



Senator Scott Jiu Wo Kawasaki

Serving Fairbanks, Fort Wainwright & Badger Road

Senate Bill 286 – Toll road on James Dalton Highway by certain vehicles

Sponsor Statement - Version A 34-LS1577/A

The James Dalton Highway acts as the vital artery of the North Slope, supporting the key economic activities of the state. Due to harsh conditions and heavy industrial traffic, the highway demands regular and costly maintenance. This legislation introduces a dedicated toll on a two-mile segment near Deadhorse (milepost 413 to 415) to ensure that the large industrial users benefiting from these repairs help fund the maintenance of the entire highway.

The core idea of this legislation is straightforward: those who utilize the road for industrial purposes should contribute to its maintenance costs. At present, the State of Alaska is responsible for covering the entire cost of repairs resulting from heavy industrial transportation. This bill instructs the Department of Transportation & Public Facilities to establish annual toll rates that roughly match the actual maintenance expenses directly attributable to the oil and gas industry.

This legislation is specifically designed to ensure that financial responsibility is borne by producers rather than individual truck drivers or small logistics companies. Although vehicle operators might pay the toll during their passage, the bill mandates oil and gas developers to reimburse these operators within 30 days. To safeguard the interests of our local trucking sector, the bill allows operators to pursue full attorney fees and costs in Superior Court if a developer does not reimburse. Recognizing the critical role of our state's energy infrastructure, vehicles transporting goods for the Alyeska Pipeline Service Company are exempt. Additionally, the public, tourists, and non-industrial users will not be billed.

All revenue from these tolls will be separately tracked and may be allocated by the Legislature specifically for repairing and maintaining the Dalton Highway. This guarantees that the funds generated on the North Slope remain there, enhancing safety and reliability for all drivers on the Haul Road.

Implementing a specialized toll for industrial users near Deadhorse will help lessen pressure on the general fund and keep the vital industrial corridor in optimal condition. This bill establishes a sustainable, fair, and transparent funding system for the Dalton Highway, safeguarding Alaska's workforce.