

(LIMITED RUN SHOWING ALL ADDITIONAL SPONSORSHIPS)

SENATE CS FOR CS FOR HOUSE BILL NO. 244(RES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE SENATE RESOURCES COMMITTEE

Offered: 5/4/01

Referred: Finance

Sponsor(s): REPRESENTATIVES JAMES, Dyson, Harris, Wilson, Scalzi, Hayes, Foster, Coghill, McGuire

SENATORS Wilken, Taylor, Ward

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to a grant of state land to the Denali Borough for a railroad and utility**
2 **corridor and a railroad development project; repealing provisions relating to a grant of**
3 **a right-of-way of land for a railroad and utility corridor to the Alaska Industrial**
4 **Development and Export Authority; and providing for an effective date."**

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

6 * **Section 1.** The uncoded law of the State of Alaska is amended by adding a new section
7 to read:

8 GRANT FOR RAILROAD AND UTILITY CORRIDOR. (a) The Department of
9 Natural Resources shall grant to the Denali Borough state land for the purpose of supporting
10 economic development in the borough by enabling Kantishna Holdings, Inc., and its
11 successors and assigns in interest, to provide for a utility corridor and for the design,
12 construction, development, operation, and maintenance of a railroad and facilities to support
13 that development project.

14 (b) The Denali Borough, in consultation with Kantishna Holdings, Inc., shall identify

1 and select a railroad and utility corridor that runs from near the community of Healy to the
 2 eastern boundary of Denali National Park and Preserve. Except where needed for
 3 construction, safety, or environmental considerations or for required ancillary facility
 4 development, the corridor may not exceed 300 feet in width. The borough, in consultation
 5 with Kantishna Holdings, Inc., shall also identify and select ancillary land necessary to
 6 support the development and operation of a railroad and facilities to support economic
 7 development in conjunction with the railroad development project. The department shall
 8 review the selections within 90 days after the selections are made. Upon completion of the
 9 review by the department of the land identified and selected under this subsection, the
 10 borough shall survey the land, and, upon the submission of the survey to the department, the
 11 department shall convey the land to the borough.

12 (c) The borough may receive not more than 3,500 acres of state land under this
 13 section. The land shall be located in Township 12 South, Range 7 West, Range 8 West,
 14 Range 9 West, Range 10 West, and Range 11 West, Fairbanks Meridian.

15 (d) The grant to the borough may not impair valid property rights in the land. To aid
 16 in a timely land selection process, the Department of Natural Resources with the assistance of
 17 the Denali Borough shall, by September 1, 2001, identify all valid property rights in the land
 18 described under (c) of this section.

19 (e) By September 1, 2010, the Denali Borough shall lease the land received under this
 20 section to a person for a railroad development project. Otherwise, on September 1, 2010, the
 21 title to the land granted under this section reverts to the state.

22 (f) The amount of land transferred to the Denali Borough under this section shall be
 23 applied toward fulfillment of the borough's general land grant entitlement determined under
 24 AS 29.65.030. However, other provisions of AS 29.65 do not apply to the transfer.

25 (g) Within 30 days after the effective date of this section, the Department of Natural
 26 Resources shall authorize a qualified employee to act as liaison with the Denali Borough and
 27 its agents in matters relating to carrying out the provisions of this Act.

28 * **Sec. 2.** Sections 24(c) and 25, ch. 109, SLA 1998, are repealed.

29 * **Sec. 3.** This Act takes effect July 1, 2001.