



ASSOCIATED GENERAL CONTRACTORS of ALASKA

8005 Schoon Street • Anchorage, Alaska 99518
Telephone (907) 561-5354 • Fax (907) 562-6118

3750 Bonita Street • Fairbanks, Alaska 99706
Telephone (907) 452-1809 • Fax (907) 456-8599

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Submitted via Email

RE: Support for Increased Motor Fuel Tax

Dear Co-Chairs Foster and Merrick, and members of the House Finance Committee,

The Associated General Contractors of Alaska (AGC) is writing to express our support for an increase to Alaska's Motor Fuel Tax, as currently outlined in House Bill 104, "An Act relating to vehicle registration and registration fees; relating to the motor fuel tax; and providing for an effective date". AGC is a statewide construction trade association representing over 600 members, including contractors, specialty contractors, suppliers and manufacturers in Alaska. Within our membership is much of Alaska's industrial and commercial construction industry. We unite the construction industry to focus on balanced advancement and work to foster and promote constructive legislation, regulation and standards. Our commitment to advocacy ensures that our members' voices are heard throughout the state on important issues affecting the construction industry.

AGC views the increase to Alaska's Motor Fuel Tax as currently described in HB104 as a meaningful and reasonable step toward Alaska's ability to fund the state's backlog of transportation maintenance needs, along with improving our state's general fiscal stability. This increase is good for our industry and good for Alaska. It will have many positive effects for our members, their employees and their families. Additionally, this legislation will improve the safety of Alaskans who depend on the infrastructure we build and maintain.

AGC respectfully requests that the revenue raised from this tax and the increase from this legislation be designated for the funding of road and highway maintenance.

Alaska's motor fuel tax rates were last adjusted over 50 years ago, in 1970. For a long time, Alaska has had the lowest motor fuel tax rates in the nation and this increase will only change our state's ranking slightly, if at all. AGC has long supported a fuel tax increase and we appreciate the leadership of Representative Josephson on this issue and the opportunity to support an increase of the Motor Fuel Tax.

Thank you,

Alicia Siira, Executive Director
Associated General Contractors of Alaska

The mission of AGC of Alaska is to advocate for our members and the Alaskan construction industry; to provide educational opportunities for our members; and to make the public aware of our members' skills, responsibility, and integrity.