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HB 332: Sale of Alaska Railroad Sponsor Statement

This legislation represents a critical turning point for our state, unlocking economic potential while ensuring protections for the interests of Alaskans. For years, the Alaska Railroad has served our communities, but it has not reached its full potential. Operating under state ownership, the railroad has faced limitations in terms of investment, innovation, and strategic expansion. This bill initiates a careful, responsible process to transfer the Alaska Railroad to a private buyer committed to the railroad's success.

This legislation protects Alaska's interests in several ways. The potential buyer must agree to operate the railroad for at least 50 years and assume existing contracts, providing continuity for our communities and businesses. The purchase price must exceed the fair market value or the state's total investment in the railroad, ensuring taxpayers receive a fair return. The legislature retains the ultimate authority to approve or reject a sale agreement, safeguarding public interest. By establishing a resource development agreement, this bill positions the Alaska Railroad to be a key catalyst for unlocking responsible, sustainable expansion of our state's vast resources.

Additionally, this process will streamline governance and inject much-needed private sector expertise into the railroad's operations. The bill recognizes the potential for modernization, expansion, and the creation of new Alaskan jobs through this strategic sale. I recognize that any change in the Alaska Railroad's status raises questions and concerns. This bill addresses those with care, through a transparent process focused on obtaining the best long-term outcome for our state. I urge my colleagues to join me in voting in favor of this legislation, allowing us to write the next successful chapter in the Alaska Railroad's history.