## ALASKA STATE LEGISLATURE

Interim: P.O. Box 109 Wrangell, AK 99929 Phone: (907) 874-3088 Fax: (907) 874-3055



Session: State Capitol, Room 406 Juneau, AK 99801-1182 Phone: (907) 465-3824 1-800-686-3824 Fax: (907) 465-3175

## REPRESENTATIVE PEGGY WILSON HOUSE DISTRICT 2

## **SPONSOR STATEMENT House Joint Resolution 4**

"Proposing amendments to the constitution of the State of Alaska creating a transportation infrastructure fund"

HJR 4 will put a constitutional amendment before voters to amend the Alaska constitution to reinstate a dedicated fund for Transportation Projects.

Historians write that the drafters of the constitution were concerned that dedicated funds would impair future legislatures from responding to evolving public needs. However, the drafters of our Alaska Constitution grandfathered in two dedicated transportation funds. The first was for highways and the second was for water and harbor facilities. They recognized the public need for dependable and efficient transportation and that need has only grown. HJR 4 will reinstate a single dedicated fund that will serve all modes of transportation.

The roads, bridges, airports, ferries and transit systems that make up our state's transportation system are essential to mobility, commerce and economic development. This system enhances economic competitiveness, increases safety and enhances quality of life. There is a growing imbalance between system use and capacity as well as the need for new infrastructure to access our valuable resources. To insure Alaska has the infrastructure necessary to develop our resources as well as providing a quality of life for our citizens we must commit to funding transportation. Having a dependable revenue stream from year to year will allow Alaska to tackle today's congestion and maintenance projects as well as developing the needed access to resources and energy into the future.

The new CS for HJR 4 FIN has removed all the details defining which funds will go into ATIF, how ATIF will be appropriated and how it will be managed. Instead, the enabling statutes will define what funds will be directed to the ATIF, which projects are eligible for funding and the entity that will prioritize the eligible projects.

The only stipulation is the projects must be transportation related. The cap on the payout rate has been increased to 7% but the enabling legislation will define what rate will be used initially; probably in the 4-4.5% range. These changes were made to make the constitutional amendment not only good for Alaska today but also in 10, 20, and even 100 years. The changes will give the legislature the flexibility to manage transportation funding as we move into the future. We also now have a more clear and concise constitutional amendment that the public can understand and vote on in November.