

ALASKA LEGISLATURE COMMITTEE FILES, 2003-2004 8672

11385 SENATE TRANSPORTATION



KENSINGTON GOLD PROJECT

Summary of Potential Partnership Opportunities

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Kensington (Alaska)

In 2004, Coeur's major gold project – Kensington in Alaska – neared completion of permitting and an updated feasibility study, with a construction decision expected by mid-year. Given an 18-month construction timeframe, Kensington could begin production as soon as 2006, increasing current company-wide gold production levels by 90%.

New optimization of the project, located 45 miles north of Juneau, enables the mine to be up and running more quickly, with a focus on the highest-grade material. Initial production is expected at 100,000 ounces of gold a year at an average cash cost of \$195 per ounce. Current reserves stand at 1.0 million ounces of gold, with an initial 10-year mine life and significant exploration upside. There are an additional 7.2 million tons of mineralized material measuring 0.12 ounces per ton of gold. Not all Kensington ore zones have been fully delineated at depth and several peripheral zones and veins remain to be explored. Coeur still views its interests in the district as holding up to five million ounces of gold.

Kensington is expected to cost approximately \$75 million to build. The updated feasibility study reduces the size of the mill facilities and has the potential to significantly reduce capital and operating costs while allowing for future expansion of production as market conditions warrant.

Early this year, the major Draft Supplemental Environmental Impact Statement was Issued for Kensington, and all necessary remaining permits expected to be in place by the second quarter.

The Kensington ore deposit consists of multiple, precious metals bearing, mesothermal, quartz, carbonate, pyrite vein swarms and discrete quartz-pyrite veins hosted in the Cretaceous age Jualin diorite. The gold-telluride-mineral calaverite is associated with the pyrite mineralization.

Year-end Proven and Probable Ore Reserves - Kensington Property

	<u>2003</u>	<u>2002</u>	<u>2001</u>
Tons (000's)	4,113	10,946	10,946
Ounces of gold per ton	0.24	0.16	0.16
Contained ounces of gold	1,003,000	1,751,000	1,751,000

Year-end Mineralized Material

	<u>2003</u>	<u>2002</u>	<u>2001</u>
Tons (000's)	7,262	12,014	12,014
Ounces of gold per ton	0.12	0.12	0.12

The reduction in the proven and probable reserves estimate in 2003, compared to 2002, is the result of the revised mine plan which focuses on higher-grade areas of the mine.

Not all Kensington ore zones have been fully delineated at depth and several peripheral zones and veins remain to be explored. In addition, the Company possesses the right to develop the Jualin property, an exploratory property located adjacent to the Kensington Property. The Jualin property consists of approximately 9,400 acres, of which approximately 345 acres are patented claims. The Company's rights to develop the Jualin property are subject to an agreement which must be renewed in May 2008.

SB

395

SENATOR
JOHN J. COWDERY
Anchorage

Committees
Chair: Rules
Chair: Transportation
Chair: World Trade &
State/Federal Relations
Legislative Council
State Affairs

Alaska State Legislature

Senate

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Senator_John_Cowdery@legis.state.ak.us

SPONSOR STATEMENT FOR SB 395

(Senate Rules Committee)

"An Act relating to the application of municipal ordinances providing for planning, platting ... in land owned by the Alaska Railroad Corp; authorizing the Alaska Railroad Corp. to extend its rail line to Fort Greely ...; authorizing the Alaska Railroad Corp. to issue bonds ..."

A recent Alaska Supreme Court decision has called into question the Railroad's exemption from local planning and zoning ordinances provided in AS 42.40. This bill would clarify the Legislature's intent that such local regulations do not apply to the Railroad's land unless it is leased to another person without retaining a railroad right of use.

The Alaska Railroad Corporation is both an interstate common carrier and an instrumentality of the State of Alaska. Its statutory mission is to provide transportation services to residents, businesses, visitors and military installations in the State, and foster and promote long term economic growth and development, particularly of the State's land and natural resources. The Railroad's ability to operate safely, efficiently and effectively is due in great part to the singular nature of its corridor ROW. The Railroad's current track alignment passes through 13 recognized municipal (city and borough) governments between Seward and North Pole. It is important to protect the Railroad's ability to use its lands for operational purposes in service to the broader state interest without facing different, and potentially conflicting, planning and zoning scenarios among so many municipalities.

Without this protection, local communities could separately dictate planning and zoning restrictions that would negatively impact the Railroad's ability to offer safe, efficient, economical and reliable service to its freight and passenger customers. For example, communities could prohibit train operations or noise levels during certain hours (e.g., evenings and early morning) or on certain days (e.g. Sundays) and the hours of operation could vary from

community to community. This type of restriction would increase the cost of operations, impact train movements, customer schedules, contract commitments, and the amount of business the Railroad can accommodate each year due to decreased or varied hours of operation. More importantly, in situations where the Railroad and a municipality are in agreement on a planning and zoning issue, an individual or environmental group could still file a lawsuit seeking to overturn the municipality's decision, which would further delay or possibly eliminate a project.

There are other adverse impacts that can arise if the Railroad is subject to local planning and zoning. Inconsistent regulation would also decrease the value of the State's considerable investment in purchasing the Railroad. Finally, it could unreasonably delay and add significant cost to the Railroad's efforts to improve the transportation infrastructure of the State through upgrades of existing track and facilities and expand in new directions (for example to Fort Greely or to Canada).

While federal law arguably protects interstate commerce from some of these restrictions, the issue as it now stands after the Supreme Court decision invites litigation, which is not only costly to the Railroad and municipalities, but could result in inconsistent holdings among various jurisdictions. The bottom line is that, because the Railroad is an essential part of the State's transportation network and serves an important State mission, the State should be the entity that controls the Railroad's use of its land, not the 13 Railbelt municipalities and boroughs.

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SB 395
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: DCED
Title Municipal Land Use Regulation RDU Alaska Railroad Corporation
Component _____
Sponsor Senate Rules
Requester Senate Transportation Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
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						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The Alaska Railroad Corporation (ARRC) is a public corporation supported by revenues generated through its freight, passenger and real estate services. ARRC does not receive state subsidies for operations or capital improvements.

While SB 395 will not create a current fiscal impact for the State, failure to pass the bill could subject the Alaska Railroad to costly legal challenges with regard to protection of its operations and interstate commerce. For example, the recent planning and zoning litigation involving the Eklutna Quarry has resulted in over \$63.0 of legal fees to date. In addition, compliance with the various local planning, zoning and land use laws would increase project costs, sometimes substantially. Construction of the Railroad's new Anchorage Operations Center, a new building in the middle of ARRC's Anchorage Yard, has been delayed due to local planning and zoning review now required by the recent Supreme Court case. As a result of the delay, this project's cost has now increased by an estimated \$100.0 and possibly more, if accelerated construction is necessary before winter.

Prepared by: Wendy Lindskoog, Director of External Affairs Phone 907-265-2498
Division Alaska Railroad Corporation Date/Time 4/28/04 4:52 PM
Approved by: Edgar Blatchford, Commissioner Date 4/28/2004
Agency Community and Economic Development

23-LS1965\D
Cook
4/29/04

CS FOR SENATE BILL NO. 395()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): SENATE RULES COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to application of municipal ordinances providing for planning,
2 platting, and land use regulation to interests in land owned by the Alaska Railroad
3 Corporation; authorizing the Alaska Railroad Corporation to extend its rail line to Fort
4 Greely, Alaska; authorizing the Alaska Railroad Corporation to issue bonds to finance
5 the cost of the extension and necessary facilities and equipment; and providing for an
6 effective date."

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

8 * Section 1. AS 42.40.390 is amended by adding a new subsection to read:

9 (b) Municipal ordinances providing for planning, platting, and land use
10 regulation adopted under AS 29.35.180 or other law do not apply to the land of the
11 corporation unless the land is leased to another person by the corporation and the
12 corporation has not retained a right to use the land during the term of the lease.

13 * Sec. 2. AS 42.40 is amended by adding a new section to read:

1 **Article 6A. Specific Projects.**

2 **Sec. 42.40.550. Extension of railroad to Fort Greely.** The corporation may
3 acquire a transportation corridor between the existing railroad corridor and Fort
4 Greely, Alaska, and construct a rail line within the corridor to provide rail service to
5 the Fort Greely area and points between. The transportation corridor may be
6 designated for a use identified under AS 42.40.350(b) and other transportation and
7 utility uses. The corporation may also acquire land along the corridor for use as rail
8 land that can be developed for terminal, station, and maintenance facilities, switching
9 yards, and any other purposes associated with the railroad utility corridor. The
10 corporation may provide financing for the acquisition, construction, improvement,
11 maintenance, equipping, and operation of the rail line and related facilities between
12 the existing railroad corridor and Fort Greely, Alaska.

13 * **Sec. 3.** AS 42.40.695 is amended to read:

14 **Sec. 42.40.695. Public purpose of bonds.** Bonds of the corporation issued to
15 finance facilities described in AS 42.40.250(31) and bonds of the corporation issued
16 to finance facilities described in AS 42.40.550 are issued by a public corporation and
17 an instrumentality of the state for an essential public and governmental purpose.

18 * **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section, to
19 read:

20 **LEGISLATIVE AUTHORIZATION AND APPROVAL.** (a) The Alaska Railroad
21 Corporation is authorized to issue bonds under the power granted to it in AS 42.40.550, added
22 by sec. 2 of this Act, to finance the acquisition, construction, improvement, maintenance,
23 equipping, and operation of a rail line and related facilities from its existing railroad corridor
24 to Fort Greely, Alaska. The maximum principal amount of bonds that the Alaska Railroad
25 Corporation may issue under this section is \$500,000,000. The Alaska Railroad Corporation
26 may issue the bonds in a single issuance or in several issuances, without limitation as to
27 number of issuances or timing, and as the Alaska Railroad Corporation determines best
28 furthers the purpose of financing the rail line extension to Fort Greely and the related
29 facilities.

30 (b) Before issuing bonds to provide the financing described in this section, the Alaska
31 Railroad Corporation shall enter into an agreement with the United States government that

1 will, in the judgment of the corporation, provide sufficient consideration to

2 (1) pay the principal of and interest on the bonds as they become due;

3 (2) create and maintain the reserves for the bond payments that the
4 corporation considers necessary or desirable; and

5 (3) pay all costs necessary to service or additionally secure the bonds,
6 including trustee's fees and bond insurance premiums, unless those costs are to be paid by a
7 party other than the corporation.

8 (c) This section constitutes the approval required by AS 42.40.285 for the issuance of
9 the bonds and rail line extension described in this section.

10 * **Sec. 5.** This Act takes effect immediately under AS 01.10.070(c).

SCR

1

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SCR1
 (S) Publish Date: 2/12/03

Revision Date/Time (Note if correction): _____ Dept. Affected: DOT&PF
 Title Support Roads/Hot Springs Loop Road BRU Commissioner's Office
 Component Commissioner's Office
 Sponsor Wilken
 Requester STRA Component No. 530

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
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						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*

Prepared by: Dennis R. Poshard Phone 465-3900
 Division Special Assistant to Commissioner Date/Time 2/10/03 3:09 PM
 Approved by: Commissioner Mike Barton Date 2/10/2003
 Agency Alaska Department of Transportation and Public Facilities

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Publisher Emeritus

MARILYN ROMANO
Publisher

KELLY BOSTIAN
Managing Editor

DERMOT COLE
Columnist

ROD BOYCE
Assistant Managing Editor

If you build them ...

We're beginning to get a feel for this new kind of talk coming out of Juneau, and we like it.

People are talking about building things and the leaders of our state have not talked that way for some time.

Sen. Gary Wilken forwarded a resolution supporting construction of a road linking the Chena and Circle hot springs resorts, and the resolution made it through its first Senate committee on Tuesday. Other senators, following Wilken's lead, even added a few of their ideas to the docket.

Wilken said that he had, in fact, introduced the bill in the hopes it would become a wish list of road proposals for legislators to forward to the congressional delegation and to Gov. Frank Murkowski.

The state House voted late last week to forward a resolution urging the governor to encourage the Alaska Railroad Corp. to build an extension of the Alaska Railroad from its terminus at Eielson Air Force Base another 70 miles to Fort Greely to supply the missile defense facility under construction there. And on Wednesday, Gov. Murkowski said in a press conference that his cabinet is narrowing its proposals for new roads, with projects near Delta and on the North Slope rising to the top of the priority list. The cabinet has challenge revenue commissioner Bill Corbus to be innovative in searching for construction finances—beyond the millions available through federal highway funds.

We can thank the governor for this kind of talk; part of his campaign platform included proposals to expand Alaska's road system to spur development.

Our cautious side makes us want to know more details before we start bulldozing the countryside, but we know from experience that there is plenty of time for financial planning, design and environmental assessment. First, there must be a dream.

The Murkowski administration is encouraging leaders to think creatively about building infrastructure that will boost Alaska's prosperity. Any good entrepreneur first has a dream and sets goals. Then the plan comes together on how to make the dream into reality.

A quote in the News-Miner earlier this week from Sen. Wilken about his hot springs loop idea brought it home. "This resolution simply says, 'Let's look,'" Wilken said. "This is my seventh year here and this is the first year that we've had the opportunity to talk about building roads and have had some support."

Sen. Wilken and Gov. Murkowski and others who share these visions have our support.

February 16, 2003

Fairbanks Daily News-Miner

GARY WILKEN

SENATOR
West Fairbanks

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Senate Concurrent Resolution 1

Sponsor Statement

“Relating to economic development generated by new road construction and to the design and construction of the Hot Springs Loop Road to connect Chena Hot Springs and Circle Hot Springs. “

SCR 1 is submitted to advance economic development in Interior Alaska.

This resolution addresses the following:

- 1) There is considerable tourism activity at both Chena and Circle Hot Springs. Connecting these two sites will spur further tourism activity at both locations, and potentially at new sites established along the way.
- 2) Local residents also frequent these locations, not only to enjoy the hot springs' facilities, but also to access fishing, hunting, camping and hiking areas that intersect the routes to both hot springs. Extending the road to form a loop will extend and improve access to these Alaskan resources and pastimes.
- 3) The increased traffic along this Loop Road will lend itself to increased commercial and industrial activities, including resource extraction and entrepreneurial ventures, thus promoting job opportunities and long-term economic growth to the area and to the State.

Across Alaska there may be many worthwhile road construction projects currently under consideration to improve Alaska's highway infrastructure. However, SCR 1 does not intend to give preference to any one project. Instead, it aims to identify and evaluate one model project that would significantly improve the quality of life and potential for development in Interior Alaska and encourage further like discussions in other areas of our State.

I respectfully request your support.

GREATER * FAIRBANKS
CHAMBER
OF COMMERCE

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e-mail: staff@fairbankschamber.org
website: www.fairbankschamber.org

February 5, 2003

Senator Gary Wilken
State Capitol, Room 518
Juneau, AK 99801-1182

Gary
Dear Senator Wilken:

On behalf of the Board of Directors and over 750 business members of the Greater Fairbanks Chamber of Commerce, I would like to offer our wholehearted support for SCR 1, a resolution of support for the construction of new roads to stimulate economic development and for the design and construction of a scenic loop road connecting Chena Hot Springs and Circle Hot Springs.

This fall, the Greater Fairbanks Chamber of Commerce met with officials from the Fairbanks North Star Borough, the City of Fairbanks, the City of North Pole, and the Interior Delegation to discuss needed transportation projects for Interior Alaska. These groups agreed upon a list of thirteen projects consisting of long-term conceptual plans for transportation infrastructure and needed upgrade and maintenance projects.

Of those projects, a loop road between Chena Hot Spring Road and Circle Hot Springs was listed as an identified project that would have long-term benefits for Interior Alaska. The proposed loop road would further enhance the tourism market to Chena and Circle Hot Springs, as well as attract more tourists in the winter for viewing of the aurora borealis.

Thank you for sponsoring SCR 1. We strongly encourage the passage of this resolution. If you have any questions, please feel free to contact me at 907-452-1105.

Sincerely,

Kara Moriarty

Kara Moriarty
President/CEO

Alaska State Legislature

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SENATOR DONALD C. OLSON

DISTRICT S

Alakanuk
Ambler
Anaktuvuk Pass
Atkasuk
Barrow
Brevig Mission
Browerville
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Deering
Diomede
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Emmonak
Gambell
Golovin
Hooper Bay
Kaktovik
Kiana
Kivalina
Kobuk
Kotlik
Kotzebue
Koyuk
Mekoryuk
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Newtok
Nightmute
Noatak
Nome
Noorvik
Nuiqsut
Nunam Iqua
Pitka's Point
Point Hope
Point Lay
Savoonga
Scammon Bay
Selawik
Shaktolik
Shishmaref
Shungnak
St. Mary's
St. Michael
Stebbins
Teller
Toksook Bay
Tununak
Unalakleet
Wainwright
Wales
White Mountain

SB 54 SPONSOR STATEMENT

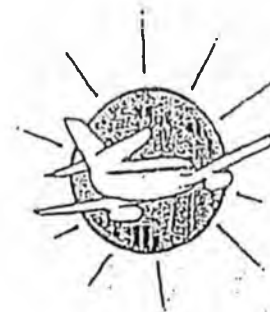
By Senator Olson

I introduced SB 54 to bring certainty to the interpretation of existing federal and state wage and hour statutes as they pertain to payment of overtime in the air transportation industry. Because of the uniqueness of their working conditions, flight crews have been considered professionals that are exempt from the standard 8 hour work day, 40 hour week and associated overtime pay requirements [AS 23.10.055(9)]. In conjunction with the maximum flight hour requirements set by the Federal Aviation Administration, these exemptions at both the state and federal level have allowed the industry to structure wage and hour schedules best suited to the work requirements of their flight crew personnel.

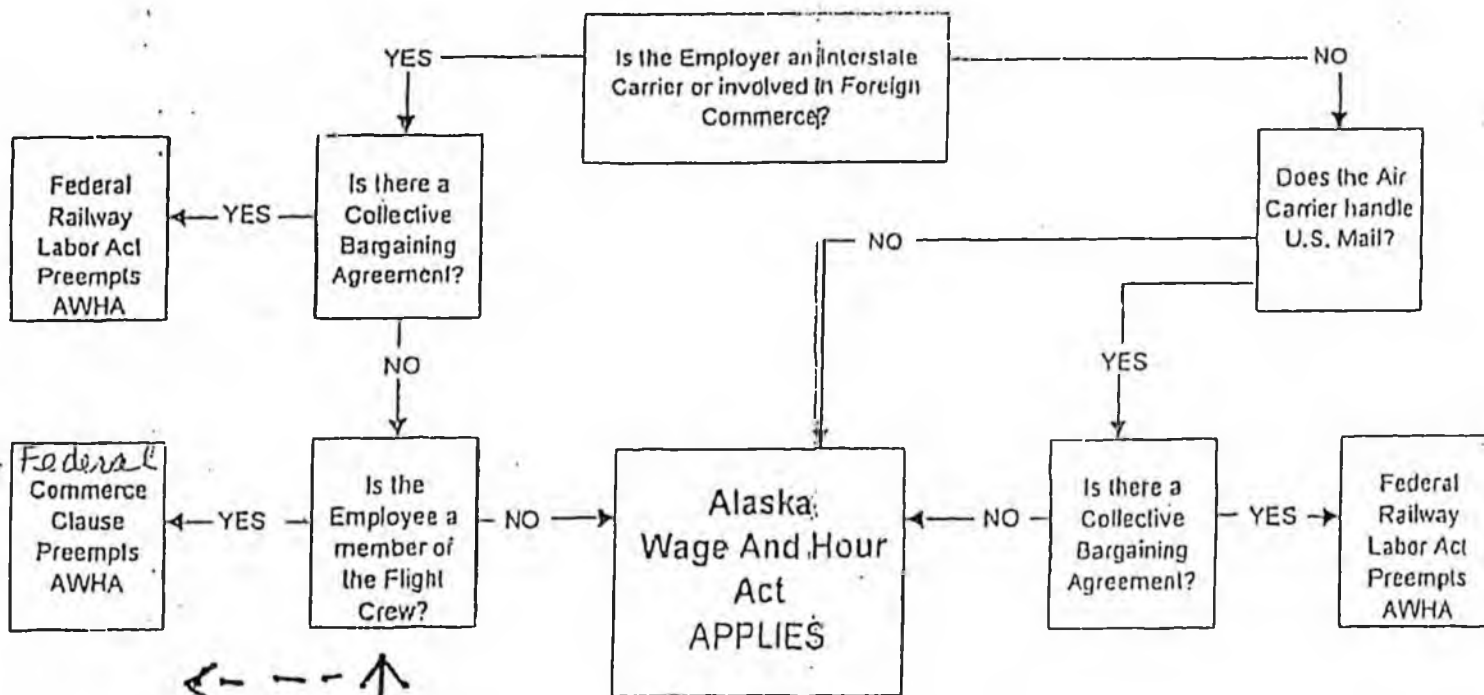
Several Alaska court decisions have raised a question about the correct application of state wage and hour laws and the application of overtime exemptions. Indeed, the confusion has stimulated other court challenges.

SB 54 explicitly adds flight crews to the list of occupations and employment situations that are exempt from Alaska's overtime wage and hour requirements. The bill cites the provisions of the federal Railway Labor Act that governs air carriers in order to provide consistency between federal and state applications of the exemption.

AIR CARRIERS & The Alaska Wage And Hour Act (AWHA)



Attachment 2



← - - - ↑
 proposed
 (19) captures
 this exemption
 from AWHA

DAYHOFF VS. TEMSCO HELICOPTERS, INC.

1372 Alaska

848 PACIFIC REPORTER, 2d SERIES (1993)

burden to prove the exemption is applicable. *Reeves v. International Tel. & Tel. Corp.*, 357 F.Supp. 295, 298 (W.D.La.1973), *aff'd*, 616 F.2d 1342 (5th Cir.1980), *cert. denied*, 449 U.S. 1077, 101 S.Ct. 857, 66 L.Ed.2d 800 (1981). "Exemptions are to be narrowly construed against the employer." *Id.* at 297. "If there is a reasonable doubt as to whether an employee meets the criteria for exemption, the employee should be ruled non-exempt." *Adam v. United States*, 26 Cl.Ct. 782, 786 (Cl.Ct.1992). All four elements must be met before an employee is found exempt. *Id.*

The parties agree that Dayhoff was a salaried employee, compensated on a fee basis. The parties dispute the level of education required of Dayhoff, what Dayhoff's primary duty was, how to characterize the discretion exercised by Dayhoff, and if the character of work was intellectual or physical.

Dayhoff claims the knowledge required to become a commercial pilot is not the type of advanced learning needed to qualify as a professional. Dayhoff also claims his primary duty was not professional because approximately 62% of his time was spent performing non-aviation duties. Even while flying, Dayhoff had no discretion as his actions were controlled by superiors. The only discretion and judgment exercised was in the physical operation of the aircraft.

Temasco argues that Dayhoff's primary duty was to be a pilot. He was hired as a pilot and his time was spent flying or waiting to fly. Temasco contends that being a commercial helicopter pilot requires knowledge of an advanced type. Further, Temasco argues that a commercial helicopter pilot is required to consistently exercise discretion and judgment.

[12, 13] The applicability of exemptions are questions of fact to be determined considering the individual's duties and other qualifications, and not upon how the employer classified the employee. *Reeves*, 357 F.Supp. at 302-03. A trial court must make a finding of fact in determining an employee's status. *Dalheim v. KDFW-TV*, 918 F.2d 1220, 1226, 1228 (5th Cir.

1990). While both parties moved for summary judgment on this issue, we first review the grant of summary judgment in favor of Temasco. We must view the facts in a light most favorable to Dayhoff. Dayhoff was primarily self-educated. He claims that for approximately 52% of his time he performed non-aviation duties. Dayhoff had no significant authority to control decisions regarding flight assignments or routes. The only discretion Dayhoff exercised was in the physical operation of his aircraft. Viewing the facts in the light most favorable to Dayhoff, Temasco does not meet the burden of showing that the exemption is applicable. Dayhoff can, at most, be classified as a highly trained technician and not as a professional.

Next we review the denial of Dayhoff's motion for summary judgment. For this purpose we view the facts in the light most favorable to Temasco. It is undisputed that Dayhoff obtained his commercial helicopter license through self study and obtained his flight instructor certificate after only ten hours of formal instruction. This is not the type of advanced study required to classify an employee as a professional. Further, the discretion exercised by Dayhoff in flying a helicopter is not the type of discretion which characterizes a person as a professional for purposes of this exemption.

On the basis of the foregoing we conclude that the FAA does not preempt the AWhA, that the AWhA is not violative of the commerce clause, and that Dayhoff is not a professional for purposes of the AWhA exemption.

B. DAYHOFF DOES NOT HAVE A CAUSE OF ACTION UNDER THE ALASKA LITTLE DAVIS-BACON ACT (ALDBA).

1. ALDBA provides a private cause of action.

ALDBA was modeled after the Davis-Bacon Act, 40 U.S.C. § 276 (1988). ALDBA stipulates that a contractor or subcontractor on a public construction contract must pay its employees the prevailing



Era Aviation, Inc.
6160 Carl Biady Drive
Anchorage, Alaska
99502

FEB 07 2003

February 3, 2003

The Honorable Con Bunde
The Honorable Donny Olson
State Capitol
Juneau AK 99801-1182

RE: Proposed Overtime Exemption Bill for Interstate Air Carriers

Dear Senators Bunde and Olson:

Thank you for agreeing to sponsor the attached proposed legislation regarding the exemption of flight crew personnel employed by Interstate Air Carriers from the state's overtime exemption laws. The Alaska Air Carriers Association (AACA) has made this legislative amendment a priority and fully supports its passage.

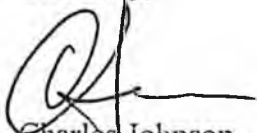
Era has become increasingly concerned with the uncertainty associated with the appropriate wage and hour treatment of its flight crews under Alaska wage and hour laws. The Alaska Department of Labor, Wage and Hour Section has assisted the Alaska based interstate air carrier industry by providing a chart that outlines the treatment of air carriers under the Alaska Wage and Hour Act. (See Attachment 2). Era is paying its flight crew employees in a manner consistent with this directive. However, the Alaska state courts have clouded this approach. In Davhoff v. Temsco Helicopters, Inc., 848 P2d 1367 (Alaska 1993), the Alaska Supreme Court concluded that a helicopter pilot was owed overtime, while in a later Era case, an Alaska Superior Court judge denied overtime to a fixed wing co-pilot. (See Attachments 3 and 4). The non-Alaska based interstate air carriers, such as Alaska Airlines, Delta Airlines, and various air cargo carriers, do not really have a stake in this issue because the pay of their flight crews is governed by collective bargaining agreements, which preempt the state's overtime laws. Era, like most of the Alaska based interstate air carriers, is non-unionized. Thus, there are no labor agreements that take us outside the state's wage and hour laws. Even though we adhere to the Alaska Department of Labor's pay policy guidance, there is no guarantee that a court will not chose to interpret the state's overtime laws differently in the future, thereby exposing us to liability for two years of back wage recalculations.

We believe that the proposed exemption would remove this uncertainty by codifying the existing position of the Alaska Department of Labor, Wage and Hour Section administrators. The proposed exemption would not change the way the law is currently being administered. The codified exemption would however, provide a clear, consistent rule for the interstate air carrier industry and remove any uncertainty as to how a court would address overtime issues in the future.

Letter to The Honorable Con Bunde and
The Honorable Donny Olsen
February 3, 2003
Page 2 of 2

Thank you for your assistance in this matter. If you have any questions about this letter or its attachments, please feel free to give me a call at 907-266-8361.

Sincerely,



Charles Johnson
President

Cc: Karen Casanovas, Executive Director AACA
Paul Landis, Senior Vice President, Era
Kip Knudson, Manager of Government Affairs, Era
Marcia Davis, General Counsel, Era
David Parish

Alaska State Legislature

Out of Session:
PO Box 531
Golovin, Alaska 99762
(907) 443-5599

In Session:
State Capitol, Suite 510
Juneau, Alaska 99801-1182
(800) 597-3707
(907) 465-3707
(907) 465-4821 Fax

SENATOR
DONALD C. OLSON

DISTRICT S

Alakanuk
Ambler
Anaktuvuk Pass
Atkasuk
Barrow
Brevig Mission
Browerville
Buckland
Chevak
Deering
Diomedes
Elim
Emmonak
Gambell
Golovin
Hooper Bay
Kaktovik
Kiana
Kivalina
Kobuk
Kotlik
Kotzebue
Koyuk
Mekoryuk
Mountain Village
Newtok
Nightmute
Noatak
Nome
Noorvik
Nuiqsut
Nunam Iqua
Pitka's Point
Point Hope
Point Lay
Savoonga
Scammon Bay
Selawik
Shaktolik
Shishmaref
Shungnak
St. Mary's
St. Michael
Stebbins
Teller
Toksook Bay
Tununak
Unalakleet
Wainwright
Wales
White Mountain

February 5, 2003

MEMORANDUM

To: Senator Cowdery, Chair
Senate Transportation Committee

From: Senator Olson 

Re: Schedule hearing for SB 54, Overtime Pay for Airline Employees.

I respectfully request a Senate Transportation Committee hearing of SB 54 at your earliest convenience. My sponsor statement and support documentation is forthcoming. Please contact me if you need additional information.

Thank you for your attention to this request.

RECEIVED BY

FEB 05 2003

GARY WILKEN

SENATOR
West Fairbanks

Interim:
1851 Fox Ave
Fairbanks, Alaska 99701
Tel: (907) 451-4347
Fax: (907) 456-8163

Alaska State Legislature

Senate

During Session:
State Capitol Building
Juneau, Alaska 99801-1182
Tel: 451-5501 (from Fbks)
Tel: (907) 465-3709 (outside Fbks)
Fax: (907) 465-4714
Website: www.garywilken.com
E-Mail: Senator_Gary_Wilken@legis.state.ak.us

MEMORANDUM

DATE: February 12, 2003

TO: Senator John Cowdery, Chairperson
Senate Transportation Committee

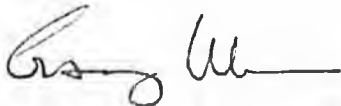
FROM: Gary Wilken
Senator, Fairbanks

RE: Hearing Request for SCR 1

I'm writing to respectfully request that Senate Concurrent Resolution 1 be scheduled for a hearing before the Senate State Affairs Committee.

SCR 1, "relating to economic development generated by new road construction and to the design and construction of the Hot Springs Loop Road to connect Chena Hot Springs and Circle Hot Springs," encourages increased economic and resource development opportunities in Interior Alaska. It favors the identification, evaluation, design and construction of a new scenic "Loop Road" which would connect Chena Hot springs to Circle Hot Springs via the Steese Highway.

Thank you for your consideration. Please feel free to contact me if you have any questions or would like additional information.





Sen. John J. Cowdery, Chair

Senate Transportation Committee

Call: 465-4921 Fax: 465-2069

CONTENTS OF PACKET: SCR1

- A CS SCR 1 version 23-LS0228\1**
- B Fiscal Note**
- C Sponsor Statement**
- D Fairbanks Chamber letter of support**
- E Map Packet**

- Sen. Pres. THERRIAULT
- Sen. WAGONER
- Sen. LINCOLN
- Sen. OLSON



 [Send To Printer](#) [Back to Map](#)

Circle Hot Springs AK
US

Notes:

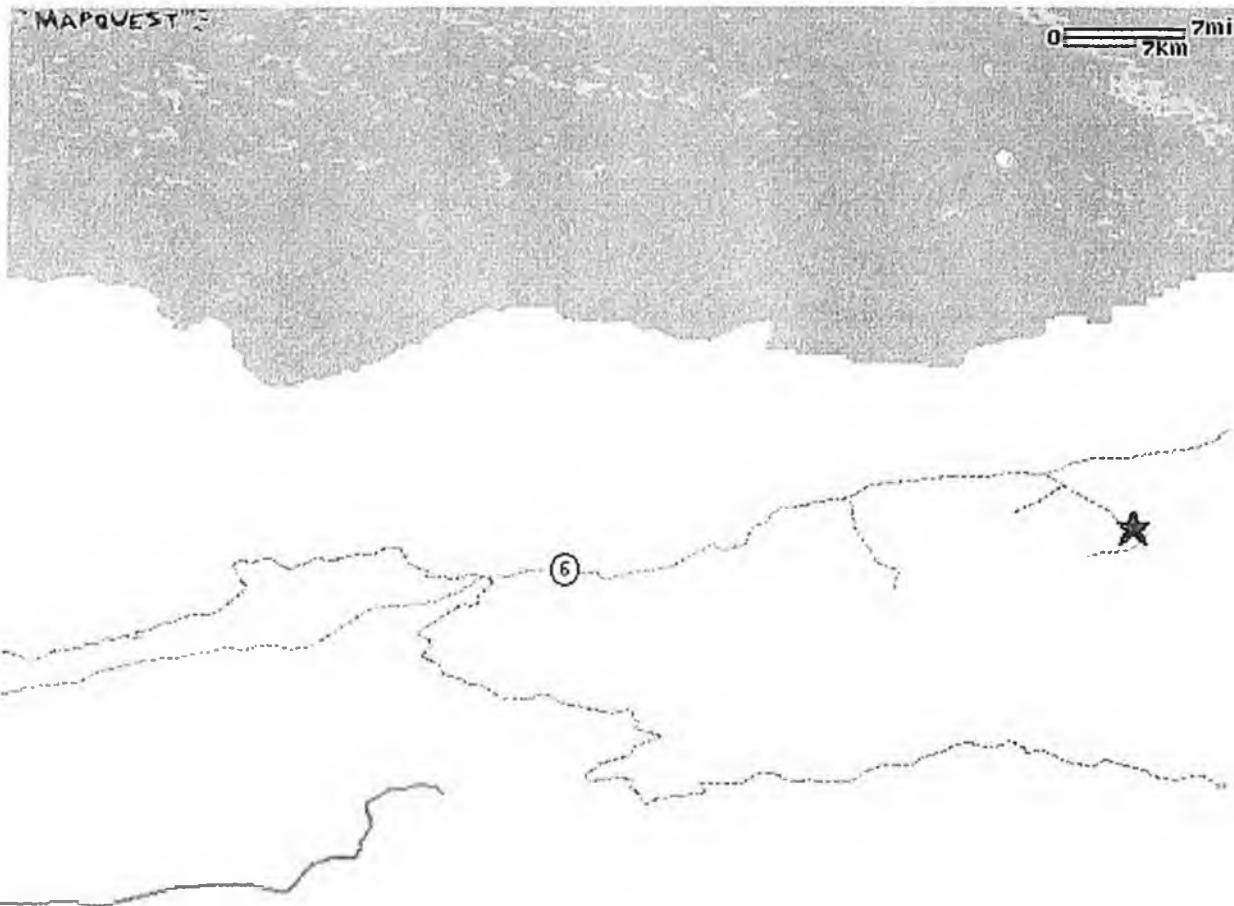
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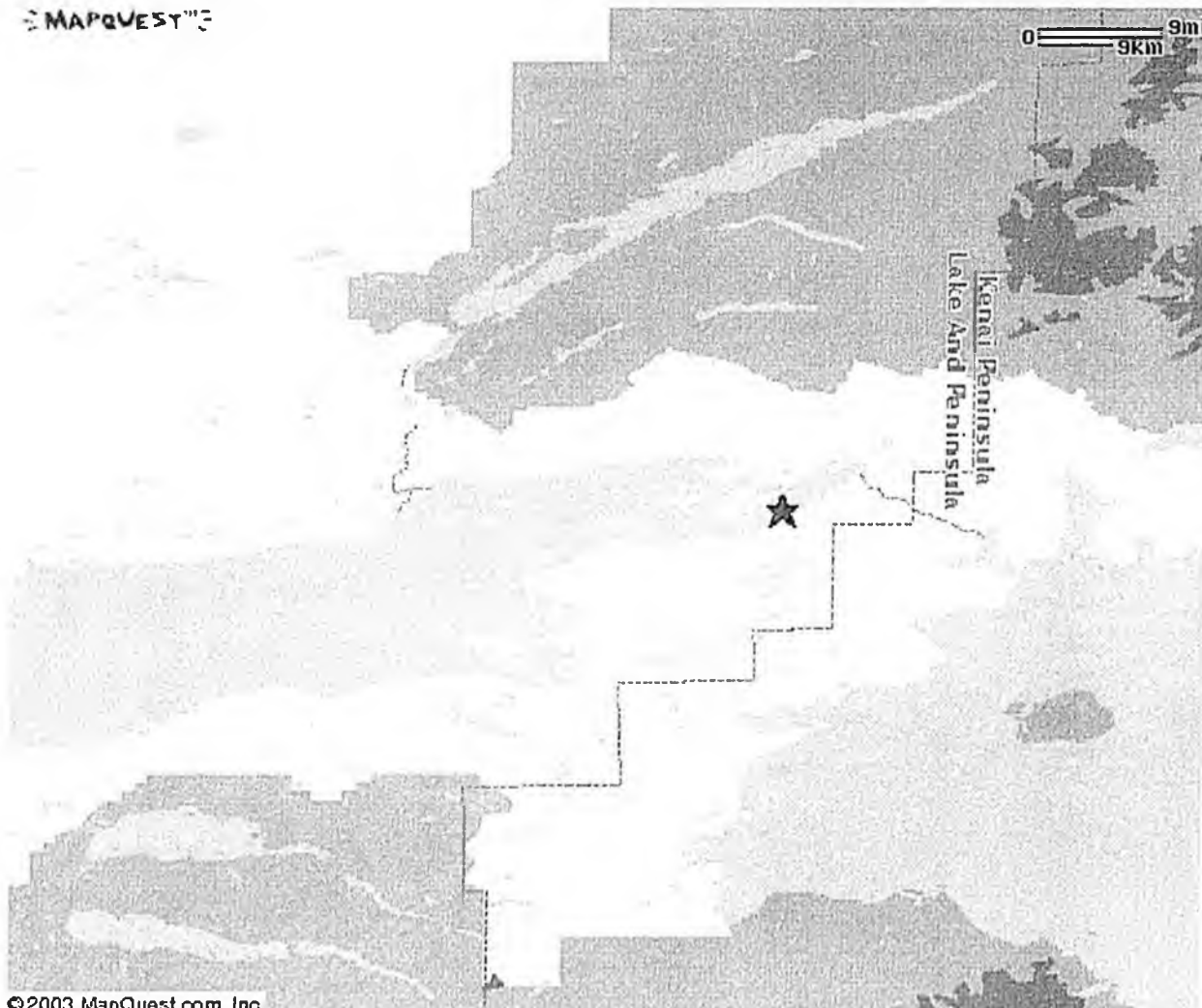


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Pile Bay AK
US

Notes:
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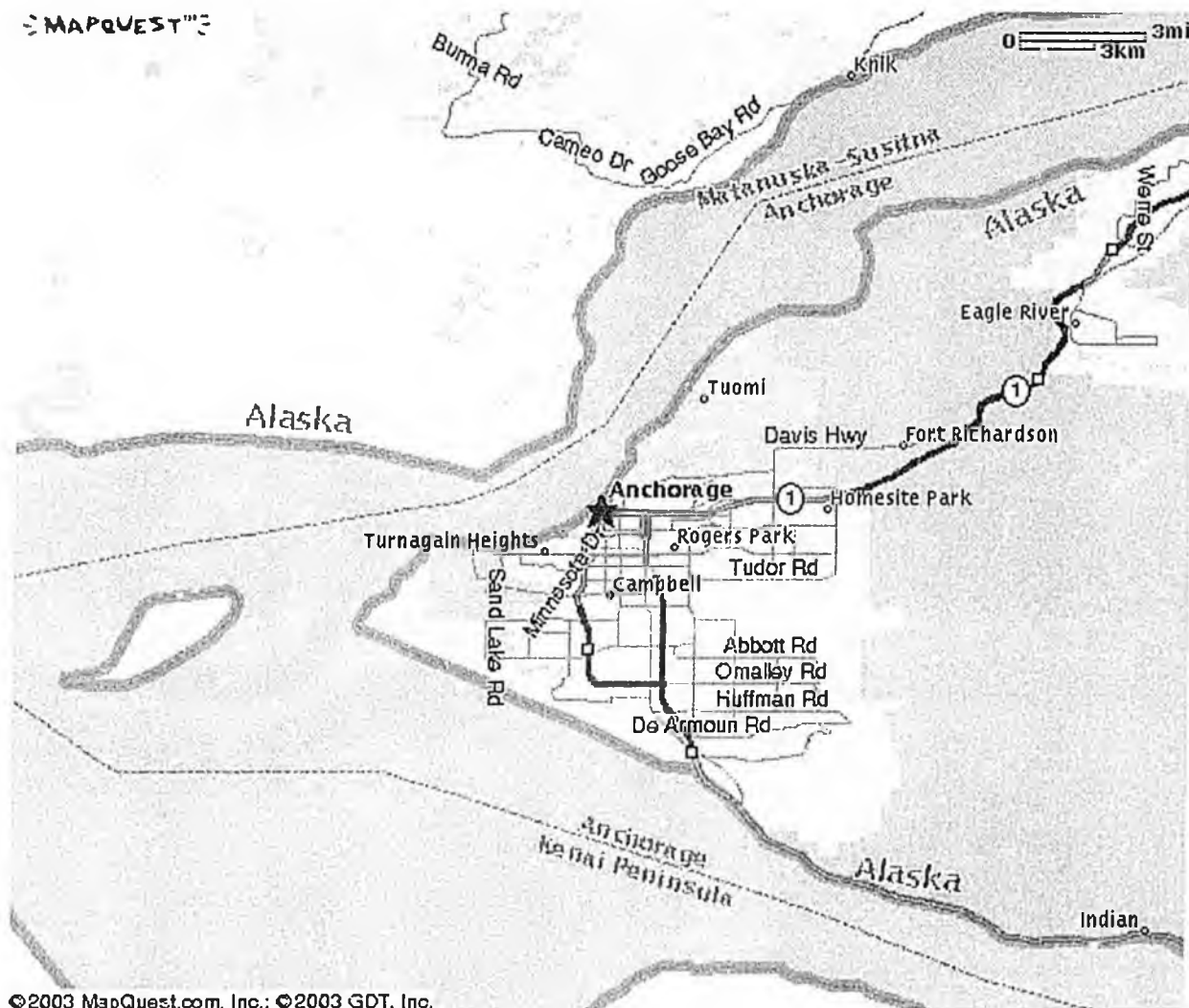


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Anchorage AK
US

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SCR

25

**DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES
MAINTENANCE CONTRACTS**

Airport Repairs
Asbestos removal and testing
Bird Control & wildlife studies
Boiler water testing and treatment
Brush Removal/Cutting
Building Improvements
Building Rental
Communications
Computer Software Development
Culvert replacement
Dust Control
Engineering & Architectural Svcs.
Environmental Compliance
Equipment Rental
 Dozers
 Helicopter
 Brushcutters
 Mowers
 Pavers
 Light-duty vehicles
 Skid-steer loaders
 Asphalt Reclaimers
 Trailers
 Belly Dumps
 Message Boards
 Rollers
 Water trucks
Fax/copier maintenance
Flagging Operations
Gravel Haul
Hazardous Waste (Remediation,
 UST Removal, SPCC Plans, etc.)
Insulation
Janitorial
Lawn Care
Maintenance
 Buildings (Facilities)
 Elevators & escalators
 Floats & Harbors
 Waysides
 Campgrounds
 Landscape
 Highway maintenance

**DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES
MAINTENANCE CONTRACTS**

Outhouses/Dumpsters

Painting

Pest control

Port-a-potty rental

Repairs/Installation/Testing

fences

generators

fire alarm systems

sprinkler systems

roof

air conditioners/HVAC

overhead doors

fuel tanks

fuel pumps

cranes & hoists

oilwater separators

mail boxes

guardrails

autobody

tire recapping

auto detailing

auto striping

oil burner

digital control boards

sheet metal ductwork

cross connection control device

plumbing

elecirical

Riprap/aggregate processing and placement

Road Illumination/Traffic Control/ARR signal maintenance

Rural Airports Operations & Maintenance

Scrap metal disposal

Security

Snow Removal/Haul

Storm water & water quality monitoring

Street Sweeping

Striping

Training (including ARFF)

Transportation Services

Wall covering installation

Window washing

**DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES
ENGINEERING CONTRACTS**

Aerial Photography
Aerial surveying and mapping
Architecture
Computer programming and technical support
Construction Administration
Construction Inspection
Corrosion inspection
Corrosion protection design
Cost estimating
Design
 Airport
 Bridge
 Buildings
 Designation studies
 Landscape
 Roads
 Design/build
Drafting
Ecological studies - Fish & Wildlife
Engineering
 Civil Engineering
 Electrical Engineering
 Environmental Engineering
 Geotechnical Engineering
 Landscape Architecture
 Mechanical Engineering
 Structural Engineering
 Traffic Engineering
Environmental document preparation
Environmental monitoring and reporting
Environmental site assessments
Erosion and sediment control plans
Geotechnical investigation and reporting (drilling)
Grant close-outs
Hydrology
Lighting design
Materials testing
Out-of-state inspections
Pavement design
Pavement management data collection and reporting
Public information
Public involvement
Publication development
Research projects
Retaining wall designs
Right-of-way mapping
Right-of-way appraisals
Specification writing
Surveying

**DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES
ENGINEERING CONTRACTS**

Technical writing of manuals
Traffic control plans
Traffic data collection
Traffic signal design
Traffic studies
Training
Underwater inspections
Utility conflict reports
Utility relocation designs
Value Engineering
Welding inspections

**DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES
OTHER CONTRACTS**

ADA audits
Advertising and public relations
Airport law enforcement officer support
Airport system organizational study
Airport wildlife management plan development
Air quality compliance
Archeological services
ARFF services
Artwork
Basic safety training courses - AMHS employees
Charter aircraft service
Complex concession RFP/bid development
Computer program development
Consulting services for maintenance management
Controlled insurance program
Courier service
Development and installation of flight display system
Drug testing services
Facility rent appraisals
Feasibility consultant for airport construction projects
Financial audit services
Financial consultants
Fingerprinting
ITS statewide deployment strategy & RWIS
Laboratory services - Environmental/OSHA related
Land survey & appraisals
Lay-up services - AMHS vessels
Line handling services for ferries
Marketing services
Night deposit pickup
Noise studies
Operating agreement negotiators
Pavement presentation seminars
Peer Review
Photogrammetric Services
Physician & psychological services - respirator fitness/Hazwoper exams/employee monitoring
Planning - airports
Planning - roads
Program Management
Production services for training tapes
Property acquisition and relocation
Provide food and water to stranded motorists
Roadway safety training courses
Stormwater pollution prevention plan development
Training - fire fighting, aviation security, etc.

FORCE ACCOUNT - POTENTIAL LEGISLATIVE IMPACT

If legislation were passed that limited State Force Account work to only those projects with a total contract price:

- under \$ 250,000, the State could have performed work on 18 of 59 projects (30%)

1998 = 4

1999 = 3

2000 = 6

2001 = 3

2002 = 2

Total = 18

- under \$ 500,000, the result would have been 31 of 59 projects (52%)

1998 = 6

1999 = 4

2000 = 10

2001 = 6

2002 = 5

Total = 31

- under \$1,000,000, the result would have been 47 of 59 projects (80%)

1998 = 9

1999 = 9

2000 = 14

2001 = 8

2002 = 7

Total = 47

- under \$2,000,000, the result would have been 51 of 59 projects (86%)

1998 = 10

1999 = 10

2000 = 16

2001 = 8

2002 = 7

Total = 51

- under \$3,000,000, the result would have been 54 of 59 projects (91%)

1998 = 10

1999 = 11

2000 = 17

2001 = 9

2002 = 7

Total = 54

- under \$4,000,000, the result would have been 57 of 59 projects (97%)

1998 = 11

1999 = 11

2000 = 19

2001 = 9

2002 = 7

Total = 57

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SCR25-DOT-CO-4-27-04
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: DOT&PF
Title: State Agency Maintenance and Construction Contracts RDU: Administration & Support
Component: Commissioner's Office
Sponsor: Senate Transportation
Requester: Senate Transportation Component No. 530

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	*	*	*	*	*	*

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

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

FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	*	*	*	*	*	*

Estimate of any current year (FY2004) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Position Type	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Full-time						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*

If the force account threshold were reduced, it would prohibit the department from using State forces to perform (Force Account Construction of FAC) construction and maintenance projects if the value of the project was within the range of \$250,000 and \$1.5 million. The majority of projects that are considered for force account construction are federally funded. Federal provisions require that prior to approval of a force account project, the State must determine that this method will result in cost savings. Since it is not possible to determine which projects will be considered for FAC over the next six years, we will base the projected savings on Calendar Year 2002. The estimated savings on 2002 force account projects between \$250,000 and \$1.5 million was \$905,000, or 38%. Assuming the amount of force account projects remains constant over the next six years, the lost savings would total \$5.43 million.

Prepared by: Nona Wilson Phone 465-6973
Division: Legislative Liaison Date/Time 4/27/04 1:21 PM
Approved by: John MacKinnon Date 4/27/2004
Agency: Deputy Commissioner

SENATOR
JOHN J. COWDERY
Anchorage

Committees
Chair: Rules
Chair: Transportation
Chair: World Trade &
State/Federal Relations
Legislative Council
State Affairs



January - May:
State Capitol, Suite 101
Juneau, Alaska 99801-1182
Tel: 907-465-3879
Toll Free: 888-269-3879
Fax: 907-465-2069

May - December:
716 W. 4th Avenue
Anchorage, Alaska 99501
Tel: 907-269-0222
Fax: 907-269-0223

Senator_John_Cowdery@legis.state.ak.us

SPONSOR STATEMENT FOR SCR25

"Relating to state agency construction and maintenance contracts throughout the state."

In order to maintain transparency and to make certain public funds are spent efficiently, statute requires construction and maintenance contracts be awarded on the basis of a competitive bid.

In the case of small projects or repairs, law allows the state, for the purpose of efficiency, to fund a project in-house through what's termed a "force account." Ideally, these are for projects costing \$250,000 or less.

The purpose of SCR25 is to encourage the State of Alaska (primarily DOT-PF) to use day labor, 24-hour call out contracts, competitively bid, in the range of \$250,000 to \$1,500,000.

Contractors employ skilled managers and maintain an inventory of specialized equipment. Therefore, construction work done in the public sector requires similar staffing as well as inventory, thus resulting in increased cost to the ratepayer.

Day labor contracts on 24-hour call would be all-encompassing, using the competitive bid process to set line item costs for a set of numerous individual tasks, such from replacing a road sign to filling a pothole to grading a gravel runway.

Contractors on 24-hour call would use local labor sources.

FORCE ACCOUNT - POTENTIAL LEGISLATIVE IMPACT

If legislation were passed that limited State Force Account work to only those projects with a total contract price:

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1998 = 9

1999 = 9

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2001 = 8

2002 = 7

Total = 47

- under \$2,000,000, the result would have been 51 of 59 projects (86%)

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2000 = 16

2001 = 8

2002 = 7

Total = 51

- under \$3,000,000, the result would have been 54 of 59 projects (91%)

1998 = 10

1999 = 11

2000 = 17

2001 = 9

2002 = 7

Total = 54

- under \$4,000,000, the result would have been 57 of 59 projects (97%)

1998 = 11

1999 = 11

2000 = 19

2001 = 9

2002 = 7

Total = 57

From the office of . . . **Senator John J. Cowdery**
State Capitol Bldg., Room 101
Juneau, AK 99801
907-465-3879 phone
907-465-2069 fax

MEMORANDUM

TO: Senate Secretary
FROM: Senator John J. Cowdery, Co-Chair, Senate Transportation Committee
DATE: April 28, 2004
RE: Committee Hearing
CC: Co-Chair, Senator Tom Wagoner, committee members
CONTACT: Richard Schmitz, committee aide, 465 4921

SCHEDULE FOR SENATE TRANSPORTATION COMMITTEE:

The Senate Transportation Committee will have a scheduled meeting at the following time:

1:30-3 p.m., THURSDAY, April 29
Butrovich Room #205

SB 395: ALASKA RAILROAD LAND ✓ 

- Ⓒ Indicates bill previously heard.
- Ⓜ Indicates bill previously scheduled
- ☎ Indicates teleconference
- ✓ Indicates first hearing

SJR

14

Subject: [Fwd: SJR14 FAA FSS]
Date: Mon, 07 Apr 2003 11:30:30 -0800
From: Senator Donny Olson <Senator_Donny_Olson@Legis.state.ak.us>
Organization: Alaska State Legislature
To: Haven Harris <Haven_Harris@legis.state.ak.us>

Subject: SJR14 FAA FSS
Date: Sun, 6 Apr 2003 13:57:10 -0500
From: "Mary Ellen Cunningham" <maryelen@starband.net>
To: Senator_Thomas_Wagoner@legis.state.ak.us, Senator_Gene_Therriault@legis.state.ak.us,
Senator_Georgianna_Lincoln@legis.state.ak.us, Senator_Donny_Olson@legis.state.ak.us,
Senator_John_Cowdery@legis.state.ak.us
CC: Senator_Johnny_Ellis@legis.state.ak.us

It was just brought to my attention that on Monday 10 April 2003 the Senate Transportation Committee will be hearing testimony on SJR14 FAA FSS. I am currently on rotational travel from the Kenai AIFSS to the Dillingham FSS, so I will not be able to call in. I have thus copied quotes from both the National Association of Air Traffic Specialists (NAATS) and the National Air Traffic Controllers Association (NATCA).

Mary Ellen Cunningham
1539 Toyon Way
Kenai, Alaska 99611-7926

maryelen@starband.net

ENA 907-283-0206
DLG 907-842-5626

NAATS

Federal Aviation Administration
Plans to Contract Out U.S. Air Traffic Control
Services To The Lowest Bidder

The Air Traffic Control system in the United States is the largest and safest in the world. Our system is the envy of all nations. It has been carefully designed to ensure that tragedies like the one in Switzerland this year -- a collision between two airlines -- will not happen here. Ensuring the safety and security of its citizens is the clearest mandate the federal government has. It is clearly an inherently governmental function. But the FAA has already compromised safety by contracting out air traffic control towers at smaller airports and the installation and maintenance of flight-critical navigation equipment.

The FAA plans to continue to sell additional Air Traffic Control services by privatizing the functions of Flight Service Controllers. One

only needs to look to Europe's and Canada's results to see how this will turn out. Nationalization and privatization of these services have been an expensive and inefficient failure by any standard. Europe's system is now so complicated and expensive, only the wealthiest can fly their own planes and airline passengers pay excessive premiums for the European Community's commercialized Air Traffic Control. American Flight Service Controllers provide critical weather and aeronautical information to our nation's pilots. They also played a major role in managing the National Airspace System on 9/11. As the Air Traffic Control services slowly returned, amidst the confusion and complexity of new, more detailed security requirements, FAA Flight Service Controllers responded with professionalism. Aviation safety and security of the national Airspace System were never compromised.

The events of 9/11 demonstrated that safety and security should never be compromised. However, the FAA has set the wheels in motion to privatize your Air Traffic Control system. Small towers were the first to go, followed by aviation systems. Now, Flight Service Controller duties will be sold to the lowest bidder with no system announced as of yet to monitor safety and security. Left unchecked, the FAA will sell safety and security all the way to the next mid-air collision.

NATCA

Bush Administration - Outsourcing
Even after the tragic events of September 11, the Administration remains firm in its commitment to contract over 400,000 federal jobs to the private sector and to mandate A-76 competitions for half of the positions listed on the FAIR inventories. The Office of Management and Budget has directed federal agencies to open up at least five percent of commercial jobs to contractor competition in FY02 and ten percent in FY03, with the goal of eventually reaching 50 percent of commercial jobs. NATCA opposes the Bush Administration competitive outsourcing initiative that sets arbitrary quotas for federal agencies and provides incentives to meet those quotas.

The OMB will rely on accurate FAIR Act lists provided by agencies that identify jobs that are commercial in nature. In addition, agencies are being required to submit lists of inherently governmental jobs. OMB intends to scrutinize these lists, which are due on June 30, to ensure that jobs are properly classified.

Subject: * SJR 14 *****

Date: Sun, 6 Apr 2003 20:32:23 -0700 (PDT)

From: Tim <timbeaux12002@yahoo.com>

To: haven_harris@legis.state.ak.us

Honorable Members of the Senate Transportation Committee,

My name is Tim Fowler. I am one of over 200 devoted men and women working in Alaska's Automated Flight Service Stations. Alaska's Automated Flight Service Stations provide the Alaskan aviation community with essential weather, aeronautical data and interpretation, and provide support and service to the private and public support infrastructure of the Alaskan aviation community. We assist pilots before and during their flights to help them make critical and often life saving decisions. In addition, we initiate, conduct, and assist in searches for missing and overdue aircraft. Unlike any other state, Alaska is dependent upon aviation for our way of life and in many instances our very existence. Whether it is assisting Alaska bush pilots, air ambulance flights, commercial operators flying people and supplies over rugged terrain often in the worst of weather or assisting our military in matters of national security; Alaska's Flight Service Stations provide an invaluable service that is intimately related to the public interest.

Unfortunately, the FAA continues to allow the degradation of these services in Alaska. Staffing levels are falling dangerously low, funding is being cut on a regular basis and necessary equipment is often in a state of disrepair.

Additionally, an A-76 study that may privatize each and every Automated Flight Service Station in the lower 48 within the next few years, is currently being conducted. Alaska is exempt from this current study, but if successful, the Federal government could soon set their sights on Alaska Flight Service Stations, resulting in fewer Alaskan jobs, and less income to those who staff Flight Service jobs. Degradation in service to the aviation community, less money for the Alaskan economy, and ultimately, an untold rippling effect through the entire state in service and expense to each and every Alaskan are likely possibilities. It is my belief that SJR 14 would send a strong clear message, and show early support against any efforts by the Federal government in the future to privatize Alaskan Automated Flight Service Stations.

We feel that with your support, "SJR 14" would send a very strong message to the Federal government and the FAA expressing our resolve to maintain only the highest degree of aviation safety in Alaska.

Thank you for your support in this matter.

Sincerely,

Tim Fowler

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Subject: SJR 14

Date: Sat, 05 Apr 2003 18:10:00 -0900

From: Mike Evans <frostbite@pci.net>

To: haven_harris@legis.state.ak.us

Honorable Members of the Senate Transportation
Committee,

My name is Mike Evans and I work at the Fairbanks Automated Flight Service Station. It is one of 14 Flight Service Stations that provide pilots with essential weather and aeronautical data and interpretation before and during their flights to help them make critical and often life saving decisions. As you know, Alaska is dependent on its aviation community more than any other state in the union. This was evident right after the attacks of Sept 11, 2001 when we passed the word to all pilots, commercial and private to land immediately or risk interception by the military. If it had not been for the Flight Service Controllers it would have been more of a nightmare than it was. As you know it pretty much shut down most services, ie: mail, food, fuel delivery for the state.

Unfortunately, the FAA, in it's ultimate wisdom, continues to allow the degradation of the services provided by the Flight Service Stations in Alaska. Staffing levels are falling dangerously low, funding is being cut on a regular basis and necessary equipment is often in a state of disrepair. We are still using 1970's era equipment and technology. Up to date equipment and technology is slowly being installed in the lower United States, but it won't reach Alaska Flight Service Stations for several years and most of it is at least 5 or more years old technology and still has a few teething problems.

Fairbanks AFSS is losing 2 controllers in the next two months to retirement and possibly 3-4 more to transfers by the end of the year. Fairbanks AFSS has only received 3 Flight Service Controllers within the past 12 months and these were in service transfers. Although the FAA administered an Air Traffic Controllers exam earlier this year, the FAA has put a hiring freeze on due to the current world situation and we have no idea when it will lift.

I feel that with your support for "SJR 14" will send a very strong message to the Federal government and the FAA our resolve to maintain the best possible service and the highest degree of safety in Alaska.

Thank you,

Mike Evans

Subject: SJR-14 Support Flight Service

Date: Sat, 05 Apr 2003 01:22:58 -0500

From: PMAmes8@aol.com

To: haven_harris@legis.state.ak.us

Hi Donnie,

I would like to thank you for sponsoring SJR-14 supporting the Flight Service in Alaska and keeping it 'inherently governmental'.

Thanks for all your great support of the FSS's and your initiative to get this resolution passed. I hope this trend can continue into the lower 48 as well.

I know the rest of us here at Nome FSS support you whole-heartedly. If there is anything we can do to help, let me know.

Margaret Ames

Nome FSS 443-2502

Subject: SJR- 14

Date: Thu, 03 Apr 2003 08:32:25 -0900

From: Charleen <ccajun@gci.net>

To: haven_harris@legis.state.ak.us

CC: retrofed@acsalaska.net

Dear Senator Don Olson.

My name is Charleen Hollier. I am a devoted and proud Flight Service Station employee working in the Fairbanks, Deadhorse and Barrow, Alaska Flight Service Stations. I provide pilots with not only essential weather and aeronautical data and interpretation before and during their flights to help them make critical and often life saving decisions but I am the eyes and ears that helps that pilot make it into the airport when the weather is bad. Unlike any other state, Alaska pilots are dependent upon Flight Service Station Specialists. Whether it is assisting the Alaska bush pilots, or the air ambulance flights and commercial operators flying people and supplies over rugged terrain often in the worst of weather or assisting our military in matters of national security; Alaska's Flight Service Stations provide an invaluable service that is intimately related to the public interest of safety. I talk to bush pilots and state employees who maintain the states runways everyday. I update them on the proposed "future" of Alaska Flight Service and the feedback I get back is this: "We won't feel safe flying out here without you, we need your eyes and ears to help us". Taking us away/reducing staffing personnel and hours of operations means pilots and state employees will be more fearful of their lives.

Unfortunately, the FAA continues to allow the degradation of these services in Alaska. Staffing levels are falling dangerously low, funding is being cut on a regular basis and necessary equipment is often in a state of disrepair.

We feel that with your support, "SJR 14" would send a very strong message to the Federal government and the FAA expressing our resolve to maintain only the highest degree of aviation safety in Alaska.

Thank you for your time,

Charleen Hollier

Subject: SJR-14

Date: Thu, 3 Apr 2003 10:00:34 -0800 (PST)

From: dennis carman <astroboy483@yahoo.com>

To: haven_harris@legis.state.ak.us

Senator Olsen,

I have been following the news and I'm looking forward to reports that SJR-14 has been passed by the Alaska Legislature.

Aviation in Alaska is vital. It is difficult to emphasize how vital to someone who has not experienced the distance and transportation hurdles some Alaskans face to eat and heat their homes. The government support must not be allowed to decrease. Safety and human lives are literally are first casualties if SJR-14 is not approved.

Thank you for your support.

Sincerely,

Dennis Carman

613 Fir Drive

Kenai, AK 99611

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Subject: SJR14

Date: Thu, 03 Apr 2003 14:37:35 -0900

From: connie cloud <ccloud@qci.net>

To: haven_harris@legis.state.ak.us

I want to thank Senator Olson for supporting SJR14 in support of the Alaska Flight Service Stations. As a pilot and a FSS employee I know the value these station provide.

Thanks again for the support

Connie Cloud
pob 71208
Fairbanks Alaska 99707
ccloud@qci.net

Subject: SRJ-14

Date: Fri, 04 Apr 2003 00:09:35 +0000

From: "steve kelsey" <skelsey@hotmail.com>

To: haven_harris@legis.state.ak.us

To Honorable Senator Don Olson,

My Name is Steve Kelsey. I am the Kotzebue flight Service Station Union Facrep. Needless to say the Current A76 Study to Privatize flight Service is more than a little bothersome. There are currently 9 Air Traffic Control specialists stationed to Kotzebue Flight service. We are all glad to see the introduction of bill SRJ-14. I would like to pledge our full support for the bill. Aviation Safety is not for Sale in Alaska. Thank You for your efforts on this important Matter.

Steve Kelsey
NAATS Facrep OTZ FSS

Help STOP SPAM with the new MSN 8 and get 2 months FREE*
<http://join.msn.com/?page=features/junkmail>

Subject:

Date: Thu, 3 Apr 2003 15:12:48 -0900

From: john.newell@faa.gov

To: haven_harris@legis.state.ak.us

Senator Don Olson,

I am an Air Traffic Controller at the Juneau Automated Flight Service Station and I am asking you to not only support SJR-14 on saving Flight Service Stations in Alaska, but to help promote SJR-14.

Flight Service, and the safety of the flying public should not be compromised just so private companies can take over inherently governmental jobs.

I have lived in Alaska for over 35 years and have worked in Flight Service for 15 of these. My years of commitment to Alaska and Alaska's flying community is typical of the average Flight Service Station Air Traffic Controller. To ask a private company to move up to Alaska from the lower 48 and try to provide this level of service and experience would prove to be costly to the Alaskan people in not only dollars, but lives!

So once again I urge you to help support SJR-14.

Thank you,

John Newell
Juneau Alaska

Subject: SJR-14

Date: Thu, 03 Apr 2003 16:42:49 -0900

From: Mark Boberick <naatsak1@ptialaska.net>

To: <haven_harris@legis.state.ak.us>

Dear Senator Olson,

I am writing to encourage your support and efforts on behalf of SJR-14. I have invested the better part of my adult life in service to Alaska's flying public as an air traffic controller. The FAA needs to hear from our legislature that the further reduction or elimination of Alaskan Flight Service Stations will result in a serious degradation of aviation safety.

Thank you again for your efforts.

Mark Boberick
Fairbanks
Air Traffic Control Specialist

Subject: SJR-14 /A-76

Date: Thu, 03 Apr 2003 19:21:09 -0900

From: WTyson <wtyson@pci.net>

To: haven_harris@legis.state.ak.us



Senator Don Olson

It has been brought to my attention that you are sponsoring SJR-14. I can't begin to express my appreciation for your support of Flight Service in Alaska. After the passage of your bill helps ensure flight safety in Alaska, we can only hope it will be the springboard needed to do the same in the lower 48 by shutting down the A-76 study. Your support will not be forgotten.

William A. Tyson
Air Traffic Specialist, Fairbanks Automated Flight Service Station

I support SJR-14

Subject: I support SJR-14

Date: Fri, 04 Apr 2003 00:02:22 -0900

From: "Jeffrey C. Thompson" <jqar80a@qci.net>

To: haven_harris@legis.state.ak.us

Senator Don Olsen,

I support the passage of SJR-14. I am a current Alaska resident, have lived in this state since 1964 and have been involved with aviation in Alaska since 1980.

Sincerely,

Jeffrey C. Thompson
1820 Esquire Avenue
Fairbanks, Alaska 99709

email: jqar80a@qci.net

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SJR14
 Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: DOT
 Title FAA Flight Service Stations BRU Office of the Commissioner
 Component _____
 Sponsor Olson Component No. _____
 Requester _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
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						
-----------------------------	--	--	--	--	--	--

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 (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: 0.0
 Check this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation has no fiscal impact on state spending.

Prepared by: Senate Transportation Committee Phone _____
 Division _____ Date/Time 4/9/03 / 2:16 p.m.
 Approved by: Senate Transportation Committee Date 4/9/2003
 Agency _____

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SJR14
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: DOT&PF
 Title FAA Flight Service Stations BRU Statewide Aviation
 Component Statewide Aviation
 Sponsor Olson
 Requester STRA Component No. 1811

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
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	0.0	0.0	0.0	0.0	0.0	0.0
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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 (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Dennis R. Poshard Phone 465-3900
 Division Special Assistant to Commissioner Date/Time 4/9/03 4:31 PM
 Approved by: Commissioner Mike Barton Date 4/9/2003
 Agency Alaska Department of Transportation and Public Facilities

Alaska State Legislature

Out of Session:
PO Box 531
Golovin, Alaska 99762
(907) 443-5599

In Session:
State Capitol, Suite 510
Juneau, Alaska 99801-1182
(800) 597-3707
(907) 465-3707
(907) 465-4821 Fax

SENATOR DONALD C. OLSON


DISTRICT T

April 2, 2003

Alakanuk
Ambler
Anaktuvuk Pass
Atkasuk
Barrow
Brevig Mission
Browerville
Buckland
Chevak
Deering
Diomedes
Elim
Emmonak
Gambell
Golovin
Hooper Bay
Kaktovik
Kiana
Kivalina
Kobuk
Kotlik
Kotzebue
Koyuk
Mountain Village
Noatak
Nome
Noorvik
Nuiqsut
Nunam Iqua
Pilot Station
Pitka's Point
Point Hope
Point Lay
Savoonga
Scanlon Bay
Selawik
Shaktolik
Shishmaref
Shungnak
St. Mary's
St. Michael
Stebbins
Teller
Unalakleet
Wainwright
Wales
White Mountain

MEMORANDUM

To: Senator Cowdery, Chair
Senate Transportation Committee

From: Senator Olson 

Re: Schedule hearing for SJR 14, FAA Flight Service Stations.

I respectfully request a Senate Transportation Committee hearing of SJR 14 at your earliest convenience. My sponsor statement is attached, I expect to have a fiscal note and support documentation soon. Please contact me if you need additional information.

Thank you for your attention to this request.

Alaska State Legislature

Out of Session:
PO Box 531
Golovin, Alaska 99762
(907) 443-5599

In Session:
State Capitol, Suite 510
Juneau, Alaska 99801-1182
(800) 597-3707
(907) 465-3707
(907) 465-4821 Fax

SENATOR DONALD C. OLSON

DISTRICT T

Sponsor Statement

SJR 14, FAA flight Service Stations

Alakanuk
Ambler
Anaktuvuk Pass
Atkasuk
Barrow
Brevig Mission
Browerville
Buckland
Chevak
Deering
Diomedes
Elim
Emmonak
Gambell
Golovin
Hooper Bay
Kaktovik
Kiana
Kivalina
Kobuk
Kotlik
Kolzebue
Koyuk
Mountain Village
Noatak
Nome
Noorvik
Nuiqsut
Nunam Iqua
Pilot Station
Pitka's Point
Point Hope
Point Lay
Savoonga
Scammon Bay
Selawik
Shaktolik
Shishmaref
Shungnak
St. Mary's
St. Michael
Stebbins
Teller
Unalakleet
Wainwright
Wales
White Mountain

SJR 14 is a resolution requesting the Federal Aviation Administration to fully staff and maintain its flight service stations in Alaska.

Alaska is a vast state that relies on air transportation for much of its commerce and connectivity. A substantial portion of the State of Alaska does not have the road infrastructure to facilitate the transport of freight and the movement of people.

Furthermore, coastal and river communities in Western, Central, and Northern Alaska lose their marine transportation alternative during the 5 to 8 months of winter ice conditions. These communities then are solely dependent on air transportation for travel, goods and emergency services for a substantial part of the year.

Furthermore, there is a large number of Alaskans that own and fly airplanes. Indeed, Alaska has the highest percentage of general aviation users per capita in the United States. General aviation users depend on FAA flight service stations to inform them of runway closures and conflicting runway traffic.

FAA flight service stations are essential for the continued safety and dependability of Alaska's vital air transportation network. Both commercial and private pilots are totally reliant on the expertise and competence of FAA's flight service personnel. The state of Alaska has over 180 airports that depend on flight service stations for weather updates, runway conditions, and assistance with safe air travel.

I respectfully urge your support for this resolution, helping to ensure the safety of air travel in Alaska.

SJR

34

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SJR34
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: _____
 Title Message of Goodwill to Taiwan Presk BRU _____
 Component _____
 Sponsor Senate WTR _____
 Requester Senate WTR Committee Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
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						
-----------------------------	--	--	--	--	--	--

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 (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Richard F. Schmitz Phone 465 4921
 Division: Senate Transportation Committee Date/Time 4/27/04 8:04 AM
 Approved by: _____ Date 4/27/2004
 Agency: _____

TAIWAN'S PRESIDENT VISITS ALASKA

President Chen Shui-bian of the Republic of China, and his delegation, will visit Alaska on November 4th and 5th. Alaska will be the last stop of his 7-day trip. During Chen fourth trip overseas, he will first stop in New York City to receive a Human Rights Award and then continue on to Panama to celebrate the country's anniversary.

Upon his return, Chen will stop in Alaska on the invitation of Gov. Frank Murkowski. While in Anchorage, the president will tour some of Alaska's majestic sights and work on strengthening economic ties.

Alaska and Taiwan have an especially good relationship. Since 1989, the state has had trade representation in Taiwan. The two regions are natural trade partners given that Taiwan lacks the abundant natural resources present in Alaska. In 2002, Alaska exported \$22 million dollars worth of products to Taiwan, primarily seafood and forest products.

Chen's first stop will be New York City where the International League for Human Rights (ILHR) will honor him. The ILHR Chairman, Scott Horton, will present the prestigious Human Rights Award to Chen for his extraordinary contributions in promoting Taiwan's human-rights development. Past award recipients have included the Dalai Lama and the former South African President, Nelson Mandela.

The president will then travel to Panama to execute some free-trade agreement between the two countries and to join the country's anniversary celebration.

Chen will fly into Anchorage at 6pm Tuesday and meet with the local Taiwanese-American community that evening. The next day, Gov. Murkowski will host a luncheon in the president's honor at the Alyeska Resort in Girdwood, Alaska.

Chen had hoped to make this trip in May, but delayed the trip due to worldwide fear of SARS and to handle Taiwan's domestic infections.

Last Update: November 1, 2003

[Back](#)



Taken Questions
Office of the Spokesman
Washington, DC
May 10, 2002
Taken Questions from May 10, 2002 Daily Press Briefing

Taiwan: Observer Status at the World Health Organization

Question: What is the U.S. position on Taiwan observership in the World Health Organization (WHO)?

Answer: We support the goal of Taiwan's participation in the work of the World Health Organization (WHO), including observership, and have long worked closely with Taiwan authorities to advance that objective.

We have urged the WHO and its members to find appropriate ways for Taiwan to participate, including observership. We will continue to do so.

Question: Has the State Department responded to a recent letter from Congress on this issue

Answer: We have received letters from a number of senators and congressmen and are in the process of replying.

[End]



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For Immediate Release
Office of the Press Secretary
March 26, 2004

Statement on Taiwan Elections

Statement by the Press Secretary
Announcement of Election Results on Taiwan

We join the American people in congratulating the people of Taiwan on the successful conclusion of their March 20 presidential election. Taiwan's Central Election Commission on March 26 officially proclaimed that Mr. Chen Shui-bian has won reelection, and we congratulate Mr. Chen on his victory.

We recognize that there are pending legal challenges to the results of the March 20 election. We applaud the people of Taiwan for embracing established legal mechanisms and rejecting extra-legal options to resolve their differences. We reject calls for violence, which threaten the very democratic principles to which we and the people of Taiwan are committed.

The maintenance of peace and stability in the Taiwan Strait and the welfare of the people of Taiwan remain of profound importance to the United States. To advance these goals, the United States will fulfill its obligations under the Taiwan Relations Act. It falls to Taiwan and Beijing to build the essential foundations for peace and stability by pursuing dialogue through all available means and refraining from unilateral steps that would alter Taiwan's status.

We will continue to maintain close unofficial ties with the people on Taiwan through the American Institute in Taiwan in accordance with our one China policy, as embodied in the Taiwan Relations Act and our three Joint Communiqués with the People's Republic of China.

###

Return to this article at:

<http://www.whitehouse.gov/news/releases/2004/03/20040326-6.html>

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Governor Murkowski

Press Archive

State of Alaska > Governor > News > News Archive

Taiwan Power, Steel Consider AK Coal

[listen »](#) Taiwan Delegation Mission, 65.5k mp3 [More Audio](#)

FOR IMMEDIATE RELEASE: March 11, 2004 No.04-039

Taiwan Power, Steel Industries Consider Alaska Coal Governor's Efforts Pay Off in Trade Delegation of Technical Experts

(Anchorage) – Governor Frank H. Murkowski's efforts to improve trade opportunities with Pacific Rim nations paid off this week, as a delegation from Taiwan's power and steel industries visited to examine technical issues surrounding the potential development of Southcentral Alaska's vast coal reserves.

Representatives from TaiPower and China Steel, Taiwan's government-owned electrical generating and steel-making companies, arrived in Anchorage Saturday for four days of meetings with private business officials and state development agencies to explore prospects for exporting coal from the Beluga Point deposits west of Anchorage.

"I am very encouraged to see that our efforts at fostering closer personal, business and economic ties with our friends in Taiwan continue to open up new opportunities for Alaskans and Alaska's resources," Murkowski said. "The value of our exports increased by 9 percent last year, most of it to Asian markets. Trade visits like this are essential if we are to continue using our natural resources to generate the jobs, revenue and economic stability our state needs."

The Taiwan delegation includes TaiPower vice president Kuei-Ming Chen and China Steel purchasing manager Chine-Jine Hsiao. They and their colleagues, most of them technical and resource experts, met with the governor, the Office of International Trade, the Department of Natural Resources, and the Alaska Industrial Development and Export Authority.

They also met with representatives of Arctic Slope Regional Corporation, the Alaska Natural Gas Development Authority, Resource Development Council of Alaska, the Alaska Miners Association, and with representatives of Usibelli Coal Mine and Placer Dome. They also met with representatives of two private businesses, PacRim Coal, and KFx Inc., both interested in developing the Beluga coal for Asian markets.

Bob Stiles, development manager for PacRim Coal, a Texas-based company that has invested \$40 million on engineering, environmental and permitting work to market Alaska coal to Asian markets, credited Murkowski's personal diplomacy for attracting Taiwan's interest in Alaska's coal.

The governor advocated Alaska's energy and resources industries in Taiwan, Japan, Korea and Hong Kong during a trade mission last October. A month later, Murkowski welcomed Taiwan President Chen Shui-bian and Taiwan businessmen to Alaska.

"We've been working on the Taiwan market for 20-plus years, but as a result of Governor Murkowski's relationship with the president of Taiwan, we got these companies to take another look at Alaska coal as a potential fuel supply," said Stiles. "There's a very positive long-term potential for Alaska coal in the Taiwan market."

The Usibelli mine in Healy has sold coal to South Korea for decades, and the Beluga field



Photo archive: An opening of a two-day Syndrome Summit. Frank Murkowski and Nancy Murkowski are distressed at the level especially among medical and behavioral professionals working FAS, the only prevention. The two shared the Casto, state manager and Early Intervention Department of Health Services. [Enlarge](#)

More Hot Topics...

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Homeland Security
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Proclamations

represents another export opportunity, said Stiles, whose company controls rights to more than 700 million metric tons in the Beluga Point deposits west of Anchorage. Other coal reserves in the area are controlled by a joint venture company involving Placer Dome, the Vancouver B.C.-based mining company developing the Donlin Creek mine, and CIRI Inc., an Alaska Native regional corporation. While Alaska's sub-bituminous coal is ultra-low sulfur – less than two-tenths of one percent – most Asian coal buyers prefer coal with less than the 25 percent moisture content of the Beluga coal, Stiles said.

Technological advances over the past 15 years now make it possible to economically process the low-quality Beluga coals into a premium energy fuel. This could be the key to finally developing the vast coal fields near Anchorage, which have laid dormant for 30 years. Rick Van Zyl, proposals director for KFx, who previously worked on coal technology projects in South Africa, noted that Beluga coals processed to Taiwan's specifications could open up a new area of trade for Alaska.

"We hope we can give Taiwan coal users what they want at a competitive price, unlocking the potential here in Alaska and improving the energy security of Taiwan," Van Zyl said.

Margy Johnson, director of the state's Office of International Trade, said that such challenges can be overcome but only after establishing positive business and political relationships.

"Japan, South Korea and Taiwan are natural customers for Alaska's resources, and their markets represent growing export opportunities," Johnson said. "Seeing this kind of on-the-ground expression of interest from the largest government corporations in Taiwan is a strong indication that we are continuing to make progress in marketing our resources to the Pacific Rim."

#

For more information, contact Office of International Trade Director Margy Johnson at 269-8110.

- » Taiwan Delegation Mission (65.5k mp3) - Margy Johnson, director of the governor's office of international trade, characterizes the Taiwan delegation visit as a preliminary, but important, step in developing markets for Alaska's Beluga coal. :16 "...and sellers together."
- » Alaska's Coal Resources (59.7k mp3) - Stan Foo, the Department of Natural Resources' mining section chief, says Alaska has plenty of coal to entice new customers. :13 "...some additional resources."
- » China Steel Would Consider AK Coal (197.3k mp3) - Chine-Jine Hsiao, purchasing manager for Taiwan's government-owned steelmaking industry, says that his company would be happy to buy Alaska's coal, if it can be brought up to his industry's standards for use in steel-making, as supplies of coking coal are tightening becoming less abundantly available to Taiwan. : 49 "...to buy this."
- » Taiwan Power Seeks Broader Coal Supplies (202.6k mp3) - Kuei-Ming Chen, vice president of Taiwan's government-owned power generating company, says Alaska coal is well-positioned for sale to Taiwan, once technical means are identified to process the coal for Asian market specifications. :50 "...marketplace in Asia"

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Office of the Governor Box 110001 Juneau, AK 99811 907.465.3500 465.3532 fax

Taiwan utility reps scout Alaska coal

By the Journal of Commerce
Publication Date: 03/22/04

Taiwanese utility and steel company officials were in Alaska March 6 through March 12 talking with owners of coal deposits in the state.

Coal prices in Pacific Rim markets are increasing, and importers in manufacturing nations like Taiwan are looking for alternative supplies.

Kuei-Ming Chen, vice president of Taipower, Taiwan's government-owned power utility, said his company imports 24 million tons of coal yearly and would like to buy Alaska coal if the price terms are right.

Taipower is now the largest single coal purchaser in Asia, he said.

Chine-Jine Hsiao, purchasing manager for China Steel, said his company buys eight million tons of coal yearly. He is particularly interested in Alaska as a source of coking coal, which is used in steel-making.

The delegation was hosted by state of Alaska officials, who handled introductions to Alaska firms. Margy Johnson, head of the state Office of International Trade, coordinated the visit by the delegation.

Bob Stiles, president of PacCom Coal, a company formed to market coal from Alaska to Asia, credited Gov. Frank Murkowski's personal diplomacy with Taiwanese government leaders in getting the utility and steel officials to Alaska.

"We've been working on the Taiwan market for 20 years, and as a result of the governor's relationships there we got these companies to take another look at Alaska as a potential fuel supply source," Stiles said.

Stiles' company holds rights to 700 million metric tons of coal deposits in the Beluga coal fields west of Anchorage. The Taiwan companies also met with Usibelli Coal Mine, Inc., owners of the state's only producing coal mine at Healy, Placer Dome Inc., which also owns coal in the Beluga fields, and Arctic Slope Regional Corp., which owns large coal deposits on the western North Slope.

Click here to return to story:
http://www.alaskajournal.com/stories/032204/loc_20040322002.shtml

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Alaska Time Mon Apr 26 13:01:18 Taipei, Taiwan Tue Apr 27 05:01:18

Taiwan



Taiwan Introduction



The Taiwan market for Alaskan commodities and products is important---it helps to diversify Alaska's international exports, which traditionally have gone to two markets, Japan and Korea.

Annual Alaska exports to Taiwan are primarily seafood for both human consumption and for animal feed and forest products. Fertilizer is a major export to Taiwan in some years.

Export \$\$ Million	1998	1999	2000	2001	2002
All Commodities	\$70	\$67	\$47	\$31	\$22*
Fertilizer	\$11	\$8	---	\$12	\$2
Forest Products	\$14	\$11	\$13	\$4	\$2
Seafood	\$2	\$5	\$7	\$4	\$6
Animal Feed	\$3	\$6	\$10	\$8	\$8
Oil Products	\$34	\$32	\$10	\$0	\$0
Other	\$6	\$5	\$7	\$3	\$4

*Partial year reported, January - November 2002.

Taiwan's needs for natural resources makes it a natural trading partner for Alaska. Taiwan purchases seafood, animal feed, forest products and, in some years, significant amounts of fertilizer. The volume of Alaska's exports to Taiwan has declined in response to recent downside in Taiwan's economy.

Taiwan is in a period of transition. Years of rapid economic development ended when the GDP dropped for the first time by 1.9 percent. The GDP for 2003 is expected to swing back to a positive 3.4 percent. Along with Hong Kong, Taiwan is finding that more and more international companies deal directly with Chinese markets and partners, rather than through experienced intermediaries in Taiwan. In addition, major Taiwan companies have moved manufacturing facilities to China. Both these conditions create higher unemployment in Taiwan.

Taiwan seeks to improve its economic conditions by increasing the focus on the technical competencies of its workforce and instituting banking reforms and job creation programs.

Although Taiwan is encountering economic challenges, the 22 million

residents of Taiwan continue to enjoy one of the highest per capita incomes in Asia, US\$12,000. That is encouraging for Alaska's continued exports.

Alaska first established trade representation in Taiwan in 1989 and is one of about two dozen U.S. states active in trade promotion in this market. Alaska's current contract trade representative, Ida Pei-Hua Yao began representing the state in 1996.



Alaska Time Mon Apr 26 13:01:37 Taipei, Taiwan Tue Apr 27 05:01:37

Taiwan

- Current Information
- Taiwan Information and Export Overview
- Seafood Exports
- Fresh Produce Exports
- Transportation
- Technical Services
- Frequently Used Links to Other Web Sites

Alaska Seafood Exports to Taiwan

Export \$\$ Million	1998	1999	2000	2001	2002*
Seafood	\$2	\$5	\$7	\$4	\$6
Animal Feed	\$3	\$6	\$10	\$8	\$8

*Partial year reported, January - November 2002.

The possibilities for export of Alaskan seafood products to Taiwan are increasing. One advantage of Alaska seafood is the growing awareness by Taiwanese consumers of environmental issues, including the healthiness of the foods they eat. Fish oil accounted for over one million dollars of the seafood export to Taiwan in 2002.

The exports of seafood waste/animal feed mean that more of the fish is now being used. Historically, Alaska's seafood exports were only the parts of the fish for human consumption. Now, markets like Taiwan are developing to turn the seafood waste from primary processing operations into animal feed.

Alaska's general international image of "pure and clean," the ability of Alaska farmers to grow crops without pesticide, and the taste and quality of Alaska vegetables combine to create niche opportunities for Alaska's excellent produce in Taiwan's "healthy food" markets. The Division of International Trade & Market Development has worked with the State of Alaska Division of Agriculture and the University of Alaska Fairbanks to promote Alaska potatoes, carrots, and cabbage in Taiwan.

[USDA Foreign Agricultural Service Market Reports for Taiwan](#)

[USDA Foreign Agricultural Service Fisheries Export Guide](#)

23-LS1947A
Mischel
4/21/04

HOUSE JOINT RESOLUTION NO.
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY

Introduced:
Referred:

A RESOLUTION

1 **Sending a message of goodwill to President Chen Shui-bian, and reaffirming the Alaska**
2 **State Legislature's 2003 resolution urging the United States Congress to support the**
3 **granting of official Observer Status to the Republic of China and to support negotiation**
4 **of a free trade agreement with the Republic of China.**

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

6 **WHEREAS** President Chen Shui-bian has been reelected as President of the Republic
7 of China; and

8 **WHEREAS** Legislative Resolve No. 29, passed by the Alaska State Legislature in the
9 First Regular Session of the Twenty-Third Legislature, continues to reflect the view of the
10 legislature;

11 **WHEREAS** the United States, including the State of Alaska, and the Republic of
12 China, in Taiwan, have long been valued and close partners in trade and cultural exchanges;
13 and

14 **WHEREAS** the Republic of China is the eighth largest trading partner of the United
15 States and is a significant trading partner of the State of Alaska; and

1 **WHEREAS** the Republic of China is showing signs of significant potential for
2 increasing trade with the United States and the State of Alaska as the world economy
3 continues to recover from recession; and

4 **WHEREAS** free trade among the peoples of the world is of vital importance to the
5 United States, including the citizens of Alaska, and to the Republic of China; and

6 **WHEREAS** the importance of free trade is strongly acknowledged in Alaska, the
7 Municipality of Anchorage and the City of Taipei having signed a Partner Cities Agreement
8 to encourage trade and cultural exchange; and

9 **WHEREAS** the United States and the Republic of China have, for decades, been
10 willing signers of mutual defense treaties; and

11 **WHEREAS** the health of the peoples of the world is of vital importance to the United
12 States, including the citizens of Alaska, and to the Republic of China; and

13 **WHEREAS** the people of the United States and the Republic of China have
14 generously contributed to programs that benefit the health of the peoples of the world; and

15 **WHEREAS** it would be mutually beneficial to the people of the United States,
16 including Alaska, and the people of the Republic of China to both assist and realize a
17 continuation of international efforts the goal of which is to expand and further develop health-
18 related knowledge; and

19 **WHEREAS** today there is a strong need for the rapid and complete international
20 dissemination of health-medical information and research results in view of the recent
21 outbreak of the Severe Acute Respiratory Syndrome (SARS), considered to be a worldwide
22 health threat;

23 **BE IT RESOLVED** that the Alaska State Legislature continues to encourage the
24 United States Congress to authorize the United States to endorse the request by the Republic
25 of China to be granted official Observer Status at the World Health Organization; and be it

26 **FURTHER RESOLVED** that the Alaska State Legislature again urges the United
27 States Congress to encourage the administration of President George W. Bush to negotiate a
28 free trade agreement with the Republic of China; and be it

29 **FURTHER RESOLVED** that the Alaska State Legislature sends a message of
30 goodwill to President Chen Shui-bian regarding his reelection and reaffirming the State of
31 Alaska's relationship with the Republic of China.

1 **COPIES** of this resolution shall be sent to the Honorable Chen Shui-bian, President of
2 the Republic of China; the Honorable George W. Bush, President of the United States; the
3 Honorable Colin Powell, United States Secretary of State; the Honorable Tommy Thompson,
4 United States Secretary of Health and Human Services; the World Health Assembly; the
5 World Health Organization; Jack K. C. Chiang, Director General, Taipei Economic and
6 Cultural Office, 2001 Sixth Avenue, Suite 2410, Seattle, WA 98121; and to the Honorable
7 Ted Stevens and the Honorable Lisa Murkowski, U.S. Senators, and the Honorable Don
8 Young, U.S. Representative, members of the Alaska delegation in Congress.

April 26th, 2004

Proposed Amendment to SJR 34

Purpose of Amendment: For clarification – Adding on Taiwan following the Republic of China throughout the Resolution, and substituting Taiwan for *the Republic of China* where redundant.

Page 1 line 3: add on Taiwan following “China”

Page 1 line 4: add on Taiwan following “China”

Page 1 line 7: add on Taiwan following “China”

Page 1 line 11: delete [the Republic of China, in]

Page 1 line 14: delete [the Republic of China] and insert Taiwan

Page 2 line 1: delete [the Republic of China] and insert Taiwan

Page 2 Line 4: delete [the Republic of China] and insert Taiwan

Page 2 line 9: delete [the Republic of China] and insert Taiwan

Page 2 line 12: delete [the Republic of China] and insert Taiwan

Page 2 line 13: delete [the Republic of China] and insert Taiwan

Page 2 line 16: delete [the Republic of China] and insert Taiwan

Page 2 line 25: add on Taiwan following “China”

Page 2 line 28: add on Taiwan following “China”

Page 2 line 31: add on Taiwan following “China”

Sent by Richard Schmitz for Final
(4921)
1 page

HOUSE JOINT RESOLUTION NO. 28 am
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE HEINZE

Amended: 5/12/03
Introduced: 5/7/03

A RESOLUTION

1 **Urging the United States Congress to support the granting of official Observer Status to**
2 **the Republic of China at the World Health Assembly Annual Conference to be held at**
3 **Geneva, Switzerland, in May 2003, and to support negotiation of a free trade agreement**
4 **with the Republic of China.**

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

6 **WHEREAS** the United States, including the State of Alaska, and the Republic of
7 China, in Taiwan, have long been valued and close partners in trade and cultural exchanges;
8 and

9 **WHEREAS** the Republic of China is the eighth largest trading partner of the United
10 States and is a significant trading partner of the State of Alaska; and

11 **WHEREAS** the Republic of China is showing signs of significant potential for
12 increasing trade with the United States and the State of Alaska as the world economy
13 continues to recover from recession; and

14 **WHEREAS** free trade among the peoples of the world is of vital importance to the
15 United States, including the citizens of Alaska, and to the Republic of China; and

1 **WHEREAS** the importance of free trade is strongly acknowledged in Alaska, the
2 Municipality of Anchorage and the City of Taipei having signed a Partner Cities Agreement
3 to encourage trade and cultural exchange; and

4 **WHEREAS** the United States and the Republic of China have, for decades, been
5 willing signers of mutual defense treaties; and

6 **WHEREAS** the health of the peoples of the world is of vital importance to the United
7 States, including the citizens of Alaska, and to the Republic of China; and

8 **WHEREAS** the people of the United States and the Republic of China have
9 generously contributed to programs that benefit the health of the peoples of the world; and

10 **WHEREAS** it would be mutually beneficial to the people of the United States,
11 including Alaska, and the people of the Republic of China to both assist and realize a
12 continuation of international efforts the goal of which is to expand and further develop health-
13 related knowledge; and

14 **WHEREAS** today there is a strong need for the rapid and complete international
15 dissemination of health-medical information and research results in view of the recent
16 outbreak of the Severe Acute Respiratory Syndrome (SARS), considered to be a worldwide
17 health threat;

18 **BE IT RESOLVED** that the Alaska State Legislature encourages the United States
19 Congress to authorize the United States to endorse the request by the Republic of China to be
20 granted Observer Status at the World Health Assembly Annual Conference in May 2003 at
21 Geneva, Switzerland; and be it

22 **FURTHER RESOLVED** that the Alaska State Legislature urges the United States
23 Congress to encourage the administration of President George W. Bush to negotiate a free
24 trade agreement with the Republic of China.

25 **COPIES** of this resolution shall be sent to the Honorable Chen Shui-bian, President of
26 the Republic of China; the Honorable George W. Bush, President of the United States; the
27 Honorable Colin Powell, United States Secretary of State; the Honorable Tommy Thompson,
28 United States Secretary of Health and Human Services; the World Health Assembly; the
29 World Health Organization; Jack K. C. Chiang, Director General, Taipei Economic and
30 Cultural Office, 2001 Sixth Avenue, Suite 2410, Seattle, WA 98121; and to the Honorable
31 Ted Stevens and the Honorable Lisa Murkowski, U.S. Senators, and the Honorable Don

- 1 Young, U.S. Representative, members of the Alaska delegation in Congress.

SENATE JOINT RESOLUTION NO. 34
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION

**BY THE SENATE RULES COMMITTEE BY REQUEST OF THE SENATE SPECIAL COMMITTEE ON
WORLD TRADE AND STATE/FEDERAL RELATIONS**

Introduced: 4/22/04

Referred: Senate Special Committee on World Trade and State/Federal Relations, State Affairs

A RESOLUTION

1 **Sending a message of goodwill to President Chen Shui-bian, and reaffirming the Alaska**
2 **State Legislature's 2003 resolution urging the United States Congress to support the**
3 **granting of official Observer Status to the Republic of ~~China~~ ^{TAIWAN} and to support negotiation**
4 **of a free trade agreement with the Republic of China. ^{ON TAIWAN}**

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

6 **WHEREAS** President Chen Shui-bian has been reelected as President of the Republic
7 of China; ^{ON TAIWAN} and

8 **WHEREAS** Legislative Resolve No. 29, passed by the Alaska State Legislature in the
9 First Regular Session of the Twenty-Third Legislature, continues to reflect the view of the
10 legislature; and

11 **WHEREAS** the United States, including the State of Alaska, and the Republic of
12 China, in Taiwan, have long been valued and close partners in trade and cultural exchanges;
13 and

14 **WHEREAS** the Republic of China is the eighth largest trading partner of the United
15 States and is a significant trading partner of the State of Alaska; and

1 **WHEREAS** the Republic of China is showing signs of significant potential for
2 increasing trade with the United States and the State of Alaska as the world economy
3 continues to recover from recession; and

4 **WHEREAS** free trade among the peoples of the world is of vital importance to the
5 United States, including the citizens of Alaska, and to the Republic of China; and

6 **WHEREAS** the importance of free trade is strongly acknowledged in Alaska, the
7 Municipality of Anchorage and the City of Taipei having signed a Partner Cities Agreement
8 to encourage trade and cultural exchange; and

9 **WHEREAS** the United States and the Republic of China have, for decades, been
10 willing signers of mutual defense treaties; and

11 **WHEREAS** the health of the peoples of the world is of vital importance to the United
12 States, including the citizens of Alaska, and to the Republic of China; and

13 **WHEREAS** the people of the United States and the Republic of China have
14 generously contributed to programs that benefit the health of the peoples of the world; and

15 **WHEREAS** it would be mutually beneficial to the people of the United States,
16 including Alaska, and the people of the Republic of China to both assist and realize a
17 continuation of international efforts the goal of which is to expand and further develop health-
18 related knowledge; and

19 **WHEREAS** today there is a strong need for the rapid and complete international
20 dissemination of health-medical information and research results in view of the recent
21 outbreak of the Severe Acute Respiratory Syndrome (SARS), considered to be a worldwide
22 health threat;

23 **BE IT RESOLVED** that the Alaska State Legislature continues to encourage the
24 United States Congress to authorize the United States to endorse the request by the Republic
25 of China to be granted official Observer Status at the World Health Organization; and be it

26 **FURTHER RESOLVED** that the Alaska State Legislature again urges the United
27 States Congress to encourage the administration of President George W. Bush to negotiate a
28 free trade agreement with the Republic of China; and be it

29 **FURTHER RESOLVED** that the Alaska State Legislature sends a message of
30 goodwill to President Chen Shui-bian regarding his reelection and reaffirming the State of
31 Alaska's relationship with the Republic of China.