

**ALASKA STATE LEGISLATURE**  
**HOUSE TRANSPORTATION STANDING COMMITTEE**

April 18, 2019

1:03 p.m.

**MEMBERS PRESENT**

Representative Adam Wool, Co-Chair  
Representative Harriet Drummond  
Representative Andi Story  
Representative Dave Talerico

**MEMBERS ABSENT**

Representative Louise Stutes, Co-Chair  
Representative Matt Claman  
Representative Sara Rasmussen

**OTHER LEGISLATORS PRESENT**

Representative Sara Hannan

**COMMITTEE CALENDAR**

HOUSE BILL NO. 123

"An Act relating to electric-assisted bicycles."

- MOVED HB 123 OUT OF COMMITTEE

SENATE BILL NO. 54

"An Act approving the transfer of certain Alaska Railroad Corporation land; and providing for an effective date."

- HEARD & HELD

HOUSE JOINT RESOLUTION NO. 14

Urging the Alaska Congressional delegation to pursue infrastructure funding for a deep draft Arctic port in Nome; requesting the Department of Transportation and Public Facilities to send a letter from the state to the Alaska Congressional delegation supporting a deep draft Arctic port in Nome; and requesting the Department of Transportation and Public Facilities to work collaboratively with the City of Nome on a deep draft Arctic port in Nome.

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 123

SHORT TITLE: ELECTRIC-ASSISTED BICYCLES

SPONSOR(s): REPRESENTATIVE(s) WOOL

04/05/19 (H) READ THE FIRST TIME - REFERRALS  
04/05/19 (H) TRA, JUD  
04/16/19 (H) TRA AT 1:00 PM BARNES 124  
04/16/19 (H) Heard & Held  
04/16/19 (H) MINUTE(TRA)  
04/18/19 (H) TRA AT 1:00 PM BARNES 124

BILL: SB 54

SHORT TITLE: ALASKA RAILROAD CORP. LAND TRANSFERS

SPONSOR(s): SENATOR(s) COGHILL

02/13/19 (S) READ THE FIRST TIME - REFERRALS  
02/13/19 (S) TRA, FIN  
03/12/19 (S) TRA AT 1:30 PM BUTROVICH 205  
03/12/19 (S) Heard & Held  
03/12/19 (S) MINUTE(TRA)  
03/14/19 (S) TRA AT 1:30 PM BUTROVICH 205  
03/14/19 (S) Moved SB 54 Out of Committee  
03/14/19 (S) MINUTE(TRA)  
03/15/19 (S) TRA RPT 4DP  
03/15/19 (S) DP: HUGHES, WILSON, SHOWER, KIEHL  
03/20/19 (S) FIN AT 9:00 AM SENATE FINANCE 532  
03/20/19 (S) Heard & Held  
03/20/19 (S) MINUTE(FIN)  
03/28/19 (S) FIN AT 9:00 AM SENATE FINANCE 532  
03/28/19 (S) Moved SB 54 Out of Committee  
03/28/19 (S) MINUTE(FIN)  
03/29/19 (S) FIN RPT 4DP 5NR  
03/29/19 (S) DP: VON IMHOF, MICCICHE, HOFFMAN,  
BISHOP  
03/29/19 (S) NR: STEDMAN, SHOWER, WIELECHOWSKI,  
OLSON, WILSON  
04/05/19 (S) TRANSMITTED TO (H)  
04/05/19 (S) VERSION: SB 54  
04/08/19 (H) READ THE FIRST TIME - REFERRALS  
04/08/19 (H) TRA  
04/18/19 (H) TRA AT 1:00 PM BARNES 124

BILL: HJR 14

SHORT TITLE: URGING SUPPORT FOR NOME DEEP-DRAFT PORT

SPONSOR(s): REPRESENTATIVE(s) FOSTER

03/25/19 (H) READ THE FIRST TIME - REFERRALS  
03/25/19 (H) TRA  
04/18/19 (H) TRA AT 1:00 PM BARNES 124

**WITNESS REGISTER**

TRAVIS SWANGEL  
Dutch Harbor, Alaska

**POSITION STATEMENT:** Testified in support of HB 123.

MARLA THOMPSON, Director  
Division of Motor Vehicles (DMV)  
Department of Administration  
Anchorage, Alaska

**POSITION STATEMENT:** Answered the committee's questions about HB 123.

RYNNIEVA MOSS, Staff  
Senator John Coghill  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented SB 54 on behalf of Senator Coghill, prime sponsor.

REPRESENTATIVE NEAL FOSTER  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** As prime sponsor, presented HJR 14.

RICHARD BENEVILLE, Mayor  
City of Nome  
Nome, Alaska

**POSITION STATEMENT:** Provided a PowerPoint presentation in support of the passage of HJR 14.

JOY BAKER, Port Director  
Port of Nome  
Nome, Alaska

**POSITION STATEMENT:** Provided information regarding the Port of Nome during the hearing on HJR 14.

**ACTION NARRATIVE**

[1:03:47 PM](#)

**CO-CHAIR ADAM WOOL** called the House Transportation Standing Committee meeting to order at 1:03 p.m. Representatives Drummond, Talerico, Story, and Wool were present at the call to order. Representative Hannon was also present.

**HB 123-ELECTRIC-ASSISTED BICYCLES**

[1:04:24 PM](#)

CO-CHAIR WOOL announced that the first order of business would be HOUSE BILL NO. 123, "An Act relating to electric-assisted bicycles."

CO-CHAIR WOOL handed the gavel to Representative Drummond.

[1:04:32 PM](#)

The committee took a brief at-ease at 1:04 p.m.

[1:04:52 PM](#)

REPRESENTATIVE DRUMMOND noted this was the committee's second hearing on HB 123.

[1:05:44 PM](#)

REPRESENTATIVE DRUMMOND opened public testimony on HB 123.

[1:06:05 PM](#)

TRAVIS SWANGEL testified in support of HB 123. He encouraged Alaska to adopt the federal regulations for electric-assisted bicycles ("e-bikes"). He predicted an increase in e-bike use. He encouraged those who have not done so already to try riding one. Mr. Swangel said that they are similar to regular bicycles, except that there is an assist to pedaling.

[1:08:11 PM](#)

REPRESENTATIVE STORY inquired how the Division of Motor Vehicles would let the public know about HB 123 should it pass.

[1:08:34 PM](#)

MARLA THOMPSON, Director, Division of Motor Vehicles (DMV), Department of Administration, answered that the DMV would update its media and online information. In response to a follow-up

question from Representative Story, she said the DMV attempts to advocate the use of helmets; it shows videos in the waiting area of its offices that include promotion of helmet use.

[1:09:57 PM](#)

CO-CHAIR WOOL asked Ms. Thompson what the current law in Alaska is with regard to helmet use when operating a motorcycle.

MS. THOMPSON stated that she did not have the information in front of her. Notwithstanding that, she related that those 18 and older [operating] a motorcycle are not required by Alaska law to wear a helmet.

[1:10:48 PM](#)

REPRESENTATIVE DRUMMOND offered her understanding that those under 18 and passengers on motorcycles must wear helmets.

MS. THOMPSON responded yes.

REPRESENTATIVE DRUMMOND inquired whether those helmet laws were under DMV or the Department of Public Safety.

MS. THOMPSON said she would find out and get back to the committee with an answer.

[1:11:43 PM](#)

REPRESENTATIVE DRUMMOND, after ascertaining that there was no one else who wished to testify, closed public testimony on HB 123.

[1:11:52 PM](#)

REPRESENTATIVE TALERICO expressed his support for HB 123, which he summarized would provide the same definition to e-bikes as nonmotor-assisted bicycles. He noted that the bill sponsor had included a provision that "municipalities also have the ability to provide separate ordinances if they so choose."

[1:12:21 PM](#)

CO-CHAIR WOOL confirmed Representative Talerico was correct on both those points.

[1:12:36 PM](#)

REPRESENTATIVE STORY moved to report HB 123 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HB 123 was reported out of the House Transportation Standing Committee.

[1:12:55 PM](#)

The committee took an at-ease from 1:12 p.m. to 1:14 p.m. [During the at-ease, Representative Drummond handed the gavel back to Co-Chair Wool.]

**SB 54-ALASKA RAILROAD CORP. LAND TRANSFERS**

[1:14:00 PM](#)

CO-CHAIR WOOL announced that the next order of business would be SENATE BILL NO. 54, "An Act approving the transfer of certain Alaska Railroad Corporation land; and providing for an effective date."

[1:14:23 PM](#)

RYNNIEVA MOSS, Staff, Senator John Coghill, Alaska State Legislature, presented SB 54 on behalf of Senator Coghill, prime sponsor. She explained that Senate Bill 86 passed the Senate in 2018; it gave the Alaska Railroad Corporation permission to manage its property and sell it. The bill died in the House Labor and Commerce Standing Committee, but both the Senate Finance Committee and House Finance Committee felt it was important "to get land into private hands" and "encourage economic development." She said language adding five specific projects was added to House Bill 119 [passed during the Thirtieth Alaska State Legislature], which dealt with public corporations. Ms. Moss said one of the land sales was at Otto Lake. She offered her impression was that the Alaska Railroad Corporation wanted a description of the land they were leasing.

MS. MOSS directed attention to a map [included in the committee packet], which shows the parcel at Otto Lake, outlined in yellow. She stated, "Their intention was to sell the whole parcel, but the description I used was only for the portion that had been leased in a long-term lease." She explained that as a result, [the buyer] was deeded 29.52 acres, when they should have been deeded 47.24 acres. She said SB 54 would deed the remaining 17.72 acres of land, which was appraised at \$250,000 and bought for \$400,000. She explained that the legislature has

already approved the sale but needs to "get the description right."

[1:16:33 PM](#)

CO-CHAIR WOOL asked if the issue had occurred because of miscommunication between the Alaska Railroad Corporation and...

MS. MOSS interjected, "And me."

CO-CHAIR WOOL asked, "Have they sold the entirety of it yet?"

MS. MOSS answered yes. She added, "The company has paid in full for the entire 47.24 acres."

CO-CHAIR WOOL concluded that the intent is to "change the bill so that what they did was in accordance with statute, basically."

MS. MOSS said, "We're correcting the description of the property to be sold."

CO-CHAIR WOOL commented that it seems pretty simple.

[1:17:32 PM](#)

CO-CHAIR WOOL announced that SB 54 was held over.

**HJR 14-URGING SUPPORT FOR NOME DEEP-DRAFT PORT**

[1:18:09 PM](#)

CO-CHAIR WOOL announced that the final order of business would be HOUSE JOINT RESOLUTION NO. 14, Urging the Alaska Congressional delegation to pursue infrastructure funding for a deep draft Arctic port in Nome; requesting the Department of Transportation and Public Facilities to send a letter from the state to the Alaska Congressional delegation supporting a deep draft Arctic port in Nome; and requesting the Department of Transportation and Public Facilities to work collaboratively with the City of Nome on a deep draft Arctic port in Nome.

[1:18:50 PM](#)

REPRESENTATIVE NEAL FOSTER, Alaska State Legislature, as prime sponsor, presented HJR 14. He stated that the U.S. Army Corps of Engineers began an evaluation of 13 potential sites for a

deep draft Arctic access port in 2012, and in 2015, it selected the Port of Nome as the preferred site. The proposed joint resolution asks for three things: for the legislature to urge the congressional delegation to pursue infrastructure funding "to extend the ports"; that the Department of Transportation & Public Facilities (DOT&PF) send a letter to the congressional delegation in support of a deep draft Arctic port in Nome; and that DOT&PF work collaboratively with the City of Nome to provide technical support.

REPRESENTATIVE FOSTER clarified that HJR 14 does not ask for funding from the State of Alaska; the joint resolution has a zero fiscal note. He said the project has been underway for some time, and "thanks to previous funding from the state, it is ready to complete final feasibility and design." He said passage of HJR 14 would express the legislature's and DOT&PF's support for "this critical maritime transportation project." He deferred to the mayor of Nome, Alaska, for more information.

[1:20:49 PM](#)

The committee took an at-ease from 1:21 p.m. to 1:22 p.m.

[1:22:45 PM](#)

RICHARD BENEVILLE, Mayor, City of Nome, provided a PowerPoint presentation in support of HJR 14. He said his time in Norway, Greenland, and Iceland showed him that those countries and others are not looking to the future but are living in it. He said the U.S. is "trying to catch up." He said many people do not even realize that the U.S. is an Arctic nation. As shown on the first few slides of the PowerPoint, he related that out of the 13 communities considered, Nome rose to the top for a number of reasons, including existing infrastructure, intermodal connections, upland support, water depth, and navigation accessibility. He said the City of Nome is just under 100 miles from the Bering Strait; it has 350 miles of roads; it has a level four trauma hospital; and it has an airport, with five different freight companies that fly into it. He said the move to increase the size of the port should be continued, because "outside of Dutch Harbor, we're it." He mentioned ships that visit the Port of Nome.

[1:25:41 PM](#)

MR. BENEVILLE pointed to the map on slide 5, which impresses upon the viewer the current maritime activity in the Arctic by a

variety of vessels, including cruise ships, cargo, and military. He emphasized that there are only two means by which to navigate by water from the Atlantic Ocean to the Pacific Ocean: the Panama Canal and the Bering Strait. He said the focus is on the far north, and "we need to catch up." He mentioned a visit last summer with U.S. Senator Dan Sullivan, Secretary of the U.S. Navy [Richard Vaughn] Spencer, and the new Commandant of the U.S. Coast Guard (USCG) [Karl L. Schultz], and he said all agreed on the need to "get a lot of these processes - that are happening offshore - on shore." He talked about the Polar Code, which mandates that ships not take galley waste and heavy fuels into the Arctic, and he said that "that is something that we are looking forward to being able to assist with."

[1:27:34 PM](#)

CO-CHAIR WOOL asked how long Mr. Beneville has been the mayor of Nome.

MR. BENEVILLE answered he is in the middle of his second term, and he will run another term. In response to another question, he showed the photo of a cruise ship backed into port, shown on slide 6. He anticipated that the Port of Nome would be altered by moving the breakwater over approximately 3,000 feet and building three finger piers to accommodate the variety of vessels. To a question about [slide 5], he talked about the various color-coded vessels on the aforementioned map, and how crossing the northern route is a cost-saving measure for shipping companies. He said the melting of ice, which allows the shipping, is happening three times faster than anyone had expected. He indicated that permafrost is melting, as well.

[1:30:46 PM](#)

REPRESENTATIVE DRUMMOND relayed that she represents midtown Anchorage and that the Port of Anchorage requires regular dredging to be functional. She inquired how often the Port of Nome would require dredging.

MR. BENEVILLE answered annually. He said the continental shelf "is just out there," so by extending the causeway another 3,500 feet means "getting closer and closer to deep port." He said, "So, it'll all be dredged out to 36 feet." He named several other places in Alaska where the coastal waters are "very shallow." He said Port Clarence is not shallow, but it does not have the necessary infrastructure. He said eventually there will be a series of infrastructures going north, "because the

traffic is going to demand it." He talked about discoveries that need to be made in the Arctic. In response to Representative Drummond, he talked about a vessel that comes from Seward to Nome. In response to a query from Representative Drummond regarding the handling of waste, he said there are several different types of waste, including gray water, galley waste, and mechanical waste. There will need to be new infrastructure to accommodate the waste, including an incinerator and expansion of an existing gray water treatment facility. He said [the Alaska Chamber] has long been a proponent of diversification of economy, and he said a deep water port in Nome will do just that. He mentioned the idea of "waste that becomes something else" [rather than being stored in landfill].

[1:36:52 PM](#)

MR. BENEVILLE relayed his upbringing during the Cold War and said that "we can't forget the past." He said that "we've got good relationships with Russia," but impressed upon the committee the strategic importance of Alaska's expansive coastline. He said there is presently only one ice breaker vessel, but indicated that may change with the help of U.S. Senator Sullivan and U.S. Senator Lisa Murkowski. He mentioned strategy in relation to protecting subsistence and fisheries. He stated, "Huge challenge; big opportunities." He spoke of other countries coming into Arctic waterways and the need for money to spend to develop the infrastructure "to be able to handle them." He recalled a time when the City of Nome ran out of fuel one winter and the effort that was involved in bringing up fuel from Dutch Harbor. He mentioned "a cold pocket" in the water below St. Lawrence Island that maintained a fish population but is now gone. He related that the National Oceanic and Atmospheric Administration (NOAA) is checking its numbers; he indicated that [changing water temperatures] result in change of fish populations. He spoke about the adaptability of the Native populations in the vicinity of Nome and how "what we're doing" affects them.

[1:40:44 PM](#)

REPRESENTATIVE STORY asked about community discussions that may have taken place.

[1:40:56 PM](#)

MR. BENEVILLE responded that "the discussions have been many" and varied, including Native women's rights, assault, housing, and labor needs. He stated, "The effect has been much broader than just the port." He offered his understanding that "by and large," the people of Nome support [a deep draft Arctic port]. He said someone, whose opinion he trusts, opined that the deep draft Arctic port should be in Nome rather than west of Nome, because the coastal area at Nome had already been affected. To that point, he noted that 40 years ago, 30-40 ships called on Nome, while in 2018, 760 were in port. He said that affects the environment.

[1:44:33 PM](#)

REPRESENTATIVE TALERICO noted there is a large deposit of graphite near Nome; therefore, he assumes the potential is there to develop it. He asked if there are other like interests near Nome.

MR. BENEVILLE stated that Nome has access to gold, although not to the extent it has in the past. He confirmed there is a source of graphite inland, which poses concern about routes going through subsistence land to get it to market. He said there has been much work and discussion on the issue, but he thinks [the graphite] would go through the Port of Nome.

[1:46:31 PM](#)

MR. BENEVILLE, to the remaining slides of the presentation, mentioned the USCG cutter, service vehicles, tender buoys, the "lay down areas" being developed, and a diagram of the extension of the causeway. He talked about the port's role in exporting goods. In response to Co-Chair Wool, he said overall, the port has been open for longer periods of the year [because of climate change]. He said the ice is still there, but it is thinner and the water beneath it is warmer.

[1:48:42 PM](#)

JOY BAKER, Port Director, Port of Nome, stated the following:

The ocean went to ice-free in February this year, and the ice between the breakwater broke on ... Monday, fifteenth of April, which is extremely early. And we did not get ice that formed to any significance until ... mid-January of this year. ... The old period of

freezing in November and thawing in late May/early June - we haven't seen that in a number of years.

[1:49:23 PM](#)

MR. BENEVILLE stated that the USCG asserted that the Port of Nome is icebound from October 1 to June 1. He posited that the port is actually icebound from mid-December to the end of April or mid-May. He drew attention to a bullet point on slide 12, which read: "To provide suitable maritime infrastructure for Arctic tour ships - attracting more ships to the state." He said "we" considered "what-if" scenarios with the USCG.

[1:50:15 PM](#)

REPRESENTATIVE STORY sought to clarify that the plan before the committee has been approved to go forward, and that there have been several community discussions about it and there would be more going forward.

[1:50:40 PM](#)

MR. BENEVILLE indicated there has been discussion and will be more. He then remarked on the inevitability of change.

[1:51:15 PM](#)

REPRESENTATIVE FOSTER, in response to Co-Chair Wool, reviewed the three previously stated points in HJR 14 and reiterated that the proposed joint resolution was accompanied by a zero fiscal note.

[1:52:22 PM](#)

CO-CHAIR WOOL expressed appreciation for the presentation.

[1:52:44 PM](#)

REPRESENTATIVE STORY said the project is exciting and she appreciated hearing from the mayor about it.

[HJR 14 was held over.]

[1:53:27 PM](#)

**ADJOURNMENT**

There being no further business before the committee, the House Transportation Standing Committee meeting was adjourned at 1:53 p.m.