

HB

241

ALASKA STATE LEGISLATURE

REPRESENTATIVE
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House of Representatives
House District 34

Sponsor Statement, HB 241

4/17/01

If all government-funded employment in Alaska disappeared one day, only a few thousand private sector family-wage jobs would remain. It can be argued Alaska does not have an economy. ... Rather Alaska has a series of boom and bust cycles tied to the price of, and demand for, natural resources.

Alaska's economic future will be built on improved infrastructure. Connecting Alaska to the rest of North America by rail will benefit the mining, agriculture, tourism, military, manufacturing, and oil and gas sectors of the economy, while reducing the cost of bringing goods to the state as well as exporting our products.

The purpose of HB 241 is to begin the process of completing the last transcontinental railroad. Without appropriating funds, HB 241 authorizes the Alaska Railroad to delineate a transportation and utility corridor from existing tracks at Eielson AFB to the Canadian Border. After a survey and full delineation is achieved, state land would be transferred fee simple title.

This bill also authorizes and encourages the Alaska Railroad Corp. to obtain ownership or a right of way through any other lands, whether federal or private.

HB 241 mandates a 500-foot wide transportation and utility corridor that could allow for pipelines for gas or water as well as electric transmission lines and fiber optic cable. HB 241 allows the Alaska Railroad to use funds it can obtain, such as from federal appropriations or by sale of bonds, to survey and obtain a right of way to the Canadian border.

A separate section of this bill authorizes the Alaska Railroad to investigate extending to Whitehorse, Yukon.

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB241
 () Publish Date: 4/10/2001

Revision Date/Time (Note if correction): _____ Dept. Affect: DCED
 Title: Extension of the Alaska Railroad to Canada BRU: _____
and to Whitehorse, Yukon Territory Component: _____
 Sponsor: Representative James
 Requester: Representative James Component Number: _____

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
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						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

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 (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

At this point, the Alaska Railroad Corporation (ARRC) matches all federal grant appropriations with its internal funds. Should this be the case regarding federal funding appropriated for corridor delineation to the Canadian border and Whitehorse, there will be no fiscal impact to the State's general fund. There will be a fiscal impact if the State helps the ARRC match the federal dollars. The ARRC is currently asking Senator Frank Murkowski to look for federal funding options for corridor delineation. It has been estimated it would take approximately \$5 million to delineate and survey the corridor from the Alaska Railroad near Fairbanks to the Canadian border. In addition, this bill would allow the ARRC to investigate the extension from the Alaska border to Whitehorse, in the Yukon Territory. At this time, the ARRC has not estimated the cost to determine the Whitehorse route and conduct surveys for this section of corridor. Finally, the bill would allow the ARRC to acquire rights-of-way in the corridor. We assume that State land could be acquired for no cost. Military land could be transferred by our Congressional Delegation. Native lands would require purchase or easements and we do not have estimates for the associated costs.

Prepared by: Wendy Lindskoog, Director External Affairs
 Division: Alaska Railroad Corporation
 Approved by: Commissioner Deborah B. Sedwick
 Agency: Department of Community & Economic Development

Phone (907) 265-2498
 Date/Time 4/24/01 12:00p.m.
 Date 4/24/2001

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