

ALASKA STATE LEGISLATURE



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REPRESENTATIVE PEGGY WILSON
HOUSE DISTRICT 33

Sectional Analysis **House Bill 123**

Sec 1 – All fees collected for identification cards will be deposited into the ATIF.

Sec 2 – Sections b, c, e, h, and i define the registration fees that will be deposited in the ATIF. The sections that will continue to go into the general fund are the revenue from the special registrations

3% of the funds destined for the Transportation Fund will be put in the general fund for administration of the Alaska Mandatory Insurance Act.

Sec 3 All Fees collected by the DMV will go into the ATIF except for fees related to snowmobiles or where specifically excluded like the specialty license plates.

Sec 4: In existing statute the watercraft fuel tax account in the general fund may be used to finance the municipal harbor facility grant fund. Because we are using marine fuel tax revenue for the dedicated ATIF this is being deleted. However you will see in later language we will still have a mechanism to appropriate to the municipal harbor facility grant fund.

Sec 5: A cleanup section that rennumbers and repositions statutes. Items d and f are specialty license plate fees.

Sec 6 The description of the fund. (Article 10)

It will consist of any appropriations to the fund

Revenue from Motor fuel taxes, vehicle registrations, driver's license fees, regular and studded tire taxes, vehicle rental taxes and other revenue designated by the legislature.

DOR will manage this account to yield at least 6% over time. And money left in the account at the end of the year will remain there.

Sec 37.14.860 (a) September 1 DOR will report 5% POMV averaged over the last 5 years. The report will also contain 50% of the revenue for the previous year.

(b) The appropriation identified in the September 1 report will be used for capital projects and major maintenance for transportation. No appropriation will be made for federal match unless the total match is less than 20 percent of the amount available for appropriation Money may be appropriated for:

1. Roads and surface transportation
2. aviation
3. the marine highway
4. harbors, marine facilities and the municipal harbor facility grant fund
5. community transportation and transit
6. bike paths and trails
7. railroads.

d) The money may not be appropriated for federal match for roads and surface transportation, aviation and the marine highway.

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Sec 37.14.870 June 30 is the date for the determination of the market value of the fund.

Sec 37.14.880 The Commissioner of Department of Revenue will provide a report to the legislature on the condition and performance of the fund 10 days after the start of the regular session.

Sec 37.14.890 sets up an advisory commission for the distribution of the fund.

The members will include:

1. Chairs of House and Senate Transportation
2. DOT Commissioner
3. 6 public members who have experience in one or more modes of transportation
 - a. 1 public member from each judicial district and 2 at large members

The terms will be staggered and the Chair will be elected from the public members by the group.

A set of Criteria will be developed by DOT to help prioritize the projects. The members will evaluate the project submissions and give them a numeric score. The advisory group will submit a report to the governor and the legislature no later than October 15 that makes recommendations for the next year's transportation projects to be funded by ATIF.

Sec 37.14.899 provides a definition of the word fund.

Sect 7. Retains the Aviation fuel giveback to the municipalities that own or operate an airport. All other funds from Aviation fuel will go to the ATIF.

Sec 8 All revenue from the motor fuel tax will go into the ATIF. Any refunds will be paid from the ATIF.

Sec 9 Removes the exception for item j because it is in section 3 (snowmobile fuel taxes) and Section 16 repeals it

Sec 10 The motor fuel refund checks will be taken out of the ATIF instead of the Highway fuel tax account in the general fund.

Sect 11 The vehicle rental taxes shall be deposited into the ATIF.

Sec 12 This provision directs the retail tire tax and studded tire tax into the ATIF.

Sect 13 This section amends the list of responsibilities the Department of Transportation has to include 3 new items.

1. Promotion and support of local public transportation
2. To develop criteria for evaluating projects for funding
3. To develop guidelines for use when deciding which projects follow the traditional department process and which projects will be follow the ATIF process.

Sec 14: Creates the 7 member Alaska Transportation Panel (ATP)

1. Commissioner of DOT
2. 4 public members: 1 from Fairbanks area, 1 from Anchorage area, 1 from Interior rural and one from coastal rural community. All appointed by the governor. All experienced in Transportation
3. 1 member from the Alaska Infrastructure Commission

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4. 1 from the State Transportation Integrated Plan(STIP) board

Sec 16 Repeals watercraft fuel tax account, special highway fuel tax account and nonpublic highway use account, all within the general fund.

Sec 17 Defines when the dedicated revenue will be directed to the fund.

Sec 18 Describes the transition during the first 5 years. It will use 5% POMV in the first year as of July 1, 2015. The subsequent years the appropriation will be 5 % of the average market value of the fund on June 30 of each year through 2020. The Commissioner of DOR will file a report Sept. 1 of each of the first 5 years defining the funds available for appropriation

Sect 19 Staggers the terms of the advisory council members

Sec 20 The severability clause

Sec 21 Contingency language, the change to the constitution must be passed by the voters before this bill will take effect.

Sec 22 Immediately imposes the requirement for DOT to start work on the criteria for the prioritization of the proposed projects

Sec 21 Directs revenue into the ATIF, after the constitutional amendment takes effect.