

House Finance Subcommittee

Department of Transportation & Public Facilities

Ryan Anderson P.E., Commissioner
Dom Pannone, Director of Program Management & Admin.

FY2027 Budget

February 17, 2026



KEEP ALASKA MOVING

Operating Vision

A Modern, Resilient, and Agile Transportation System and Organization

MODERN

Tools, data, and ways of working that reduce handoffs, duplication, and bottlenecks while improving how we recruit, solve problems, share information, and deliver improvements.

RESILIENT

Cross-functional teams and shared expertise able to absorb vacancies, supply disruptions, extreme weather, and funding volatility - while sustaining service, responding to emergencies, and delivering results.

AGILE

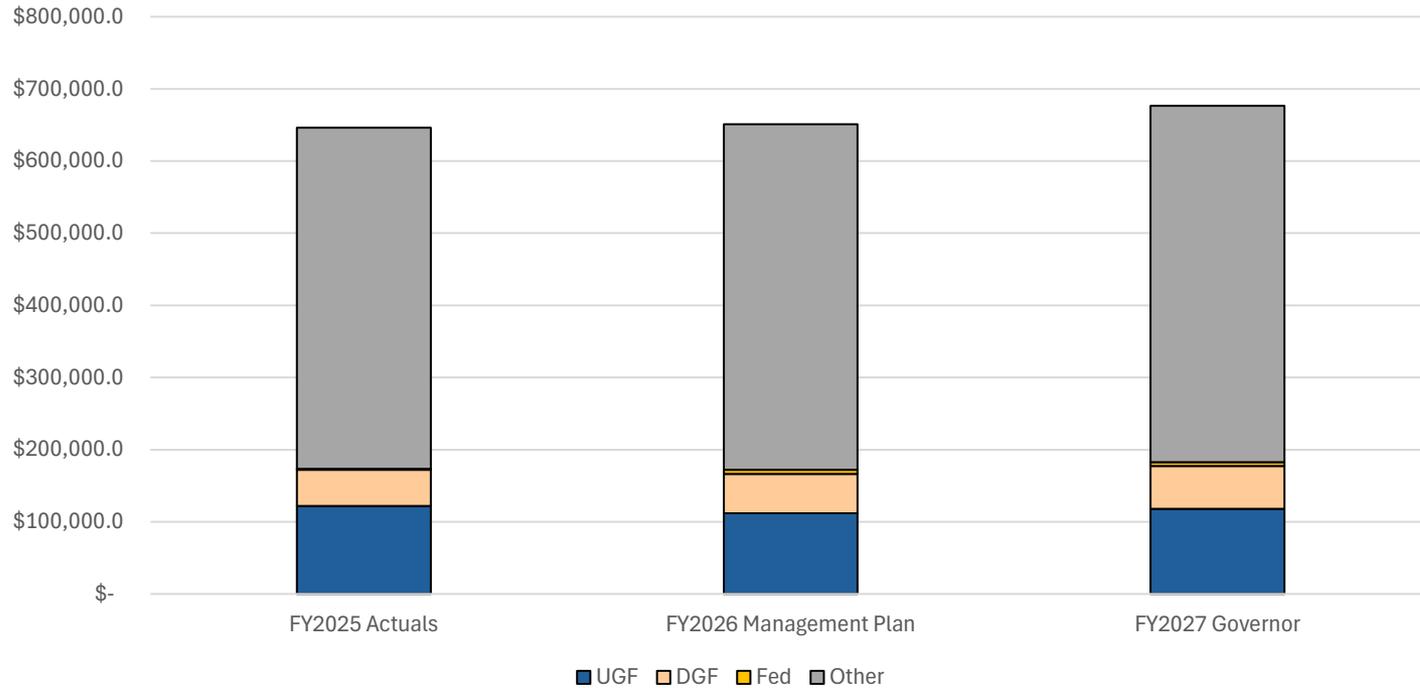
The ability to deploy people, expertise, and resources statewide - working across regions, with communities and partners, and using technology and alternative delivery tools.



AS 19.05.125. Purpose. *“carrying out a highway planning, construction, and maintenance program that will provide a common defense to the United States and the state, a network of highways linking together cities and communities throughout the state (thereby contributing to the development of commerce and industry in the state, and aiding the extraction and utilization of its resources), and otherwise improve the economic and general welfare of the people of the state.”*

Budget Comparison

DOT&PF Operating Budget Compare



Fund Type	FY2025 Actuals	FY2026 Management Plan	Change from from FY2025	FY2027 Governor	Change from from FY2026
UGF	\$ 121,921.4	\$ 111,675.0	\$ (10,246.4)	\$ 118,082.2	\$ 6,407.2
DGF	\$ 50,322.8	\$ 54,579.5	\$ 4,256.7	\$ 59,151.5	\$ 4,572.0
Fed	\$ 948.1	\$ 5,599.9	\$ 4,651.8	\$ 5,607.5	\$ 7.6
Other	\$ 473,058.6	\$ 479,337.0	\$ 6,278.4	\$ 493,740.1	\$ 14,403.1
Grand Total	\$ 646,250.9	\$ 651,191.4	\$ 4,940.5	\$ 676,581.3	\$ 25,389.9

(excludes Alaska Marine Highway System)



FY2027: Administration, Support, Re-Org

(Leg. Finance Subcomm. Book - Item #1)

	UGF	DGF	FED	OTHER	TOTAL
Highway Safety Office				\$ (332.0)	\$ (332.0)
Central Design, Eng, Const	\$ (89.8)	\$ (33.4)		\$ (413.3)	\$ (536.5)
Central Highways and Aviation	\$ (167.0)			\$ (66.4)	\$ (233.4)
Commissioner's Office	\$ (151.2)	\$ (8.7)		\$ (356.6)	\$ (516.5)
Information Systems and Services	\$ (79.5)	\$ (71.4)		\$ (435.1)	\$ (586.0)
Northern Design, Eng & Const				\$ (95.5)	\$ (95.5)
Northern Support Services	\$ (9.1)			\$ (184.4)	\$ (193.5)
Program Development				\$ (169.9)	\$ (169.9)
Southcoast Design, Eng, Const				\$ (193.6)	\$ (193.6)
Southcoast Support Services				\$ (210.6)	\$ (210.6)
Statewide Aviation				\$ (104.0)	\$ (104.0)
Stwd Safety and Emergency Mngmnt				\$ (341.3)	\$ (341.3)
Align Staffing with Organizational Changes and Modernization Initiatives	\$ (496.6)	\$ (113.5)	\$ -	\$(2,902.7)	\$(3,512.8)

Anchorage

BU	Job Title	Status
GP	Right of Way Agent 1	Vacant
GP	Maint & Ops Specialist	Vacant
GP	Admin Asst 1	Vacant
GP	Engineering Assistant 3	Pending
SS	Eng/Arch 3	Vacant
SS	Data Processing Manager 1	Vacant
XE	Division Director (Deputy)	Vacant
XE	Deputy Commissioner	Vacant
XE	Maint & Ops Coordinator	Vacant
XE	Change Management Director	Pending

Fairbanks

BU	Job Title	Status
GP	Accounting Technician 1	Vacant
GP	Analyst Programmer 5	Pending
GP	Analyst Programmer 4	Filled
GP	Admin Asst 2	Vacant
GP	Office Assistant 2	Filled
GP	Airport Leasing Specialist	Vacant
GP	Program Coordinator 2	Filled

Juneau & Ketchikan

BU	Job Title	Status
GP	Grants Administrator 2	Vacant
GP	Admin Asst 2	Vacant
GP	Admin Asst 1	Vacant
SS	Transportation Planner 3	Vacant
SS	Program Coordinator 2	Pending
XE	Marine Transportation Svcs Manager	Pending



FY2027: Administration, Support, Re-Org

Leg. Finance Subcomm. Book Item #2 & #3

	Positions
Transfer Positions from Administration for Accounts Payable and Travel and Expense Activities	15
Transfer Positions from Administration for Payroll Services	17
Total Position Moves from Dept. of Administration	32

Payroll Services - 11 Juneau, 6 Anchorage

Accounts Payable, Travel & Expense - 10 Anchorage, 5 Juneau

Excerpt from FY2018 Leg Fin. Subcomm. Book:

MAINTENANCE OF SERVICES

5. **Transfers to Shared Services of Alaska (SSoA) and Office of Information Technology (OIT).** In order to provide internal services at a reduced cost, the Executive Branch will implement phased consolidation of (1) cross-department services such as travel, accounts payable, P-Cards, procurement, facilities management, collection of delinquent accounts and centralized mail and print services and of (2) information technology services. Departments transferred a total of 77 positions to SSoA (34 PFTs from DOT&PF) and another 68 positions to OIT (1 from DOT&PF).

Departments have decremented a total of \$763.8 (\$332.8 UGF) in the FY18 budget. This represents a 10% cut related to transferred positions with the remaining 90% of funding transferred to the contractual line to fund Reimbursable Services Agreements with the SSoA. The FY18 share of savings attributable to the DOT&PF is \$271.7 (\$41.6 of UGF). For more information, see the Operating Budget Overview in the *FY18 Legislative Fiscal Analyst's Overview of the Governor's Request*.

Alaska Marine Highway System:

5 positions transferred in FY2025

4 additional positions reallocated internally



FY2027: Administration, Support, Re-Org

Leg. Finance Subcomm. Book Item #4

	UGF	DGF	FED	OTHER	TOTAL
Facilities Services	\$ 9.5			\$ 28.8	\$ 38.3
Information Systems and Services	\$ 45.6	\$ 36.6		\$ 282.0	\$ 364.2
International Airport Systems				\$ 110.9	\$ 110.9
Statewide Admin Services	\$ 1.3	\$ 0.7		\$ 8.1	\$ 10.1
Vessel Operations Management	\$ 9.7		\$ 14.5		\$ 24.2
Information Technology Classification Study Implementation	\$ 66.1	\$ 37.3	\$ 14.5	\$ 429.8	\$ 547.7

Excerpt from Jan. 6, 2026 Dept. of Admin. Information Technology Class Study Memo

A study of the State's Information Technology (IT) job classes was initiated following Administrative Order 284, which established the Office of Information Technology (OIT) in the Department of Administration (DOA). The purpose of the study was to 1) update the State's IT job classes, which have long been recognized as out-of-date and difficult to apply to contemporary IT work; and 2) replace the State's out-of-date IT class specifications with new ones that reflect the duties, responsibilities, and required skills of the current workforce.

Excerpt from DOA transition resources website

Phases of IT Study Implementation

Phase 1 - April 13, 2026

- PB07Bx – IT Business Analyst 1-3
- PB07Cx – IT Client Support Specialists 1-4
- PB07Dx – Database Administrator 1-3
- PB07Jx – IT Project Manager 1-3
- PB07Nx – Network and Telecommunications Specialist 1-3
- PB07Ux – IT Quality Assurance Analyst 1-3
- PB07Vx – IT Vendor Manager 1-3
- PB0707 – Chief Technology Officer (3 PCNs at a 1-range increase)
- PB072x – Business Analytics & Intelligence Analyst 1-3
- Any other positions being allocated out of IT classes entirely.

Phase 2 - May 11, 2026

- PB07Rx – IT Architecture Specialist 1-3
- PB07Sx – IT Security Specialist 1-3
- PB07Yx – IT System Administrator 1-4

Phase 3 - July 20, 2026

- PB07Ax – Application Developer 1-4
- PB07Mx – IT Manager 1-4
- PB07Px – IT Policy and Planning Analyst 1-3



FY2027: Highways and Aviation

Leg. Finance Subcomm. Book Item #5

	UGF	DGF	FED	OTHER	TOTAL
New Component: Stwd Guardrail & Roadside Repair		\$ 1,768.9			\$ 1,768.9
Statewide Guardrail and Roadside Hardware Repair		\$ 1,768.9			\$ 1,768.9
New Component: Statewide Wayside Maintenance		\$ 420.0			\$ 420.0
Statewide Wayside Maintenance		\$ 420.0			\$ 420.0

- Adds a single component to focus and support guardrail repairs. When damaged, guardrails no longer provide the intended protection and can even become hazards themselves. It is crucial to keep these systems in good repair and promptly address any damage
- Adds a single flexible component to support vegetation clearing, refuse management, sanitary services, snow removal, and facility repairs at high-use and safety-critical waysides across Alaska

<p>DOR Fall 2025 Revenue Motor Fuel Tax Forecast: \$42.4M FY2027 Governor DOT&PF Motor Fuel Tax Total: \$39.8M</p>

(\$ in thousands, unless otherwise noted)



FY2027: Highways and Aviation

Leg. Finance Subcomm. Book Item #6 & #8

	UGF	DGF	FED	OTHER	TOTAL
Central Highways and Aviation	\$ 2,064.0				\$ 2,064.0
Southcoast Highways & Aviation	\$ 837.0				\$ 837.0
Northern Highways & Aviation	\$ 2,345.9				\$ 2,345.9
Restore Funding for Highways and Aviation Maintenance	\$ 5,246.9				\$ 5,246.9
Northern Highways & Aviation	\$ 1,253.9				\$ 1,253.9
Restore One-time Fund Swap for Alaska Housing Capital Corporation	\$ 1,253.9				\$ 1,253.9

Excerpt from FY2017 Leg. Finance Conference Committee Book, "Legislative Additions & Deletions"

12	Highways, Aviation, and Facilities/ Central, Northern and Southcoast Region Highways and Aviation	20% State Equipment Fleet Replacement Rate Reduction	(\$2,525.6) UGF	In discussions with DOT&PF during the subcommittee process, it was determined that extending the life cycle of vehicles in the State Equipment Fleet could reduce replacement rates by 20%, thereby reducing the UGF budget (DOT&PF is the #1 consumer of the State Equipment Fleet). Decrements were included in the three regions totaling \$2.5 million UGF to implement the rate reduction.
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Excerpt from FY2018 Leg. Finance Conference Committee Book, "Legislative Additions & Deletions"

9	Highways, Aviation, and Facilities/ Central and Northern Highways and Aviation	Equipment Life Extensions	(\$1,064.0) UGF	In discussions with DOT&PF during the subcommittee process, it was determined that further extending the life cycle of vehicles in the State Equipment Fleet could reduce replacement rates by another 20%, thereby reducing the UGF budget (DOT&PF is the #1 consumer of the State Equipment Fleet). Decrements were included in Central and Northern regions totaling \$1.1 million UGF to implement the rate reduction.
10	Highways, Aviation, and Facilities/ Central, Northern and Southcoast Region Highways and Aviation	Rural Airports After Hours	(\$250.0) UGF	Decrements are made to personal services in the three regional Highways and Aviation



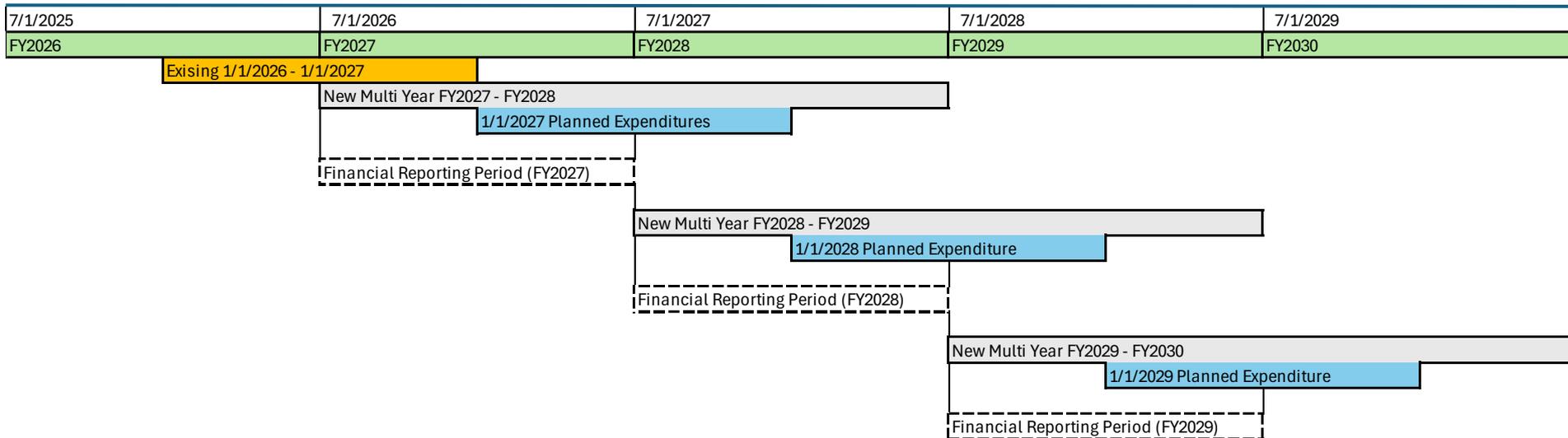
FY2027: Alaska Marine Highway

Leg. Finance Subcomm. Book Item #9

Fund Type	FY2026 Management Plan	FY2027 Governor
UGF	\$ 71,098.3	\$ 66,366.9
DGF	\$ 20,754.3	\$ 20,754.3
Fed	\$ 82,921.2	\$ 83,299.6
Other	\$ 1,006.3	\$ 1,042.2
Grand Total	\$ 175,780.1	\$ 171,463.0

Multi-year Waterfall Model

- Single closeout period and reporting on Fiscal Year, currently closing out twice per year
- Flexible carry-forward (surplus) or roll-forward (shortfall), with immediate accountability to legislature
- Continues calendar year model and requests for annual funding



FY2027: Highways and Aviation

Items not noted in Leg. Finance Subcomm. Book

	UGF	DGF	FED	OTHER	TOTAL
Northern Highways & Aviation				\$ 52.0	\$ 52.0
Kotzebue Airport Powerline Replacement				\$ 52.0	\$ 52.0
Southcoast Highways & Aviation				\$ 70.0	\$ 70.0
Gustavus Airport Law Enforcement Coverage				\$ 70.0	\$ 70.0
Statewide Aviation				\$ 160.0	\$ 160.0
Abandoned Buildings on Lease Lots				\$ 160.0	\$ 160.0
Central Highways and Aviation		\$ 250.0			\$ 250.0
Right of Way Encroachment and Homeless Camp Abatement		\$ 250.0			\$ 250.0



FY2027: Facilities Services, Equipment Fleet

Items not noted in Leg. Finance Subcomm. Book

	UGF	DGF	FED	OTHER	TOTAL
State Equipment Fleet				\$ 500.0	\$ 500.0
Statewide Mechanic Contracting Support				\$ 500.0	\$ 500.0
	UGF	DGF	FED	OTHER	TOTAL
Facilities Services		\$ 1,200.0		\$ 1,000.0	\$ 2,200.0
Authority for Proceeds of Sales from Surplus Buildings for Workspace Relocations		\$ 1,200.0		\$ 1,000.0	\$ 2,200.0

- Contracting authority used if the significant vacancies persist. DOT&PF would solicit for multiple vendors to accomplish maintenance in rural and remote areas, or a single contract to coordinate and subcontract location specific services
- Authority from sales of buildings includes Knik Arm Bridge and Toll Authority building and continued evaluation of buildings across state. Adds funding for relocating staff spaces including setup costs of network/telecom, furniture



Thank You.

Commissioner Ryan Anderson, P.E.
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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

KEEP ALASKA MOVING