

**ALASKA STATE LEGISLATURE
HOUSE TRANSPORTATION STANDING COMMITTEE**

February 21, 2023

1:00 p.m.

MEMBERS PRESENT

Representative Kevin McCabe, Chair
Representative Sarah Vance, Vice Chair
Representative Tom McKay
Representative Craig Johnson
Representative Jesse Sumner
Representative Louise Stutes
Representative Genevieve Mina

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

PRESENTATION(S): DEPARTMENT OF TRANSPORTATION AND PUBLIC
FACILITIES - FEDERAL PROGRAMS & INFRASTRUCTURE AND JOBS ACT
FUNDING

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

JAMES MARKS, Director
Division of Planning and Program Development
Department of Transportation and Public Facilities
Juneau, Alaska

POSITION STATEMENT: Co-presented the PowerPoint presentation,
titled "Alaska Department of Transportation and Public
Facilities Federal Funding to Date and Planning for the Future."

JUDY CHAPMAN, Deputy Director
Division of Planning and Program Development
Department of Transportation and Public Facilities
Fairbanks, Alaska

POSITION STATEMENT: Co-presented the PowerPoint presentation, titled "Alaska Department of Transportation and Public Facilities Federal Funding to Date and Planning for the Future."

ACTION NARRATIVE

[1:00:52 PM](#)

CHAIR KEVIN MCCABE called the House Transportation Standing Committee meeting to order at 1:00 p.m. Representatives McKay, Sumner, Stutes, Mina, Vance, and McCabe were present at the call to order. Representative C. Johnson arrived as the meeting was in progress.

PRESENTATION(S): Department of Transportation and Public Facilities - Federal Programs & Infrastructure and Jobs Act Funding

[1:01:34 PM](#)

CHAIR MCCABE announced that the only order of business would be the presentation by the Department of Transportation and Public Facilities on federal programs and funding.

[1:02:16 PM](#)

JAMES MARKS, Director, Division of Planning and Program Development, Department of Transportation and Public Facilities (DOT&PF), co-presented a PowerPoint presentation, titled "Alaska Department of Transportation and Public Facilities Federal Funding to Date and Planning for the Future," [hard copy included in the committee packet]. He stated that the presentation will look at the past year, current plans, and future objectives, as seen on slide 2. In planning over the last year, he said that DOT&PF has been pursuing a more agile framework, so it would be "nimble" in its response and more action oriented. He stated that during the presentation he will inform the committee what has been learned about the Infrastructure Investment and Jobs Act (IIJA). He stated that he will address the changes planned and how this will affect investment in transportation in the state. He noted that IIJA is a very large transportation bill; therefore, DOT&PF would need partners to get more of the funding out to the communities.

MR. MARKS stated that IIJA has not only supplied more funding, but it has also provided many new programs, with additional direct recipients, such as nonprofits and Tribes, as seen on

slide 4. Because of this, he explained, there has been capacity restraints at the federal level. In the past this funding had been given to only apportioned programs, such as state departments of transportation.

MR. MARKS continued to slide 5, which showed the national view of the eight apportioned programs. He explained that "apportioned" means that the funding would be put through a statutory formula before going to each state. He pointed out that in five years IIJA would be providing a 32 percent increase in funding in Alaska across the board.

MR. MARKS moved to slide 6, titled "Alaska's Transportation Share." He noted that the bar chart shows a more complete picture over time, as all the possible investments are being investigated. He pointed out that over time Alaska is seeing a significant growth in IIJA. He discussed this in detail.

[1:10:03 PM](#)

MR. MARKS, in response to a committee question, agreed that the allocation for 2023 will go down by \$3 million. He noted that some of this is because of annual appropriations, while some is the reaction to the environment, such as emergency relief funding. He noted that this number will always change.

MR. MARKS, continued to slide 7, titled "Federal Formula Programs." He noted the programs listed on the slide, pointing out that the growth that occurred in IIJA is not level, as some programs would receive large increases, while others would see no increase. He discussed the increase in IIJA that Alaska will receive. He remarked on the programs that made up most of the growth nationwide.

[1:12:30 PM](#)

MR. MARKS, in response to a committee question, pointed to slide 5 and noted that PROTECT is the acronym for Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation. This means the program is focusing on resiliency to climate change and natural disasters. The program requires states to have a resiliency improvement plan. He stated that there are four main categories the PROTECT program allows funding for: planning, at-risk assets, environmental protection, and coastal community protections. In response, he stated that the Carbon Reduction Program addresses green energy, such as electric vehicles and the infrastructure for these, or

anything that would reduce greenhouse gas emissions. He stated that this would require states to make a greenhouse gas reduction policy. He stated that performance measures would be made, with states creating their own targets. In response to a follow-up question, he expressed uncertainty whether this would cover any vouchers for purchasing electric bicycles.

MR. MARKS, in response to a committee question, stated that ice roads would not fall under the Carbon Reduction Program or PROTECT, but this would fall under a new eligibility for an existing Surface Transportation Block Grant (STBG).

MR. MARKS, in response to a committee question concerning the Congestion Mitigation and Air Quality (CMAQ) funds, stated that these funds must be spend in a maintenance area or nonattainment area, such as urban areas with dust. In response to a follow-up question, he stated that most areas in Fairbanks are in maintenance areas, but there is a new set of rules that would reduce these thresholds. Concerning the cause of poor air quality, he responded that changing CMAQ from being related to car exhaust would take "support from the highest levels." He added that DOT&PF is working on this.

[1:21:20 PM](#)

MR. MARKS addressed the challenges in implementing IIJA, as listed on slide 8. He stated that DOT&PF has limited capacity in influencing land use. The department cannot be present at every assembly meeting in the state; therefore, he said there is some disconnect with regional needs. He discussed the "silo mentality" versus the "team mindset." Moving to the next point, he discussed the outdated data systems that need to be replaced. The other challenges he addressed include the need for a multimodal level of service, outdated regulations, slow-moving bureaucracies, and vague working definitions. He noted that the slow movement of the DOT&PF bureaucracy is one of the biggest challenges. Concerning vague working definitions, he pointed out how the definitions of "rural" and "remote" effect the distribution of funds.

[1:26:39 PM](#)

MR. MARKS, in response to a committee question concerning tracking IIJA funds, pointed out that there are too many "loose threads" concerning funding and opportunity, and this creates a fear of missing out on funding. In this regard, he stated that partnerships have been helpful in the organizational piece. He

discussed the possibility of creating an infrastructure coordinator position in the office of the governor. In response to the concern of maximizing funds, he expressed the opinion that there is no risk "of leaving funds on the table." He gave an example of how resourcing with partnerships would help. He expressed the understanding that DOT&PF is not concerned, as it is actively mitigating against [not using the available funding].

MR. MARKS, in response to a committee question concerning the vague working definitions, stated that this concerns state regulation and statute, and it also concerns federal definitions as well. He discussed making the definitions "more true to the intent," so areas can be properly classified and funding can be directed appropriately. In response to a follow-up question concerning other effects of changing definitions, he stated that this is a challenge, as these changes would guide future investments. He discussed historical projects that are indebted with federal funds, as these could be affected.

[1:34:38 PM](#)

JUDY CHAPMAN, Deputy Director, Division of Planning and Program Development, Department of Transportation and Public Facilities, co-presented the PowerPoint presentation, titled "Alaska Department of Transportation and Public Facilities Federal Funding to Date and Planning for the Future." She moved to slide 10, titled "Family of Plans." She stated that a project cannot be complete without planning. She discussed the four tiers of planning: long-range transportation plan, strategic investment plan, model and system plans, and regional, area, and corridor plans. She described how this system is a feed-back loop, and how plans should not "sit on a shelf."

[1:36:10 PM](#)

MS. CHAPMAN, in response to a committee question, stated that the long-range plan is updated every four years for every mode of transportation. She added that this would be at a "high level." She stated that there is a federal requirement that the project be surface based, but because Alaska has a heavy reliance on other modes of transportation, it would treat these other modes as surfaced based. In response to a follow-up question, she stated that DOT&PF could provide copies of historic umbrella plans, and these would consist of the high-level modes; however, she noted that subsidiary plans, like the

Alaska Marine Highway System plan and the Alaska Aviation System plan are not done every four years.

MS. CHAPMAN moved to slide 11, titled "Public Perceptions of Regional Priorities." She discussed how communities see priorities differently. She pointed out the six investment areas in the state, as seen on the map on the slide, and she went through the list of transportation priorities and each region's perspective on the priorities. She noted that there are places in the state with very few transportation options.

MS. CHAPMAN moved to slide 12 and stated that the strategic investment areas are seen through five different categories: safety, economic vitality, state of good repair, resiliency, and sustainability. She pointed out that these are the criteria used for project nominations.

MR. MARKS moved to slide 14 and discussed the deployment of programs using the IIJA funding. Concerning the funding, he noted that the federal regulations had to be written, and this slowed the deployment. He pointed out that the guidance on the PROTECT program did not come out until the month before the fiscal year ended; however, now most of all the program guidelines have been provided. He discussed the programs that existed before IIJA and the new programs which qualify for IIJA, as seen on the slide. The new programs were classified as either "solicitations" or "state programs."

MR. MARKS, in response to a committee question concerning the Community Bridge Program, he pointed out that there are slides which will explain each of these programs.

MR. MARKS continued to slide 15 and discussed the Safe Ice Roads for Alaskans program. He stated that this will now be run annually. He explained the process of getting the IIJA funding for this. He further discussed how these projects would be evaluated, such as community connectedness.

[1:47:24 PM](#)

MR. MARKS, in response to a committee question concerning how remote communities qualify for this funding, noted the challenges and the trappings surrounding the funds. He stated that DOT&PF has tried to help federal entities understand the intent of the language, as the federal government has different definitions, such as the definitions for "routine maintenance" and "preservative maintenance" are different. Concerning snow

plows, he stated that some maintenance would be funded while some would not, even if the maintenance is essentially the same in Alaska. He expressed the opinion that Big Lake is on the list of applications for the funding; however, if it uses private contractors for snow removal, this would be a risk. He noted the criteria to receive the funding. In response, he stated that the funding would not be distributed unless it is to a local government, and it would not go to individuals who may be using their own plows, for example.

MR. MARKS moved to slide 16 and expressed excitement about the Rural Ports, Docks, and Barge Landings program, which is one of the new programs that will be funded. He stated that the plan is to run the program every two years with a funding of \$27 million. He noted that there are many eligible entities in the state for this, but it would be limited by the federal definition of "rural," as this would not include communities such as Homer and Seward.

MR. MARKS moved to slide 17, titled "Community Bridge Program." He noted that the funding amount of \$54 million may not seem to be enough; however, he advised that collectively these funds would "add up." He stated that this is also a new funding program. He noted that 15 percent of this funding could be directed to local and community owned bridges, which was not available in the past, and he noted that this would not require a match from the community. He stated that part of the criteria is for the bridge to be on the National Bridge Inventory (NBI). He remarked that some large culverts and ferry docks are on NBI.

[1:55:23 PM](#)

MR. MARKS, in response to a committee question, clarified that for the funding, the bridge would not need to be under a local governing body. In response to whether a community bridge in a subdivision could be funded, he stated that if the bridge is on NBI and the sponsor and owner agrees and applies, this program could work. He responded that if the bridge is not on NBI, it would not receive the funding.

MR. MARKS moved to slide 18, titled "Resiliency and Coastal Protection Program." He stated that the funding for this would be distributed through the PROTECT program. He expressed the understanding that the amount of funding for this is still under review. He noted that this would include funding for planning, so concerning future threats and investments, local governments are encouraged to do this planning. He pointed out that the

communities with repeated threats should apply, as federal definitions in this program are broad.

1:59:35 PM

MR. MARKS, in response to a committee question concerning evacuation routes due to fire danger, expressed the understanding that this would be covered, but the criteria is still being determined. He discussed the one-road-out communities and the no-road-out communities. In response to a follow-up question concerning "twice-hit assets," he stated that this would come down to the definitions. He continued that "twice-hit" is defined as facilities that have been hit two or more times [by an environmental impact]. He remarked that the question would be how to make a facility more resistant. He stated that he would report back to the committee concerning the definition of "evacuation route."

MR. MARKS, in response to a committee question concerning coastal erosion, stated that the program's intent would be aimed at preserving preexisting structures; however, he noted that the program only provides one-time funding, and this is unlike some of the other programs. He stated that "coastal communities" would encompass a broad set of federal definitions. He explained that investments would need to go to projects that will not be underwater in the future. Also, the right treatment for these projects would need to be considered. He stated that the big picture for this program is to protect communities from climate change and natural disasters. In response to whether the coastal protection piece would only have one-time funding, he expressed the understanding that federal transportation bills tend to "wax and wane." He stated that this would depend on the administration and the legislature at the time. In response to a follow-up question, he stated that any program in the slide deck that was indicated as "apportioned" would be in statute.

MR. MARKS summarized slide 19, titled "Community Directed Funding." He noted that this concerns the funds that will be distributed in 2023. He pointed out that \$265 million would be directed to community infrastructure, contrasting with the \$83 million that funded these projects over the last ten years. He remarked that this represents a 220 percent increase for 2023 only. He stated that there is a big focus on planning so the right projects will be implemented at the right time.

MR. MARKS, in response to a committee question, stated that if a community wants to be involved it should contact its area

planner to work out the technical details. He acknowledged that engaging with DOT&PF can be a challenge, as the avenues are not clear. He noted that DOT&PF is working on creating a local government assistance office to help communities navigate the bureaucracies. He offered to help, if possible.

[2:13:27 PM](#)

MS. CHAPMAN continued to slide 20, titled "Strategic Partners." She stated that DOT&PF partners are invaluable. She pointed out the partnerships listed on the slide and discussed projects that partnerships have helped. She reiterated the importance of these partnerships.

MS. CHAPMAN, in response to a committee question, stated that DOT&PF does work with the Alaska Federation of Natives (AFN) during its AFN's yearly convention. She noted that DOT&PF also does Tribal outreach, as it helps get the Tribal Transportation Offices together to discuss maintenance, planning, and capital funding issues. She noted that the Tribes have funding opportunities that DOT&PF does not have. She gave an example of this.

MS. CHAPMAN moved to slide 21, which addressed community-driven Regional Planning Organizations (RPOs). She stated that this is in reference to creating DOT&PF regional offices that would work in conjunction with communities for planning. She added that DOT&PF would be there for assistance, but not for control. She stated that currently there are two RPO pilot projects in the state, but these are not officially in statute as of yet. She discussed the two RPO projects in more detail.

[2:20:06 PM](#)

MS. CHAPMAN, in response to a committee question, stated that RPOs would need an avenue for funneling money into communities. She stated that it would have to be an approved fiscal agent for federal funds. In response, she expressed uncertainty concerning what "approved" would mean. She noted that 56 percent of the state is under unorganized boroughs, so these would be limited to receiving federal funding. She agreed that partnering with an organized entity that can receive federal funding would be a good option.

MS. CHAPMAN moved to slide 22, titled "Approach to Discretionary Grants." She pointed out the Alaska Transportation Planning Opportunity Hub, which is online. She stated that this is a way

to connect funding for any transportation needs. She described this as a place for "one-stop shopping." She moved to slide 23, titled "Discretionary Grants." She stated that DOT&PF has submitted over \$850 million through partnerships for discretionary grants, of which some have been successful. She further discussed these grants.

[2:24:18 PM](#)

MS. CHAPMAN, in response to a committee question concerning criteria for the Rural Ports, Docks, and Barge Landings program, expressed uncertainty and offered to report back on this program.

MR. MARKS also expressed uncertainty concerning the program criteria.

MR. MARKS, in response to a committee question on slide 8, stated that concerning the current challenges, DOT&PF is doing a department-wide evaluation on efficiency, which involves cutting through the "red tape," so the department is more agile. He stated that project and plan delivery times are being looked at, and the idea of change is being promoted throughout the department.

MS. CHAPMAN discussed the planning process, stating that the division is working at transparency by including the public. She advised that the department should not be too agile, as it should be ethical as well. She stated that there are some limits, as the funding has some "strings attached." She added that cutting the "red tape" would make actions faster, but this is difficult if things are to be done correctly.

[2:29:44 PM](#)

MS. CHAPMAN, in response to a committee question concerning the redundancies in Juneau for building new docks, expressed the opinion that this is a good point, and it will be investigated.

MR. MARKS stated that he would report back to the committee with some statements concerning this evaluation. In response, he stated that he would provide any available information on this to the committee.

[2:31:43 PM](#)

CHAIR MCCABE stated that sometimes there is a disconnect between two different agencies. He gave an example of a DOT&PF project that is not being approached with agility. He suggested that agencies need to communicate better in order to not waist money. He gave more examples. He concluded the meeting by thanking the presenters.

[2:33:50 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Transportation Standing Committee meeting was adjourned at 2:33 p.m.