

**ALASKA STATE LEGISLATURE**  
**SENATE TRANSPORTATION STANDING COMMITTEE**

February 15, 2022

1:35 p.m.

**MEMBERS PRESENT**

Senator Robert Myers, Chair  
Senator Mike Shower, Vice Chair  
Senator Peter Micciche  
Senator Jesse Kiehl

**MEMBERS ABSENT**

Senator Click Bishop

**COMMITTEE CALENDAR**

SENATE BILL NO. 166

"An Act providing for and relating to the issuance of general obligation bonds for the purpose of paying the cost of state infrastructure projects, including construction, major maintenance, and port and transportation projects; and providing for an effective date."

- HEARD & HELD

SENATE BILL NO. 150

"An Act establishing the second Monday of September of each year as Truck Driver Appreciation Day."

- MOVED SB 150 OUT OF COMMITTEE

**PREVIOUS COMMITTEE ACTION**

BILL: SB 166

SHORT TITLE: G.O. BONDS FOR INFRASTRUCTURE PROJECTS

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

01/18/22	(S)	READ THE FIRST TIME - REFERRALS
01/18/22	(S)	TRA, FIN
01/27/22	(S)	TRA AT 1:30 PM BELTZ 105 (TSBldg)
01/27/22	(S)	Heard & Held
01/27/22	(S)	MINUTE(TRA)

02/15/22 (S) TRA AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 150

SHORT TITLE: TRUCK DRIVER APPRECIATION DAY

SPONSOR(s): SENATOR(s) MYERS

01/18/22 (S) PREFILE RELEASED 1/7/22  
01/18/22 (S) READ THE FIRST TIME - REFERRALS  
01/18/22 (S) TRA, STA  
02/08/22 (S) TRA AT 1:30 PM BELTZ 105 (TSBldg)  
02/08/22 (S) -- MEETING CANCELED --  
02/15/22 (S) TRA AT 1:30 PM BELTZ 105 (TSBldg)

**WITNESS REGISTER**

PAT BRANSON, Mayor of Kodiak  
Kodiak, Alaska

**POSITION STATEMENT:** Testified in support of the Kodiak Fire Station funding in SB 166.

COLBY HICKEL, Deputy Municipal Manager  
Municipality of Anchorage  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of the Port of Anchorage funding in SB 166.

DAVID AMES, Program Manager  
Port of Alaska Modernization Program  
Jacobs Engineering  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of the Port of Anchorage funding in SB 166.

JOY BAKER, Port Director  
City of Nome  
Nome, Alaska

**POSITION STATEMENT:** Testified in support of the Port of Nome - Arctic Deep Draft Project funding in SB 166.

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

**POSITION STATEMENT:** Testified in support of the funding for the Alaska Railroad dock in Seward in SB 166.

DAWSON MANN, Staff  
Senator Robert Myers

Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented the sponsor statement and sectional analysis for SB 150 on behalf of the sponsor.

PHILIP WHITLATCH, Line Driver Supervisor  
Crowley Fuel; Board Member  
Alaska Trucking Association  
Palmer, Alaska

**POSITION STATEMENT:** Testified in support of SB 150 to honor the work that truck drivers perform.

RANDY EFIRD, Assistant Terminal Manager  
Weaver Brothers  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of SB 150.

SAMANTHA BROWN, Manager  
United Freight; Board Member  
Alaska Trucking Association  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of SB 150

JOE MICHEL, Executive Director  
Alaska Trucking Association (ATA)  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of SB 150 to honor the essential services truck drivers perform.

## **ACTION NARRATIVE**

[1:35:11 PM](#)

**CHAIR ROBERT MYERS** called the Senate Transportation Standing Committee meeting to order at 1:35 p.m. Present at the call to order were Senators Kiehl, Shower, and Chair Myers. Senator Micciche arrived as the meeting was in progress.

### **SB 166-G.O. BONDS FOR INFRASTRUCTURE PROJECTS**

[1:36:20 PM](#)

CHAIR MYERS announced the consideration of SENATE BILL NO. 166 "An Act providing for and relating to the issuance of general obligation bonds for the purpose of paying the cost of state infrastructure projects, including construction, major maintenance, and port and transportation projects; and providing for an effective date."

[1:36:33 PM](#)

CHAIR MYERS opened public testimony on SB 166.

[1:36:57 PM](#)

PAT BRANSON, Mayor of Kodiak, Kodiak, Alaska, spoke in support of SB 166. The City of Kodiak understands that Alaska voters would consider the proposition in the November 2022 election if approved by the legislature. If ratified by the voters, these projects will benefit Alaskans. The City of Kodiak requested \$15 million to fund the Kodiak Fire Station. The current building was constructed in the 1940s, has outlived its useful life, is riddled with cracks from seismic damage, is located in the tsunami inundation zone, and is unsafe. In 2021, the city purchased the property for the new fire station, completed the pre-design phase with ECI Alaska Architects, and recently selected Wolf Architecture, Inc. to lead 100 percent of the design efforts. She estimated the total cost of \$20 to \$22 million based on the design for the 21,000 square foot facility. She urged members to support the bill.

[1:39:12 PM](#)

COLBY HICKEL, Deputy Municipal Manager, Municipality of Anchorage (MOA), Anchorage, Alaska, spoke in support of the Port of Anchorage project in SB 166. She provided an update on the Port of Anchorage project. She emphasized the urgent need for funding. The Port of Alaska is a lifeline for 90 percent of Alaskans and is in critical condition. In November 2018, Anchorage suffered an earthquake. She predicted that if the earthquake had lasted an additional seven seconds, the Port of Anchorage would have failed, leaving Alaskans without food security. It is critical to act now to rebuild the corroded and broken infrastructure. If the port were to fail, a failure of this magnitude would affect everyone from the North Slope to Nome, Fairbanks, Wasilla, Seward, Southeast Alaska communities, and everyone in between.

MS. HICKEL said it is important to note that the \$175 million for the Knik Arm Port Infrastructure in General Obligation (GO) bonding will not get the Port of Alaska shovel-ready. The Municipality of Anchorage is requesting \$600 million to rebuild Terminal 1, intended to support lift-on/lift off containerized cargo operations. She said this will help achieve food security, but the Port of

Alaska will need \$1 billion by 2025 to move this project forward.

[1:40:31 PM](#)

MS. HICKEL reported that the Municipality of Anchorage (MOA) won a major court victory over the US Transportation Maritime Administration, or MARAD, contract dating back to 2003. MOA does not know the settlement amount until the court determines it, nor does it have a timeframe when the funds will be distributed. Further, this funding could be tied to stabilizing the North Extension only. The Petroleum and Cement Terminal was funded in three ways and is scheduled for completion in August 2022. She reported that 50 percent was obtained through state grants, 24 percent from a tariff rate increase, and 20 percent in federal grants. In addition to asking for legislative assistance, the Municipality of Anchorage will travel to Washington, DC in March to request additional funding. The modernization program is projected to cost \$1.6 to \$1.8 billion, and the next program phase will require \$1.1 billion, 56 percent of which equals the \$600 million requested in SB 166. In closing, she urged members to help.

[1:41:04 PM](#)

SENATOR MICCICHE joined the meeting.

[1:42:01 PM](#)

DAVID AMES, Program Manager, Port of Alaska Modernization Program, Jacobs Engineering, Anchorage, Alaska, spoke in support of SB 166. He offered to answer any technical questions. This port is essential to support food security for the city and the state. In closing, he said the justification for the funding for the is undeniable.

[1:43:09 PM](#)

JOY BAKER, City of Nome, Nome, Alaska, spoke in support of the Port of Nome - Arctic Deep Draft Project funding in SB 166. She thanked the governor for including the \$10 million in the General Obligation (GO) bond bill. She reported that this massive infrastructure project has been moving forward to complete the feasibility study that the City of Nome cost shares with the US Army Corps of Engineers. It has resulted in a federal project authorization in the 2020 Water Resources Development Act. She stated that the legislature added the City of Nome's \$10 million request to Capital Project Submission and Information System (CAPSIS) last year. This \$10 million will be amplified by another

\$250 million that was allocated to the project by the US Army Corps of Engineers (Corps) Civil Work Construction Work Plan funded by the federal Infrastructure Investment & Jobs Act. This milestone step by Congress constitutes a federal commitment to construct the first deep-draft port in the US Arctic. It has sparked commercial interest and discussions regarding partnering funds for the local cost-share match.

[1:44:53 PM](#)

MS. BAKER reported that in 2017 and 2019, the legislature appropriated a combined \$3 million of local match to the Corps to complete the feasibility and design of the general navigation features. The City of Nome has invested \$2 million of in-house funds to design the local service facilities. She related the project has support from the community and regional organizations.

MS. BAKER noted she has worked on this project for 12 years. The State of Alaska has become an integral part of the project, working with the City of Nome for in-kind services and materials to serve as the local cost-share. She pointed out the intense competition from China, Russia, and other countries seeking to dominate and control the Arctic. The expanding needs for national security presence, and the rising geopolitical concern highlights the need for this project. Increased vessel traffic requires search and rescue and response vessels that can refuel and resupply within the coverage area. Vessels seeking to transit the Northwest Passage using Nome as a refueling point, could reduce their fuel costs by 40 percent, shave time off their voyage, and achieve substantial cost savings and shipping efficiencies.

[1:46:26 PM](#)

MS. BAKER emphasized that the City of Nome must sign a project partnership agreement and provide matching funds to the Corps this year in anticipation of the Phase 1 design completion by the end of 2022, prior to solicitation of construction bids in March 2023. Further, time is of the essence since this federal funding was not an earmark but an appropriation to the Remote Assistance Harbors Program. Therefore, these funds would be eligible to other qualifying projects if Nome fails to fund its share. The City of Nome would like to increase its \$10 million request from last year to \$175 million for matching funds to the Corps funds to construct Phase 1 of the project.

MS. BAKER explained that this project is moving at a fast pace. Although the City of Nome is currently holding pace with the Corps for design, it will need assistance to meet the construction requirements to build the project beginning in 2024. She anticipated in-kind contributions from the state, but those contributions along with a few local public-private partnership (PPP) agreements with industry partners are not yet valued. The city will contribute land, easements, and right-of-way and anticipates contributing a portion of the local match. The \$175 million request will cover the Phase 1 construction cost-share. The remaining funds will help fund Phase 2 design in November 2022, and the local service facilities design and construction obligation.

[1:49:03 PM](#)

TIM SULLIVAN, Director of External Affairs, Alaska Railroad Corporation, Anchorage, Alaska, spoke in support of the \$5 million in SB 166 to provide matching funds. He related his understanding that there was some confusion at the last committee regarding the funding for the Seward dock.

CHAIR MYERS held public testimony open on SB 166.

[1:50:13 PM](#)

SENATOR SHOWER remarked that food security is essential. He defined food security as the ability to feed Alaskans without relying on anyone else. He clarified that the Port of Alaska actually identified logistic security, which is the ability to ensure that ships and barges can use the port facilities. He predicted bond and interest rates would rise further.

CHAIR MYERS held SB 166 in committee.

#### **SB 150-TRUCK DRIVER APPRECIATION DAY**

[1:51:03 PM](#)

CHAIR MYERS announced the consideration of SENATE BILL NO. 150 "An Act establishing the second Monday of September of each year as Truck Driver Appreciation Day."

[1:51:23 PM](#)

At ease

[1:52:56 PM](#)

CHAIR MYERS reconvened the meeting.

[1:53:01 PM](#)

DAWSON MANN, Staff, Senator Robert Myers, Alaska State Legislature, Juneau, Alaska, paraphrased the sponsor statement on behalf of the sponsor for SB 150.

[Original punctuation provided.]

[1:53:28 PM](#)

The continued effects of the Covid-19 pandemic have illustrated a number of breakdowns in our global economy and distribution systems. The recent struggles with the global and state supply chain have led to growing attention for the unsung backbone of our modern economy: truck drivers. Almost every industry in the world requires trucking to keep running. Most notably, nearly every industry that sells physical goods needs truck drivers to transport those goods.

Unfortunately, despite their critical role in our economy, truck drivers have been in short supply with their ranks ravaged by retirements and resignations as individuals move to less stressful occupations. Truck drivers often face various occupational challenges such as irregular hours, long stints away from home, and in Alaska hazardous road conditions. Even as the pandemic slowed many industries and occupations truck drivers remained hard at work. That is why it is an important time for Alaska to pay respect and thank the hundreds of professional truck drivers in our state for their hard work and commitment in undertaking one of our economy's most demanding and important jobs.

[1:54:47 PM](#)

SB 150 establishes the second Monday of September of each year as Truck Driver Appreciation Day in alignment with the National Truck Driver Appreciation week. The goal of this bill is to codify Alaska's unique respect for the truck driving industry and provided appreciation for those who work vigilantly to keep our shelves stocked.

[1:55:11 PM](#)

MR. MANN stated that late last year, Alaskans provided feedback on the supply chain breakdowns, including sending photos of empty store shelves in Interior and Southcentral Alaska.

[1:56:19 PM](#)

CHAIR MYERS opened public testimony on SB 150.

[1:56:45 PM](#)

PHILIP WHITLATCH, Line Driver Supervisor, Crowley Fuel; Board Member, Alaska Trucking Association, Palmer, Alaska, spoke in support of SB 150. He stated it is a commonly held American value to honor those who work for Alaskan/s benefit and wellbeing. The truck drivers in the state work to benefit Alaskans. He pointed out that freezing rain in Anchorage today created hazardous road conditions, yet truck drivers continued to deliver fuel to their customers. Further, many drivers spend a lot of time away from home. He highlighted that if a motorist has an accident on a lonely stretch of highway, the first responders on the scene are often truck drivers. He emphasized the importance of recognizing and honoring truck drivers in Alaska. He urged members to assist truck drivers by handling other issues that affect drivers.

[1:58:41 PM](#)

RANDY EFIRD, Assistant Terminal Manager, Weaver Brothers, Anchorage, Alaska, stated that every item in grocery stores, gas stations, liquor stores, dealerships, and box stores arrived via a truck driver. If truck drivers did not deliver goods, consumers would lack necessities in a few days. This bill will honor truck drivers performing their jobs.

[1:59:30 PM](#)

SAMANTHA BROWN, Manager, United Freight; Board Member, Alaska Trucking Association, Anchorage, Alaska, stated that truck drivers deserve recognition for their crucial role in Alaska's economy. Alaska has skilled, educated truck drivers who sacrifice so much to perform their work. Truck drivers are essential but often are not credited for the recognition they deserve. They work long hours, away from their families for extended periods, encounter inclement weather and poor driving conditions, and face obstacles on a daily basis. Most people don't fully understand the adversity the drivers face. She noted that Alaska has truck driver shortages that also adds stress to drivers who work to meet the demand for goods. Without truck drivers, every industry and individual in Alaska would be adversely impacted. She offered her view that SB 150 will show

Alaska's appreciation for truck drivers and help to educate the general public on the crucial work they perform.

[2:00:47 PM](#)

JOE MICHEL, Executive Director, Alaska Trucking Association (ATA), Anchorage, Alaska, spoke in support of SB 150. This bill highlights the critical impact and service of the professional women and men who drive trucks supporting Alaska's economy every day. It would be difficult to find a community in Alaska that is not impacted by the professional work truck drivers perform. He related that ATA appreciates that the Truck Driver Appreciation Day, the second Monday of September of each year, aligns with the National Truck Driver's Appreciation Week. Member companies have always observed that week by distributing food to drivers at state weigh stations, among other observances. He expressed his gratitude for the committee hearing SB 150.

[2:01:41 PM](#)

CHAIR MYERS closed public testimony on SB 150.

CHAIR MYERS solicited amendments from members but there were none.

[2:02:00 PM](#)

At ease

[2:08:42 PM](#)

CHAIR MYERS reconvened the meeting.

[2:08:55 PM](#)

SENATOR SHOWER moved to report HB 150 [in error], work order 32-LS1277\A from committee with individual recommendations and attached fiscal note(s).

[2:09:09 PM](#)

At ease

[2:10:19 PM](#)

CHAIR MYERS reconvened the meeting. He asked Senator Shower to restate the motion since he misspoke.

[The committee treated it as though the committee had rescinded the previous motion.]

[2:10:24 PM](#)

SENATOR SHOWER moved to report SB 150, work order 32-LS1277\A from committee with individual recommendations and attached fiscal note(s).

CHAIR MYERS heard no objection, and SB 150 was reported from the Senate Transportation Standing Committee.

2:10:55 PM

There being no further business to come before the Senate Transportation Standing Committee, Chair Myers adjourned the meeting at 2:10 p.m.