

Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version: HB 104
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB104-DOT-COM-2-25-21
Title: MOTOR FUEL TAX; VEHICLE REG. FEE
Sponsor: JOSEPHSON
Requester: House Transportation

Department: Department of Transportation and Public Facilities
Appropriation: Administration and Support
Allocation: Commissioner's Office
OMB Component Number: 530

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2022	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2022 Request	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
OPERATING EXPENDITURES	FY 2022	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2022) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Not applicable; initial version.

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Division: <u>Commissioner's Office</u>	Date: <u>02/25/2021</u>
Approved By: <u>Dom Pannone, DOT&PF Administrative Services Director</u>	Date: <u>02/25/21</u>
Agency: <u>Office of Management & Budget</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION

BILL NO. HB 104

Analysis

The Department of Transportation and Public Facilities is the only department appropriated Motor Fuel Tax Receipts. Fund source 1249 is connected to Motor Fuel Tax Receipts. These revenues contribute funding in two Results Delivery Units (RDU) within the department.

In FY2021, the Highways, Aviation, and Facilities RDU includes \$33,421,200.00 of Motor Fuel Tax Receipts accounting for approximately 26% of the amount appropriated to the three regional Highways and Aviation components.

In FY2021, the Marine Highway System RDU includes \$3,617,100.00 of Motor Fuel Tax Receipts, accounting for approximately 3.3% of the RDU's appropriated funding.

In FY2021, the Department of Revenue projects the portion of Motor Fuel Tax Receipts available to the Department of Transportation and Public Facilities to be approximately \$4.4 million dollars less than what was appropriated, effectively reducing funds available for operations. In FY2022, that shortfall decreases to approximately \$606,400.00.

Subject to appropriation by the Legislature, increased designated funds in the Highways, Aviation, and Facilities RDU could reduce or eliminate the projected revenue shortfall.

Subject to appropriation by the Legislature, increased designated funds in the Marine Highway System RDU could result in additional service.

Subject to appropriation by the Legislature, increased designated funds in the Highways, Aviation, and Facilities RDU could result in any of the following:

- permanent funding for service increases subsidized by one-time Coronavirus relief funds;
- increased safety and maintenance response times;
- increased maintenance operators;
- increased winter maintenance;
- increased response time to priority 1 and 2 roadways with more resources available to respond to priority 3 and 4 roads;
- increased maintenance stations;
- reduced and more manageable areas of responsibility for operators;
- decreased response times during extreme storm and weather events;
- decreased road closure times due to acts of nature;
- increased surface treatment chemicals and materials including corrosion inhibitors and pre-treating chemicals; or
- increased ability and resources to repair potholes and guardrails as well as vegetation management activities.