

S B

370

Original sponsor: Rules/Governor

1 IN THE SENATE BY THE TRANSPORTATION COMMITTEE  
2 CS FOR SENATE BILL NO. 370 (Transportation) am  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 THIRTEENTH LEGISLATURE - SECOND SESSION  
5 A BILL

6 For an Act entitled: "An Act authorizing the acquisition of the Alaska  
7 Railroad; authorizing the governor to negotiate the  
8 transfer terms; and providing for an effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 \* Section 1. ACCEPTANCE OF CERTIFICATION REQUIREMENTS OF ALASKA RAIL-  
11 ROAD TRANSFER ACT OF 1982. The state accepts, for itself and any entity  
12 that might subsequently be created to operate the Alaska Railroad, the  
13 certification requirements under 45 U.S.C. 1201 - 1214 (Alaska Railroad  
14 Transfer Act of January 14, 1983). Accordingly, the state agrees to

15 (1) acquire the Alaska Railroad and accept all rail property of  
16 the Alaska Railroad under 45 U.S.C. 1203(a) ~~as described in the report of~~  
17 ~~July 14, 1983, as amended, submitted to Congress and the legislature under,~~  
18 ~~45 U.S.C. 1204(a);~~

19 (2) operate the Alaska Railroad as a rail carrier in intrastate  
20 and interstate commerce;

21 (3) assume all rights, liabilities, and obligations of the  
22 Alaska Railroad existing on the date of transfer to the state, including  
23 leases, permits, licenses, contracts, agreements, claims, tariffs, accounts  
24 receivable, and accounts payable, except as otherwise provided by 45 U.S.C.  
25 1201 - 1214;

26 (4) protect the employment interests of the employees of the  
27 Alaska Railroad during the two-year period commencing on the date of trans-  
28 fer, as required by 45 U.S.C. 1203(d)(3)(A) and 45 U.S.C. 1206;

29 (5) protect the employment interests of the officers of the

1 Alaska Railroad as required by 45 U.S.C. 1203(d)(3)(E);

2 (6) allow representatives of the United States Secretary of  
3 Transportation adequate access to employees and records of the Alaska  
4 Railroad when needed for the performance of functions related to the period  
5 of federal ownership; and

6 (7) compensate the United States at the value determined by the  
7 United States Railway Association under 45 U.S.C. 1204(d).

8 \* Sec. 2. (a) The governor may enter into transfer agreements, compen-  
9 sation agreements, and any other related agreements with the United States  
10 Secretary of Transportation in order to secure certification by the secre-  
11 tary that the state has met the requirements of 45 U.S.C. 1203 and in order  
12 to secure the transfer of the Alaska Railroad to the state ~~of the rail~~  
13 ~~properties of the Alaska Railroad as described in the report of July 14,~~  
14 ~~1973, as amended, submitted to Congress and the legislature under 45 U.S.C.~~  
15 ~~1204(a).~~

16 (b) Transfer of the Alaska Railroad shall not occur until after the  
17 effective date of an Act establishing or otherwise providing for an entity  
18 to operate the state-owned railroad.

19 \* Sec. 3. DEFINITIONS. In this Act, unless the context clearly indi-  
20 cates otherwise,

21 (1) "Alaska Railroad" means the agency of the United States  
22 Government that is operated by the U.S. Department of Transportation as a  
23 rail carrier in Alaska under authority of 43 U.S.C. 975 - 975(g) (Alaska  
24 Railroad Act) and 49 U.S.C. 1655(i) (Department of Transportation Act) or,  
25 as the context requires, the railroad operated by that agency;

26 (2) "certification requirements" means the conditions under 45  
27 U.S.C. 1203 that the United States Secretary of Transportation must certify  
28 as having been satisfied by the state before transfer of the Alaska Rail-  
29 road to the State of Alaska may occur under 45 U.S.C. 1203(a);

1           (3) "compensate" means payment in full or by credit agreement  
2 with cash or pledged funds;

3           (4) "officers of the Alaska Railroad" means the employees occu-  
4 pying the following positions at the Alaska Railroad as of the day before  
5 the date of transfer to the state:   general manager; assistant general  
6 manager; assistant to the general manager; chief of administration; and  
7 chief counsel.

8       \* Sec. 4. This Act takes effect immediately in accordance with AS 01.-  
9 10.070(c).



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 24, 1984

The Honorable Jalmar Kerttula  
President of the Senate  
Pouch V  
Juneau, AK 99811

Dear Senator Kerttula:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that will authorize the state to acquire the Alaska Railroad. The bill is required so that the certification process mandated by the Alaska Railroad Transfer Act (ARTA; P.L. 97-468) can be effected. Once this certification process is completed, acquisition of the railroad can occur as soon as practicable.

The bill essentially says that the state agrees to meet the transfer conditions set out in the Transfer Act. A more detailed analysis of the bill follows:

Section 1 says that the state agrees to the transfer conditions set out in the Alaska Railroad Transfer Act. Specifically, these points of agreement are as follows:

- 1) The state agrees to acquire all the rail property of the railroad.
- 2) The state agrees to operate the railroad as a rail carrier in intrastate and interstate commerce.
- 3) The state agrees to assume all rights, liabilities, and obligations of the railroad that exist on the date of transfer.
- 4) The state agrees to protect the employment interests of the railroad employees as required by sec. 604(d)(3)(A)(i) -- (vii) and sec. 607 of ARTA.

- 5) The state agrees to protect the employment interests of the officers of the railroad as required by sec. 604(d)(3)(E) of ARTA.
- 6) The state agrees to allow the Secretary of Transportation access to employees and records of the Alaska Railroad.
- 7) The state agrees to compensate the United States at the appraisal value that was determined by the United States Railway Association.

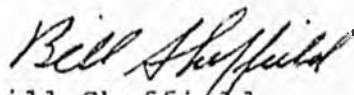
Section 2 authorizes the governor to enter into the various transfer agreements that relate to the points listed above and that will be required in order to secure certification of compliance with the Transfer Act and thus to secure the transfer of the railroad.

Section 3 defines certain terms used in the bill.

Section 4 provides for an immediate effective date.

I urge your favorable action on this bill as soon as possible so that the transfer of the ownership of the Alaska Railroad to the state can become a reality.

Sincerely,



Bill Sheffield  
Governor

SENATE LETTER OF INTENT

CSSB 370(Trsp) am

It is the intent of the Legislature that the Department of Transportation and Public Facilities shall hold a public hearing in each of the communities affected along the proposed right-of-way corridor established under 16 U.S.C. 410hh (4)(b)-(e) known as the Western (Kobuk River) unit of the Gates of the Arctic National Park, before proceeding with any proposed railroad into the Ambler Mining District.

Adopted by the Senate 3/15/84

STATE OF ALASKA 1984 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: 1/19/84

REQUEST  
Bill/Resolution No.: \_\_\_\_\_  
Title: Alaska Railroad Acquisition Act  
Sponsor: \_\_\_\_\_  
Requestor: Rules, by request of Governor  
Date of Request: 1/18/84

FISCAL DETAIL  
Agency Affected: N/A  
Program Category Affected: N/A  
BRU, Program or Subprogram(s) Affected: \_\_\_\_\_  
N/A

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING *						
100 PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	22,271.0	-0-	-0-	-0-	-0-
REVENUE *	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	22,271.0	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	22,271.0	-0-	-0-	-0-	-0-

POSITIONS: \*

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL: GENERAL FUND

\*This fiscal note only covers the actual purchase price. Specific estimates for these other needs will be presented in subsequent fiscal notes relating to proposed operating entity legislation.

ANALYSIS: Attach a separate page for analysis

Prepared By: Mark S. Hickey, State Railroad Coordinator Phone: 465-3900  
Division: Alaska Railroad Transfer Team Date: 1/19/84  
Approved by Commissioner: H. Glenzer, Jr. Date: 1/19/84  
Agency: Dept. of Transportation & Public Facilities

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