

SENATE FINANCE COMMITTEE

April 10, 2012

9:02 a.m.

9:02:25 AM

CALL TO ORDER

Co-Chair Hoffman called the Senate Finance Committee meeting to order at 9:02 a.m.

MEMBERS PRESENT

Senator Lyman Hoffman, Co-Chair
Senator Lesil McGuire, Vice-Chair
Senator Johnny Ellis
Senator Dennis Egan
Senator Donny Olson
Senator Joe Thomas

MEMBERS ABSENT

Senator Bert Stedman, Co-Chair

ALSO PRESENT

Representative Cathy Munoz; Jeff Ottesen, Director, Program Development, Department of Transportation and Public Facilities (DOT/PF); Marie Darlin, American Association of Retired Persons, Juneau; Penny Gage, Staff, Senator Bert Stedman; Rachel Kallander, Staff, Representative Bill Thomas; Representative Reggie Joule; Brodie Anderson, Staff, Representative Reggie Joule

PRESENT VIA TELECONFERENCE

Kevin Gadsey, Southeast Alaska Independent Living, Ketchikan; Ruth Dulin, Self, Ketchikan; Amelia Kito-Gage, Self, Sitka; Elizabeth Hensley, Nenana Regional Corporation, Anchorage; Morgan Johnson, Mayor, City of Ambler, Ambler

SUMMARY

HB 131 COMMUNITY AND TRANSPORTATION ADV. BOARD

HB 131 was HEARD and HELD in committee for further consideration.

HB 246 NAMING CERTAIN BRIDGES

HB 246 was HEARD and HELD in committee for further consideration.

HB 258 NATURALLY OCCURRING ASBESTOS

HB 258 was HEARD and HELD in committee for further consideration.

#hb131

CS FOR HOUSE BILL NO. 131(TRA) am

"An Act establishing the Alaska Community and Public Transportation Advisory Board and relating to a long-range community and public transportation plan; and providing for an effective date."

[9:03:32 AM](#)

REPRESENTATIVE CATHY MUNOZ, explained HB 131. She referred to the Sponsor Statement (copy on file).

House Bill 131 creates a Community and Transportation Advisory Board which will assist in the development and procedural recommendations for existing programs of state, federal and local agencies that provide community-based transportation services. Public and community transportation is integral in connecting communities, supporting development and serving our most vulnerable constituents.

The designation of this board is a recommendation from the Governor's Coordinated Transportation Task Force which was released in the February 2010 Recommendations Report. The board will continue efforts to address public and community transportation and help fill the gap in transportation for individuals who require more specialized travel - senior citizens, low income individuals, persons with disabilities, and those who are transit-dependent.

The board will consist of 13 members from departments within state and local governments, Denali Commission,

Alaska Mental Health Trust Authority, non-profits, and those with expertise in transportation needs for senior citizens, persons with disabilities, and transit-dependent individuals. This broad range of membership will facilitate communication and strategies that will benefit communities of all sizes. HB131 has support from the Alaska Mobility Coalition, the Governor's Council on Disabilities and Special Education, Advisory Board on Alcoholism and Drug Abuse, the Alaska Commission on Aging, Alaska Mental Health Trust Authority, Alaska Brain Injury Network, and the Alaska Suicide Prevention Council.

Representative Munoz highlighted the fiscal notes attached to HB 131.

[9:05:25 AM](#)

JEFF OTTESEN, DIRECTOR, PROGRAM DEVELOPMENT, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES (DOT/PF), stated that he was a governor-appointed chairman of the Coordinated Transportation Task-Force for the past three years. He remarked that while serving as chairman, he learned how important coordinated transportation was for all Alaskans. He explained that 11 percent of the Alaska population was in need of coordinated transportation: seniors, individuals with disabilities, and individuals who lack sufficient income to afford an automobile. He stressed that some of the 11 percent were heads-of-household, so there were even more people in the household who were in need of coordinated transportation. He stated that the money that would be integrated into the program would be spread across many different agencies: federal, state, tribal, local, and non-profit. He stressed that the purpose of the commission was to bring together the different agencies, in order to coordinate communication and cohesiveness.

Senator Thomas surmised that the HB 131 would change the name of a board, but retain the same mission. Representative Munoz replied that the bill would extend the work of the commission until 2016.

Senator McGuire explained that when the omnibus energy bill was drafted, there was a clause that required DOT/PF to look at compressed natural gas as a fuel source. She wondered if there would be consideration for language within the bill to specifically address a more affordable

fuel base for public transportation. Representative Munoz replied that she was open to any opportunity to improve efficiencies and use of energy was positive. Mr. Ottesen furthered that he had worked on getting compressed natural gas into the public transportation fleet, so he was an advocate of that issue for many years.

Co-Chair Hoffman noted the one previously published zero fiscal note from DOT/PF.

[9:10:48 AM](#)

MARIE DARLIN, AMERICAN ASSOCIATION OF RETIRED PERSONS, JUNEAU, testified in support of HB 131. She remarked that one of the major issues for seniors is the accessibility to affordable transportation. She felt that there should be a focus of the routing of services; placing and designing of roads; and installing intelligent systems. She remarked that there will continue to be an increasing number of aging Alaskans she face mobility issues.

KEVIN GADSEY, SOUTHEAST ALASKA INDEPENDENT LIVING, KETCHIKAN (via teleconference), urged support of HB 131. He shared a story about the commission, and remarked that he was impressed with the problem solving techniques that the board was attempting to utilize.

RUTH DULIN, SELF, KETCHIKAN (via teleconference), testified in support of HB 131.

HB 131 was HEARD and HELD in committee for further consideration.

#hb246

CS FOR HOUSE BILL NO. 246(FIN)

"An Act naming certain bridges and airports."

[9:17:51 AM](#)

Senator Ellis MOVED to ADOPT proposed committee substitute for CS HB 246 (FIN), Work Draft 27-LS092\D (Wayne, 4/9/12).

Co-Chair Hoffman OBJECTED for purpose of discussion.

PENNY GAGE, STAFF, SENATOR BERT STEDMAN, presented the three changes in the committee substitute. She explained

the change on line 1 of the title inserted a certain bypass road. She noted the change on page 2, line 29, at the request of Senator Olson, inserting Greg Kruschek Avenue, which was a state-owned Nome Bypass Road. She looked at the change on line 31, which was a request from the Mayor and City Council of the City of Petersburg, the Harry Kito Bridge would be named for the bridge over Falls Creek at mile 10.4 of the Mitkof Highway.

[9:19:37 AM](#)

RACHEL KALLANDER, STAFF, REPRESENTATIVE BILL THOMAS, explained HB 246. She stated that HB 246 would name 16 bridges, 2 airports, and 1 road after prominent Alaskans. She stated that 15 of the bridges listed in HB 246 were in Cordova. She remarked that the veterans in Cordova served in every major war of the 21st century.

Co-Chair Hoffman noted the one previously published fiscal impact note from DOT/PF.

AMELIA KITO-GAGE, SELF, SITKA (via teleconference), testified in support of HB 246. She appreciated the recognition of her family member in the naming of one of the bridges.

HB 131 was HEARD and HELD in committee for further consideration.

#hb258

CS FOR HOUSE BILL NO. 258(FIN)

"An Act directing the Department of Transportation and Public Facilities to develop and implement standards and operating procedures, to evaluate site-specific use plans, and to designate project areas concerning gravel or other aggregate material containing naturally occurring asbestos; authorizing use on an interim basis of gravel or other aggregate material containing naturally occurring asbestos for certain transportation projects and public facilities; providing immunity for the state and for landowners, extractors, suppliers, transporters, and contractors for certain actions or claims arising in connection with the use of gravel or aggregate material containing naturally occurring asbestos in certain areas; requiring contractors to report certain

asbestos- related data to the Department of Transportation and Public Facilities; and providing for an effective date."

9:25:47 AM

REPRESENTATIVE REGGIE JOULE, introduced HB 258. He referred to the Sponsor Statement (copy on file).

HB 258 authorizes and regulates the use of gravel or aggregate material that contains naturally occurring asbestos (NOA). There are documented cases of NOA being found in several areas of the state, including Juneau, along the Dalton Highway and Ambler. Discovery of NOA in local gravel pits has delayed and, in Ambler's case, halted construction projects. The use of NOA in construction projects may be regulated by states. Virginia and California have been regulating NOA for many years. With the passage of HB 258, the discovery of NOA in local gravel sources and the cost of transporting non-NOA gravel and material will not impact the success and completion of construction projects and important future state infrastructure in Rural Alaska.

Several large projects are on the state's horizon that will require the use of large amounts of gravel. These large projects are in mineral rich areas of the state critical to the future development of Alaska. Most notably, it is estimated that the gas pipeline alone may use 50 to 60 million cubic yards of new gravel. Many miles of the Dalton Highway will be reconstructed in support of the project, requiring additional gravel. In Rural Alaska, almost all airport construction and upgrades require material from local gravel sources; a new small airport can use up to 25,000 cubic yards of gravel. The use of NOA gravel and materials should be resolved before it becomes an issue during the actual construction process of any of these large future projects.

HB 258 directs the Department of Transportation and Public Facilities to develop and implement statewide regulations and standard operating procedures (SOP) to allow for the use of NOA for both State and private construction projects. HB 258 will balance the needs of moving Alaska forward; building critical

infrastructure, completing construction projects while protecting the health of Alaskan workers and communities.

Senator Olson wondered if there would be similar immunity clauses to California's legislation.

BRODIE ANDERSON, STAFF, REPRESENTATIVE REGGIE JOULE, replied that the program was voluntary, so the immunity went further than California's program.

ELIZABETH HENSLEY, NANANA REGIONAL CORPORATION, ANCHORAGE (via teleconference), testified in support of HB 258.

[9:32:25 AM](#)

MORGAN JOHNSON, MAYOR, CITY OF AMBLER, AMBLER (via teleconference), testified in support of HB 258. He remarked that the dust problem had inhibited many projects since 1998.

Co-Chair Hoffman noted the three previously published zero fiscal notes and three previously published fiscal impact notes.

Representative Joule thanked the committee for hearing the bill. He remarked that there were many communities that deal with dust particles, because the cost of dust-abatement in rural Alaska was very expensive. He felt that the dust without the naturally occurring asbestos was more of a hazard to an individual's health, than what was intended with HB 258.

HB 258 was HEARD and HELD in committee for further consideration.

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ADJOURNMENT

[9:36:28 AM](#)

The meeting was adjourned at 9:36 AM.