

HB

12

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

4/10/99

DATE: 3/31/99

FURTHER:

DATE TURNED
IN TO OFFICE: 4/12/99

Finance Committee considered CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 12(FIN) am
"An Act relating to a utility corridor and railroad right-of-way between the Alaska Railroad and the Alaska-Canada border."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Commi.tee

- Senate Bill:**
 same title
 new title
House Bill:
 same title
 technical title
 new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Re. Co. Sec. 1001</i>	→	<i>Ed Adams</i>	X		
<i>Lisa M. Green</i>	✓				
<i>Thomas S. Leman</i>	✓				
<i>Gary Wilke</i>	✓				
<i>David Stanley</i>	✓				
Co-Chair: <i>A. Brown</i>	✓	Co-Chair:			
Co-Chair: <i>Alan R. Parrell</i>	✓	Co-Chair:			

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

DOTPF/Comm. Office	2/2/99	∅	
DNR/Land Dev.	2/1/99	∅	

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

REPORT OF
 SFC 4/10/99 No: 2
 Bill Version: SSHB 12
 (H) Publish Date: 2/3/99

STATE OF ALASKA 1999 LEGISLATIVE SESSION

Revision Date: _____ Dept Affected: Natural Resources
 Title: RAILROAD EASEMENT TO BRU: Land Development
ALASKA-CANADA BORDER Component: Land Development
 Sponsor: JAMES, Therriault, Dyson
 Requestor: H TRA Component Serial No. 431

Expenditures/Revenues (Inflation not included unless otherwise noted below)

(Thousands of Dollars)

	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005
OPERATING EXPENDITURES						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES (fund code)	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE

(Thousands of Dollars)

	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY99) cost: \$ _____

POSITIONS

	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005
FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS:

(Attach a separate page if necessary)

The bill will have a fiscal impact on DNR in the future (because of the existing AS 19.05.122(c)), but its magnitude will depend on what route DOT/PF delineates, how much state land is involved, and how encumbered that state land is by valid existing rights. The bill requires DOT/PF to obtain legislative appropriations before delineating the route, even if grant funds are involved. This analysis assumes that future appropriation process will give DNR the opportunity to quantify the fiscal impact on this department and obtain the necessary funding to reserve the right-of-way across state-owned portions of the route.

Prepared by: Richard A. LaFebvre, Acting Director Phone: 907-269-8503
 Division: Land Date: 1-Feb-99
 Approved by Commissioner: [Signature] Date: 2-1-99
 Agency: Natural Resources

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FISCAL NOTE

No: 1
 Bill. ersion: 4/10/99 SSHB 12
 (H) Publish Date: 2/3/99

**STATE OF ALASKA
 1999 LEGISLATIVE SESSION**

Revision Date/Time (Note if correction) _____ Dept. Affected DOT&PF
 Title Rail/Utility Easement to AK-Canada Border BRU Commissioners Office
 Component _____
 Sponsor House Transportation
 Requester Representative Jeannette James Component Serial No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
Other (Specify Type)	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY99) cost: 0.0

POSITIONS

Full-time	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

Please see attached

Prepared by Dennis Poshard, Legislative Liaison Phone 405-3904
 Division Office of the Commissioner Date/Time 2/1/99 10:53 AM
 Approved by Commissioner *Joseph L. Pashley* Date 2/2/99
 Agency Department of Transportation and Public Facilities

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COMMITTEE COPY

Fiscal Analysis for SSHB 12

Listed below are the tasks, including estimated timeframes and costs, which House Bill 12 would require the Department of Transportation to complete upon legislative appropriation.

1. Review of route in original 1982 study, to determine and note changes in land status and other land use conflicts/3 months/\$30,000
2. Interagency review, comment and compilation assessment and determination of most appropriate route/2 months/\$20,000
3. Map revised route 1 month/\$7,500
4. Submit application to DNR for record notation 0.5 month/\$4,000.

These estimates are based on using the 1982 study with no major route changes. A quick review of the 1982 study indicates a high probability of necessary route changes due to land status changes.

Should the legislature wish to acquire the right-of-way, a 1995 estimate of acquisition cost was \$6,363,000. It is safe to assume that a new estimate would be substantially higher due to increased land values and land status changes, and due to the fact that the original estimate included no permitting fees.

Prepared by Frank Mielke, Chief, Right of Way & Utilities, SE Region, D&ES, DOTPF
2/1/99

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. CSSSHB12(FIN)am

Revision Date: <u>10-Mar-99</u>	Dept Affected: <u>Natural Resources</u>
Title: <u>RAILROAD EASEMENT TO</u>	BRU: <u>Land Development</u>
<u>ALASKA-CANADA BORDER</u>	Component: <u>Land Development</u>
Sponsor: <u>Rep. JAMES</u>	
Requestor: <u>(S) TRA</u>	Component Serial No. <u>431</u>

Expenditures/Revenues (Inflation not included unless otherwise noted below)

(Thousands of Dollars)

OPERATING EXPENDITURES	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	*	*	*	*	*	*
CAPITAL EXPENDITURES	*	*	*	*	*	*
CHANGE IN REVENUES (fund code)	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	*	*	*	*	*	*

Estimate of any current year (FY99) cost: \$ _____

POSITIONS

POSITIONS	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005
FULL-TIME	*	*	*	*	*	*
PART-TIME	*	*	*	*	*	*
TEMPORARY	*	*	*	*	*	*

ANALYSIS:

(Attach a separate page if necessary)

*The bill will have a fiscal impact on DNR in the future (because of the existing AS 19.05.122(c)(1) and the new (c)(2)), but its magnitude will depend on what route DOTPF proposes to delineate, how much state land is involved, and how encumbered that state land is by valid existing rights. The bill requires DOTPF to obtain legislative appropriations before delineating the route, even if grant funds are involved. This analysis assumes that this future appropriation process will give DNR the opportunity to quantify the fiscal impact on this department and obtain the necessary funding to amend land use plans, change the land classifications, reserve the right-of-way across state-owned portions of the route, portray the route on state land status plats, and add it to DNR's electronic public land records. A rough estimate at present would be .4 position @ \$24.0 for the Division of Land and .2 position @ \$10.0 for the Division of Support Services.

Prepared by: <u>Jane Angvik, Director</u> <i>[Signature]</i>	Phone: <u>907-269-8503</u>
Division: <u>Land</u>	Date: <u>10-Mar-99</u>
Approved by Commissioner: <i>[Signature]</i>	Date: <u>3-10-99</u>
Agency: <u>Natural Resources</u>	

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House Of Representatives

House District 34

SPONSOR STATEMENT

House Bill 12

1/28/99

"An Act relating to an easement for the extension of the Alaska Railroad to the Alaska-Canada Border"

Why is this bill necessary?

- 1982 A corridor was delineated by statute, connecting Alaska's existing railroad with the Canadian Border.
- 1994 I sponsored and passed HB 184 authorizing \$10,000.00 for a study determining the cost of acquiring this right-of-way.
- 1995 D.O.T. reached a cost estimate of \$6,363,000.00 to acquire the right-of-way. Of the \$10,000.00 appropriated by HB 184 for this study, a total of \$7876.00 was expended.
- 1996 On May 5, the 1982 application to B.L.M. for this project was withdrawn by order of D.O.T. due to "lack of interest," in spite of my 1994 legislation which certainly indicated a continuing interest!
- 1999 HB 12 reauthorizes delineation of the corridor, subject to legislative appropriation. Thus this bill carries no fiscal impact. It merely reauthorizes and updates the 1982 statute.

Both the Canadian and Russian governments, as well as our own, are increasingly interested in a U.S.-Asian link via rail through Alaska. HB 12 allows eventual funding from any source, private or governmental, and I want the authorization on the books now so we aren't scrambling for it when project funds become available.

Advantages to Alaska are obvious: resource development, tourism, job opportunities for ALL areas of Alaska, with controlled access - and without the expensive maintenance problems of other modes of transportation.