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NEWS RELEASE



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KNOWLES SEEKS INTERN'L TRANSIT RIGHTS THRU ANCHORAGE
Seeks Reinstatement of Visa Free Transit for Russians, Chinese, other Foreign Nationals

Saying the economic impacts to Alaska's economy could be devastating, Gov. Tony Knowles today called for emergency relief from a recent Immigration and Naturalization Service (INS) action that denies visa-free transit rights for international passengers through Ted Stevens Anchorage International Airport. In letters to Secretary of State Colin Powell and INS Commissioner Kevin Rooney, Knowles asked for an exemption to the recent order that bars the visa-free transit through Anchorage.

"The economic effect on my state will be nothing less than disastrous, moving not just People's Republic of China (PRC) and Russian passenger transits, but entire air passenger service operations and quite probably air cargo operations from American soil to foreign soil," Knowles said.

Last week, the INS and Department of State announced changes that severely restrict the program that allows international passengers to stop at various U.S. airports while en route to a final foreign destination without requiring a visa. The problem is particularly apparent in Miami where the INS had more than 1,100 foreign nationals refuse to re-board transit flights in the past year. Here in Alaska, though, only two passengers in the past ten years have refused to re-board a flight while transiting through Anchorage, according to the Alaska District INS office. Two carriers using Ted Stevens Airport, Cathay Pacific and Korean Air, cater largely to Russians, Indians, and residents of the PRC.

"The proposed rule, as applied to landings in Anchorage, thus neither advances INS goals nor imposes any burden on the ineligible country or its citizens," Knowles said. "It will, however, burden Alaska by killing landing fees, fuel flowage fees and duty-free sales of not only the PRC nationals, but also the Canadians, Koreans, Japanese and Americans on flights that stand to be diverted from Anchorage."

According to an analysis by the University of Alaska's Institute for Social and Economic Research, Korean Air and Cathay Pacific generate \$5.2 million in direct revenue each year to the Anchorage airport. If they are forced to avoid Anchorage because of this rule, it could cost Anchorage 1,000 jobs and 12 percent of the airport's annual budget.

Both airlines have said that implementation of this new regulation will force them to move their transit operations to foreign soil, specifically Vancouver, Canada.

Knowles noted that the international terminal at the Ted Stevens Anchorage International Airport is a fully restricted, secure facility that greatly reduces the likelihood that a passenger without a visa would try to enter the U.S. and not depart to the foreign destination. Such a facility is ideal for successful, low-risk, implementation of the visa free transit program without posing a burden on INS personnel.

"We fully understand that you must deal firmly to protect the important foreign policy and national security interests of the United States," Knowles concluded. "We trust, however, that you are able to see that it is unnecessary to visit unintended extreme economic hardship on the people of Alaska in the course of protecting those interests. The new rules may be well warranted as applied to other U.S. transit points, but an exception is urgently needed reinstating the successful rules, or their equivalent, for Alaska."

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