

ALASKA STATE LEGISLATURE

Interim:
P.O. Box 109
Wrangell, AK 99929
Phone: (907) 874-3088
Fax: (907) 874-3055



Session:
State Capitol, Room 406
Juneau, AK 99801-1182
Phone: (907) 465-3824
1-800-686-3824
Fax: (907) 465-3175

REPRESENTATIVE PEGGY WILSON
HOUSE DISTRICT 2

Alaska Transportation Infrastructure Fund

What: Create a dedicated Alaska Transportation Infrastructure Fund (ATIF)

Why now? Transportation is the basis of our economy. It provides for the movement of goods and services from the florist delivering flowers to the trucker hauling material for construction of the natural gas pipeline. Approximately 89% of our Transportation funding comes from the federal government. There is going to be a Transportation Reauthorization bill in the next year and everything we are hearing is unfavorable for states with small populations. We need to continue to improve our transportation infrastructure. By doing so we create jobs, building the roads, airports, ferries, and mass transit; and create an opportunity for economic development by having access to new areas and resources.

We need transportation corridors to access our natural resources. We need to reduce congestion in our urban centers. We need to improve our ferry fleet. We need to improve our marine facilities. We need to improve our trails and bike paths.

This fund is being supported by many organizations: Alaska General Contractors, Truckers Association, Alaska State Chamber, Alaska Municipal League, Alaska Mobility Coalition, Southeast Conference, Alaska Pilots Association, Southwest Alaska Mayors Council, Marine Transportation Advisory Board, CH2MHill, Granite Construction and many other private citizens.

What will it do? Put a constitutional amendment before voters to create a dedicated fund for State of Alaska Capital Transportation Projects and major maintenance of DOT/PF assets. If the voters pass the initiative we will have a dedicated fund. State Funded Projects do not have to follow the often expensive processes and procedures and lengthy schedule that the Federal government requires. The initiative will allow the state more opportunity to take advantage of both cost saving and schedule savings of state funded projects.

How will it be funded? It will be seeded with \$1B endowment. In addition it will receive the revenue from the fuel tax, studded tire tax, vehicle rental tax, airport leases, and from vehicle registrations and drivers license fees. All of these fees/taxes were implemented to fund transportation infrastructure.

How will the fund be administered? It will be the responsibility of DOR to invest the fund consistent with using 6% POMV per year. Expenditures from the fund will be limited to 6% POMV averaged over the past 5 years.

How much will be available each year for projects: Each year 6% of the market value plus 50% of the revenue received from fuel tax, studded tire tax, vehicle rental tax, airport leases, vehicle registrations and driver's license fees. That equates to about \$100M per year for new transportation infrastructure or maintenance of existing transportation infrastructure.

How will the fund be used? It will be used for non-federal capital projects. It can be used for municipal roads. It will be spent using the guidelines below Not more than

1. 80% - Roads/ground transportation

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2. 25% - Aviation
3. 25% - Alaska Marine Highway system
4. 20% - Harbors and state owned marine facilities –with some portion going to the Matching Grants for Harbors program
5. 20% - Community Transportation and Transit with priority going to projects with matching funds.
6. 15% - Trails and bike paths

Who will decide which projects get funded? DOT will develop criteria to give each project a numeric score that will help in prioritizing the projects. The scoring will be done by an 24 member committee including DOT.

1. Chairs of Senate and House Transportation committee
2. 4 public members 1 from each Judicial District
3. 3 deputy commissioners of DOT (Surface Transportation, Aviation, Ferries)
4. One member from each of the following organizations:
 - a. Alaska Municipal League
 - b. Alaska Travel Industry Assoc.
 - c. Alaska State Chamber of Commerce
 - d. Associated General Contractors of Alaska
 - e. Alaska Trucking Assoc.
 - f. Aviation Advisory Board
 - g. Alaska Marine Transportation Advisory Board
 - h. Alaska Assoc. of Harbormasters and Port Administrators
 - i. Alaska Intertribal Organization
 - j. Alaska Federation of Natives
 - k. Alaska Mobility Coalition
 - l. Anchorage Metropolitan Area Transportation Solutions Policy Committee (AMATS)
 - m. Fairbanks Metropolitan Area Transportation System Policy committee (FMATS)
 - n. Alaska Oil and Gas Association
 - o. Alaska Miners Association
 - p. Alaska Federation of Natives
 - q. Alaska Inter-tribal Council

What this fund doesn't do? It is not designed to supplant current funding for transportation. It will not be used for Operations. It will not be used for Federal matching funds for projects unless it is 20% or less of the total funds available for appropriation for that year.

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