

ALASKA STATE LEGISLATURE
SENATE TRANSPORTATION STANDING COMMITTEE

May 8, 2019

5:01 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

HOUSE JOINT RESOLUTION NO. 12

Supporting the completion of the Northern Rail Extension; supporting the increase in defensive capabilities at Fort Greely, Alaska; and encouraging the development of critical Arctic infrastructure.

- MOVED HJR 12 OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HJR 12

SHORT TITLE: NORTHERN RAIL EXTENSION

SPONSOR(S): REPRESENTATIVE(S) TALERICO

03/13/19	(H)	READ THE FIRST TIME - REFERRALS
03/13/19	(H)	MLV, TRA
03/19/19	(H)	MLV AT 2:00 PM GRUENBERG 120
03/19/19	(H)	Heard & Held
03/19/19	(H)	MINUTE(MLV)
03/21/19	(H)	MLV AT 2:00 PM GRUENBERG 120
03/21/19	(H)	Moved HJR 12 Out of Committee
03/21/19	(H)	MINUTE(MLV)
03/22/19	(H)	MLV RPT 4DP
03/22/19	(H)	DP: RAUSCHER, JACKSON, TARR, LEDOUX
04/02/19	(H)	TRA AT 1:00 PM BARNES 124
04/02/19	(H)	Heard & Held
04/02/19	(H)	MINUTE(TRA)

04/16/19 (H) TRA AT 1:00 PM BARNES 124
 04/16/19 (H) Moved HJR 12 Out of Committee
 04/16/19 (H) MINUTE(TRA)
 04/17/19 (H) TRA RPT 6DP
 04/17/19 (H) DP: STORY, TALERICO, DRUMMOND,
 RASMUSSEN, STUTES, WOOL
 05/06/19 (H) TRANSMITTED TO (S)
 05/06/19 (H) VERSION: HJR 12
 05/07/19 (S) READ THE FIRST TIME - REFERRALS
 05/07/19 (S) TRA
 05/08/19 (S) TRA AT 5:00 PM BELTZ 105 (TSBldg)

WITNESS REGISTER

REPRESENTATIVE DAVE TALERICO
 Alaska State Legislature
 Juneau, Alaska

POSITION STATEMENT: Sponsor of HJR 12.

THOMAS STUDLER, Staff
 Representative Dave Talerico
 Alaska State Legislature
 Juneau, Alaska

POSITION STATEMENT: Presented information related to HJR 12 on behalf of the sponsor.

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

POSITION STATEMENT: Answered questions related to HJR 12.

ACTION NARRATIVE

[5:01:34 PM](#)

CHAIR SHELLEY HUGHES called the Senate Transportation Standing Committee meeting to order at 5:01 p.m. Present at the call to order were Senators Wilson, Kiehl, Shower, and Chair Hughes.

HJR 12-NORTHERN RAIL EXTENSION

[5:02:24 PM](#)

CHAIR HUGHES announced that the consideration of HOUSE JOINT RESOLUTION NO. 12, Supporting the completion of the Northern Rail Extension; supporting the increase in defensive capabilities at Fort Greely, Alaska; and encouraging the development of critical Arctic infrastructure.

CHAIR HUGHES stated that it is timely to hear HJR 12 this year as opposed to next January because cycle.

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REPRESENTATIVE DAVE TALERICO, Alaska State Legislature, Juneau, sponsor of HJR 12, expressed appreciation that the committee agreed to hear the bill this late in the session. He agreed with the chair that it is timely.

REPRESENTATIVE TALERICO introduced HJR 12, paraphrasing the following sponsor statement: [Original punctuations provided.]

Completing the Northern Rail Extension to Fort Greely and Delta Junction would support Military operations, mining, and agricultural in the Interior of Alaska.

In the Act of 1914, the United States Congress authorized the construction of a railroad in Alaska. The railroad was to connect one or more open harbors in Alaska, with the Interior of Alaska, to develop agricultural and mineral resources of Alaska, and the settlement of people on public lands therein, to provide transportation of fuels for the Military, transporting troops, arms, munitions, the mail, and other governmental and public uses. Unfortunately, that dream was never realized.

The Alaska Railroad Transfer Act (ARTA) of 1983, the U.S. Congress again recognized the importance of the railroad in providing freight and passenger rail service to Alaska. Congress also found that continuation of services and the expansion of those services are necessary to achieve Federal, State, and private objectives. The State's continued operation together with expansion of the railroad constitutes an appropriate public use of the rail system. Once again, the dream of expansion was unrealized.

Finally, in 2013, almost one hundred years later, the Northern rail expansion was proposed by Alaska Railroad in conjunction with the Department of Defense, the four phased plan was completed. Phase one, Crossing the Tanana River, was completed. The remaining three phases need to be accomplished before we can realize completion of the Northern rail expansion.

With the expansion of the Fort Greely missile complex and expanded training ranges, increased agriculture in Delta Junction, and increased mining operations in the area. This resolution supports critical infrastructure development, national security, economic development, and natural resource development in the State of Alaska. The Northern Rail Extension project would provide essential freight and passenger service to support transportation and mobility needs of the region.

This is a project long overdue for Alaska and I ask for your support for this resolution.

[5:06:55 PM](#)

THOMAS STUDLER, Staff, Representative Dave Talerico, Alaska State Legislature, Juneau, summarized that in 1914 Congress authorized the construction of 1,000 miles of rail in Alaska and 532 miles have yet to be constructed. The federal government owes the state the rest of that rail, he said.

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CHAIR HUGHES noted that the supporting materials said that Fort Greely is the only military base in the state that is not on the rail line. She asked if the base is unique nationally because it does not have a second transportation route.

MR. STUDLER opined that it is extremely rare for a military base to have just one route in and out. "Most military installations within the Continental United States have rail and highway or port and highway," he said.

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SENATOR SHOWER agreed that it is rare for a base to have just one option to move equipment and troops. Those are bases like an Air Force base that would fly equipment out as opposed to driving. Virtually all Marine, Army, and Navy bases have some type of rail system to move heavy equipment in and out.

CHAIR HUGHES asked if Phase I of the rail project crosses the Tanana River into North Pole

MR. STUDLER clarified that while the bridge across the Tanana River is complete, it does not have rails.

CHAIR SHOWER related that part of the joint base plan was to build rail to move equipment for land-based training so the Tanana Bridge has been a critical component for a long time. He added that this is another part of the Alberta to Alaska railway project.

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CHAIR HUGHES noted that in 2008 the U.S. Department of Defense (DoD) allocated about \$117 million for Phase I and the state contributed \$88 million in 2010 and 2011. She asked if the expectation is that the remaining \$650 million to \$850 million will be federal dollars.

REPRESENTATIVE TALERICO confirmed that was his expectation. He said the DoD is starting to recognize that this is a critical piece of infrastructure, particularly for the national defense system for Fort Greely. He reminded the members that the Alaska Congressional Delegation more than once has talked about how helpful a resolution from the legislature is when they're trying to secure things for Alaska. He expressed hope that HJR 12 would serve as a catalyst to get critical infrastructure to Fort Greely.

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CHAIR HUGHES noted that a 2013 project fact sheet says sources for the funding may include federal and state appropriations. She asked if it was his understanding that the Alaska delegation is advocating for federal funding without a state match.

REPRESENTATIVE TALERICO said that's correct. "The request would be for full federal funding to finish the project."

SENATOR SHOWER said it's important to get into the five-year funding cycle under the current administration that is pro military buildup and spending. If funding is approved, it would be unusual for it to be removed even if the administration changes and the new president has a different view.

CHAIR HUGHES thanked the sponsor for including the Alaska Railroad Corporation Act in the packet. She noted that AS 42.45.050 adds authorization for the Fort Greely extension but there is nothing about the extension to Delta Junction. As this project goes forward, that authorization might need to be put in statute, she said.

REPRESENTATIVE TALERICO said he would look into that because that authorization is necessary.

SENATOR SHOWER asked if the plan includes a switching station in Delta Junction.

MR. STUDLER said yes; the plan is to build into Delta Junction with a spur into Fort Greely.

CHAIR HUGHES said if that's the case the existing statute may be adequate. She asked Mr. Sullivan if it was his understanding that the remainder of the funding would come through the DoD.

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TIM SULLIVAN, Director of External Affairs, Alaska Railroad Corporation (ARRC), Anchorage, said that is the hope.

CHAIR HUGHES asked if the existing statute authorizes the railroad to both Delta Junction and Fort Greely.

MR. SULLIVAN said he would need to check the statute but it was always understood that rail to Delta Junction was part of the Northern Rail Extension. If the statute needs to be changed ARRC would support the changes, he said. He added that ARRC supports the resolution asking the federal government to complete the project.

SENATOR SHOWER asked if he was aware of any right of way or land transfer issues that might arise and slow the project.

MR. SULLIVAN replied the environmental impact statement (EIS) is complete and the necessary rights of way have been laid out for the project. "I don't see that there is going to be any efforts to complete the project with right of way issues."

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CHAIR HUGHES opened and closed public testimony on HJR 12. She asked the will of the committee.

[5:21:02 PM](#)

SENATOR SHOWER moved to report HJR 12, work order 31-LS0633\A, from committee with individual recommendations and attached fiscal note(s).

CHAIR HUGHES found no objection and HJR 12 was reported from the Senate Transportation Standing Committee.

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There being no further business to come before the committee,
Chair Hughes adjourned the Senate Transportation Standing
Committee meeting at 5:21 p.m.