

HOUSE BILL NO. 473

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE GREEN

Introduced: 2/19/02

Referred: Transportation, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to transportation."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 *** Section 1.** AS 44.42.050 is amended by adding new subsections to read:

4 (e) The commissioner shall update each analysis of the costs and benefits of
5 new transportation projects prepared under (a) of this section to reflect increased
6 preconstruction, construction, and maintenance costs of the project identified during
7 preconstruction planning for the project. If the initial costs of preconstruction
8 planning, including preliminary engineering and design and environmental assessment
9 or impact analysis, for a new surface transportation project, including a trail project
10 and transportation enhancement, have increased by more than 50 percent since the
11 initial project agreement to pay those costs for the project was entered into with the
12 Federal Highway Administration, or since the initial approval of the project by the
13 legislature, then before submitting a preliminary design or environmental document to
14 the Federal Highway Administration for approval or before commencing final design
15 or construction of the project, the commissioner shall include the following

1 information regarding the project in the annual update of the state transportation plan
2 under (a) of this section:

3 (1) an explanation of the reasons why the preconstruction costs for the
4 project have increased by more than 50 percent;

5 (2) anticipated further increases in preconstruction, construction, and
6 maintenance costs over the life of the project;

7 (3) an updated analysis of the costs and benefits of the project that
8 reflects increased costs, computed to the maximum extent feasible in terms of a
9 benefit-to-cost ratio;

10 (4) a retrospective examination of whether the methods of contracting
11 for professional services, including by time and expense contract, for nonconstruction
12 services including preliminary engineering, design, environmental analysis, or right-
13 of-way services could have been reduced by alternative means of contracting, more
14 effective ceiling prices, or greater oversight of costs and contract performance; and

15 (5) other information useful for assuring that new transportation
16 projects are well planned, efficiently managed, intermodal, and financially
17 constrained, as required by state and federal law.

18 (f) Transportation projects that have a benefit-to-cost ratio greater than one are
19 presumed efficient and projects that have a benefit-to-cost ratio of less than one are
20 presumed inefficient.