

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

February 22, 2022

1:39 p.m.

**MEMBERS PRESENT**

Senator Robert Myers, Chair  
Senator Peter Micciche  
Senator Jesse Kiehl

**MEMBERS ABSENT**

Senator Mike Shower, Vice Chair  
Senator Click Bishop

**COMMITTEE CALENDAR**

SENATE BILL NO. 170

"An Act relating to the Alaska marine highway system; establishing the Alaska Marine Highway Corporation; and providing for an effective date."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: SB 170

SHORT TITLE: MARINE HIGHWAY CORPORATION

SPONSOR(S): TRANSPORTATION

01/21/22	(S)	READ THE FIRST TIME - REFERRALS
01/21/22	(S)	TRA, L&C, FIN
02/17/22	(S)	TRA AT 1:30 PM BELTZ 105 (TSBldg)
02/17/22	(S)	Heard & Held
02/17/22	(S)	MINUTE(TRA)
02/22/22	(S)	TRA AT 1:30 PM BELTZ 105 (TSBldg)

**WITNESS REGISTER**

THERESA WOLSTAD, Staff  
Senator Robert Myers  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Answered questions on SB 170 on behalf of the committee.

WILLIAM MILKS, Chief Assistant Attorney General  
Statewide Section Supervisor  
Legislation & Public Corporations & Governmental Services  
Civil Division  
Department of Law  
Juneau, Alaska

**POSITION STATEMENT:** Answered legal questions on SB 170.

TERRY BANNISTER, Attorney  
Legal Counsel  
Legislative Legal Services  
Legislative Affairs Agency  
Juneau, Alaska

**POSITION STATEMENT:** Answered legal questions on SB 170.

ANDY MILLS, Legislative Liaison  
Office of the Commissioner  
Department of Transportation and Public Facilities  
Juneau, Alaska

**POSITION STATEMENT:** Answered questions during the hearing on SB 170.

JOHN FALVEY, General Manager  
Alaska Marine Highway System  
Department of Transportation and Public Facilities  
Ketchikan, Alaska

**POSITION STATEMENT:** Answered questions on the Alaska Marine Highway System during the hearing on SB 170.

#### **ACTION NARRATIVE**

[1:39:15 PM](#)

**CHAIR ROBERT MYERS** called the Senate Transportation Standing Committee meeting to order at 1:39 p.m. Present at the call to order were Senators Kiehl, Micciche, and Chair Myers.

#### **SB 170-MARINE HIGHWAY CORPORATION**

[1:39:43 PM](#)

CHAIR MYERS announced consideration of SENATE BILL NO. 170 "An Act relating to the Alaska marine highway system; establishing the Alaska Marine Highway Corporation; and providing for an effective date."

[1:40:28 PM](#)

THERESA WOLSTAD, Staff, Senator Robert Myers, Alaska State Legislature, Juneau, Alaska, on behalf of the committee, briefly summarized the bill as establishing the Alaska Marine Highway Corporation (AMHC).

[1:41:28 PM](#)

CHAIR MYERS said the new corporation would have a recurring contract with the state. He asked whether any other corporations do something similar, and if so, who handles their negotiations.

[1:42:14 PM](#)

WILLIAM MILKS, Chief Assistant Attorney General, Statewide Section Supervisor, Legislation & Public Corporations & Governmental Services, Civil Division, Department of Law, Juneau, Alaska, responded that communications between corporations and the legislative branch occur. At times, public corporations work with executive branch departments. For example, during the first year of COVID-19, the Department of Commerce Economic Development (DCCED), and the Alaska Industrial Development and Export Authority (AIDEA) jointly administered the Small Business Relief Program. The Alaska Permanent Fund Corporation (APFC) provides the financial expertise for the Alaska Mental Health Trust Authority (AMHTA), so he believed the APFC would have various memorandums of agreement to carry out those kinds of tasks.

[1:44:08 PM](#)

SENATOR KIEHL stated that he liked that the legislature could fund AMHS at a certain level of service from an appropriator's standpoint. However, he wondered how that would work. He related that the corporation exists in the executive branch of the state. He asked for the other signing party in the contract.

[1:44:56 PM](#)

CHAIR MYERS deferred to Mr. Milks.

[1:45:04 PM](#)

MR. MILKS agreed that public corporations are housed in the executive branch. He pointed out that he did not draft this bill but offered to review specific provisions in the bill. He stated interactions generally occur between public corporations and executive branch departments. Often, there is an initial legislative appropriation to provide seed money for the corporation. He deferred to the Department of Transportation and

Public Facilities (DOTPF) or others to explain how that would work.

[1:46:19 PM](#)

SENATOR KIEHL acknowledged that he liked the concept. As Mr. Milks mentioned, the natural contracting agency for transportation service would be DOTPF. Since DOTPF's commissioner sits on the board and could sign on behalf of the agency, it could give the appearance of less than arms-length distance. He suggested that the committee should address this issue. He asked if this contract would need to be subject to an appropriation.

[1:47:38 PM](#)

MR. MILKS agreed that this would need more of an explanation. Monies would go from the executive branch to the public corporation. Again, many public corporations receive initial appropriations as seed money, so that would not be an unusual event. Sometimes the legislature appropriates a significant sum for future years to carry out a program, which historically has occurred. He said that is his best response at the moment.

[1:49:23 PM](#)

SENATOR KIEHL acknowledged that the question might have been better directed to the sponsor and the intent. As he read the bill, he envisioned that it was aimed at AMHS's service level, requiring an annual appropriation rather than an initial one. He wondered how the sponsor intended the service contract to operate.

CHAIR MYERS responded that the intent was to have the corporation sign the contract with the state, subject to appropriation. He directed attention to [Sec. 42.50.560. Appropriations.] on page 25 of the bill. He stated that negotiating an [assurance agreement] would reduce the legislature's ability to micromanage the corporation by periodically appropriating or cutting a couple of million dollars. He acknowledged that the Alaska Marine Highway Corporation (AMHC) would require subsidies and noted that the bill would restructure them. He stated the intent is to put [the funding process] at an arms-length from the management process. He related that he would rather have the state indicate the amount it was willing to fund than to involve the state in the nitty-gritty of the operations.

[1:51:39 PM](#)

TERRY BANNISTER, Attorney, Legal Counsel, Legislative Legal Services, Legislative Affairs Agency, Juneau, Alaska, speaking as the bill drafter, asked if he was referring to Sec. 42.50.570 on page 25 of SB 170.

CHAIR MYERS answered yes.

MS. BANNISTER responded that she did not see any problem with a public corporation entering into an agreement with another entity, even a state organization. She said it seems to frequently happen, that there is an exchange of funds or memorandums of agreement to accomplish it. In this case, the Minimum Service Assurance Agreement would be difficult to enforce. It is difficult to say what it means, although it does identify the number of sailings. She was unsure whether enforcement would be straightforward if the state didn't enter into an agreement.

[1:53:26 PM](#)

SENATOR MICCICHE offered his view that it would depend on how accurate the new corporation was on its sailings. He said it would be difficult if the corporation is trying to be accurate, but agreements guarantee the rates on tickets. He remarked that ferry service is an unpredictable mode of transportation. He said it is a different question about whether the agreement is enforceable or could be upheld. He suggested that the committee may need to look at the structure of this section to achieve a more viable agreement in the first place. He characterized it as more of an operational question. He acknowledged that some of the legs of service might be provided by a private service provider. If so, he was unsure whether that would meet the intent of the minimum service assurance. He commented that his questions were more about the operational reality than about the agreement's legality.

[1:55:30 PM](#)

SENATOR KIEHL related that the corporation would enter a contract to provide a basic service level through the assurance agreement. The legislature will be asked to appropriate funds for that service. He asked for a hypothetical order of operations and schedules. He asked who would negotiate the agreement and how far in advance. He wondered who does the renegotiation and when that would go into effect. He asked whether a flowchart could show how this would work on the ground in Alaska.

[1:56:14 PM](#)

CHAIR MYERS related that the current AMHS sometimes needs to contract out services because a vessel is down. He asked for a review of the contract process.

[1:56:53 PM](#)

ANDY MILLS, Legislative Liaison, Office of the Commissioner, Department of Transportation and Public Facilities (DOTPF), Juneau, Alaska, responded that the department could provide supplemental ferry service for specific ports in Northern Lynn Canal and the village-run areas per an exemption in the collective bargaining unit statutes. He explained that DOTPF could issue an Invitation to Bid (ITB) to supplement service. The department issues ITBs when AMHS ships, such as the Matanuska, are in layup status longer than anticipated. He stated that DOTPF put out an ITB, multiple parties indicated they could provide lots of supplemental service runs. He recalled Allen Marine Tours and Goldbelt Transportation provided the service.

[1:58:35 PM](#)

CHAIR MYERS recalled one question was how that supplemental service would interact with the state's budget process. For example, how does the supplemental service in northern Lynn Canal and the vessel providing ongoing service between Metlakatla and Ketchikan interact with the budget process. Further, if the contract is completed in December, how would that fit in the budget negotiations. He wondered how much flexibility it would provide.

MR. MILLS deferred to Captain Falvey to respond.

[1:59:22 PM](#)

JOHN FALVEY, General Manager, Alaska Marine Highway System, Department of Transportation and Public Facilities (DOTPF), Ketchikan, Alaska, answered that Mr. Mills correctly identified the process for outsourcing service to the Northern Panhandle communities and northern Lynn Canal. He explained that AMHS uses outsourcing to fill gaps created when ships remain in the shipyard longer than anticipated. He stated that those ship layups provided extra budgeting for the outsourcing service.

[2:00:12 PM](#)

CHAIR MYERS highlighted that the state is not providing that service directly but it outsources some vessel services. He said to some extent SB 170 contemplates creating the same relationship, but this time it would be outsourcing to a state-

owned corporation. He asked how that would interact with the legislative budget process and how that relationship would work.

[2:00:46 PM](#)

CAPTAIN FALVEY answered that the state ferry Lituya provides the service between Ketchikan and Metlakatla. When the Lituya goes out of service, the Inner-Island Ferry Authority (IFA) picks up that run. He noted that AMHS had used this process for many years.

[2:01:16 PM](#)

CHAIR MYERS asked whether AMHS only uses IFA for backup.

CAPTAIN FALVEY answered yes. He reported that typically, IFA fills in on the Metlakatla to Ketchikan run when the Lituya is out of service for its annual overhaul. This summer, the Lituya will be out of service during June, July, and August for its first federally-funded capital improvement project since it was built, and Inter-Island Ferry Authority, (IFA) would fill in for those three months.

[2:01:58 PM](#)

MS. WOLSTAD noted that this outsourcing refers to the Prince of Wales Inter-Island Ferry Authority, IFA. It is a [public, non-profit corporation organized under Alaska's Municipal Port Authority Act] that contracts and provides ferry service from Ketchikan to the Prince of Wales Island.

CHAIR MYERS said he misspoke, that he meant to inquire about the ferry run to Prince of Wales Island.

[2:02:45 PM](#)

CAPTAIN FALVEY responded that IFA maintains, manages, and controls the run from Ketchikan to [Hollis] on Prince Wales Island. It has no bearing on state vessel service activities. He noted IFA is under municipal authority.

CHAIR MYERS asked whether the state provides any supplemental funding to IFA.

CAPTAIN FALVEY offered his belief that IFA does receive some supplemental state funding via the Department of Commerce, Community and Economic Development (DCCED).

[2:03:26 PM](#)

CHAIR MYERS asked whether the contract was negotiated and signed by DCCED.

CAPTAIN FALVEY offered his belief that the supplemental funding is via DCCED.

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SENATOR KIEHL said he was unsure that was a comparable scenario. He explained that the state does not contract with IFA to provide service. Instead, the state provides direct cash assistance to IFA that could be used for fuel costs. He said it was an unrestricted grant recipient in the capital budget.

[2:05:05 PM](#)

SENATOR KIEHL related his understanding that the bill would give the new board almost plenary power to dispose of any AMHS assets, including ships, terminals, terminal lands, which is broader than most state corporations. He asked for the rationale to take this approach.

CHAIR MYERS emphasized that the goal was to provide the corporation with broad authority to make the most efficient use of its resources. It might mean leasing an asset, buying a new terminal lease or vessel, or disposing of property. He did not envision any significant changes initially since the corporation would focus on getting the system up and running. He suggested that Mr. Milks could address the structure for other corporations with similar purchasing power, such as the Alaska Railroad Corporation (ARRC) and Alaska Aerospace Corporation (AAC).

[2:07:22 PM](#)

MR. MILKS acknowledged that he did not study each corporation on this discrete issue, but public corporations typically have broad powers created by the legislature. However, the corporations could not be given powers not permitted under the Alaska Constitution. He related the legislature has discretion when establishing powers for public corporations, but it does run up to a line. He referred to an Alaska Supreme Court case related to constitutional issues for public notice requirements for the Alaska Railroad Corporation (ARRC) when disposing of or leasing state lands. The Alaska Supreme Court ruled that the legislature could exempt ARRC from some state laws but not from constitutional provisions, and the Alaska Constitution has a public notice provision. It often turns into a policy judgment on the extent of powers to grant a corporation.

[2:09:46 PM](#)

MS. WOLDSTAD referred to a reference sheet providing comparisons of the powers and authorities granted in Alaska statute to public corporations of the State of Alaska. The legislature can direct a public corporation on certain caveats on its lease properties. For example, for the Aerospace Corporation related to Poker Flats, the corporation may not pledge or encumber the Poker Flats Research range since it is considered an asset of the University of Alaska. However, Poker Flats may be leased by the corporation and may be leased as facility space to the university. She stated that in special cases, the legislature allows and defines certain assets to the corporation and how they can use them. She suggested that provision could be put into the bill if the legislature wanted to stipulate certain assets cannot be surplused or removed.

[2:10:53 PM](#)

SENATOR KIEHL related his understanding that ARRC can lease land, but that it must come to the legislature if ARRC wants to sell land.

MS. WOLSTAD clarified that ARRC does have the authority to request permission from the legislature to do so.

[2:11:13 PM](#)

SENATOR KIEHL asked why AMHC would have so few sideboards compared to ARRC. He suggested that when ARRC was established, the legislature knew about abuses and "wheeling and dealing" by other railroads in the Lower 48. He said it raises questions related to the future of AMHS vessels. AMHS vessels are built and overhauled by federal transportation funds, subject to federal rules. He asked whether the proposed AMHC risks getting DOTPF into trouble with the federal government.

MR. MILLS answered that he would need to look into it further. He acknowledged that he had received slightly different answers on assets purchased with federal funds. He deferred to Captain Falvey to respond.

[2:13:16 PM](#)

CAPTAIN FALVEY said he agreed with Mr. Mills that questions exist. He said AMHS has several funding sources for vessel maintenance, including state funding for the annual overhauls each vessel receives and is recertified for minor and moderate maintenance. He stated that the large federal capital improvement projects (CIP) are funded via Federal Highway Administration (FHWA). He pointed out that FHWA imposes rules for the use of those funds. He was unsure whether that would

differ for a corporation structure compared to the existing state structure. He said he did not know whether FHWA or Federal Transit Administration (FTA) funding would differ for AMHC. He stated that the FTA funding tends to be granted for transportation in larger urban areas with populations of 50,000 or more. The department has applied for FTA grants but has not been successful. He said FHWA funding is formulaic, and AMHS would need to review it closely to see if AMHC would be eligible.

[2:14:54 PM](#)

SENATOR KIEHL said he was unsure whether the spreadsheet Ms. Wolstad referred to indicated that AMHC can acquire rights-of-way. He expressed concern that the docks and terminals get into upland, tideland, and adjacent property ownership, and someday AMHC may wish to expand the adjacent terminals. He noted at least one terminal is jointly-owned. He asked for the reason to exclude that power from AMHC.

[2:15:48 PM](#)

MS. WOLSTAD asked if he was referring to eminent domain with governor approval or the ability to purchase land to expand the marine highway's property.

SENATOR KIEHL answered that he was interested in the line item on the spreadsheet under "Powers and Authorities" and "Lands and Property" that reads, "Secure Rights-of-way and Easements."

MS. WOLSTAD responded that she held discussions regarding ARRC's authority for rights-of-way and easements. She explained that the railroad was set up initially as a charter under the federal government. When the federal government transferred the railroad to the state, the powers also transferred. This provides the Alaska Railroad substantial power to secure rights-of-way and easements. Since federal laws and regulations govern ARRC, the railroad can work through any issues that impact federal lands. She offered her belief that AMHS does not have a charter through the federal government to use federal easements and rights-of-way.

[2:17:31 PM](#)

MR. MILLS deferred to Captain Falvey.

CAPTAIN FALVEY responded that he has served AMHS for 18 years, but never encountered this issue. He tended to believe Ms. Wolstad was correct.

[2:18:15 PM](#)

SENATOR MICCICHE asked whether this would create a gap. He suggested the corporation might decide to acquire another terminal or use an alternative power source, but a utility might not have the right-of-way. He surmised AMHC also would not have the ability to create or secure their right-of-way or easements.

CAPTAIN FALVEY answered that AMHS has 36 ports of call and the state owns 13 terminals. He reported that AMHS uses the remainder of the terminals via memorandums of understanding (MOUs) with cities, municipalities, and privately-owned facilities.

[2:19:44 PM](#)

CHAIR MYERS stated that if AMHS currently wanted to expand to another port of call, AMHS would likely enter into an MOU rather than purchasing or leasing the land.

CAPTAIN FALVEY answered yes; that would be the most direct way to accomplish it.

[2:20:25 PM](#)

SENATOR MICCICHE expressed concern about not providing AMHC with this authority. He acknowledged that the committee could clarify eminent domain in the bill. He offered his belief that the authority to secure rights-of-way or easements is a typical authority provided to independent corporations. He suggested that this might need some research.

[2:21:30 PM](#)

MS. WOLSTAD referred to page 23, to [Article 5. Corporation Property]. This article has sections related to property leases, easements, permits, disposals, property acquisition, and public use of corporation land. She stated that the bill gives AMHC the authority to own property in the corporation's name. The corporation can control the property as a state agency and work with other corporations. In addition, the corporation can acquire property owned by or located in another state or foreign country. It would allow the corporation to work with Washington state and Canada.

SENATOR MICCICHE replied that it does not answer the question since the corporation would need to find something existing that fits its purpose.

[2:22:57 PM](#)

SENATOR MICCICHE wondered about the bonding requirements. He said it takes legislative approval for AAC, AIDEA, and ARRC. The only corporation on the list that does not require approval for bonding is Alaska Housing Finance Corporation. He said AMHC is more like the others. He characterized it as a check and balance, so the corporation doesn't expand debt, even though the state is not liable. He offered his belief that it would allow the legislature to review bond requests, where the funding would be spent, and flesh out the details for the bonds. He stated that AMHC could issue bonds independently, without limits, and without legislative approval, which seemed broad.

[2:24:06 PM](#)

CHAIR MYERS stated the concept was to make the corporate powers broad and rein it in later. He said he would be open to the committee establishing some limits, but he cautioned against hamstringing the corporation at the start.

[2:24:37 PM](#)

MS. WOLSTAD referred to page 23 of SB 170. She related that the corporation would have the ability to obtain a fidelity bond as determined by the board. She explained the bill focused on providing the board with authority.

SENATOR MICCICHE agreed that is how he understood it. He expressed concern that the corporation could issue bonds without review.

[2:25:30 PM](#)

SENATOR KIEHL said he shared the same concern, noting the corporation would have the ability to pledge almost any corporate asset against those bonds. He asked whether there were any limitations to bonds in terms of dollar amounts or percentage of revenues or asset values.

[2:26:25 PM](#)

MS. WOLSTAD deferred to Mr. Milks.

[2:26:38 PM](#)

CHAIR MYERS asked Mr. Milks for the limitations on AMHC's bonding.

[2:26:59 PM](#)

MR. MILKS referred to page 26 of SB 170, Article 7. Bonds. Sec. 42.50.600. General provisions. He explained that the authority for early bonding for Alaska's public corporation date back to the predecessor for the Alaska Housing Finance Corporation

(AHFC). He related that Senator Micciche identified the nature of the corporate bonding and why the legislature is not "hands-on" on the bonding authority. Public corporations only appear in Alaska Constitution in art IX, sec. 11 on bonds. It states that public corporations can issue revenue bonds. The early cases were revenue bonds for housing and industrial development by the predecessors of AHFC and AIDEA. The concept is that corporations would repay debt service through revenues. The state would be protected and is not responsible for the bonds or repayment. He was unsure if Ms. Wolstad was ready to speak to bond limitations in SB 170. He said he is inferring from the question that there are no restrictions on the amount of bonds with some of the other public corporations. He characterized this issue as a policy call for the legislature.

MS. WOLSTAD responded that she does not see a specific limit, but she agreed it was an option to discuss further. She said the bill established limits for bonding by the board. Still, it does not provide the authority that prevents the corporation from bonding at a certain level or having it approved by the governor or the legislature. She suggested that was an area that could be modeled after other corporations. She deferred to Ms. Bannister.

[2:30:07 PM](#)

SENATOR KIEHL referred to ARRC bonding, stating ARRC bonds are issued for an essential public and governmental purpose. He noted there is not a comparable section in SB 170. He asked what purpose that section serves for ARRC and why it was not included in the bill. He suggested that perhaps ARRC could respond at a later date.

CHAIR MYERS responded that that provision was not explicitly listed in the bond section. However, the finding and purposes section of the bill finds that the Alaska marine highway system is an essential part of the state transportation system and warrants continued and predictable state support. Thus, that embodies the overall attitude of the bill, that AMHS does provide a central government function.

[2:31:45 PM](#)

MS. WOLSTAD commented that knowledge about ARRC bonding was somewhat limited. She paraphrased the general powers that ARRC has under Article 4, Sec. 42.40.250.

(21) issue its bonds upon approval of the legislature and provide for and secure their payment, provide for

the rights of their holders and hold or dispose of them;

(22) purchase the corporation's bonds at a price not more than the principal amount of them plus interest;

(23) cancel bonds of the corporation purchased by the corporation;

(24) secure the payment of its bonds by pledge, mortgage, or other lien on its contracts, revenues, income, or property;

MS. WOLSTAD suggested she may acquire more detailed information directly from ARRC regarding their bonding approval structure. She offered to research this and report to the committee.

[2:33:09 PM](#)

SENATOR KIEHL said he noticed that the corporation is authorized to create subsidiaries. The chart Ms. Wolstad provided shows that AIDEA and AHFC can do so, but entities engage in project financing with private developers and ownership of specific projects. Those entities don't directly provide service or operate a system. He noted AAC and ARRC operate systems, but they do not have that subsidiary power. He asked why the marine highway system would need subsidiaries.

CHAIR MYERS stated that he noticed that the ferry system in Southeast Alaska operates in one way, but Southwest and Southcentral operates differently. He suggested a subsidiary corporation could be established to manage the Southwest and Southcentral portions of the system. The intention was not to require it but to offer AMHC a possibility. He stated that the intention was to initially provide AMHC broad power but to limit it when needed. He highlighted that was the initial policy decision.

[2:35:11 PM](#)

MS. WOLSTAD agreed that was the intent. She emphasized that what works in Southeast Alaska might not work in Southcentral or Southwest Alaska. The subsidiary could allow the corporation to customize its services.

[2:35:44 PM](#)

SENATOR KIEHL wondered if the vision was to have regional systems, such as the Southwest Alaska Marine Highway System and

the Prince William Sound Marine Highway System, which would fall under one umbrella.

CHAIR MYERS answered that would be one possibility.

SENATOR KIEHL remarked that it struck him that the rest of the bill gives significant power and opportunity for the corporation to partner with a local port authority, for example, if the Prince William Sound communities wanted to partner with AMHC. He noted that the bill explicitly provides AMHC the ability to contract with municipalities. He stated that it was an interesting dynamic to consider providing AMHC broad authority and subsidiary authority. He asked whether the bill was written tightly enough so the strictures for the corporation would apply fully to the subsidiaries.

MR. MILKS responded that Senator Kiehl identified that it is more common to have subsidiaries for public corporations, such as AIDEA, AHFC, and the Alaska Gas Development Corporation (AGDC), involved in project financing. He related that AMHC could have sound business reasons to create a subsidiary. The committee may wish to carefully study the language for the marine highway system if the committee decides to allow for subsidiaries. The committee could compare it to other public corporations. More generally, he stated that the only model for transportation in Alaska is ARRC, but it's not unusual in other states to create a transportation entity with other branches. He suggested that the committee could benefit by researching other states with transportation subsidiaries and modeling AHFC's structure on their language. He commented that the committee might wish to study that issue a little more.

[2:39:13 PM](#)

MS. BANNISTER stated that the committee might want to clarify the powers of the corporation. She opined that the primary corporation could not give a subsidiary corporation any more powers than it has since the corporation would totally own any subsidiaries. Thus, subsidiaries could not go beyond AMHC's power and authority.

[2:40:00 PM](#)

SENATOR KIEHL related a scenario and then stated he misspoke. He said his primary lines of inquiry related to the broad strokes of power and authority for AMHC. He noted that he would have plenty of other questions on the bill.

[2:42:10 PM](#)

CHAIR MYERS held SB 170 in committee.

2:42:30 PM

There being no further business to come before the committee, Chair Myers adjourned the Senate Transportation Standing Committee meeting at 2:42 p.m.