

ALASKA STATE LEGISLATURE

REPRESENTATIVE ADAM WOOL

Session: January - April
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- Vice Chair: Labor & Commerce
- Member: State Affairs

Interim: May - December
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Official Business

House Bill 207

"An Act relating to the sale or other disposal, leasing, or encumbrance of Alaska Railroad Corporation land; and providing for an effective date."

House Bill 207 repeals the current requirement that the Alaska Railroad Corporation (ARRC) must receive legislative authority to sell, dispose, and encumber the entire interest of its land, and to issue leases of more than 95 years. This will enable ARRC to streamline real estate transactions and make decisions in a timely manner, much like other state entities such as the Department of Transportation and Public Facilities, the Department of Natural Resources, the Alaska Mental Health Lands Trust, and the University of Alaska.

ARRC is statutorily mandated to be self-sufficient. This bill will allow ARRC to generate cash flow to respond to opportunities in the real estate market and enhance their overall real estate portfolio to provide a buffer for lean years when train operations revenues do not cover expenses.

Currently, eighteen thousand acres are available for lease, permit, sale, or exchange. HB207 will allow ARRC to monetize non-performing land assets, generate cash flow to respond to opportunities in the real estate market, and income from the sale and trade of these properties will provide cash to further invest in and improve ARRC's real estate holdings in Fairbanks, Anchorage, and other areas. Enabling ARRC to sell land on which development would not occur with a land lease, such as significant commercial real estate construction, will encourage development and increase the local tax base.

This bill has a three-year sunset provision.

If you have any questions, please contact my staff, Laura Stidolph, (907) 465-6879. Thank you for your support of this legislation.