



## Promoting sensible transportation systems in Alaska

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**FOR MORE INFORMATION:**  
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### **Alaska Senate Hears Testimony on Bill to Make the State's Public-Private Partnership More Open Will Require Public Comment and a Legislative Vote on the Knik Arm Bridge Contract**

Juneau, AK – The Alaska Senate Transportation Committee today held a hearing on Senate Majority Leader Johnny Ellis' bill, SB 268, which amends the Knik Arm Bridge and Toll Authority's authorizing statute. SB 268 ensures that the public has the opportunity to comment – and the legislature to vote – on any contract with private investors for the proposed \$600 million to \$1+ billion toll bridge across Knik Arm which would connect Anchorage to an undeveloped part of the Mat-Su Borough. The bill also requires that bridge toll increases be inflation-based.

The Knik Arm Bridge and Toll Authority (KABATA), a state agency, was created by the Alaska legislature in AS 19.75 in 2003. KABATA expects to sign a Public-Private Partnership contract later this year with one of two foreign investors, Macquarie Bank of Australia or Bouygues Travaux Public of France. This contract will contain the terms a private investor must meet to receive the bridge's toll revenue, and is similar to the arrangement the state plans to reach with a North Slope natural gas pipeline builder/operator. The Alaska Gasline Inducement Act (AGIA), however, includes public comment and a legislative vote on the gasline license while the current KABATA statute does not include such provisions for its contract with the bridge builder/operator. The current KABATA statute only allows public and legislative review of the contract *after* KABATA has issued its notice of intent to award a contract.

"SB 268 ensures that the Knik Arm Bridge and Toll Authority is open and transparent like other state agencies. Because KABATA expects to complete a contract with one of the two interested foreign investors later this year, it's essential for the legislature to pass SB 268 this session so the public and the legislature can provide input into the contract prior to it becoming final," stated Lois Epstein, Director of the Alaska Transportation Priorities Project, a non-profit, statewide transportation watchdog organization. "The Ellis bill makes sure that KABATA does not give away the proverbial store in the contract, and is not a "show-stopper" as KABATA claims," she added.

Epstein testified at today's hearing, providing data on other states that have provisions similar to those in SB 268 and citing governmental and think-tank studies that have recommended such provisions.

Anchorage Mayor Begich sent a letter of support for SB 268 to Senator Ellis on March 24, 2008, available at <http://www.aktransportation.org/press-releases/march-25th-2008>.

The Alaska Transportation Priorities Project (ATPP) promotes sensible transportation systems in Alaska with the goal of safe, economic, well-maintained, and environmentally-appropriate transportation throughout the state.