business, and by preserving the native character of the said industry or business thus established.", and;

WHEREAS, the reason for the Reindeer Act was to prevent competition, and;

WHEREAS, there is an attempt now to amend the original act to open the ownership of reindeer to non-Natives, and;

WHEREAS, we are in opposition to any amendments to the Reindeer Act of 1937

NOW THEREFORE BE IT RESOLVED that we urge Congress, the Alaska Congressional delegation, and the Secretary of Interior to oppose amendments to the Reindeer Act of 1937.

PASSED unanimously the 27th day of December 1993 in a regularly scheduled meeting of the Shishmaref IRA Council.

Juci Innooruk Dated: 12-28-93
President, Native Village of Shishmaref

John Himmick Dated: 12-28-93
Secretary, Native Village of Shishmaref



City of Selawik

P.O. Box 49 • Selawik, Alaska 99770
(907) 484-2132
FAX (907) 484-2209

RESOLUTION NO. 94-13

WHEREAS, the reindeer industry in Alaska was established just over 100 years ago to provide an alternative food source for Aleut, Eskimo and Indian people in Alaska;

WHEREAS, Aleut, Eskimo and Indian people have managed the reindeer industry to benefit the small communities by providing red meat, jobs and new moneys,

WHEREAS, the Reindeer Industry Act of 1937 was enacted to "...establish and maintain for the said natives of Alaska a self-sustaining economy by acquiring and organizing for and on behalf of said natives a reindeer industry or business, by encouraging and developing native activity and responsibility in all branches of the said industry or business, and by preserving the native character of the said industry or business thus established."

WHEREAS, the reason for the Reindeer Act was to prevent competition;

WHEREAS, there is an attempt now to amend the original act to open the ownership of reindeer to non-Natives;

WHEREAS, we are in opposition to any amendments to the Reindeer Act of 1937,

NOW THEREFORE BE IT RESOLVED that we urge Congress, the Alaska Congressional delegation, and the Secretary of Interior to oppose amendments to the Reindeer Act of 1937.

PASSED unanimously this 3rd day of January, 1994 in an regularly scheduled meeting of the Selawik City Council

[Signature] dated: 1-3-94
Mayor or President of [Signature]

[Signature] dated: 1-3-94
City Clerk or Secretary of Selawik

NATIVE VILLAGE OF MEKORYUK
INDIAN REORGANIZATION ACT COUNCIL
P.O. BOX 66
MEKORYUK, ALASKA 99630
PH: (907) 827-8828
FAX NO. (907) 827-8133/8215

RESOLUTION NO. 94-01

WHEREAS, the reindeer industry in Alaska was established just over 100 years ago to provide an alternative food source for Aleut, Eskimo and Indian people in Alaska; and

WHEREAS, Aleut, Eskimo and Indian people have managed the reindeer industry to benefit the small communities by providing red meat, jobs and new moneys; and

WHEREAS, the Reindeer Industry Act of 1937 was enacted to "establish and maintain for the said natives of Alaska a self-sustaining economy by acquiring and organizing for and on behalf of said natives a reindeer industry or business, by encouraging and developing native activity and responsibility in all branches of the said industry of business, and by preserving the native character of the said industry or business thus established;" and

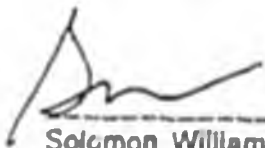
WHEREAS, the reason for the Reindeer Act was to prevent competition; and

WHEREAS, there is an attempt now to amend the original act to open the ownership of reindeer to non-Natives; and

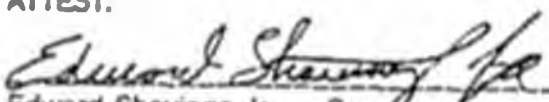
WHEREAS, we are in opposition to any amendments to the Reindeer Act of 1937; and

NOW THEREFORE BE IT RESOLVED that we urge Congress, the Alaska Congressional delegation, and the Secretary of Interior to oppose amendments to the Reindeer Act of 1937.

PASSED and APPROVED unanimously this 13th day of January, 1994 in the meeting of Native Village of Mekoryuk, Indian Reorganization Act Council.



Solomon Williams, President

ATTEST:


Edward Shavings Jr., Secretary

John O'Gorman
P.O. Box 1254
Nome, AK 99762

Senator Frank Murkowski
United States Senate
Washington, D.C. 20510-0202

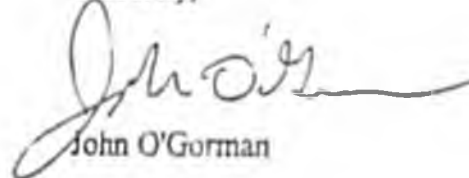
Dear Senator Murkowski,

I am deeply concerned that you are considering amending the 1937 Reindeer Act to allow non-Native people to own reindeer. In 1937, Congress introduced that legislation specifically to help Alaska Natives; in fact, the 1937 Act is part of "Indian" legislation. To take the Native exemption out of the Act would undermine the entire purpose of the legislation.

The Native people who own reindeer are not in a position to compete with non-Natives who have the benefits of financial resources, livestock training, the road system, and other infrastructure, such as slaughter houses, processing plants, and meat inspectors. If non-Natives are allowed to own reindeer, the Native herders will be wiped out.

Please reconsider amending the Act and instead attempt to help the Native herders best exploit the resource for the good of all Alaskans.

Sincerely,



John O'Gorman

cc: Senator Ted Stevens
Representative Don Young
The Honorable Bruce Babbitt

April 9, 1993

The Honorable Frank H. Murkowski
United States Senate
706 Hart Building

Washington, D.C. 20510-0202

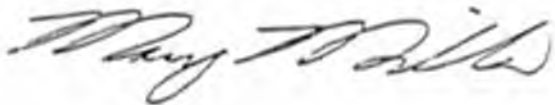
FAX: 202-224-5301

Dear Senator Murkowski:

I am writing to urge you not to seek amendments to the Reindeer Act of 1937. The Act is one of the few remaining laws recognizing and protecting rights of Alaska Natives in a particular area. The Reindeer Act protects the right to sole ownership of reindeer and offers an opportunity for self sufficiency of Alaska Native people.

Alaska Natives have been set apart in the legal and political arenas as somehow being unique from Indian tribes. Our tribal and governmental status has been put in question in recent years. For this one remaining right which is clearly established in federal law, please look after the best interest of the Native community by leaving it be.

A concerned Alaska Native constituent:



Mary Miller
Box 598
Nome, AK 99762

(907) 443-5231 w
(907) 443-2372 h

cc: Honorable Ted Stevens FAX 202-224-1044
Honorable Donald E. Young FAX 202-225-0425

Nathan D. Hadley, Sr.
P.O. Box 4
Buckland, Alaska 99727

June 7, 1993

Honorable Frank Murkowski
U.S. Senator/Alaska
United States Senate
Washington, D.C. 20510-0202

Dear Honorable Senator Murkowski:

I would like to write and let you know my feelings about amending the Reindeer Industry Act of 1937. First, I'll write you a little about my background and a little about reindeer.

In November of 1952, my late father, Paul Hadley, better known as Papa, got a loan of reindeer from the then BIA chief reindeer tender, the late Chester Downey. Five years later, we returned the deer of 725 head, of which 725 was loaned. The 725 head was then loaned out to Fred Goodhope, Sr. of Shishmaref. At that time I was at an age where it was time to attend high school. It was appropriate that we were all brought up to ask first before we do. So, I asked Papa, but his answer was No. He explained he needed my help at home with the deer. On November 12, 1962 to 1964 I got drafted. I left home, my own dog team and Papa and his herd, to serve my duty for the United States. At that time in our village there was no electricity, hardly any oil heaters for heat. We at the time depended on fresh meat at all times. There were no freezers to keep the meat fresh and frozen. When I got drafted, there also was no running water or sewer system. Thirty years later we still don't have either.

I believe you read the letter to a newspaper by Bill Collins from Palmer. The column was titled, Soundoff. In that column he wrote about Tom William's operation and how his operation represents the only real improvement in the reindeer industry in Alaska.

As an Eskimo who was born here in Alaska, near the Arctic Circle, I can see that it's an easy operation for Mr. Williams. Mr. Williams lives in a climate that's just right for a reindeer farm. He has access to running water and sewer, cheaper freight rates, no major predators, no severe storms or frigid weather. Any person can make it work who has easy access to money to operate.

We, the Eskimo, live in a settlement which we call villages or a city in the bush. Our airfare and freight rates are quite expensive. Gas and heating oil get very expensive. Food is also expensive. When we

shop, we got to have a shopping bag full of money for a pocket full of groceries.

The reindeer graze in designated grazing lands. Our grazing permit areas have predators like wolves, wolverines, foxes, raven, bear, and migrating caribou.

We also have severe cold spells like -60 below, wind storms from all directions, and when it rains during the winter it freezes the wet snow to ice and the deer can't dig to eat. All these problems, we survive.

If you do decide to amend the Reindeer Act of 1937, stop fine tuning the Federal law, I want you to keep in mind that Alaska have immigrants from all parts of the world that have the money to start a reindeer business here in Alaska. That would take away the income me and my family and many other families rely on to live with.

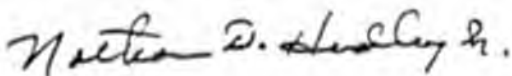
The deer came from the Eskimo's of Siberia for the Alaskan Eskimo's who were starving in the 1900's. In return, the Canadians got the deer from the Eskimo's of Alaska.

I feel if you do amend the 1937 Reindeer Act, our Eskimo culture as reindeer herders will be lost. In the past or present time we the Eskimo of Alaska did not have any animals extinct. We survive as subsistence hunters, and reindeer herders. We still do have the deer with us. Already we are losing parts of our land and our subsistence rights. If we have grandfather rights, we would like to keep the reindeer act as is!

The United States has citizens of all races, but in your state you have us, the Alaskan Indians, the Aleuts, and the Eskimo or Inupiat in your land.

Mr. Murkowski, please do not amend the act. Your quick respons would very much be appreciated.

Sincerely,



Nathan D. Hadley, Sr.
P.O. Box 4
Buckland, Alaska 99727

CC: Kawerak, Inc.
Reinderr Herder's Association
P.O. Box 948
Nome, Alaska 99762

file 1/26/93

The Native Village of St. Michael
I. R. A. Council
St. Michael, Alaska 99659
(907) 923-3222 FAX: 923-2284
04/13/93

4-26-93

To: The Honorable Frank H. Murkowski
U. S. Senate
706 Hart Building
Washington, D. C. 20510-0201

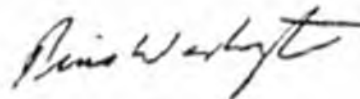
From: Pius Washington
President, I. R. A. Council
St. Michael, AK 99659

Subj: Reindeer Act of 1937

1. The Reindeer Herders Association has informed its members of your intention of amending the Reindeer Act of 1937 to include urban non-Natives into the reindeer industry. Rural Alaskans, especially Native Rural Alaskans, have little opportunity for long-term employment, and will not be able to compete with urban companies that start up because of this amendment, as they do not have easier access to markets, inexpensive slaughter facilities, shipping, and building materials.

2. I urge you to reconsider this amendment to the Reindeer Act, in the interest of my tribe and other tribes in rural Alaska.

Sincerely,



Pius Washington,
President, I. R. A. Council

cc: The Honorable Ted Stevens The Honorable Donald E. Young
U. S. Senate House of Representatives
522 Hart Building 2331 Rayburn House Office Building
Washington, D. C. 20510-0201 Washington, D. C. 20515-0201

Senator Al Adams
Alaska State Senate
State Capitol
Juneau, AK 99801-1182

Representative Richard Foster
Alaska State House of Representatives
State Capitol
Juneau, AK 99801-1182

Loretta Bullard
President, Kawerak, Inc.
Box 948
Nome, AK 99762

Carolyn Michaels
President, Norton Sound Health Corporation
P. O. Box 966
Nome, AK 99762

REINDEER HERDERS' Alaska Federation of Natives, Inc.
DECEMBER
6-4-93

June 1, 1993

The Honorable Frank H. Murkowski
United States Senate
Washington, D.C. 20510

Dear Senator Murkowski:

By means of this letter I want to express the grave concern of the Alaska Native community over current discussions about the possibility of amending the Reindeer Industry Act of 1937. Recent exchanges of correspondence on the issue have caused anxiety in communities across the state. Many individuals and organizations have contacted my office in the past few weeks to express their opposition, and I predict that this is just the beginning. On May 12, the AFN Board of Directors unanimously adopted a motion opposing changes in the federal law.

I urge that you consider the negative impacts, which would occur on at least two levels, if the Congress were to open reindeer ownership to everyone.

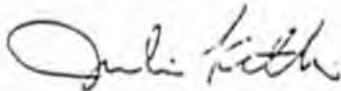
First, the traditional Native reindeer herders of the bush, represented by those families of northern and western Alaska who have stuck with such a difficult enterprise for decades, would gradually be wiped out. Non-Native operations in more urbanized locations, with better access to financing, technologies and distribution to national markets, would inevitably come to monopolize the industry. Eventually we would end up with a few small herds in places like the Matanuska-Susitna Valley and no domesticated deer left in remote villages of the state.

If that is the case, why should we not accept it as the inevitable result of "fair market competition" and not worry about the ethnic or geographical composition of the industry? The answer is that the Reindeer Industry Act is not about industry any more than it is about reindeer. It is about Natives. The provision limiting ownership to aboriginal peoples was the purpose of the law. What Sheldon Jackson had pioneered at the end of the 19th Century, and what the Congress sought in 1937, was the development of an economic base for Alaska's villages. That is the same public purpose for which ANILCA's rural subsistence preference and the Marine Mammal Protection Act's Native exemption were enacted, and these federal guarantees are just as necessary today as they were when originally passed.

The second negative result would be the political symbolism of such a move - a far more pervasive and detrimental effect in the long term. Because it comes at a time when ethnic and geographical divisions have been exacerbated by the subsistence conflict and when relations between Natives and the state government have become strained, this proposal sends an unfortunate message. It says, in effect, that federal laws protecting Native interests are no more inviolable than the actions of the legislature in Juneau. The general feeling among people with whom I have talked is that if reindeer can be taken from us today, the MMPA exemption and Title VIII of ANILCA are no less vulnerable to political pressures from anti-Native interests. While I know this is not your intent, the passage of amendments of the Reindeer Act will become a *cause celebre*, further dividing the Alaskan public.

On behalf of the statewide Native community, I want to thank you for soliciting our views and strongly urge you to table further consideration of amending this important federal law.

Sincerely,



Julie Kitka
President

cc: Senator Stevens
Congressman Young
AFN Board

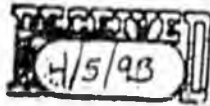
Bcc: ROSE ANNE FOSDICK

NANA REGIONAL CORPORATION, INC.

POST OFFICE BOX 49 / KOTZEBUE, ALASKA 99752 / TELEPHONE (907) 442-3301



April 1, 1993



Senator Frank Murkowski
United States Senator
709 Hart Building
Washington, D.C. 20510-0202

Dear Senator Murkowski:

We understand that you are considering an amendment to the Reindeer Industry Act of 1937 on behalf of Mr. Tom Williams.

We have not received any correspondence of your intentions to propose an amendment. Since this is entirely a Native "preference" issue, do you think that it may be to your advantage to send us this material?

Not only a matter of course, but one of reciprocal respect and courtesy, we assume that to amend the Mining Act, you talk to miners, as well as other sources of opposition and support. We also assume that you would talk to Alaska's Natives about an important issue that directly affects the limited economic opportunities offered to Alaska's Natives.

Please send us any information you may have in regards to your proposed amendment to our office.

Sincerely,

A handwritten signature in black ink, appearing to read "Pete Schaeffer".

Pete Schaeffer
Vice President, NRC

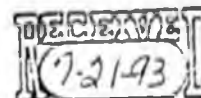
cc: Senator Ted Stevens
Senator Daniel Inouye
Representative Don Young
Reindeer Herders Association





TANANA CHIEFS CONFERENCE, INC.

122 FIRST AVENUE
FAIRBANKS, ALASKA 99701-4897
PHONE (907) 452-8251 FAX (907) 451-8936



July 19, 1993

The Honorable Frank Murkowski
United States Senate
Washington, DC 20510

Dear Senator Murkowski,

The Tanana Chiefs Conference, Inc. would like to express our concern about your consideration of amending the Reindeer Industry Act of 1937.

As you know, the 1937 Act was originally adopted to foster economic self-reliance and protect the interests of Alaska Native reindeer enterprise. Successful rural development, with respect to a subsistence lifestyle, has been and continues to be a challenge within Alaska.

The Reindeer Act, as it currently reads, is critical to the further growth of rural industry. Amending the Act, to include those who have easier access to resources for such business will only decline opportunity and potential prospects for rural enterprise, particularly enterprise that compliments a rural lifestyle.

The Tanana Chiefs Conference is strongly opposed to any amendments to the Reindeer Industry Act and we urge you to reconsider any prospects of amending the Act.

Sincerely,

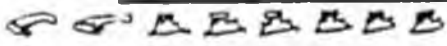
TANANA CHIEFS CONFERENCE, INC.

Will Mayo
President

cc: Reindeer Herders Association



KAWERAK, INC.



PO BOX 948 • NOME, ALASKA 99762

TELEPHONE (907) 443-5231 • FAX: (907) 443-5232

SERVING THE
VILLAGES OF

- BREYF MISION
- COUNCIL
- DOVEDE
- ELM
- GAMBELL
- GOLDVIN
- KING ISLAND
- KOTIK
- MARYSILCO
- NOME
- SAVOGAGA
- SHAKTOOLK
- SUSHMAREP
- SOLDONH
- STEBBINS
- ST MICHAEL
- TELEH
- UNALAKLEET
- WALES
- WHITE MOUNTAIN

October 26, 1993

The Honorable Frank H. Murkowski
 United States Senate
 706 Hart Building
 Washington, D.C. 20510-0202 FAX: 202-224-5301

Dear Senator Murkowski:

On behalf of the Western Alaska Tribal Council, a consortium of the 20 tribal council presidents of the communities of the Bering Strait region, this is to urge you not to seek amendments to the Reindeer Industry Act of 1937. Reindeer are clearly designated as a trust resource of the Department of Interior on behalf of Alaska Natives. The provisions of the Reindeer Act limiting ownership to aboriginal Alaska Native people was the purpose of the original law and this federal guarantee is just as vitally important today.

It is our position that the Reindeer Act was federal protection derived from the government to government political relationship between Alaska Native communities and the United States of America. As such, the intent of this law was and is to protect Native interests and we rely completely on the integrity of the federal government to fulfill its legal and political obligation to Alaska Native communities.

At what point do Alaska Native peoples and communities quit conceding? Please take a stand on our behalf. We do not see this issue as a matter for compromise. Any more compromise is an unacceptable loss.

We strongly urge you to table further consideration of amending this important federal law.

Sincerely,

RoseAnn Timbers, Chairperson
 WESTERN ALASKA TRIBAL COUNCIL

cc: Senator Stevens
 Congressman Young



KAWERAK, INC.

P.O. BOX 948 • NOME, ALASKA 99762

TELEPHONE: (907) 443-5231 • FAX: (907) 443-3706

SERVING THE
VILLAGES OF

BREVIG MISION
COUNCIL
DIOMEDE
ELIM
GAMBELL
GOLDYIN
KING ISLAND
KOTLIK
MARY SIKLOO
NOME
SAVOONGA
WARTOOLUK
WESHMARUP
SOLDADON
STEBBINS
ST MICHAEL
TELLER
UNALASKET
WALES
WHITE MOUNTAIN

March 19, 1993

Honorable Frank H. Murkowski
United States Senator
709 Hart Building
Washington, D.C. 20510-0202

Dear Senator Murkowski:

Thank you for your letter of February 26, 1993 in which you reference the Reindeer Industry Act of 1937, Tom Williams and the Interior Board of Indian Appeals decision in the case of Reindeer Herders Association v. Juneau Area Director and Bureau of Indian Affairs. The recent decision by the Interior Board of Indian Appeals is the second time that the U.S. Government has affirmed that Alaska Native people have the sole right to own reindeer in Alaska.

If we interpreted your letter correctly, it appears you are considering submitting an amendment to the 1937 Reindeer Act. We are very concerned that you would consider introducing an amendment without asking for input by those who would be most directly affected, the reindeer herders. We are opposed to any amendments to the Reindeer Industry Act of 1937.

Reindeer herding is a tradition in rural Alaska and is an important part of the economy in bush Alaska. In 1891 reindeer were first introduced to Alaska because Alaska Natives were threatened with starvation. Foreign traders, whalers and miners had severely depleted the natural resources on which Alaska Natives depended. It was also thought that Alaska Natives could be assimilated in Euro-American culture by participating in rural economic development.

The right of Alaska Native people to the reindeer herding industry is one of the few remaining rights left to us. At one time Alaska Native people were exclusive owners of the land and its resources. Today our lands and animal resources are under the jurisdiction of the State our right to govern ourselves is in question, our children are educated as non-Natives. Now it appears you wish to support Tom Williams in taking away our sole surviving right.

Rural Alaska Native reindeer herders cannot compete with someone like Mr. Williams, who in an urban setting, has ready access to inexpensive State funded slaughter facilities, inspectors and meat markets. If the 1937 Reindeer Act is amended to allow non-Natives to own reindeer, you would have single-handedly undermined and destroyed the reindeer industry of rural Alaska.

What exactly are you considering for an amendment? Please provide us with the information which leads you to consider this amendment. Also thank you for offering further information on the Tom Williams case; please do send what information you have.

We have enclosed a copy of excerpts from ANCSA and ANILCA which reference the reindeer industry. I have also enclosed a copy of the USDA Policies on American Indians and Alaska Natives.

We look forward to hearing from you.

Sincerely,

REINDEER HERDERS ASSOCIATION

Tom Gray, President

Tom Gray

Harry Herb Karmun, 1st Vice President

Harry Herb Karmun

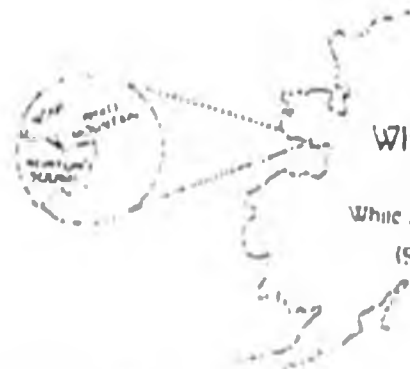
Fred Goodbone, Jr., Treasurer

Fred Goodbone, Jr.

Nathan Hedley, Secretary

Nathan Hedley

cc: Senator Ted Stevens
Representative Don Young



City of
White Mountain
PO BOX # 130
White Mountain AK 99784
(907) 658 5411

RESOLUTION NO. 94-01

WHEREAS, the reindeer industry in Alaska was established just over 100 years ago to provide an alternative food source for Aleut, Eskimo and Indian people in Alaska;

WHEREAS, Aleut, Eskimo and Indian people have managed the reindeer industry to benefit the small communities by providing red meat, jobs and new moneys;

WHEREAS, the Reindeer Industry Act of 1937 was enacted to "... establish and maintain for the said natives of Alaska a self-sustaining economy by acquiring and organizing for and on behalf of said natives a reindeer industry or business, by encouraging and developing native activity and responsibility in all branches of the said industry or business, and by preserving the native character of the said industry or business thus established."

WHEREAS, the reason for the Reindeer Act was to prevent competition;

WHEREAS, there is an attempt now to amend the original act to open the ownership of reindeer to non-Natives;

WHEREAS, we are in opposition to any amendments to the Reindeer Act of 1937;

NOW THEREFORE BE IT RESOLVED, that we urge Congress, the Alaska Congressional delegation, and the Secretary of Interior to oppose amendments to the Reindeer Act of 1937.

PASSED unanimously on the 14th day of January, 1994 in the regular scheduled meeting of the White Mountain City Council.

Lincoln Simon
(Mayor)

Lincoln Simon dated: 1-5-94

Sally Agloinga
(Secretary)

Sally Agloinga dated: 1-5-94

ATTEST: Tom Brown, Jr.
(City Clerk)

Tom Brown, Jr.