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ALASKA STATE LEGISLATURE

HOUSE OF REPRESENTATIVES

REPRESENTATIVE SALLY SMITH • 321 CHURCH STREET • FAIRBANKS, ALASKA 99701 • IN JUNEAU: POUCH V • JUNEAU, ALASKA 99811

March 16, 1981

Oscar L. Venable
330 Wedgewood, #7
Fairbanks, Alaska 99701

Dear Oscar,

Thank you for your letter supporting a state-owned railroad. State ownership of the Alaska Railroad is being discussed, but a bill has not been introduced that would appropriate money to actually buy it.

You have made some very good points in your letter, and I thoroughly agree with your position. House Bill 12 and Senate Bill 221 have been introduced which would establish an Alaska Railroad authority whose goal would be to work with the federal government toward purchasing the Alaska Railroad. House Bill 12 is in the House Transportation Committee and a copy of your letter has been sent to Committee Chair Bette Cato. Senate Bill 221 is in the Senate Transportation Committee so I've sent a copy of your letter to Committee Chair Bill Ray as well. Your letter will show public support to the Committee members. If you have further comments about these bills, I urge you to contact Representative Cato and Sentaor Ray at Pouch V, Juneau, 99811.

Thanks for taking the time to write and express your opinion on this issue.

Sincerely,

Sally Smith
Alaska State Representative

cc: Rep. Cato ✓
Sen. Ray ✓

Dear OSC

3/6/81

Sally Smith
House of Rep.

Dear Sally:

I kinda envied you in Miami an mean
that cold North Slope.

Sally I hope you will look into the purchase
of the railroad an Gov. get by a State Corp. I am sure
it would have to be subsidized but look at the Ferry System
an you know a little money will be coming from the Fed.
Grant for Gov. Maint & etc.

I am sure if the road Bed, services Equip were
updated business would be good, I presume you
have been to Europe just look at their railroad
system how fast the Trains go, Freight & Passenger
I think it would be a worth while project for the
State

Sincerely
Oscar Kenable

Oscar L. Venable
230 Wedgewood, 7
Fairbanks, AK 99701

P.S. The Govt. might give it away to get
rid of it.

COPY COMMITTEE MEMORANDUMS

STATE OF ALASKA
THE LEGISLATURE

POUCH - STATE CAPITOL
JUNE 1, ALASKA 99811
57-468-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 7, 1981

SUBJECT: Alaska Railroad Authority
(Work Order No. 12-1364)

TO: Senator Bill Ray

FROM: Thomas A. Sofo *TAS*
Legislative Counsel

You have requested that this office undertake a section-by-section analysis of SB 212 and SB 221 with notations of any differences which exist between the two bills. Both bills create an Alaska Railroad Authority. SB 212 and SB 221 share more parallel provisions than they do differences. In the interest of economy of time and effort, I have attempted to summarize the main differences which exist between the two bills since this seems to be most salient feature of your request. I do not believe that one will encounter much difficulty in understanding what a given section of either bill says, but I am aware that there is some need to be able to compare differences between the two bills. I have undertaken that comparison in narrative form below. You may find that future reference would be facilitated if the format of this memo is changed into some sort of graphic presentation.

Both bills create the Alaska Railroad Authority as a public corporation of the state. However, the composition of the governing board varies. Under SB 212, the board consists of at least one banker, one attorney, one economist, one transportation person, and one business person [sec. 42.40.030]. Under SB 221, the board consists of the commissioner of transportation and public facilities, two senators, two representatives and two members of the general public [sec. 44.87.015]. Only SB 212 specifically sets out a conflict of interest section [sec. 42.40.050]. SB 221 calls for the employment of an executive director to manage the authority [sec. 44.87.025], while SB 212 gives this job to

Senator Bill Ray
Page 2
April 7, 1981

the president [sec. 42.40.100]. The general powers of the authority under both bills are practically identical. One of the purposes of the authority under SB 221 is to enter into talks with the federal government and Canadian provinces regarding an international rail connection [sec. 44.87.030]. Nowhere is this expressly mentioned in SB 212 although this purpose could be implied easily under sec. 42.40.120. Only SB 212 expressly calls for an annual report [sec. 42.40.120], and audit [sec. 42.40.150].

The financial provisions of both bills are similar. SB 212 differs as it provides for bond anticipation notes [sec. 42.40.160(b)]. SB 221 provides for a maximum forty year maturity for authority bonds [sec. 44.87.040(b)], while SB 212 calls for a fifty-year maximum [sec. 42.40.150(c)]. SB 212 goes into much more detail when describing the resolution which authorizes the issuance of bonds [sec. 42.40.160(f)], than does SB 221 [sec. 44.87.040(b)]. Only SB 212 calls for an independent financial advisor [sec. 42.40.170]. SB 221 specifically refers to trust indentures and trust agreements and provides that an issue of bonds may be secured by such instruments while SB 212 is silent on this point [sec. 44.87.045]. SB 212, unlike SB 221, provides for the issuance of refunding bonds [sec. 42.40.220]. Only SB 212 provides for the dissolution of the authority [sec. 42.40.270], and for the exemption of authority personnel from the State Personnel Act [sec. 42.40.280]. The last substantive difference in the financial provisions of these two bills is that only SB 221 expressly states that income from investments of the authority is limited to maintenance or improvement of railroad facilities [sec. 44.87.075].

Call me at your convenience if you have any problems with understanding the content of a specific section beyond the differences identified by this comparison.

TAS:ljb

ALASKA STATE LEGISLATURE



HOUSE OF REPRESENTATIVES

REPRESENTATIVE SALLY SMITH • 321 CHURCH STREET • FAIRBANKS, ALASKA 99701 • IN JUNEAU, POUCH V • JUNEAU, ALASKA 99811

March 31, 1981

Bruce E. Carr
Box 81023
Fairbanks, Alaska 99708

*Is this WOL any
relation to SIG WOL
from FAIRBANKS?
BR*

Dear Mr. Carr:

Thank you for your message concerning your opposition to a state-owned railroad. State ownership of the Alaska Railroad is being considered, but a bill has not been introduced that would appropriate money to actually buy it.

You have made some very good points, and they definitely deserve consideration. House Bill 12 and Senate Bill 221 have been introduced which would establish an Alaska Railroad Authority whose goal would be to work with the federal government to determine if purchasing the Alaska Railroad is feasible. House Bill 12 is in the House Transportation Committee and a copy of your letter has been sent to Committee Chair Bette Cato. Senate Bill 221 is in the Senate Transportation Committee, so I've sent a copy of your letter to Committee Chair Bill Ray as well. Your message will show public support to the Committee members. If you have further comments about these bills, I urge you to contact Representative Cato and Senator Ray at Pouch V, Juneau, 99811.

Thanks for taking the time to express your opinion.

Sincerely,

Sally Smith
Alaska State Representative

cc: Rep. Cato
Sen. Ray

TO: REPS. BETTISWORTH, BROWN, FANNING, RANDOLPH, ROGERS AND SMITH
SENS. BENNETT, FAHRENKAMP AND PARR

FROM: BRUCE E. CARR, BOX 81023, FAIRBANKS 99708 479-3747

RE: STATE OF ALASKA BUYING THE ALASKA RAILROAD

I AM AGAINST THE STATE BUYING THE RAILROAD. GOVERNMENT SHOULD NOT BE IN
COMPETITION WITH PRIVATE ENTERPRISE. TRANSPORTATION IS THE LARGEST PRIVATE
EMPLOYER IN THE FAIRBANKS AREA AND THE RAILROAD COMPETES WITH AND TAKES
BUSINESS AWAY FROM THE PRIVATE TRUCKING COMPANIES, BUS COMPANIES, SHIP AND
AIRLINE COMPANIES. THE TAXES PRIVATE ENTERPRISE PAYS SUBSIDIZES THEIR
COMPETITOR.

Senate Bill No. 221

Page 1 -- Lines 12 and 13 have been revised to read as follows: "For the achievement of the goals of reasonable freight costs, long-term economic growth and continuing common carrier service.

Page 1 -- At line 20, add "self-sustaining, financially viable" after "a".

Page 3 -- At line 22, add "in self-sustaining, financially viable" after "operate".

Page 4 -- At line 11, delete "fares" and replace with "fully compensatory rates".

Page 5 -- At line 11, redesignate "(e)" as "(f)" and insert new "(e)":
"(e) The proceeds resulting from the issuance of bonds pursuant to this section may only be used to meet the capital obligations and expenses of the Authority. None of the proceeds may be used to meet the Authority's operating expenses or any deficit resulting from an insufficiency of operating revenues."

For a complete copy of this report see
Legislative Reference Library (LIB document no. 8001600)
or other libraries throughout the state.

Feasibility Study Proposed Extension of the Alaska Railroad From Eielson AFB to the Canadian Border

Submitted to
Legislative Affairs Agency
State of Alaska

Submitted by:
Larry Orsini Associates, Inc.
Anchorage & Fairbanks, Alaska
D.J. Moore, Project Manager
December 10, 1980

Submitted to:
George H. Hohman, Jr.
Project Director