

ALASKA STATE LEGISLATURE
SENATE TRANSPORTATION STANDING COMMITTEE

April 9, 2019

1:31 p.m.

MEMBERS PRESENT

Senator Shelley Hughes, Chair
Senator Mike Shower, Vice Chair
Senator David Wilson
Senator Jesse Kiehl

MEMBERS ABSENT

Senator Peter Micciche

COMMITTEE CALENDAR

SENATE JOINT RESOLUTION NO. 11

Urging the United States Secretary of State 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

WITNESS REGISTER

AIMEE BUSHNELL, Staff
Senator Shelley Hughes
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Introduced SJR 11 on behalf of the Senate Transportation Standing Committee.

TIM SULLIVAN, Director of External Affairs
Alaska Railroad Corporation
Anchorage, Alaska

POSITION STATEMENT: Answered questions related to SJR 11.

MEAD TREADWELL, President
Treadwell Development; and
Consultant, Alberta to Alaska Railway
Anchorage, Alaska

POSITION STATEMENT: Stated support for and suggested an amendment to SJR 11.

ACTION NARRATIVE

[1:31:04 PM](#)

CHAIR SHELLEY HUGHES called the Senate Transportation Standing Committee meeting to order at 1:31 p.m. Present at the call to order were Senators Kiehl, Shower, Wilson, and Chair Hughes.

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

[1:31:30 PM](#)

CHAIR HUGHES announced the consideration of SENATE JOINT RESOLUTION NO. 11, Urging the United States Secretary of State 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.

She stated her intention to hear the bill, take public testimony, and report it from committee if it was the will of the committee. She noted that this committee is the sponsor of the resolution. She asked the committee aide to introduce the resolution.

[1:31:56 PM](#)

AIMEE BUSHNELL, Staff, Senator Shelley Hughes, Alaska State Legislature, Juneau, introduced SJR 11 speaking to the following sponsor statement:

Presidential Permits are issued by the United States Secretary of State for international crossings of any kind. Whether cross-border liquid pipelines for water and petroleum products or cross-border infrastructure, such as land-border crossings, bridges, tunnels, conveyor belts, tramways, and railroads, they are a standard part of a project development process as a determination of national interest including but not limited to: foreign policy; energy and border security; safety; environmental, cultural, and economic impacts; and compliance with applicable law and policy. The Senate Transportation Committee has been updated on current interest and work on building a railroad that crosses the border between the State of Alaska and the Yukon Territory. This railroad link would connect Alaska to both Canada and the Lower 48, opening tremendous commerce opportunities to our state.

Senate Joint Resolution 11 urges the Secretary of State to issue a Presidential permit for a cross-border rail link which would connect Alberta, Canada and Alaska. In 1914, the United States Congress passed legislation approving construction of up to 1,000 miles of railroad in the Territory of Alaska, to connect coastal and interior regions to support development, rail service, and military operations. Little more than 500 miles of the Alaska Railroad have been built thus far.

In 2004, the 23rd Alaska State Legislature authorized the Alaska Railroad Corporation to delineate a corridor between the existing railroad utility corridor and the Canadian border as well as to investigate an extension of the Alaska Railroad from the border of Alaska and Canada to connect with the North American railroad system. This connection to Canada and the Lower 48 starts with a border crossing permit into Canada.

Please join the Senate Transportation Committee in supporting this Joint Resolution to urge the U.S. Secretary to take action that will allow new economic opportunities for Alaska.

CHAIR HUGHES asked if there were questions.

[1:33:56 PM](#)

SENATOR WILSON suggested the committee consider identifying the office where a copy of the resolution would be sent instead of the individual who holds the particular office because there has been quite a bit of turnover recently.

CHAIR HUGHES said some of the members were discussing that just before the committee convened because there have been changes since the resolution was drafted. For example, the U.S. Secretary of Homeland Security resigned and an acting secretary took her place. She noted that there was also discussion about giving Legislative Legal Services the authority to adjust the names that have changed. She said she believes it's okay as long as the names are accurate when the resolution passes.

She solicited a motion from Senator Kiehl.

[1:34:58 PM](#)

SENATOR KIEHL made a motion to adopt Conceptual Amendment 1 to SJR 11.

CONCEPTUAL AMENDMENT 1

On page 4, line 7, replace "the Honorable Kirstjen Nielsen, United States Secretary of Homeland Security;" with "[the Honorable] Acting Secretary Kevin McAleenan;".

[1:35:24 PM](#)

CHAIR HUGHES found no objection and Conceptual Amendment 1 was adopted.

She described this is an exciting venture for the state that is coming closer to becoming more a reality. The next step is the issuance of a Presidential permit so it's timely for the legislature to make the request.

[1:36:18 PM](#)

CHAIR HUGHES opened public testimony for SJR 11 and noted that Tim Sullivan was available to answer questions. She highlighted that the resolution states that a railroad project connecting Alberta, Canada to Alaska would not require state general fund support.

on page 2, line 11, and in the resolve on page 3, line 21.

CHAIR HUGHES asked if there were questions for Mr. Sullivan.

[1:37:56 PM](#)

SENATOR SHOWER asked if this would be a viable secondary method of moving heavy freight into the state that could be regularly scheduled and available as a backup plan if there were issues with Alaska ports and airports and they were out of commission.

[1:39:21 PM](#)

TIM SULLIVAN, Alaska Railroad, Anchorage, confirmed that it would absolutely be a second route if the ports and airports go out and the rails remain in good shape.

SENATOR SHOWER asked how long it would take a train to travel from the closest depot in the lower 48 to the MatSu.

MR. SULLIVAN replied it would take 3-4 days after the freight is delivered to the train depot in the lower 48.

CHAIR HUGHES asked Mr. Treadwell to provide testimony.

[1:41:34 PM](#)

MEAD TREADWELL, Principal, Treadwell Development; Consultant, Albert to Alaska Railway, Anchorage, thanked the committee for introducing the resolution. He updated the committee that the White House was scheduled to issue an executive order tomorrow that may affect Presidential permits. He suggested changing the language in the resolution by dropping the reference to the United States Secretary of State on page [3], line 6, and the following paragraph in anticipation of this sort of action moving to the White House. He also stated agreement with Senator Kiehl's conceptual amendment.

MR. TREADWELL concluded his comments saying that one reason for the request for the Presidential permit ahead of the full environmental impact statement (EIS) effort with the Surface Transportation Board is to de-risk the project in the eyes of Asian investors. They see the services of the railroad as a risky permit.

[1:43:40 PM](#)

CHAIR HUGHES asked if his suggestion on page 3, lines 6-7 was to urge "the President of the United States and or the United States Secretary of State."

MR. TREADWELL suggested more generally urging the approval of a Presidential permit.

[1:44:31 PM](#)

CHAIR HUGHES found no further questions or comments and closed public testimony.

[1:44:57 PM](#)

SENATOR SHOWER made a motion to adopt Conceptual Amendment 2 to change the language on page 3, line 6 by striking "Secretary of State." Some discussion ensued regarding the exact language.

SENATOR SHOWER clarified that the first resolve would read as follows:

BE IT RESOLVED that the Alaska State Legislature urges the United States to issue a Presidential permit allowing a railroad crossing of the Alaska-Canada border from state land into Yukon, Canada; and be it

[1:46:20 PM](#)

CHAIR HUGHES objected for discussion purposes and recognized Senator Wilson.

[1:46:31 PM](#)

At ease

[1:47:02 PM](#)

CHAIR HUGHES reconvened the meeting and asked Senator Shower to further clarify Conceptual Amendment 2 to also include the change in the second resolve. She asked Senator Shower to restate the motion with the additional language.

[1:47:24 PM](#)

SENATOR SHOWER moved to adopt Conceptual Amendment 2.

CONCEPTUAL AMENDMENT 2

Strike the reference to the Secretary of State from the resolves on page 3, line [6] through page 3, line [11]. The paragraphs would read as follows:

BE IT RESOLVED that the Alaska State Legislature urges the United States to issue a Presidential permit allowing a railroad crossing of the Alaska-Canada border from state land into Yukon, Canada; and be it

FURTHER RESOLVED that the Alaska State Legislature urges the United States to 10 issue a Presidential permit allowing a railroad connecting Alberta, Canada,

to the state as soon as practicable to reduce any regulatory risk for the project; and be it

CHAIR HUGHES found no objection and Conceptual Amendment 2 was adopted. She asked the will of the committee.

[1:48:14 PM](#)

SENATOR SHOWER moved to report SJR 11, work order 31-LS0784\M as amended, from committee with individual recommendations and attached fiscal note(s).

CHAIR HUGHES found no objection and stated that CSSJR 11(TRA) passes from the Senate Transportation Standing Committee with authorization for Legislative Legal Services to make necessary conforming and technical corrections, including any corrections and the reordering of names according to protocol for dignitaries.

[1:49:27 PM](#)

There being no further business to come before the committee, Chair Hughes adjourned the Senate Transportation Standing Committee meeting at 1:49 pm.