

Alaska State Legislature

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Senate Bill 191 (v. A)

Sponsor Statement

Transfer of Specified Alaska Railroad Lands to the City of Whittier

Whittier's ability to grow is currently constrained by Alaska Railroad Corporation (ARRC) ownership of 85% of developable land in the city's downtown, waterfront, and aviation areas. While the city's year-round population is less than 300, it grows to thousands during the summer tourism season, placing added pressure on limited housing, public safety infrastructure, and harbor facilities. The City's comprehensive plan identifies these parcels as critical to meeting long-term community growth.

Both the City of Whittier and the ARRC agree that fee-simple ownership—not leasehold—is necessary for responsible and permanent development. The Whittier City Council unanimously adopted Resolution 2024-028 directing the City Manager to pursue a land exchange, and the ARRC Board has identified approximately 85 acres as non-essential to rail operations. In return, the City of Whittier will transfer land it controls that supports future railroad needs. The ARRC will retain trackage and freight facilities adjacent to the parcels being conveyed.

This exchange has broad significance for economic development. The parcels identified by the City support expanded harbor operations, seasonal workforce housing, and general aviation services—all of which position Whittier as a growing multimodal hub in Southcentral Alaska. These developments are essential to strengthening year-round economic activity and maritime logistics capacity.

The project also aligns with state and federal investment priorities. By facilitating this exchange, the Legislature enables progress on initiatives that dovetail with Alaska Department of Transportation, U.S. Department of Transportation, and MARAD infrastructure strategies—particularly in the areas of coastal community resilience, transportation redundancy, and port modernization.

The proposal has demonstrated local and regional support. In addition to the Whittier City Council's resolution, regional organizations have expressed interest in the project's potential, and state entities recognize its consistency with broader development goals.

Under AS 42.40.285, the ARRC cannot sell, exchange, or otherwise convey its full interest in land without legislative approval. SB 191 provides the required legislative authorization, allowing this mutually agreed upon exchange to move forward at fair-market value and unlock high-priority municipal projects in Whittier.