

# Alaska Railroad Corporation



## MEMORANDUM

Date: December 31, 2009  
Anchorage, Alaska

To: Deven Mitchell  
State of Alaska  
Department of Revenue  
Staff to State Bond Committee  
Division of Treasury

From: Wendy Richerson, Controller

Subject: Public Debt Book

As requested the following is the Alaska Railroad Corporation's debt as of June 30, 2009.

State and State Agency Debt by Type at 6/30/09						
\$(millions)						
<b>State Agency Debt</b>						
		Principal		Interest to		Total Debt Service
		Outstanding		Maturity		to Maturity
	Alaska Railroad	\$ 196	\$	64	\$	260

### E. Alaska Railroad Corporation

Legislation signed into law during 1984 established the Alaska Railroad Corporation as a public corporation of the State to manage the Alaska Railroad upon its acquisition from the Federal Government until its possible transfer to private ownership. The corporation has the power to issue bonds if such issuance is approved by law. Bonds issued by the corporation would not bear the full faith and credit of the State. The Railroad is not authorized to issue State moral obligation bonds.

By Chapter 77, SLA 1994, the Alaska Railroad is authorized to issue revenue bonds in the principal amount of \$55 million for the construction and acquisition of the Alaska Discovery Center for the Ship Creek Project in Anchorage. To date, no bonds have been issued.

Chapter 71, SLA 2003 authorized Alaska Railroad to issue up to \$17 billion in revenue bonds to finance the construction of a natural gas pipeline and related facilities, subject to an agreement with a third party to pay the debt service and other costs of the bonds. To date, no bonds have been issued.

Chapter 46, SLA 2004 authorized the Alaska Railroad to issue up to \$500 million in revenue bonds, subject to an agreement with a third party to pay the debt service and other related bond costs, to finance the cost of extending its rail line to Fort Greely, Alaska. To date, no bonds have been issued.

Chapter 28, SLA 2006 authorized the Alaska Railroad to issue up to \$165 million in revenue bonds to finance rail transportation projects that qualify for federal financial participation and associated costs. On August 22, 2006, the Alaska Railroad issued \$76.4 million in revenue bonds. On August 29, 2007, the Alaska Railroad issued the remaining \$88.6 million in revenue bonds.

Chapter 65, SLA 2007 authorized the Alaska Railroad to issue up to \$2.9 billion in revenue bonds to finance all or a portion of the Kenai gasification project and Port MacKenzie rail spur project, subject to an agreement with a third party to pay the debt service and other costs of the bonds. To date, no bonds have been issued.

If you have any questions, please contact me at 907-265-2513.