



32nd Alaska State Legislature

House Finance Budget Subcommittee

Department of Transportation and Public Facilities

FY22 Operating Budget

Chair:

Rep. Dan Ortiz
Capitol Room 513
465-3824

Members:

Rep. Grier Hopkins
Capitol Room 434
465-4457

Rep. Ivy Spohnholz
Capitol Room 406
465-4904

Rep. Harriet Drummond
Capitol Room 108
465-3875

Rep. Sara Hannan
Capitol Room 432
465-4766

Rep. Tom McKay
Capitol Room 112
465-4993

Rep. Kevin McCabe
Capitol Room 430
465-2679

Rep. Mike Cronk
Capitol Room 110
465-4527

Rep. Ben Carpenter
Capitol Room 400
465-3779

Committee Aide:

Liz Harpold
465-5269

March 27, 2021

RECOMMENDATIONS:

The House Finance Budget Subcommittee for the Department of Transportation and Public Facilities submits the following recommended operating budget for FY2022 to the House Finance Committee:

Fund Source: (in thousands of dollars)

Unrestricted General Funds (UGF)	\$152,552.4
Designated General Funds (DGF)	\$47,230.2
Other Funds	\$417,615.0
Federal Funds	\$58,795.6
Total	\$676,193.2

There is a small increase in Unrestricted General Fund use from FY22 Adjusted Base to the FY22 House Subcommittee budget of \$1,193.8 which equals 0.8%.

Positions:

Permanent Full-time	2929
Permanent Part-time	281
Temporary	145
Total	3355

BUDGET ACTIONS:

The House Finance Budget Subcommittee for the Department of Transportation and Public Facilities reviewed the FY2022 budget request, including amendments, and took the following actions:

The Governor submitted 45 budget action items. The House Finance Subcommittee accepted 36 of these items. The House Finance Subcommittee rejected 9 of these items.

BUDGET ACTIONS, continued:

The items the House Finance Subcommittee accepted are:

- Four items related to reducing receipt authority in Administration and Support.
- Multiple items related to Facilities consolidation and structure change.
- Increasing UCR receipt authority in Administration and Support.
- Adding UGF for collective bargaining agreements.
- Three items that replace aviation fuel tax receipts with CARES Act Funds due to a project aviation fuel tax revenue shortfall.
- Three items that replace motor fuel tax receipts with CARES Act Funds due to a projected motor fuel tax revenue shortfall.
- Three items reducing aviation and motor fuel tax receipt authority in Highways and Aviation.
- Reopening of the Silvertip, Chitina and Birch Lake maintenance stations and increasing funding for Dalton District shift change.
- Using Federal funds for paint striping at rural airports.
- A cost of living salary adjustment in International Airports.
- Reducing maintenance on non-DOT maintained roads.

The items the House Finance Subcommittee rejected are:

- Three items related to a reduction in funding for AMHS Marine Vessel Operations as well as related transfer of AMHS receipt authority from one AMHS allocation to another.
- Six related to replacing UGF with FAA CARES Act funds for rural airport operations.

SUBCOMMITTEE AMENDMENTS:

The House Finance Subcommittee adopted the following budget amendments:

- Use \$49,940.0 Federal Receipts (1265) to replace AMHS Fund (1076) within the Alaska Marine Highway appropriation. Additionally, \$1,945.1 of UGF (1004) was moved from Marine Vessel Operations to various non-AMHS DOT appropriations to replace AMHS Fund in those appropriations and that UGF amount was replaced with \$1,945.1 in Federal Receipts (1265). This brought the full amount of AMHS Fund (1076) replacement with Federal Receipts in the Department to \$51,885.1.
- Intent language: It is the intent of the Legislature that the Department of Transportation and Public Facilities increase consultation and collaboration with local municipalities, including by establishing Regional Transportation Planning Organizations, to advance the identification and planning for locally driven projects where there is both interest and capacity. The Department should outline in the State's agreements with the Federal Highway Administration criteria for determining local municipal capacity, and the process for local administration of federally funded transportation projects.

ADDITIONAL NON-OPERATING BUDGET RECOMMENDATIONS:

The House Finance Subcommittee Chair puts forward these additional recommendations that are not part of the Operating Budget and are in regard to future appropriations the legislature may make.

1. Use \$30M CRRSAA FHWA funds to build crew quarters on the Tazlina and Hubbard.
Put out to bid as soon as money is appropriated.
2. Put a significant amount of CRRSAA or ARPA funds toward the Tustumena replacement vessel and make it SOLAS compatible.
3. Allocate remaining CRRSAA FTA money toward rural transit grantee recipients.
4. Provide AMHS service to Wrangell any time service is scheduled for Petersburg.
5. Use Federal funds to get Certificate of Inspection completed for Hubbard.
6. Find money for annual maintenance of the Kuskokwim Ice Road.
7. Use FAA CARES for deferred maintenance and capital projects at rural airports.
8. Maximize flexibility for use of federal transportation dollars received by state and appropriated to local governments, including - where possible - allowing municipalities to allocate funds for operating or capital expenditures to the maximum extent.

ATTACHED REPORTS:

The House Finance Budget Subcommittee for the Department of Transportation and Public Facilities adopts the attached reports:

- 1) Budget Action Worksheet
- 2) Wordage Report
- 3) Operating Budget Transaction Compare between 22AdjBase to HouseSub
- 4) Operating Budget Transaction Compare between 22GovAmend to HouseSub
- 5) Multi-year Agency Totals

Respectfully submitted,



Representative Dan Ortiz, Chair

House Finance Budget Subcommittee for the Department of Transportation and Public Facilities