

ALASKA STATE LEGISLATURE
HOUSE TRANSPORTATION STANDING COMMITTEE

May 2, 2024

3:51 p.m.

MEMBERS PRESENT

Representative Kevin McCabe, Chair
Representative Sarah Vance, Vice Chair
Representative Tom McKay
Representative Craig Johnson
Representative Jesse Sumner
Representative Louise Stutes
Representative Genevieve Mina

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 355

"An Act relating to the duties of the Department of Transportation and Public Facilities; and relating to a statewide public and community transit plan."

- HEARD & HELD

HOUSE BILL NO. 233

"An Act relating to rates and time allowances for motor vehicle warranty work."

- MOVED CSHB 233 (TRA) OUT OF COMMITTEE

HOUSE BILL NO. 332

"An Act relating to the sale of the Alaska Railroad; and providing for an effective date."

- MOVED HB 332 OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 355

SHORT TITLE: STATEWIDE PUBLIC & COMMUNITY TRANSIT PLAN

SPONSOR(S): REPRESENTATIVE(S) MINA

02/20/24 (H) READ THE FIRST TIME - REFERRALS

02/20/24 (H) TRA, CRA
04/09/24 (H) TRA AT 1:00 PM BARNES 124
04/09/24 (H) -- MEETING CANCELED --
05/02/24 (H) TRA AT 1:00 PM BARNES 124

BILL: HB 233

SHORT TITLE: RATES: MOTOR VEHICLE WARRANTY WORK
SPONSOR(s): REPRESENTATIVE(s) TOMASZEWSKI

01/16/24 (H) PREFILE RELEASED 1/8/24
01/16/24 (H) READ THE FIRST TIME - REFERRALS
01/16/24 (H) L&C, JUD
03/06/24 (H) L&C AT 3:15 PM BARNES 124
03/06/24 (H) Heard & Held
03/06/24 (H) MINUTE(L&C)
03/15/24 (H) L&C AT 3:15 PM BARNES 124
03/15/24 (H) -- MEETING CANCELED --
03/22/24 (H) L&C AT 3:15 PM BARNES 124
03/22/24 (H) Heard & Held
03/22/24 (H) MINUTE(L&C)
04/18/24 (H) TRA REPLACES JUD REFERRAL
04/22/24 (H) L&C AT 3:15 PM BARNES 124
04/22/24 (H) Moved HB 233 Out of Committee
04/22/24 (H) MINUTE(L&C)
04/23/24 (H) TRA AT 1:00 PM BARNES 124
04/23/24 (H) <Bill Hearing Canceled>
04/24/24 (H) L&C RPT 2DP 4NR
04/24/24 (H) DP: WRIGHT, CARRICK
04/24/24 (H) NR: FIELDS, PRAX, SADDLER, RUFFRIDGE
04/25/24 (H) TRA AT 1:00 PM BARNES 124
04/25/24 (H) Heard & Held
04/25/24 (H) MINUTE(TRA)
04/27/24 (H) TRA AT 1:00 PM BARNES 124
04/27/24 (H) Heard & Held
04/27/24 (H) MINUTE(TRA)
05/02/24 (H) TRA AT 1:00 PM BARNES 124

BILL: HB 332

SHORT TITLE: SALE OF ALASKA RAILROAD
SPONSOR(s): REPRESENTATIVE(s) SUMNER

02/20/24 (H) READ THE FIRST TIME - REFERRALS
02/20/24 (H) TRA, FIN
03/07/24 (H) TRA AT 1:00 PM BARNES 124
03/07/24 (H) <Bill Hearing Canceled>
03/21/24 (H) TRA AT 1:00 PM BARNES 124
03/21/24 (H) Heard & Held

03/21/24 (H) MINUTE (TRA)
04/23/24 (H) TRA AT 1:00 PM BARNES 124
04/23/24 (H) Heard & Held
04/23/24 (H) MINUTE (TRA)
05/02/24 (H) TRA AT 1:00 PM BARNES 124

WITNESS REGISTER

REPRESENTATIVE GENEVIEVE MINA
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: As prime sponsor, presented HB 355.

MILLIE RYAN, President
Alaska Mobility Coalition
Homer, Alaska

POSITION STATEMENT: Gave invited testimony in support of HB 355.

MICHELE GIRAULT, Executive Director
Hope Community Resources
Anchorage, Alaska

POSITION STATEMENT: Gave invited testimony in support of HB 355.

PATRICK REINHART, Executive Director
Governor's Council on Disabilities and Special Education
Homer, Alaska

POSITION STATEMENT: Gave invited testimony in support of HB 355.

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

POSITION STATEMENT: Answered questions during the hearing on HB 355.

JULIE MORRIS, Staff
Representative Kevin McCabe
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Explained amendments to HB 233 on behalf of Representative McCabe, prime sponsor.

REPRESENTATIVE FRANK TOMASZEWSKI
Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: As prime sponsor, answered questions during the hearing on HB 233.

REPRESENTATIVE JESSE SUMNER

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: As prime sponsor, gave updates on HB 322.

ACTION NARRATIVE

[3:51:15 PM](#)

CHAIR KEVIN MCCABE called the House Transportation Standing Committee meeting to order at 3:51 p.m. Representatives McKay, Stutes, Mina, Sumner, and McCabe were present at the call to order. Representatives C. Johnson and Sumner arrived as the meeting was in progress.

HB 355-STATEWIDE PUBLIC & COMMUNITY TRANSIT PLAN

[3:52:33 PM](#)

CHAIR MCCABE announced that the first order of business would be HOUSE BILL NO. 355, "An Act relating to the duties of the Department of Transportation and Public Facilities; and relating to a statewide public and community transit plan."

[3:52:52 PM](#)

REPRESENTATIVE GENEVIEVE MINA, Alaska State Legislature, as prime sponsor, presented HB 355. She paraphrased the sponsor statement [included in the committee packet], which read as follows [original punctuation provided]:

The Alaska Department of Transportation and Public Facilities (DOT&PF) stewards the state's transportation system, and their statutory responsibilities include studying alternative means of improving transportation in the state. Currently, DOT&PF is only required to study alternative modes of transportation in urban areas.

HB 355 seeks to expand the scope of DOT&PF's long-term statewide transportation planning to ensure local input by public, tribal, and community transit programs in improving Alaska's multimodal network.

Examples of existing community transit programs include Anchorage's People Mover, Nome's Tribal Transit Program, Juneau's Capital Transit, and Tok's Interior Alaska Bus Line. Local collaboration on transportation planning is a requirement for federal funding of transportation projects. Lack of proper public engagement can lead to Title VI violations and puts Alaska at risk of reduced federal funding and lawsuits.

Alternative transportation methods are essential for Alaskans with mobility issues, those without access to a car, or who otherwise cannot drive. Public transportation provides inclusive and equitable mobility for Alaskans, especially for low-income Alaskans, youth, and the elderly. Increasing transit options provides a safe, essential means for Alaskans to go to work, receive medical care, access community resources, and participate in recreation activities. Additionally, according to a 2022 DOT&PF study, Alaska communities benefit from transit due to job creation, increased business sales, reduction of road congestion, air pollution, and travel times.

Access to public and community transit is essential to connect all Alaskans to their jobs and communities. HB 355 improves the annual study, reporting, and development of Alaska's multimodal transportation network.

[3:55:01 PM](#)

REPRESENTATIVE STUTES noted the exclusion of the Alaska Marine Highway System (AMHS).

[3:55:17 PM](#)

CHAIR MCCABE communicated that there would not be a sectional analysis provided today. He welcomed invited testifiers.

[3:55:53 PM](#)

MILLIE RYAN, President, Alaska Mobility Coalition, gave invited testimony in support of HB 355. She gave a brief professional background and stated that transportation was more than just about transporting people. She provided examples of those who cannot drive and the dependence they have on public

transportation, and it should be high priority, she opined. Without transportation, she said, people become isolated, depressed, and more dependent on others. She thanked the committee for the opportunity to provide testimony on HB 355.

[3:58:08 PM](#)

MICHELE GIRAULT, Executive Director, Hope Community Resources, gave invited testimony in support of HB 355. She provided her professional background and shared that one of the key platform issues this session was to support the Alaska Mobility Coalition's advocacy for enhanced transportation. People with disabilities must be provided adequate transportation to get to work, mainly in rural areas where there are more complications, she said. She reiterated her full support for HB 355 on behalf of Hope Community Resources.

[3:59:38 PM](#)

PATRICK REINHART, Executive Director, Governor's Council on Disabilities and Special Education, gave invited testimony in support of HB 355. He stressed that this issue has been brought forth with many other groups because year after year, the importance of transportation focused on people with disabilities and seniors, as well as those who do not drive and are dependent upon systems that are robust and work.

[4:01:07 PM](#)

CHAIR MCCABE noted that Mr. Mills and Mr. Taylor, from the Department of Transportation and Public Facilities (DOT&PF), were available online.

[4:01:15 PM](#)

ANDY MILLS, Legislative Liaison, Department of Transportation & Public Facilities, Office of the Commissioner, was available for questions during the hearing on HB 355 and noted that the transportation commissioner has had "great conversations" with the Alaska Mobility Coalition. He explained that DOT&PF wished to prioritize transit with other modes, and that many of the statutes do not list other modes. He offered to provide a detailed list of what DOT&PF was currently involved in terms of transit grants.

[4:03:40 PM](#)

REPRESENTATIVE STUTES related that a disabled nephew in Kodiak had been provided transportation, and she stressed the "continuation of routine" that the transportation provided for him. She expressed her support for the bill being brought forth.

[4:04:27 PM](#)

CHAIR MCCABE announced that HB 355 was held over.

HB 233-RATES: MOTOR VEHICLE WARRANTY WORK

[4:04:36 PM](#)

CHAIR MCCABE announced that the next order of business would be HOUSE BILL NO. 233, "An Act relating to rates and time allowances for motor vehicle warranty work."

[4:05:20 PM](#)

JULIE MORRIS, Staff, Representative Kevin McCabe, Alaska State Legislature, on behalf of Representative McCabe, prime sponsor, provided explanation to the two amendments to HB 233 that were adopted by the committee. She provided brief explanation to the changes, which included synchronized rates and time allowances for manufacturers and dealers aligning them with widely recognized independent labor guides. In addition, a change under "unfair practices" added a prevention for the manufacture from passing extra costs incurred for warranty work to the dealer. Last, she noted that there was a renumeration change on page 3, line 23, Section 5.

[4:06:58 PM](#)

REPRESENTATIVE VANCE moved to adopt the proposed committee substitute (CS) for HB 233, Version 33-LS1042\B, Gunther, 4/30/24, as the work draft.

CHAIR MCCABE objected for the purpose of discussion.

[4:07:22 PM](#)

REPRESENTATIVE STUTES expressed curiosity regarding any movement toward a compromise. She shared that lobbyists had visited her office with a copy of the compromise that manufacturers put forward.

CHAIR MCCABE responded that he had not seen or heard anything of that nature. In line with the CS, he pointed out that it stated, "unless otherwise agreed to," which would provide ample opportunity to make a compromise.

[4:09:06 PM](#)

REPRESENTATIVE FRANK TOMASZEWSKI, Alaska State Legislature, as prime sponsor, answered questions during the hearing on HB 233, and acknowledged that he had not seen any compromise and supported the changes that had been implemented in the CS.

[4:09:46 PM](#)

CHAIR MCCABE removed his objection. [There being no further objection, the proposed committee substitute, Version 33-LS1042\B, Gunther, 4/30/24, ("Version B"), was treated as adopted as a working document before the committee.]

[4:10:00 PM](#)

REPRESENTATIVE VANCE moved to report CSHB 233, Version 33-LS1042\B, Gunther, 4/30/24, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 233(TRA) was reported out of the House Transportation Standing Committee.

HB 332-SALE OF ALASKA RAILROAD

[4:10:37 PM](#)

CHAIR MCCABE announced that the final order of business would be HOUSE BILL NO. 332, "An Act relating to the sale of the Alaska Railroad; and providing for an effective date."

[4:10:59 PM](#)

REPRESENTATIVE JESSE SUMNER, Alaska State Legislature, as prime sponsor, offered updates on HB 332. He opined that the bill was an interesting opportunity to look at the best way to sell the Alaska Railroad Corporation (ARRC). He noted there were no amendments to the proposed legislation.

[4:12:02 PM](#)

REPRESENTATIVE STUTES asked what the next committee of referral was. She observed that the bill got the attention of ARRC and

that she hopes it "wakes them up" and motivates the corporation to do something.

CHAIR MCCABE opined it was incumbent on the state to look at ARRC's assets occasionally and make sure it is still doing what it is intended to do. He read from an evaluation from an investment firm in reference to the sale of a railroad from the Lower 48. He reiterated previous conversation regarding the railroad being key to developing Port MacKenzie, which is key to development in the Matanuska-Susitna ("Mat-Su") borough.

[4:16:33 PM](#)

REPRESENTATIVE STUTES asked whether any committee members had seen any numbers and to what degree ARRC was being subsidized by rental income received off its property.

CHAIR MCCABE confirmed it had been brought up to him and that it had been referred to as a "real estate company with a rail problem."

[4:17:42 PM](#)

REPRESENTATIVE SUMNER noted that in light of hearing that ARRC had bonding ability outside of construction, it could immerse in other projects. He offered his belief that the railroad had many missed opportunities.

[4:18:39 PM](#)

REPRESENTATIVE MINA noted her disappointment in the decline of passenger service and how much more inaccessible it had become for everyday Alaskans while still being "awesome" for tourism. She said she hoped for more accessibility for passenger services and that that would not go away if ARRC were sold to a private company.

[4:20:41 PM](#)

CHAIR MCCABE agreed, and the deal would have to be structured as such that ARRC would remain the only combined passenger and freight service in the country. He pointed out that 70 percent of the railroad's revenue comes from freight.

[4:22:11 PM](#)

REPRESENTATIVE STUTES asked whether there was rail accessibility at the Port of Anchorage and, if so, whether the same freight could be hauled up from Anchorage.

CHAIR MCCABE responded, "Possibly."

[4:23:26 PM](#)

REPRESENTATIVE MINA noted the difference in the ability to leverage as a public corporation versus losing that as a financing mechanism for rail projects is a tradeoff she struggled with.

CHAIR MCCABE replied that that bears some exploration but there must still be a framework for a sale in place. He noted other grants that may be available.

[4:25:07 PM](#)

REPRESENTATIVE VANCE moved to report HB 332 out of committee with individual recommendations and the accompanying fiscal notes.

REPRESENTATIVE MINA objected. She restated her concerns over the loss of passenger rail and the loss of funding, but she did not disagree with privatizing the railroad; however, she opined that the bill was not needed to make that happen.

[4:26:06 PM](#)

REPRESENTATIVE SUMNER said while it may be true a bill is not needed to sell ARRC, the bill created an interest and allowed parties to approach.

[4:26:36 PM](#)

REPRESENTATIVE STUTES commented that the bill also says to the railroad that it is a state asset and should not be static.

[4:27:10 PM](#)

A roll call vote was taken. Representatives Vance, Stutes, Sumner, C. Johnson, McKay, and McCabe voted in favor of the motion to report HB 332 out of committee with individual recommendations and the accompanying fiscal notes. Representative Mina voted against it. Therefore, HB 332 was

reported out of the House Transportation Standing Committee by a vote of 6-1.

4:28:00 PM

ADJOURNMENT

There being no further business before the committee, the House Transportation Standing Committee meeting was adjourned at 4:28 p.m.