



CALISTA CORPORATION  
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March 5, 2013

Representative Peggy Wilson  
State Capital Room 406  
Juneau, Alaska 99801

Re: State Transportation Program - House Bill 123

Dear Representative Wilson,

Calista Corporation is writing to support the Alaska Transportation Infrastructure Fund Program - House Bill 123. There have been public hearings on it across the state the last two years; it was vetted in subcommittees; and overall it has been widely supported. We view this as a positive step and solution towards addressing basic core transportation infrastructure needs throughout all regions of Alaska.

The bill re-establishes the multimodal Transportation Infrastructure program and authority put into our constitution by the state founding members. They recognized development of Alaska would be dependent on a transportation network, and the essential role transportation plays for a healthy economy and any business development. Those basic core needs still exist in Alaska, they have yet to have been fulfilled in providing access to markets, supplies and resources which businesses must have to be competitive and provide economic opportunities for people. Our own Calista region is perhaps a model of how a lack of a basic transportation and energy infrastructure network has had far reaching negative social and economic impacts since statehood. Today the YK region has some of the highest costs of living in the nation, highest levels of suicide, fewest resource businesses, and sadly a district with lowest per capita incomes in the country. One of our highest priorities is regional infrastructure – it is necessary for community sustainability and any business development or survival.

Alaska once had strong road and airport programs without the federal funding which we rely on today. Currently, there is an \$8 billion backlog of important transportation reconstruction projects that were paid for with mostly federal funds. This does not include roads, ports, or airports yet to be built to access whole regions. The state transportation department has become highly dependent on federal funds for transportation infrastructure planning, permitting, building, and even maintenance. This is unacceptable to many of the funding agencies and other states' which continually point to Alaska as: 1. sitting on huge unspent savings, 2. having the lowest fuel tax nationally and contributing little to nothing to our National Transportation trust which Alaska takes funds from, and 3. having no state tax to support its own infrastructure. Furthermore, Alaska has NO state funded program of any kind to count on for basic its ongoing infrastructure construction and maintenance. These issues put Alaska into the untenable situation of being one of the only states' lacking a state funded transportation program. However, it continues to rely on federal transportation trust fund dollars paid into and supported by all the other states' which each have some form of their own funding program. Being in non-compliance with federal grant assurances that are signed onto and required to maintain that

infrastructure places Alaska at great risk. It can result in receiving less regular program funding and discretionary money from shrinking federal programs which Alaska relies on. The State has been notified of these facts, as have most organizations, groups, and citizens going to Washington D.C. to request funding.

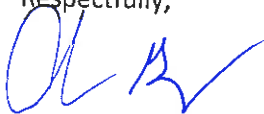
Aside from the obvious needs already mentioned, other positive economic benefits of an Alaska Transportation Infrastructure fund program in our state include:

- Transportation infrastructure investment which provides stable, predictable, good paying jobs for both the short and long term (47,000 jobs in Alaska today and one of the strongest industry sectors).
- Operational improvements to business and industry costs, efficiencies, and competitiveness.
- Access to resources and development in a largely resource dependent state.
- Strengthening local, regional, and state economies.
- Proper maintenance which results in fewer expenses and losses associated with safety, accidents, and vehicle wear to businesses.
- Boosts to both business and leisure travel.
- Lower prices for commodities, shipping, and travel.
- Reduced losses associated with time, travel, congestion, and lack of ready access for businesses.
- State funded projects that can be built appropriate to Alaska which are significantly cheaper, faster, and with fewer Federally mandated high population density design requirements

House Bill 123 may not solve each and every transportation issue in Alaska; however, it is a forward step required to establish a basic program and begin solving our complex transportation infrastructure needs in a fair, consistent, and thoughtful manner that is standard in every other state in the United States.

Calista supports re-establishment of a state transportation infrastructure program which can be consistently counted on in all regions and communities of Alaska. Thank you for the opportunity to comment on this important piece of legislation.

Respectfully,



Andrew Guy  
President and Chief Executive Officer

cc: *Commissioner Pat Kemp*  
*Governor Sean Parnell*