

House Finance Committee

Department of Transportation & Public Facilities

Ryan Anderson, P.E., Commissioner

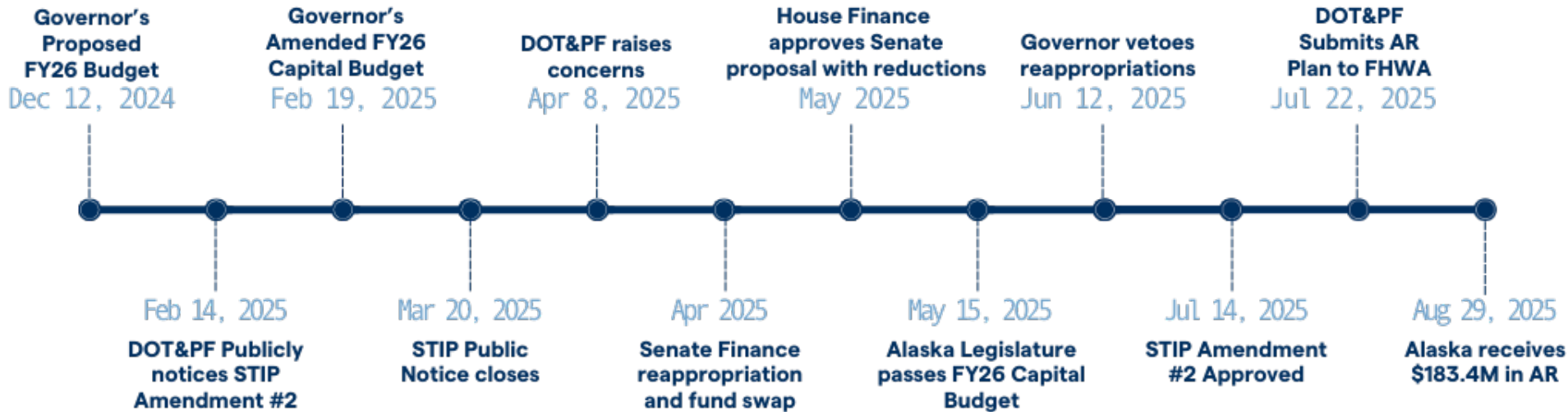
Dom Pannone, Director,
Program Management & Administration

January 26, 2026



KEEP ALASKA MOVING

FY2026 Federal Match – Legislative Look Back



Administration Budget Requests (Dec 2024 & Feb 2025)

- Governor proposed \$138.1M, later amended to \$145.8M, to fully support federal transportation programs
- Requests included highway, aviation, transit, and safety programs
- Match strategy relied on a blend of UGF and other available sources
- Total UGF match requested: \$116.0M primarily to protect federal obligation authority

Legislative Actions (April–May 2025)

- Senate Finance reduced UGF by \$70.2M, replacing it with:
 - \$68.1M in reappropriations from older federal projects
 - \$2.1M in AIDEA reserve funds
- Senate transmitted the capital budget without further changes
- House Finance later reduced highway reappropriations by \$6.0M, lowering total match to \$110.0M

Final Budget Outcome & Veto (June 2025)

- Legislature passed the capital budget on May 20, 2025
- On June 12, 2025, the Governor vetoed the reappropriations.

Summary of Vetoed Items and Implications

SFY2026 CAPITAL – State Match Summary					
Category	Governor Proposed	Enacted Budget	Funding Source	% Change	Allocation Reduction
Total Capital	\$115,971,056	\$45,816,078	UGF	-60.5%	-\$70,154,978
STP (Surface Transportation Program)	\$90,125,981	\$31,849,826	UGF	-64.7%	-\$58,276,155
AIP (Airport Improvement Program)	\$23,773,636	\$13,966,252	UGF	-41.3%	-\$9,807,384
Other	\$1,611,548	\$0	AIDEA	-100.0%	-\$1,611,548
Safety	\$59,891	\$0	AIDEA	-100.0%	-\$59,891
FTA (Transit)	\$400,000	\$0	AIDEA	-100.0%	-\$400,000

Category	Funding Sources	Notes / Context
Federal-Aid Aviation State Match: \$9,807,384	Older aviation match re-appropriations (2006–2018): \$9.81M	Utilized previously authorized aviation match balances
Federal-Aid Highway State Match: \$52,260,267	Older DOT&PF Federal-Aid Highway Match (2001, 2003, 2006–2018): \$11.17M	Mix of prior-year DOT&PF highway match sources
	DCCED / AEA EV Infrastructure Plan (2022): \$0.78M	Non-DOT&PF funding source
	DOT&PF Earthquake Relief – Federally Ineligible Costs (2020): \$3.00M	Originally designated for earthquake response
	DOT&PF Fairview Loop Road Pedestrian Pathway (2010): \$0.20M	Project-specific prior authorization
	DOT&PF Juneau Access Project (2017): \$16.09M	Prior-year re-appropriation
	DOT&PF Juneau Access Project (2018): \$20.99M	Prior-year re-appropriation

Result: Projects may have stalled or lacked funding due to prior obligations and encumbrances. Projects with State match would be facing shortfall regardless of veto.

Prior-Year Match: Reported vs. Usable Amounts

Match and project funding is not static, with Advance Construction, Non-Participating Expenses, de-obligations, and August Redistribution the balances regularly change along with the Project Delivery Plan.

October/November 2024: 2025 CASR assembled

February, 2025: 2025 CASR was posted

March, 2025: Initial Planning for August Redistribution Begins

April, 2025:

- Leg Finance requested balances of older appropriations

- DOT&PF provided balances

- DOT&PF sent letter advising against reappropriation

May, 2025: DOT&PF provided testimony to legislature on re-appropriations

Surface Transportation Program Match Timing, FHWA Deadlines & August Redistribution (AR)

FFY2026 Surface Transportation Program Match Availability Summary

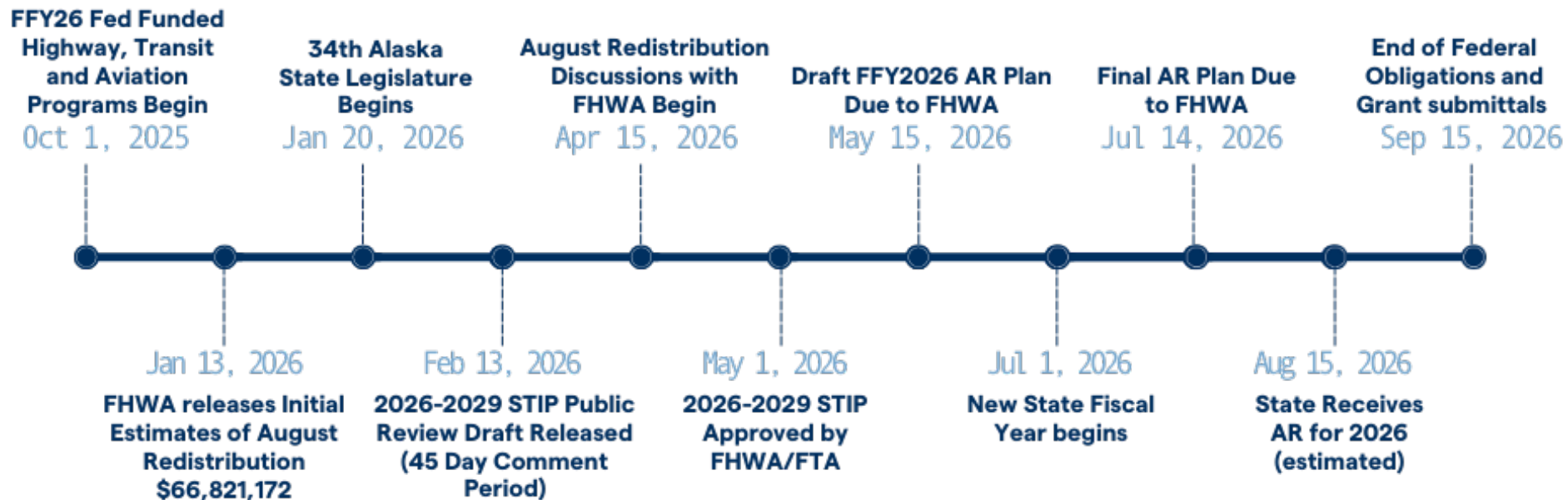
STIP Amendment #2 Final: FFY26 STIP match reduced to \$76.3 million based on carry forward and \$31.9 million in enacted budget

FFY26 Surface Transportation Program shortfall: \$58.3 million

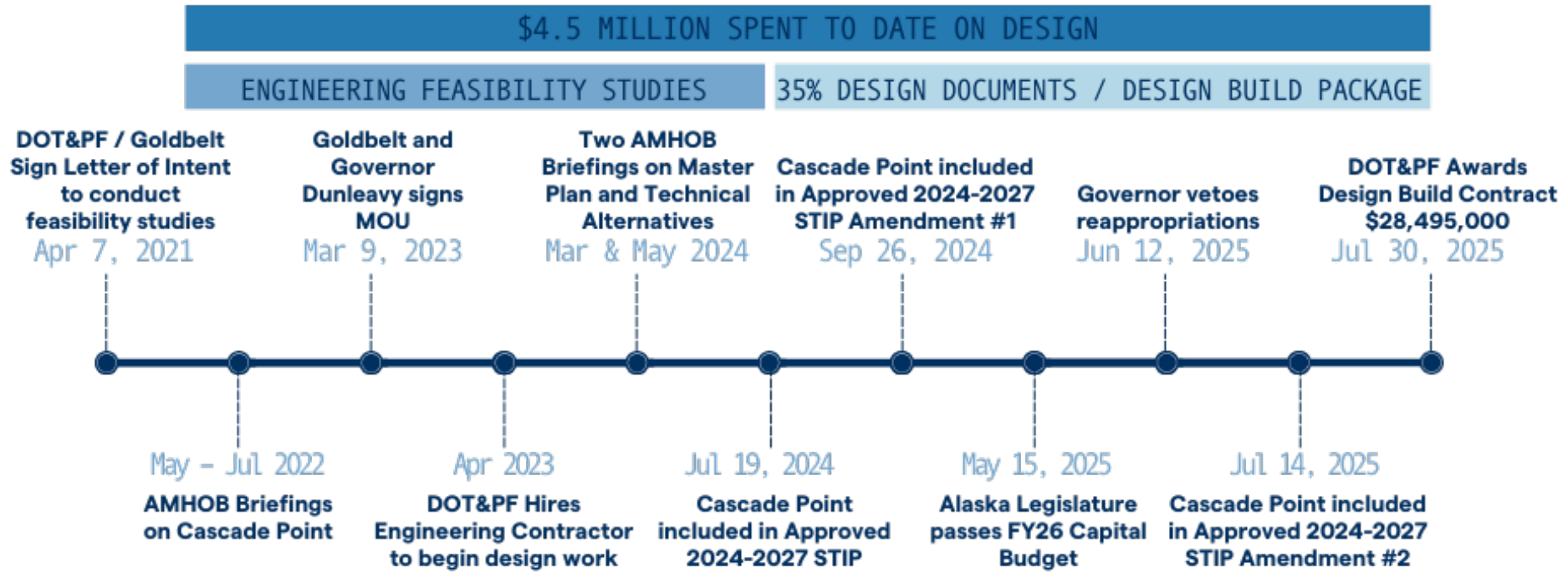
Total FFY26 Surface Transportation Program projected match needs: \$134.6 million

Total Surface Transportation Program authorizations projected prior to July 1: \$800 - \$850 million

Total Surface Transportation Program authorizations projected after July 1: \$400-\$500 million

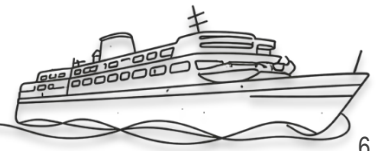


Cascade Point: Timeline and Funding Considerations



Cascade Point Terminal – Two Decades of Work

- **Legislative Direction (2005–2007):** Legislature appropriated Juneau Access funds that remain the foundation of today's terminal development.
- **Early Infrastructure (2011–2013):** DOT&PF extended Glacier Highway to near Cascade Point, establishing access and future terminal viability.
- **AMHS Policy Alignment (2020–2025):** The AMHS Reshaping Report, multiple AMHOB briefings, and inclusion in the 2024-2027 STIP and subsequent amendments incorporated Cascade Point into AMHS operational, service, and capital planning.
- **Partnerships & Engineering (2021–2024):** DOT&PF/Goldbelt advanced feasibility, alternatives, wind/wave analysis, and a phased master plan.
- **Construction & Permitting (2025–2026):** Stage 1 Design Build contract initiated: \$28.5 million



Thank You.

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Cover photos by Alaska DOT&PF Staff:
Sunset departure, Anchorage International Airport. By Christopher Cummins
Alaska Range from the Richardson Highway. By Dennis Bishop
Aboard the MV LeConte sailing Lynn Canal to Juneau from Haines. By Andrea Deppner