

**ALASKA STATE LEGISLATURE  
HOUSE TRANSPORTATION STANDING COMMITTEE**

April 25, 2019

1:08 p.m.

**MEMBERS PRESENT**

Representative Louise Stutes, Co-Chair  
Representative Adam Wool, Co-Chair  
Representative Matt Claman  
Representative Andi Story  
Representative Dave Talerico  
Representative Sara Rasmussen

**MEMBERS ABSENT**

Representative Harriet Drummond

**COMMITTEE CALENDAR**

CS FOR SENATE JOINT RESOLUTION NO. 11(TRA)

Urging the United States to issue a Presidential permit authorizing a railroad crossing of the Alaska-Canada border from state land into Yukon, Canada; and supporting cooperation between the United States and Canada to establish a public-private partnership for construction of a railroad from Alberta, Canada, to the state that would connect the Alaska Railroad to the North American railroad system.

- MOVED CSSJR 11(TRA) OUT OF COMMITTEE

**PREVIOUS COMMITTEE ACTION**

BILL: SJR 11

SHORT TITLE: U.S.-CANADA RAILROAD PRESIDENTIAL PERMIT

SPONSOR(s): TRANSPORTATION

04/05/19	(S)	READ THE FIRST TIME - REFERRALS
04/05/19	(S)	TRA
04/09/19	(S)	TRA AT 1:30 PM BUTROVICH 205
04/09/19	(S)	Moved CSSJR 11(TRA) Out of Committee
04/09/19	(S)	MINUTE(TRA)
04/10/19	(S)	TRA RPT CS 3DP 1NR NEW TITLE
04/10/19	(S)	DP: HUGHES, SHOWER, KIEHL
04/10/19	(S)	NR: WILSON
04/15/19	(S)	TRANSMITTED TO (H)
04/15/19	(S)	VERSION: CSSJR 11(TRA)

04/16/19 (H) READ THE FIRST TIME - REFERRALS  
04/16/19 (H) TRA  
04/23/19 (H) TRA AT 1:00 PM BARNES 124  
04/23/19 (H) Heard & Held  
04/23/19 (H) MINUTE (TRA)  
04/25/19 (H) TRA AT 1:00 PM BARNES 124

#### **WITNESS REGISTER**

SENATOR SHELLEY HUGHES  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** As prime sponsor, offered brief remarks on CSSJR 11(TRA).

MEAD TREADWELL, Principal  
Treadwell Development  
Seattle, Washington

**POSITION STATEMENT:** Testified in support of CSSJR 11(TRA).

#### **ACTION NARRATIVE**

[1:08:18 PM](#)

**CO-CHAIR ADAM WOOL** called the House Transportation Standing Committee meeting to order at 1:08 p.m. Representatives Claman, Talerico, Story, and Wool were present at the call to order. Representatives Rasmussen and Stutes arrived as the meeting was in progress.

#### **SJR 11-U.S.-CANADA RAILROAD PRESIDENTIAL PERMIT**

[1:08:40 PM](#)

CO-CHAIR WOOL announced that the only order of business would be CS FOR SENATE JOINT RESOLUTION NO. 11(TRA), Urging the United States to issue a Presidential permit authorizing a railroad crossing of the Alaska-Canada border from state land into Yukon, Canada; and supporting cooperation between the United States and Canada to establish a public-private partnership for construction of a railroad from Alberta, Canada, to the state that would connect the Alaska Railroad to the North American railroad system.

[1:09:29 PM](#)

SENATOR SHELLEY HUGHES, Alaska State Legislature, as prime sponsor of CSSJR 11(TRA), relayed her appreciation for the committee's enthusiasm and appreciation for the project.

1:10:43 PM

CO-CHAIR WOOL opened public testimony on CSSJR 11(TRA).

1:10:54 PM

MEAD TREADWELL, Principal, Treadwell Development, reviewed that CSSJR 11(TRA) would request a presidential [permit], which is required for any infrastructure that crosses the boarder from the U.S. and its neighboring countries. He talked about a pipeline project to cross the border between Canada and the U.S. taking a long time to get resolved, and the President recently signing an executive order that "brought that power back to the White House. He said one of the questions that global investors ask is what is going on with the presidential permit. Regarding the permit process, he said his client, the Alberta to Alaska Railway ("A to A"), "has decided to put this one up front," and he said he thinks the United States Department of State ("the State Department") will accept an application in the next few weeks "after they publish their guidance." He mentioned an anticipated process of about 60 days and then a recommendation following that in about 40 days.

MR. TREADWELL reviewed the route of the proposed rail into Alaska. He said the idea of tying a railroad in to the Lower 48 has been discussed many times in the last 100 years. He said the plan to bring the rail line into Alaska would bring the North American rail to the closest point in Asia via Cook Inlet ports. It would come through Fairbanks, and it would be "a dramatic boost to the economy." He said following a presidential permit, this would be an extensive process involving the Alaska Railroad Corporation and the Department of Natural Resources (DNR) under "the 460 process," which the legislature set up in the early 2000s. He said there would be an extensive process for the Surface Transportation Board, which will bring all corporate, federal, state agency, and tribal entities together to consider the right of way in Alaska, as well as a process with the Canadian Transportation Agency to get right of way for almost 1,500 miles. Once that is done, he said A to A is hopeful that the project can be financed for approximately \$17 billion and sees revenue possibilities to cover that financing.

[1:15:06 PM](#)

CO-CHAIR WOOL related to Mr. Treadwell that at the committee's last hearing on CSSJR 11(TRA), there was a lot of interest in the idea. He noted that committee member Representative Talerico is sponsoring another piece of legislation to try to get a rail built from Fairbanks to Delta. He suggested perhaps the A to A project might come to North Pole directly. He asked Mr. Treadwell to confirm that the A to A project would be privately funded.

MR. TREADWELL confirmed that is correct. He said he had spoken with Representative Talerico's staff. He said he was lieutenant governor at the time the first part of the Northern Rail extension had been completed, including the Tanana River bridge. He mentioned the groundwork for the A to A project, and he said whether the extension between North Pole and Delta Junction happens before the A to A project begins, "we're committed with the Alaska Railroad to roll that up into the financing of the overall project."

CO-CHAIR WOOL inquired which issues may need to be addressed in the construction of the railroad.

MR. TREADWELL answered that there is no concern about relations between Canada and the U.S. He pointed out that the White Pass Yukon Railway has operated for about 100 years, and it crosses the border. He said specific right of way issues, including talking with landowners, "are likely to come later."

MR. TREADWELL, in response to a question from Co-Chair Wool, said the route ties in with the Canadian National Railroad and the Canadian Pacific Railroad, as well as accessing oil fields at Fort McMurray. He said there are at least two spots that tie in the rail to the Lower 48.

[1:19:49 PM](#)

CO-CHAIR STUTES relayed her hope that this project would be expanded to passenger travel.

CO-CHAIR WOOL responded, "I can't see why they wouldn't."

[1:20:06 PM](#)

CO-CHAIR STUTES moved to report CSSJR 11(TRA) out of committee with individual recommendations and the accompanying zero fiscal note.

[1:20:21 PM](#)

REPRESENTATIVE RASMUSSEN objected.

[1:20:28 PM](#)

The committee took a brief at-ease at 1:20 p.m.

[1:20:36 PM](#)

CO-CHAIR WOOL closed public testimony on CSSJR 11(TRA). He asked Co-Chair Stutes to restate the motion.

[1:20:45 PM](#)

CO-CHAIR STUTES moved to report CSSJR 11(TRA) out of committee with individual recommendations and the accompanying zero fiscal note. There being no objection, CSSJR 11(TRA) was reported out of the House Transportation Standing Committee.

[1:21:06 PM](#)

#### **ADJOURNMENT**

There being no further business before the committee, the House Transportation Standing Committee meeting was adjourned at 1:21 p.m.