

HOUSE BILL NO. 244

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES JAMES, Dyson, Harris, Wilson, Scalzi, Hayes, Foster

Introduced: 4/11/01

Referred: Transportation, Resources

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to a grant of state land to the Denali Borough for a railroad and utility**
2 **corridor and a railroad development project; repealing provisions relating to a grant of**
3 **a right-of-way of land for a railroad and utility corridor to the Alaska Industrial**
4 **Development and Export Authority; and providing for an effective date."**

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

6 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
7 to read:

8 GRANT FOR RAILROAD AND UTILITY CORRIDOR. (a) The Department of
9 Natural Resources shall grant to the Denali Borough the land described under (b) of this
10 section for the purpose of supporting economic development in the borough by enabling
11 Kantishna Holdings, Inc., and its successors and assigns in interest, to provide for a utility
12 corridor and for the design, construction, development, operation, and maintenance of a
13 railroad and facilities to support that development project. The grant to the borough may not
14 impair current valid property rights in the land granted under this section.

1 (b) By September 1, 2001, the Department of Natural Resources shall transfer to the
2 Denali Borough the following state land:

3 (1) Township 12 South, Range 7 West, Fairbanks Meridian

4 Section 6: S1/2

5 Section 7;

6 (2) Township 12 South, Range 8 West, Fairbanks Meridian

7 Section 1: S1/2

8 Section 2: E1/2 of S1/2

9 Section 7: S1/2

10 Section 13: W1/2

11 Sections 11, 12, and 14 - 23, inclusive;

12 (3) Township 12 South, Range 9 West, Fairbanks Meridian

13 Sections 7 - 24, inclusive;

14 (4) Township 12 South, Range 10 West, Fairbanks Meridian

15 Sections 9 - 24 and 28 - 30, inclusive;

16 (5) Township 12 South, Range 11 West, Fairbanks Meridian

17 Sections 13 - 14, inclusive;

18 Section 15: S1/2

19 Sections 19 - 35, inclusive.

20 (c) The Denali Borough, in consultation with Kantishna Holdings, Inc., shall identify
21 and survey a railroad and utility corridor not more than 300 feet in width that runs from near
22 the community of Healy to the eastern boundary of Denali National Park and Preserve
23 through the land granted under this section. The borough, in consultation with Kantishna
24 Holdings, Inc., shall also select and survey ancillary land necessary to support the
25 development and operation of a railroad and facilities to support economic development in
26 conjunction with the railroad development project. By September 1, 2006, the borough shall
27 transfer land granted under this section that is not needed for the corridor or the railroad
28 development project back to the state. The borough may retain not more than 3,500 acres of
29 the land granted to the borough under this section.

30 * **Sec. 2.** Sections 24(c) and 25, ch. 109, SLA 1998, are repealed.

31 * **Sec. 3.** This Act takes effect July 1, 2001.