

**ALASKA STATE LEGISLATURE**  
**HOUSE TRANSPORTATION STANDING COMMITTEE**

March 19, 2002

1:11 p.m.

**MEMBERS PRESENT**

Representative Vic Kohring, Chair  
Representative Beverly Masek, Vice Chair  
Representative Drew Scalzi  
Representative Peggy Wilson  
Representative Albert Kookesh

**MEMBERS ABSENT**

Representative Scott Ogan  
Representative Mary Kapsner

**COMMITTEE CALENDAR**

HOUSE BILL NO. 502

"An Act relating to the designation of and funding for rustic roads and highways; and providing for an effective date."

- HEARD AND HELD

HOUSE BILL NO. 473

"An Act relating to transportation."

- HEARD AND HELD

**PREVIOUS ACTION**

BILL: HB 502

SHORT TITLE: RUSTIC ROADS AND HIGHWAYS

SPONSOR(S): TRANSPORTATION

Jrn-Date	Jrn-Page		Action
02/27/02	2408	(H)	READ THE FIRST TIME - REFERRALS
02/27/02	2408	(H)	TRA, FIN
02/27/02	2408	(H)	REFERRED TO TRANSPORTATION
03/05/02		(H)	TRA AT 1:00 PM CAPITOL 17
03/05/02		(H)	Heard & Held
03/05/02		(H)	MINUTE(TRA)
03/19/02		(H)	TRA AT 1:00 PM CAPITOL 17

BILL: HB 473

SHORT TITLE: STATE TRANSPORTATION PLAN

SPONSOR(S): REPRESENTATIVE(S) GREEN

Jrn-Date	Jrn-Page		Action
02/19/02	2315	(H)	READ THE FIRST TIME - REFERRALS
02/19/02	2315	(H)	TRA, FIN
02/19/02	2315	(H)	REFERRED TO TRANSPORTATION
03/05/02		(H)	TRA AT 1:00 PM CAPITOL 17
03/05/02		(H)	Heard & Held MINUTE(TRA)
03/19/02		(H)	TRA AT 1:00 PM CAPITOL 17

**WITNESS REGISTER**

MIKE KRIEBER, Staff  
to Representative Vic Kohring  
Alaska State Legislature  
Capitol Building, Room 24  
Juneau, Alaska 99801

POSITION STATEMENT: Presented changes to HB 502 as the committee aide of the House Transportation Standing Committee.

REPRESENTATIVE JOE GREEN  
Alaska State Legislature  
Capitol Building, Room 403  
Juneau, Alaska 99801

POSITION STATEMENT: Testified as the sponsor of HB 473, saying he did not see a problem with rolling HB 473 into HB 502.

MILLIE RYAN, Executive Director  
Governor's Council on Disabilities & Special Education  
P.O. Box 240249  
Anchorage, Alaska 99524-0249

POSITION STATEMENT: Testified on HB 502, saying the funding for the coordination of public transportation would lead to efficiencies for agencies that must transport their clients.

KRISTIN LAMBERT, Executive Director  
Central Area Rural Transit System  
P.O. Box 993  
Soldotna, Alaska 99669

POSITION STATEMENT: Testified on HB 502, underlining the importance of coordinated community transportation systems and their funding.

PATRICK REINHART, Director  
State Independent Living Council (SILC)  
1016 West 6th, Number 105  
Anchorage, Alaska 99501

POSITION STATEMENT: Testified on HB 502, expressing SILC's support of the bill.

JAMES FISHER  
Kenai Peninsula Food Bank  
33955 College Drive  
Soldotna, Alaska 99669

POSITION STATEMENT: Testified on HB 502, supporting funding for coordinated community transportation.

WAYNE EAGLE  
P.O. Box 356  
Tok, Alaska 99780

POSITION STATEMENT: Testified on HB 502, saying rustic roads need not be paved, by definition.

ALLEN ECKLES (ph), Lessee  
Tangle Lakes Lodge  
(No address provided)  
Paxson, Alaska

POSITION STATEMENT: Testified on HB 502, saying he would like to see "the road upgraded."

GARY NANCE, Owner  
McLaren Lodge  
(No address provided)  
Paxson, Alaska

POSITION STATEMENT: Testified on HB 502, saying he did not support leaving the Denali Highway unpaved.

JOHN SCHANDELMEIER (ph)  
Meier's Lake Road House  
HC 72 Box 7193  
Paxson, Alaska 99737

POSITION STATEMENT: Testified in support of HB 502.

DEANNA ESSERT, Community Activist  
Sand Lake Community Council  
6262 West Dimond  
Anchorage, Alaska 99502

POSITION STATEMENT: Testified on HB 473, which was rolled into HB 502.

FRANK DILLON, Executive Vice President  
Alaska Trucking Association  
3443 Minnesota Drive  
Anchorage, Alaska 99503

POSITION STATEMENT: Testified on HB 502, expressing concern about some of the changes to the Statewide Transportation Improvement Plan.

RUTH L'HOMMEDIEU  
P.O. Box 80127  
Fairbanks, Alaska 99708

POSITION STATEMENT: Testified in support of the increase in funding for coordinated community transportation in Version B of HB 502.

GEOFF PARKER, Attorney  
7931 Huckleberry Circle  
Anchorage, Alaska 99502

POSITION STATEMENT: Testified in favor of HB 502.

SAM KITO III, Chair  
Legislative Liaison Committee  
Alaska Professional Design Council  
P.O. Box 21192  
Juneau, Alaska 99802

POSITION STATEMENT: Testified on HB 502, expressing concern about the possible delays on projects and the forbiddance of paving gravel roads.

CHUCK KAUCIC  
HC01 Box 6301  
Palmer, Alaska 99645

POSITION STATEMENT: Testified against HB 502, saying TRAAK money should be used for TRAAK projects.

#### **ACTION NARRATIVE**

TAPE 02-7, SIDE A  
Number 0001

CHAIR VIC KOHRING called the House Transportation Standing Committee meeting to order at 1:11 p.m. Members present at the call to order were Representatives Scalzi, Wilson, and Kohring. Representatives Masek and Kookesh arrived as the meeting was in progress.

#### HB 502-RUSTIC ROADS AND HIGHWAYS

HB 473-STATE TRANSPORTATION PLAN

CHAIR KOHRING announced that the committee would consider HOUSE BILL NO. 502, "An Act relating to the designation of and funding for rustic roads and highways; and providing for an effective date," and HOUSE BILL NO. 473, "An Act relating to transportation."

CHAIR KOHRING informed members that HB 473 had been rolled into HB 502 [Version B], as was another provision having to do with transportation funding.

Number 0138

MIKE KRIEBER, Staff to Representative Vic Kohring, Alaska State Legislature, testified before the committee. He explained that some committee members had been concerned with inconsistencies and some overlapping between HB 473 and HB 502. The bills therefore were combined to eliminate some of those concerns.

Number 0206

MR. KRIEBER noted that HB 473 would be in Sections 4 and 5 of the proposed committee substitute (CS) [HB 502, Version B]. One of the primary changes in that language was to address some of Representative Kapsner's concerns about smaller projects in her district with a cost-benefit ratio of less than one in an economic analysis. He said this concern was addressed by a \$1 million threshold amount for project cost estimates. This would exclude projects that cost less than that amount from the reevaluation requirement.

MR. KRIEBER said [subsection] (f) in Section 5 had also been modified. He told the committee that it would make the legislature's approval process more passive, rather than the "heavyhanded" approach whereby the department would be required to approve every project at every step. Mr. Kriebler pointed out that this change would allow the department to submit a written justification with a capital budget request for projects with cost-benefit ratios of less than one. This would provide the legislature with information, and give an opportunity for legislators to ask questions and make changes to the capital budget based on information in the justification.

Number 0370

MR. KRIEBER directed the committee's attention to the changes that would be brought to HB 502 by the infusion of HB 473. He gave an overview of the general premise of the original bill. He said there were several modifications from the original bill to the current CS [Version B]. However, remaining is the general idea of using the draft regulations of the Department of Transportation and Public Facilities (DOT&PF) as a format for designating road categories - the National Highway System, the Alaska Highway System, the Community Transportation Program, and Trails and Recreational Access For Alaska (TRAAK). He said the bill adds a fifth category to the DOT&PF regulations - Rustic Roads and Highways. Version B would also add "trails" to the rustic road category.

MR. KRIEBER told the committee that DOT&PF regulations specify certain funding percentages for the current four road categories. The bill would modify those categories by small percentages [of federal surface transportation funds] in order to fund the fifth category, which would include rustic highways, roads, and trails. The bill would reduce the Alaska Highway System from 8 to 7 percent, the Community Transportation Program from 33 to 32 percent, and the TRAAK system from 8 to 5 percent. The rustic road category would receive 5 percent. He pointed out that the Coordinated Transportation System program would receive increased funding in Version B.

Number 0710

CHAIR KOHRING asked Mr. Kriebler to elaborate on what benefit would be derived from adding trails to the bill.

MR. KRIEBER said it would provide funding for snow machine trails, and give access to fishing and hunting areas. He said the emphasis of the TRAAK program had been road enhancements, bike paths, and things of that nature. This would provide access into new areas that would benefit people statewide.

Number 0794

REPRESENTATIVE JOE GREEN, Alaska State Legislature, sponsor of HB 473, testified before the committee. He told members that combining HB 473 and HB 502 was fine. He asked the committee to consider inserting the word "reasonably" before the word "estimated" [on page 5, Section 5, line 29 of Version B]. He expressed concern that there could be "low-balling" in estimating, to get around the updating requirement.

Number 0879

CHAIR KOHRING asked if Representative Green's aforementioned change would be acceptable to the committee. [It was treated as acceptable.]

Number 0907

REPRESENTATIVE WILSON asked where the Alaska Marine Highway System (AMHS) fits in.

MR. KRIEBER pointed out that the AMHS falls under a separate funding category from the surface transportation program. He said the bill would not reduce the Alaska Marine Highway System.

Number 0964

REPRESENTATIVE MASEK moved to adopt the proposed CS, Version B, 22-LS0822\B, Utermohle, 3/19/02, as the working document.

CHAIR KOHRING announced that Representative Greene's change - inserting the word "reasonably" on page 5, line 29, - would be included. [Version B was treated as adopted with the aforementioned change.]

CHAIR KOHRING stated that he would like to address public transportation and its receipt of 1 percent of the National Highway System funds as a result of Version B.

Number 1024

MILLIE RYAN, Executive Director, Governor's Council on Disabilities & Special Education, testified before the committee. She told members that part of her organization's mission is to provide transportation for the disabled. She said coordinated public transportation makes up a very small portion of the statewide transportation budget.

MS. RYAN told members that service levels have not kept up with population growth. Community transportation systems are in the beginning stages of development. These systems consolidate resources, have central dispatch functions, and provide many services to a large number of people. She gave examples of some of the transportation systems around the state. Ms. Ryan characterized much of the funding for these systems as "soft federal money" - about \$4 million - that may go away with changes in Congress.

Number 1191

MS. RYAN said the 1 percent is not a great deal of money - \$2 million - but it could do a lot to provide access to transportation for people to get to work, receive medical service, and live in their communities. Emphasis on coordinated transportation systems would result in lower cost per ride, improved geographic coverage, and better use of funds for agencies that receive funding to transport their service recipients. Ms. Ryan gave several examples of the state savings that could be made as a result of the coordination of these transportation systems.

Number 1375

KRISTIN LAMBERT, Executive Director, Central Area Rural Transit System, testified via teleconference. She said 1 percent of [federal surface transportation] funds would not be a large amount of money in comparison to the numbers who would benefit. She said Alaska has needed highway infrastructure for many years, but Alaska's transportation needs are not only "patching the potholes and building more roads." Emphasis must also be placed on "getting people around."

MS. LAMBERT said the state needs to support community programs for coordinated transportation. She pointed out that [the funding from HB 502] would benefit over 1,000 people and their families in her area alone. She said 40 percent of the transportation her organization provides is for people going between jobs and home.

Number 1520

PATRICK REINHART, Director, State Independent Living Council (SILC), testified via teleconference. He expressed his organization's support of [HB 502, Version B]. He said transportation is a major issue around the state, and that it is critical for people. The funding increase [in Version B] would go a long way in improving transportation systems across the state. Mr. Reinhardt pointed out the importance of building the programs and the resulting efficiencies in communities.

Number 1605

JAMES FISHER, Kenai Peninsula Food Bank, testified via teleconference. He told the committee that the Kenai Peninsula

Food Bank receives transportation service from the Central Area Rural Transit System for the needy families that it serves. He shared his understanding that the 1 percent funding from Version B would help to assure the vital public transportation to and from his food bank. He urged support for the 1 percent funding to coordinated public transportation.

WAYNE EAGLE (ph) testified via teleconference. He expressed his belief that the "unpaved" designation for rustic roads might be doing the state a disservice. He cited the Taylor Highway as an example of a [paved] road that should be designated as rustic.

Number 1844

ALLEN ECKLES (ph), Lessee, Tangle Lakes Lodge, testified via teleconference. He said he would like to see "the road upgraded."

Number 1875

GARY NANCE, Owner, McLaren Lodge, testified via teleconference. He expressed frustration that the bill specifies that rustic roads must remain unpaved. He said he grew up in the area and would like to see it remain pristine, but said a 60-foot swath of upgraded road would not ruin it. He told the committee that many of his friends had testified in favor of the bill and against upgrading the Denali Highway, but he made it known that he stood at odds with them on the matter. Trying to run a business without rental cars or buses on the Denali Highway is very difficult, he told members.

MR. NANCE pointed out that the people who travel in rental cars are not the ones to tear up the country: the people with off-road vehicles are the ones who leave the road and penetrate into untouched land. He said much of the support for the bill comes from the Fairbanks area and the people there who would like ensure [tour bus] routes are not lost, but he told the committee that he owned a business in Fairbanks as well. Mr. Nance said that he bought his lodge under the assumption that the road would be paved. He concluded by saying that he would like to see the Denali Highway paved.

Number 2100

JOHN SCHANDELMEIER, Meier's Lake Road House, testified via teleconference. He said the combination of HB 473 and HB 502 "added a little something for everybody." He expressed his

support of the rustic road provision. He told the committee that it was not the exclusion of tourism that was being sought in keeping the road unpaved; it was the wish to keep [the area] a destination instead of just a travel corridor. He told the committee of the importance of keeping the traffic slow and at a low volume, while trying to have overnight visitors who will spend money. He expressed his thought that the paving money could be better spent elsewhere.

Number 2213

DEANNA ESSERT, Community Activist, Sand Lake Community Council, testified via teleconference. She said Sand Lake has a need to improve its existing transportation system. She told the committee of poor access to a new housing development in her area and asked why it was not at the top of DOT&PF's priority list. She expressed her concern about expensive projects taking precedence over small projects. Ms. Essert said cost-benefit analyses will allow funding to flow and will ensure "the most bang for the buck." She urged passage of HB 473.

CHAIR KOHRING reminded Ms. Essert that HB 473 had been rolled into Version B of HB 502.

TAPE 02-7 SIDE B  
Number 2383

FRANK DILLON, Executive Vice President, Alaska Trucking Association, testified via teleconference. He stated his concern about DOT&PF's recent revision of the Statewide Transportation Improvement Plan (STIP) and what impact the changes in the bill might have on it. The process took a long time, he said. Mr. Dillon clarified that the Alaska Trucking Association is strongly in favor of lowering overhead costs for DOT&PF. He said he was not prepared to comment on the rustic roads portion of HB 502.

Number 2295

RUTH L'HOMMEDIU, Chair, State Independent Living Council (SILC), testified via teleconference. She expressed her support of Version B and its funds for coordinated community transportation. She said it is very important for people to have transportation for their employment, health care, and basic everyday needs.

Number 2240

GEOFF PARKER testified via teleconference. He expressed support of the provisions of HB 473, as rolled into Version B [of HB 502]. He said he was speaking specifically to the cost-benefit analysis and "most bang for buck" aspects of HB 473.

Number 2205

SAM KITO III, Chair, Legislative Liaison Committee, Alaska Professional Design Council, testified via teleconference. He said his organization supports the concept of accountability, but he expressed concern as to whether the bill would delay implementation and construction of projects. He expressed reservations about the restriction on the possibility that gravel roads will be paved. Paving decreases maintenance costs, he pointed out, and the funds saved can be used on other projects.

Number 2054

CHUCK KAUCIC testified via teleconference. He said the amount of TRAAK funding is small in relation to that of the federal highway money. He posited that TRAAK money should be used to fund recreational access and not for highway construction. He told the committee that there is highway money for highways, and TRAAK money for TRAAK projects.

[HB 502 was held over; HB 473 was incorporated into HB 502, Version B.]

#### **ADJOURNMENT**

There being no further business before the committee, the House Transportation Standing Committee meeting was adjourned at 2:11 p.m.