

STATE OF ALASKA
THE LEGISLATURE

1994

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Legislative
Resolve No.
34



Expressing support for the development of a fiberboard plant in Sitka; encouraging the Alaska Industrial Development and Export Authority to continue its efforts to assist with that development; and requesting the United States Forest Service to continue a long-term timber purchase contract necessary to supply material to the plant.

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

WHEREAS the Alaska Industrial Development and Export Authority and the Alaska Pulp Corporation have explored the possibility of constructing a medium density fiberboard plant in Sitka; and

WHEREAS the proposed plant would restore economic activity and create employment opportunities that were lost with the closure of the Sitka pulp mill; and

WHEREAS the proposed plant would, to the maximum extent feasible, make use of existing facilities in Sitka; and

WHEREAS it is the purpose of the Alaska Industrial Development and Export Authority to promote the development of industry and to encourage economic growth within the state; and

WHEREAS the Alaska Industrial Development and Export Authority proposes to continue to assist the Alaska Pulp Corporation to explore the viability of the proposed

fiberboard plant by conducting feasibility and other studies, and, if the proposed plant proves to be viable, the Alaska Industrial Development and Export Authority will consider providing financial assistance for the development of the proposed plant, including financial assistance through the issuance of bonds of the Alaska Industrial Development and Export Authority; and

WHEREAS the issuance of bonds by the Alaska Industrial Development and Export Authority for the financing of the proposed plant will require further action by the legislature; and

WHEREAS assistance provided by the Alaska Industrial Development and Export Authority in the proposed restoration and conversion of the Sitka pulp mill to a medium density fiberboard plant will further the purposes of promoting the development of industry and encouraging economic growth in the state and will improve the quality of life in Southeast Alaska by providing jobs and improving the local economy; and

WHEREAS it is essential to the viability of the proposed plant that the Alaska Pulp Corporation be able to maintain an adequate supply of timber; and

WHEREAS the Tongass National Forest is the only adequate, sustainable timber source in Southeast Alaska; and

WHEREAS potential financing of the proposed plant will require a contract between the federal government and the Alaska Pulp Corporation that provides a firm commitment for adequate timber sales from the Tongass National Forest;

BE IT RESOLVED that the Alaska State Legislature supports the continued effort to construct and otherwise develop the proposed medium density fiberboard plant in Sitka and, upon conclusion of any feasibility studies the Alaska Industrial Development and Export Authority considers appropriate, and assuming the results of those feasibility studies are satisfactory, the Alaska State Legislature encourages the Alaska Industrial Development and Export Authority to seek the legislative approval necessary to proceed with the financing of the proposed plant; and be it

FURTHER RESOLVED that the Alaska State Legislature encourages the Alaska Industrial Development and Export Authority to continue to work with, and provide assistance to, the Alaska Pulp Corporation, to the extent of its ability under AS 44.88, for the

development of the proposed fiberboard plant in Sitka; and be it

FURTHER RESOLVED that the Forest Service of the United States Department of Agriculture is respectfully requested to reconsider its decision to cancel its long-term timber contract with the Alaska Pulp Corporation.

COPIES of this resolution shall be sent to the Honorable Jack Ward Thomas, Chief of the United States Forest Service; and to William R. Snell, Executive Director of the Alaska Industrial Development and Export Authority; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.