

HB

21

<TARGET><BILL>HB 21</BILL><SUBJECT>HB
21</SUBJECT><COMM>HTRA29</COMM></TARGET>

ALASKA STATE LEGISLATURE



REPRESENTATIVE ANDY JOSEPHSON

Sponsor Statement

House Bill 21: Regional Transit Authorities

House Bill 21 aims to reduce traffic flow on highways by providing for the creation of regional transit authorities. The purpose of these authorities is to provide for public transportation by commuter rail or by other means.

HB21 would allow governing bodies of individual municipalities, or in collaboration with a second municipality, to create a regional transit authority. These authorities would provide transit services to bring hard-working commuters to their jobs, students to their schools, and fun-seekers to entertainment, shopping areas, and restaurants. They would provide mobility to residents of the cities as well as to large numbers of tourists, taking them to and from their hotels to historical neighborhoods and countless attractions.

More specifically, an RTA would be dedicated to building and operating a safe, efficient, and effective transportation system providing mobility, improving the quality of life, and stimulating economic development. Core principles of an RTA would include dedication to rigorous safety practices, top-quality customer service, efficient use of resources, and ensuring that the service is accessible for the disabled community and senior citizens.

I invite you to discuss this issue with me further and urge you to support this legislation.

Fiscal Note

State of Alaska
2016 Legislative Session

Bill Version: HB 21
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB021-DCCED-DCRA-04-01-16
Title: REGIONAL TRANSIT AUTHORITIES
Sponsor: JOSEPHSON
Requester: (H) Transportation

Department: Department of Commerce, Community and
Economic Development
Appropriation: Community and Regional Affairs
Allocation: Community and Regional Affairs
OMB Component Number: 2879

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2017 Appropriation Requested	Included in Governor's FY2017 Request	Out-Year Cost Estimates					
			FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues								
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Estimated SUPPLEMENTAL (FY2016) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2017) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Not applicable, initial version.

Prepared By: Katherine Eldemar, Director
Division: Community and Regional Affairs
Approved By: Catherine Reardon, Director
Agency: Division of Administrative Services, DCCED

Phone: (907)465-3961
Date: 04/01/2016 03:00 PM
Date: 04/01/16

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2016 LEGISLATIVE SESSION

BILL NO. HB21

Analysis

HB21 amends AS 29.35 to allow the formation of regional transit authorities.

The Division of Community and Regional Affairs does not anticipate fiscal impact from this bill.

LEGAL SERVICES

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MEMORANDUM

February 24, 2015

SUBJECT: HB 21 Sectional Summary
(Work Order No. 29-LS0123\W; Regional transit authorities)

TO: Representative Andy Josephson
Attn: Johnathan Church

FROM: Kathleen Strasbaugh
Legislative Counsel

You have requested a sectional summary of HB 21 concerning regional transit authorities. Please note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1 establishes regional transit authorities.

Sec. 29.35.750. Subsection (a) provides that the purpose of a regional transit authority is to provide for public transportation within the boundaries of the authority.

Subsection (b) sets out the means by which an authority may be created.

Subsection (c) allows more than one municipality to join a regional transit authority.

Subsection (d) lists the requirements for an ordinance enabling an authority, provides that an enabling ordinance may include the designation of the commissioner of transportation and public facilities or the selection of a metropolitan planning organization as a member of the board, and provides that an authority has an independent legal existence and that creation of the authority is an exercise of a municipality's transportation system powers.

Subsection (f) provides that a municipality may create or participate in another regional transit authority, but the provisions of this bill apply only to an authority created under the bill.

Sec. 29.35.752. Subsection (a) requires an enabling ordinance to provide for the dissolution of an authority and for meeting the authority's obligations and distributing its assets on dissolution.

Subsection (b) provides that a municipality may withdraw from the authority without dissolving the authority and sets out its obligations if it does withdraw.

Subsection (c) prohibits the use of the municipal initiative or referendum process for withdrawal from participation in an authority.

Sec. 29.35.754 authorizes a municipality to transfer or lease real and personal property for use by the authority consistent with the purposes of the authority as adopted in the enabling ordinance.

Sec. 29.35.756. Subsection (a) sets out the powers and duties that an authority may exercise, subject to the enabling ordinance.

Subsection (b) requires an authority to maintain certain types of insurance.

Sec. 29.35.758 authorizes an authority, as provided in an enabling ordinance, to borrow money, lists the means by which the principal and interest on bonds of the authority may be paid, and provides that they are negotiable instruments under the Uniform Commercial Code.

Sec. 29.35.768 exempts an authority and its bonds from state and municipal taxes, and provides that an authority and a participating municipality may negotiate for payments in lieu of taxes.

Sections AS 29.35.760 - 29.35.766 authorize the issuance of bonds and set out the associated legal requirements.

Sec. 29.35.770 provides that the authority is to be administered by a board and that the board must appoint a chief executive officer and set to compensation of the chief executive officer of not more than \$200,000 a year.

Sec. 29.35.772 provides that a collective bargaining agreement for state or municipal employees transferred to the authority shall remain in effect for a fixed period of time unless the parties agree to a new contract before the agreement expires, and allows the employees to retain certain rights.

Sec. 29.35.774 requires the board to adopt bylaws and regulations and lists subjects that must be included in the bylaws and regulations.

Sec. 29.35.776 provides that the authority is subject to state public records and open meeting laws.

Sec. 29.35.778 requires the authority to prepare and distribute an annual report, to have an annual audit, and to make its records available to an auditor for a municipality participating in the authority.

Sec. 29.35.780 concerns the rights of bond holders to enforce agreements with the authority and to compel the authority to perform its duties.

Sec. 29.35.790 provides that if a provision of the bill conflicts with the municipal code, the provision of the bill controls.

Sec. 29.35.799 provides definitions for the provisions of AS 29.35.750 - 29.35.799.

Section 2 adds a definition of "transportation system" to AS 29.71.800, which provides definitions for AS 29.



Anchorage

SECTIONS

Railroad eyes commuter service between Wasilla and Anchorage

Zaz Hollander | February 11, 2014

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Marc Lester / Anchorage Daily News

The Alaska Railroad is evaluating whether to launch weekday passenger rail service between Anchorage and the Valley, where nearly a third of the working population drives to jobs in Alaska's largest city.

Trains would run from Wasilla to the railroad's Ship Creek platform in Anchorage and back.

But don't line up for tickets just yet.

Officials want to make sure the public understands that any plans are in the early stages. Any new train service would need approval from the railroad's board of directors, already grappling with a difficult budget year. Many details have yet to be worked out, including fare and schedule.

At least this hypothetical train has a name: the Wasilla Turn.

"We're very preliminary here," said Jim Kubitz, the railroad's vice president of corporate planning and real estate. "But it's the right thing to do, to figure it out. We're owned by the state. We need to be able to offer alternatives."

There will be a briefing for the railroad policy makers and the public at a board meeting at 9 a.m. Feb. 27 at Alaska Railroad Headquarters on Ship Creek Avenue.

If approved, service between Wasilla and Anchorage could start on a three-year, trial basis in mid-September, Kubitz said this week.

Here's "the concept" he's rolling out:

Two morning trains from Wasilla, probably three 160-passenger cars each, maybe 45 minutes apart. Two afternoon or evening trains from Anchorage. Fares in the range of \$10 or \$12 for a round trip, or half that one-way. Passengers would use platforms at the new Wasilla hub and the Ship Creek freight shed in Anchorage.

It's possible trains could also stop near Joint Base Elmendorf-Richardson.

Trains would run five days a week, weekdays only, from September through May. There would be no service in summer, when tourists and cruise ship passengers fill the passenger cars.

Given years of fruitless talk about commuter rail here, Valley residents tend to be wary of good news on the subject.

Studies of commuter trains between Anchorage and the Valley date back decades. A \$2.3 million train station complete with heated bathrooms opened in 2004 at the Alaska State Fairgrounds in Palmer, raising new hopes for passenger service that never materialized.

So why now?

Railroad spokesman Tim Sullivan credited increased interest from community leaders and commuters coupled with the railroad's recent purchase of a track-side building in Wasilla -- the old Kenai Supply warehouse along the Parks Highway.

Thirty percent of workers in the Mat-Su Borough brave the brake lights and snarl-inducing accidents of the Glenn Highway for Anchorage. About 860 people participate in van pools through Anchorage Share-A-Ride and an unknown number take Valley Mover buses.

The possibility of Wasilla service first surfaced publicly at a joint meeting of the Anchorage and Mat-Su assemblies on Jan. 31.

"It's just kind of been speculation -- what if," said Mat-Su planning chief Eileen Probasco, who moved to Palmer in 1971. "This is the first time I'm really seeing it as a possibility. The fact it's a trial for a few years, that's probably the best way to approach it, see how it goes."

The borough is putting together a survey to gauge demand for a train, Probasco said.

Officials from Palmer and Wasilla say both cities want to be involved in any future conversations with the railroad.

During an interview this week, Kubitz several times repeated the idea that Wasilla service is evolving and still needs financial backing from the railroad's seven-member board.

The board, already expecting financial problems this year, now has to weigh any additional costs against further reductions in freight traffic linked to the recently announced shutdown of the Flint Hills Refinery.

After three years, it would be up to a regional transportation authority or some other entity to shoulder the costs.

Kubitz said there's no way passenger fares will defray much of the cost of running the Wasilla line so the railroad will essentially subsidize it.

"After three years we'll have a handle on costs but that's it," he said. "We're out of business unless someone can figure how to fund the difference."

If approved, the route would join existing passenger service between Anchorage and Fairbanks, and between Talkeetna and Hurricane.

The railroad gets about \$27 million a year for regularly scheduled passenger service from the Federal Transit Administration. Most of that money goes to pay off bond debt for accelerated track repair and other capital improvements, Sullivan said.

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25°F

Anchorage

SECTIONS

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Rail commute to Anchorage still a ways off

Rindi White | June 2, 2009

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Slideshow: Rail commute to Anchorage still a ways off

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Neal Fried

Erik Hill / Anchorage Daily News

WASILLA -- Commuters, brace yourselves. The vision of riding to work on a rail car, sipping a latte and catching up on work may still be a few years off.

Alaska Railroad officials said last week they may offer rail service deals this winter between Wasilla and Girdwood using a new self-propelled rail car built by the U.S. Forest Service and the Alaska Railroad for summer use in Chugach State Park.

But that service, which would also stop in Anchorage, will be aimed at ski hounds looking for an occasional trip south, not the daily workers toiling back and forth on the Glenn Highway.

Railroad officials said it's too early to talk about how often that train would run or what a trip would cost.

The self-propelled rail car has been hailed by railroad officials as the ideal machine for carrying commuter rail passengers.

Alaska Railroad strategic planning director Bruce Carr said the prospect of commuter rail is closer with its arrival.

But Carr said commuter rail won't happen this year for three basic reasons: There would be too many passengers, too few seats and, ultimately, not enough public transit options in Anchorage to get passengers to their jobs on time.

The new Chugach Explorer DMU, or diesel multiple-unit car holds 112 passengers.

A year ago, state economist Neal Fried estimated about 11,000 Valley residents commute daily into the city, not including military and federal workers.

That would mean the train would carry only 1 percent of the people commuting right now. Carr said that's too few to legitimately test demand for commuter rail.

He added that the public transit system in Anchorage isn't ready to carry commuters from the Ship Creek railroad depot to their jobs. Bus routes and scheduling details must all be planned out beforehand.

Money is also a factor. Brad Sworts, transportation planner at the Mat-Su Borough, said borough and railroad employees have looked into finding federal funds to underwrite a two- or three-month commuter rail test project.

Carr said federal funding is available for up to a three-year test project.

But he said the railroad isn't ready to apply for such funding yet because passenger cars and bus routes must be in place first.

Money comes into play in other ways, too. Former Mat-Su and Anchorage mayors Curt Menard and Mark Begich agreed last year to develop a regional transit authority that would oversee public transit issues between the two municipalities.

The authority would oversee commuter rail, the Mat-Su ferry and public bus and van service.

It would also oversee finances, raise money and seek grants to operate the transit services.

But the authority doesn't exist yet. A state bill creating it failed to pass this year.

Sworts said the borough will lobby for its passage during the 2010 legislative session. Even then, borough planning director Mark Mayo said there's a lot to be done before commuter rail cars will begin running.

"Commuter rail is something that is in the future, perhaps, but one of the tasks the RTA (transit authority) is going to have to do is improve the distribution systems on both ends. We're sort of trying to get a head start on that by expanding the vanpool system," Mayo said.

The borough recently got four new share-a-ride vans, two to carry commuters to work in Anchorage and two to carry workers between homes and jobs in the Valley.

Sworts said funding for 26 more multiple-passenger vans may be available through the federal economic stimulus funding package.

He said the borough also got \$900,000 in federal money to build a new park-and-ride parking lot near the intersection of Seward Meridian Parkway and the Parks Highway.

At least some of the infrastructure for commuter rail is already in place. A \$5.3 million South Palmer park-and-ride rail station that abuts the existing railroad tracks was built in 2004, and Wasilla has \$1.33 million in state and federal funds to build a similar train station near its city airport.

Even without a commuter train, Carr said the possible ski train between Wasilla, Anchorage, and Girdwood could provide useful information for future commuter travel.

"Our intention would be to find out what is the actual running time between Anchorage and Wasilla," Carr said.

"Let's go test it. And while we're testing it, let's put some people on the car and take them someplace that makes sense."

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