

Fiscal Note

State of Alaska
2020 Legislative Session

Bill Version:	CSSB 115(FIN)
Fiscal Note Number:	3
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Identifier: CSSB115-DOT-COM-2-20-20
Title: MOTOR FUEL TAX
Sponsor: BISHOP
Requester: Senate Finance

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)

	FY2021 Appropriation Requested	Included in Governor's FY2021 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2021	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
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 (FY2020) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2021) 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If yes, by what date are the regulations to be adopted, amended or repealed?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:

Updated to reflect language in the committee substitute version of the bill which would deposit new electric and plug-in hybrid vehicle registration revenue into a special highway fuel tax account in accordance with AS 43.40.010(g).

Prepared By:	Mike Lesmann, Legislative Liaison
Division:	Commissioner's Office
Approved By:	Dom Pannone, DOT&PF Administrative Services Director
Agency:	Office of Management & Budget

Phone:	(907)465-4772
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REPORTED OUT OF
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FISCAL NOTE ANALYSIS

STATE OF ALASKA
2020 LEGISLATIVE SESSION

Analysis

The Department of Transportation & Public Facilities is the only department appropriated Motor Fuel Tax Receipts. Fund source 1239 is connected to Aviation Fuel Tax Revenue and fund source 1249 is connected to Motor Fuel Tax Receipts. These revenues contribute funding in two Results Delivery Units (RDU) within the department.

In FY2020, the Highways, Aviation, and Facilities RDU includes \$33,369,400.00 of Motor Fuel Tax Receipts and \$4,765,900.00 of Aviation Fuel Tax Revenue, accounting for approximately 29% of the amount appropriated to the three regional Highways and Aviation components.

In FY2020, the Marine Highway System RDU includes \$3,617,100.00 of Motor Fuel Tax Receipts, accounting for approximately 3.7% of the RDU's appropriated funding.

In FY2020, the Department of Revenue projects the portion of Motor Fuel Tax Receipts available to the Department of Transportation and Public Facilities to be approximately \$1.3 million dollars less than what was appropriated, representing a reduction in funds. In FY2021, that shortfall increases to approximately \$2 million dollars.

Subject to appropriation from 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 weeks of service or additional communities served.

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

- increased safety and maintenance response times;
- increased maintenance operators;
- increased winter maintenance;
- increase 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;
- decreases in response times during extreme storm and weather events;
- decrease in road closure times due to acts of nature;
- increased surface treatment chemicals and materials including corrosion inhibitors and pre-treating chemicals;
- increase in ability and resources to repair potholes and guardrails as well as vegetation management activities;
- increase in services at state airports such as clearing/sanding/deicing a runway, providing aircraft rescue and firefighting at state owned airports; or
- increased compliance with FAA mandate for airports to be as self-sustaining as possible.