

## Executive Order 11107

### ADMINISTRATION OF ALASKA RAILROADS

By virtue of the authority vested in me by the Act of March 12, 1914, entitled "An Act to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes," 38 Stat. 305, as amended (hereinafter referred to as the Alaska Railroad Act), it is ordered as follows:

SECTION 1. *General responsibility for railroad.* The Secretary of the Interior is authorized to operate the railroad or railroads, branch lines, feeders and telegraph and telephone lines incident thereto, constructed or acquired under the Act of March 12, 1914, or Acts supplemental thereto, in all respects and to all intents and purposes as if the operation thereof had been placed by law under the jurisdiction of the Secretary of the Interior, except that the authority of the Secretary under this order "to fix, change, or modify rates for the transportation of passengers and property" shall be subject to the authority of the Interstate Commerce Commission under Section 3 of this order.

SEC. 2. *Rates; Secretary of the Interior.* In connection with carrying out the authority under the Alaska Railroad Act "to fix, change, or modify rates for the transportation of passengers and property," the Secretary of the Interior from time to time:

(a) Shall allocate to the national public purposes which to a substantial extent prompted the construction, expansion, maintenance, and improvement of the railroad, the proper portion of the capital investment of the railroad.

(b) Shall fix, change, or modify the rates with due regard for the actions of the Interstate Commerce Commission authorized under this order.

(c) Shall post the rates for public inspection and file them with the Interstate Commerce Commission.

SEC. 3. *Rates; Interstate Commerce Commission.* (a) In respect of rates filed with the Interstate Commerce Commission pursuant to the provisions of this order, the Commission may act, to the extent practicable, and subject to the limitations provided in subsection (b) of this section, in the same manner as though the railroad were subject to Sections 1(1) (a), 1(4), 1(5), 1(51/2), 1(6), 6(3), 6(6), 6(9), 13(1), 13 (2) (to the extent that it relates to action by the Interstate Commerce Commission on its own motion), 15 (except 15(12) and 15(14)), 15a, 202(c)(1), and 202(c)(2) of the Interstate Commerce Act, as amended.

(b) When determining the justness and reasonableness of rates or charges maintained, or from time to time proposed to be maintained by the railroad, the Interstate Commerce Commission shall exclude for valuation and cost finding purposes the portion of capital investment allocated to national public purposes by the Secretary of the Interior under Section 2 (a) hereof, and such rates and charges shall not be deemed to be unjust or unreasonable by reason of failure to yield

sufficient revenues to cover any amounts for taxes not actually required by law to be paid or provide a return on capital investment.

SEC. 4. *Transitional provisions.* (a) The issuance of this order shall not affect any action heretofore taken by the Secretary of the Interior or his representative until such action has been modified or revoked in accordance with the provisions of this order.

(b) As promptly after the date of this order as may be convenient, the Secretary of the Interior shall post for public inspection and file with the Interstate Commerce Commission rates as referred to in Section 2(c) of this order. The rates posted and filed under this subsection may be the rates in force on the date of this order, with or without subsequent changes or modifications, or new rates.

This order supersedes Executive Order No. 3861 of June 8, 1923, and shall be codified for inclusion in the Code of Federal Regulations.

JOHN F. KENNEDY

THE WHITE HOUSE,  
*April 25, 1963.*