



LAWS OF ALASKA

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Source

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Chapter No.

AN ACT

Authorizing the Alaska Railroad Corporation to extend its rail line to Fort Greely, Alaska, and relating to that extension; authorizing the corporation to issue bonds to finance the cost of the extension and necessary facilities and equipment; relating to the Railroad Planning, Platting, and Land Use Regulation Task Force; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1

AN ACT

1 Authorizing the Alaska Railroad Corporation to extend its rail line to Fort Greely, Alaska, and
2 relating to that extension; authorizing the corporation to issue bonds to finance the cost of the
3 extension and necessary facilities and equipment; relating to the Railroad Planning, Platting,
4 and Land Use Regulation Task Force; and providing for an effective date.

5
6 * **Section 1.** AS 42.40 is amended by adding a new section to read:

7 **Article 6A. Specific Projects.**

8 **Sec. 42.40.550. Extension of railroad to Fort Greely.** The corporation may
9 acquire a transportation corridor between the existing railroad corridor and Fort
10 Greely, Alaska, and construct a rail line within the corridor to provide rail service to
11 the Fort Greely area and points between. The transportation corridor may be
12 designated for a use identified under AS 42.40.350(b) and other transportation and

1 utility uses. The corporation may also acquire land along the corridor for use as rail
2 land that can be developed for terminal, station, and maintenance facilities, switching
3 yards, and any other purposes associated with the railroad utility corridor. The
4 corporation may provide financing for the acquisition, construction, improvement,
5 maintenance, equipping, and operation of the rail line and related facilities between
6 the existing railroad corridor and Fort Greely, Alaska.

7 * **Sec. 2.** AS 42.40.695 is amended to read:

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

12 * **Sec. 3.** The uncoded law of the State of Alaska is amended by adding a new section to
13 read:

14 **LEGISLATIVE AUTHORIZATION AND APPROVAL.** (a) The Alaska Railroad
15 Corporation is authorized to issue bonds under the power granted to it in AS 42.40.550, added
16 by sec. 1 of this Act, to finance the acquisition, construction, improvement, maintenance,
17 equipping, and operation of a rail line and related facilities from its existing railroad corridor
18 to Fort Greely, Alaska. The maximum principal amount of bonds that the Alaska Railroad
19 Corporation may issue under this section is \$500,000,000. The Alaska Railroad Corporation
20 may issue the bonds in a single issuance or in several issuances, without limitation as to
21 number of issuances or timing, and as the Alaska Railroad Corporation determines best
22 furthers the purpose of financing the rail line extension to Fort Greely and the related
23 facilities.

24 (b) Before issuing bonds to provide the financing described in this section, the Alaska
25 Railroad Corporation shall enter into a binding agreement with the United States government
26 that will provide sufficient revenue to

- 27 (1) pay the principal of and interest on the bonds as they become due;
28 (2) create and maintain the reserves for the bond payments that the corporation
29 considers necessary or desirable; and
30 (3) pay all costs necessary to service or additionally secure the bonds,
31 including trustee's fees and bond insurance premiums, unless those costs are to be paid by a

1 party other than the corporation.

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

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

6 RAILROAD PLANNING, PLATTING, AND LAND USE REGULATION TASK
7 FORCE. (a) There is established in the legislative branch of state government the Railroad
8 Planning, Platting, and Land Use Regulation Task Force. The task force consists of the
9 following members:

10 (1) one senator appointed by the president of the senate;

11 (2) one representative appointed by the speaker of the house of
12 representatives;

13 (3) one person representing the Alaska Railroad Corporation jointly appointed
14 by the president of the senate and the speaker of the house of representatives;

15 (4) one municipal official from each of the following municipalities appointed
16 jointly by the president of the senate and the speaker of the house of representatives:

17 (A) Fairbanks North Star Borough;

18 (B) City of Fairbanks;

19 (C) City of Nenana;

20 (D) City of Houston;

21 (E) City of North Pole;

22 (F) City of Wasilla;

23 (G) City of Palmer;

24 (H) Municipality of Anchorage;

25 (I) Denali Borough;

26 (J) Kenai Peninsula Borough;

27 (K) Matanuska-Susitna Borough;

28 (L) City of Whittier;

29 (M) City of Seward.

30 (b) The members of the task force appointed under (a)(1) and (2) of this section shall
31 serve as co-chairs of the task force. The task force shall meet as frequently as its members

1 determine necessary and may meet during sessions or during the interim. The task force may
2 meet and vote by teleconference.

3 (c) The members of the task force appointed under (a)(3) and (4) of this section are
4 not eligible for compensation or entitled to per diem and travel expenses authorized for boards
5 and commissions under AS 39.20.180.

6 (d) The task force shall consider and make recommendation to the legislature on
7 whether and to what extent municipal planning, platting, and land use regulations should
8 apply to interests in land owned by the Alaska Railroad Corporation. The task force shall
9 submit a written report of its findings and recommendations on or before the first day of the
10 First Regular Session of the Twenty-Fourth Alaska State Legislature.

11 * **Sec. 5.** Section 4 of this Act is repealed on the second day of the First Regular Session of
12 the Twenty-Fourth Alaska State Legislature.

13 * **Sec. 6.** This Act takes effect immediately under AS 01.10.070(c).