

S J R

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FILE 2

1 IN THE SENATE

BY THE TRANSPORTATION COMMITTEE

2 SENATE JOINT RESOLUTION NO. 20

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 Proposing amendments to the Constitution
6 of the State of Alaska creating dedicat-
7 ed funds from fuel taxes on aircraft,
8 watercraft, and motor vehicles, and from
9 related sources, and creating a dedicat-
10 ed fund from revenue earned by the
11 Alaska marine highway system for use by
12 that system.

*Aircraft
Motor*

*shaped
fuel taxes*

13 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

14 * Section 1. Article IX, sec. 7, Constitution of the State of Alaska,
15 is repealed and readopted to read:

16 SECTION 7. DEDICATED FUNDS PROHIBITED. The proceeds of any
17 State tax or license shall not be dedicated to any special purpose.
18 This provision shall not prohibit the continuance of any dedication
19 for special purposes existing on April 24, 1956. and shall not pro-
20 hibit the dedication of revenue under Sections 15, 17, or 18 of this
21 article or when required by the federal government for State par-
22 ticipation in federal programs.

23 * Sec. 2. Article IX, Constitution of the State of Alaska, is amended
24 by adding new sections to read:

25 SECTION 17. SPECIAL FUNDS FOR TRANSPORTATION. The proceeds of
26 State taxes, licenses, and fees on aircraft and of State taxes on the
27 transfer or consumption of fuel for aircraft that are received by the
28 State shall be placed in an airport fund. The proceeds of State
29 taxes, licenses, and fees on watercraft and of State taxes on the

1 transfer or consumption of fuel for watercraft that are received by
2 the State shall be placed in a ports and harbors fund. The proceeds
3 of State taxes, licenses, and fees on motor vehicles and of State
4 taxes on the transfer or consumption of fuel for motor vehicles that
5 are received by the State shall be placed in a highway fund. The
6 legislature may appropriate from a fund established by this section
7 only to pay the cost of administering the law imposing the tax, li-
8 cense, or fee from which the revenue is derived, to pay costs of
9 construction, reconstruction, repair, maintenance, and operation of a
10 capital improvement, including debt service, applicable to the means
11 of transportation to which that fund relates, and to pay expenses of
12 State enforcement of laws applicable to the means of transportation to
13 which that fund relates. The legislature may appropriate from the
14 highway fund to construct, reconstruct, repair, maintain, and operate
15 vessels and facilities of the Alaska marine highway system, and to pay
16 debt service for construction or reconstruction of a vessel or ferry
17 terminal of the Alaska marine highway system.

18 SECTION 18. ALASKA MARINE HIGHWAY SYSTEM FUND. The revenue that
19 is received by the State for operation of the Alaska marine highway
20 system shall be placed in an Alaska marine highway system fund. The
21 legislature may appropriate from the Alaska marine highway system fund
22 established by this section only to pay costs of administration of the
23 Alaska marine highway system, to pay costs of construction, recon-
24 struction, repairs, maintenance, and operation of a vessel or
25 facility of the Alaska marine highway system, and to pay debt service
26 for construction or reconstruction of a vessel or ferry terminal of
27 the Alaska marine highway system.

28 * Sec. 3. The amendments proposed by this resolution shall be placed
29 before the voters of the state at the next general election in conformity

1 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-
2 tion laws of the state.

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SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 5-DAY NOTICE Feb 2, 1989
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER

JUD
FIN

**FISCAL NOTE(S) MUST BE ATTACHED
IN ACCORDANCE WITH AS 24.08.035

DATE TURNED INTO OFFICE March 23, 1989

2/1/89

Mr. President:

TRANSPORTATION

Committee considered

SJR 20

Proposing amendments to the Constitution of the State of Alaska creating dedicated funds from fuel taxes on aircraft, watercraft, and motor vehicles, and from related sources, and creating a dedicated fund from revenue earned by the Alaska Marine Highway system for use by that and recommended: system

replace with CS for SJR 20 (Trsp) same title
 new title

attached amendment(s) and

letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

FISCAL NOTE(S) attached zero
 appropriation no FN attached

fiscal impact
 Gov. FN introduced w/ bill

MEMBERS SIGNING DO PASS

[Handwritten signatures]

OTHER RECOMMENDATIONS

[Handwritten notes]

[Handwritten signature]
Chairman signature and recommendation

Committee backup attached

Original sponsor: Transportation Committee

IN THE SENATE

BY THE TRANSPORTATION COMMITTEE

CS FOR SENATE JOINT RESOLUTION NO. 20 (Transportation)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SIXTEENTH LEGISLATURE - FIRST SESSION

Proposing amendments to the Constitution of the State of Alaska creating a dedicated fund for projects, facilities, and services related to transportation.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. Article IX, sec. 7, Constitution of the State of Alaska, is repealed and readopted to read:

SECTION 7. DEDICATED FUNDS PROHIBITED. The proceeds of any State tax or license shall not be dedicated to any special purpose. This provision shall not prohibit the continuance of any dedication for special purposes existing on April 24, 1956, and shall not prohibit the dedication of revenue under Sections 15 and 17 of this article or when required by the federal government for State participation in federal programs.

* Sec. 2. Article IX, Constitution of the State of Alaska, is amended by adding a new section to read:

SECTION 17. TRANSPORTATION FUND. Effective July 1, 1991, money derived from State taxes, licenses, and fees related to registration, operation, or use of vehicles, aircraft, watercraft, the Alaska marine highway system, and the use of other State transportation facilities, and from taxes on fuel used for the propulsion of vehicles, aircraft, and watercraft, less refunds and credits as provided by law, shall be placed in a transportation fund, the principal and income of which shall be appropriated by the legislature for facilities and operations related to transportation and for enforcing laws applicable to

1 transportation facilities and services. The provisions of this sec-
2 tion do not apply to a tax, license, or fee levied and collected by
3 the State on behalf of a local government, or to revenue derived from
4 the use or operation of a facility constructed with bond proceeds to
5 the extent that it is necessary to satisfy the debt obligation or to
6 maintain the facility so that the facility continues to generate
7 revenues for that purpose. The legislature shall implement this
8 section.

9 * Sec. 3. The amendments proposed by this resolution shall be placed
10 before the voters of the state at the next general election in conformity
11 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-
12 tion laws of the state.
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**STATE OF ALASKA
1989 LEGISLATIVE SESSION**

**BILL VERSION: CS SJR 20
PUBLISH DATE: 3/23/89**

FISCAL NOTE

Revision Date: None

Agency Affected: DOT&PF

Title: Proposed amendments to the Constitution of the State of Alaska creating dedicated funds for revenue related to aircraft, watercraft, vehicles, and the Alaska marine highway system and from related sources, and relating to accounting and expenditure of that revenue.

BRU:

Sponsor: Senate Transportation Committee
Requestor: Senate Transportation Committee

Components: Highway, Harbors, Aviation

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTURAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (THOUSANDS OF DOLLARS)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER*	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

Prepared by: M. Clyde Stoltzfus, Special Assistant to the Commissioner
Division: Commissioner Office

Phone: 465-3900
Date: 3/29/89

Approved by Commissioner: Mark S. Hickey
Agency: Department of Transportation and Public Facilities

Date: 3/29/89

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

FISCAL NOTE

Revision Date: None

Agency Affected: DOT&PF
BRU:

Title: Proposed amendments to the Constitution of the State of Alaska creating dedicated funds for revenue related to aircraft, watercraft, vehicles, and the Alaska marine highway system and from related sources, and relating to accounting and expenditure of that revenue.

Sponsor: Senate Transportation Committee
Requestor: Senate Transportation Committee

Components: Highway, Harbors, Aviation

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTURAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (THOUSANDS OF DOLLARS)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER*	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

Prepared by: M. Clyde Stoltzfus, Special Assistant to the Commissioner
Division: Commissioner Office

Phone: 465-3900
Date: 2/17/89

Approved by Commissioner: Mark S. Hickey *MSH*
Agency: Department of Transportation and Public Facilities

Date: 2/17/89

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Public Safety
 Title: Amendments to the constitution/
dedication of funds from fuel tax BRU: Division of Motor Vehicles
 Sponsor: Senate Transportation Component: _____
 Requestor: Senate Transportation

EXPENDITURES/REVENUES: (Thousands of Dollars) (Inflation not included)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS : (Attach a separate page if necessary)

This resolution proposes an amendment to the State Constitution. If approved by the voters in the next general election, this amendment would create a dedicated fund from the State taxes, licenses, and fees on motor vehicles. Since the next general election will be held in November 1990, the first year that would be affected is the FY 92 budget year.

Passage of the amendment would not change the revenue collected or the expenditures of the Division. The revenue collected for vehicle fees licenses, and taxes would be deposited in a dedicated fund rather than general fund. This fund may be used to pay for administration of the laws

Prepared by: Charles R. Hosack Phone: 269-5551
 Division: Motor Vehicles Date: 2/8/89

Approved by Commissioner: Arthur English Date: 2-10-89
 Agency: Department of Public Safety

Department of Public Safety
Fiscal Note Analysis, continued
SJR 20/Amendment of constitution/dedication of funds from fuel tax
Page 2 of 2

from which the revenue is derived and to pay expenses of enforcement of laws applicable to vehicle transportation. All of the activities of the Division of Motor Vehicles (DMV) appear to qualify under the bill. The amendment would allow the legislature the authority to appropriate from this new funding source for DMV purposes but does not require a change from current funding sources.

In FY 88 the Division collected approximately \$16,500.0 in vehicle revenues, which would be deposited in the dedicated fund. The remainder of the revenues collected by the Division are driver license fees or municipal registration taxes, which would not be deposited in the dedicated fund.

FISCAL NOTE

REQUEST:

Revision Date: 04/03/89
Title: Amendments to the constitution/
creating dedicated fund
Sponsor: Senate Transportation
Requestor: Senate Transportation

Agency Affected: Public Safety
BRU: Division of Motor Vehicles
Component: _____

EXPENDITURES/REVENUES: (Thousands of Dollars) (Inflation not included)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

ANALYSIS: (Attach a separate page if necessary)

This resolution proposes an amendment to the State Constitution. If approved by the voters in the next general election, this amendment would create a dedicated fund from the State taxes, licenses, and fees related to registration, operation or use of motor vehicles. Since the next general election will be held in November 1990, the first year that would be affected is the FY 92 budget year.

Passage of the amendment would not change the revenue collected or the expenditures of the Division. The revenue collected for vehicle and

Prepared by: Chuck R. Hosack
Division: Motor Vehicles

Phone: 269-5551
Date: 02/08/89

Approved by Commissioner: Arthur English
Agency: Department of Public Safety

Date: _____

Department of Public Safety
FISCAL NOTE Analysis, continued
CSSJR 20 (Trans) Amendment of constitution/creating dedicated fund.
Page 2 of 2

operator fees, licenses, and taxes would be deposited in a dedicated fund rather than general fund. This fund may be used to pay for operations related to transportation and for enforcing laws applicable to transportation services. All of the activities of the Division of Motor Vehicles (DMV) appear to qualify under the bill. The amendment would allow the legislature the authority to appropriate from this new funding source for DMV purposes but does not require a change from current funding sources.

In FY 88 the Division collected approximately \$19,300.0 in vehicle and operator revenues, which would be deposited in the dedicated fund. The remainder of the revenues collected by the Division are municipal registration taxes, which would not be deposited in the dedicated fund.

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CS SJR 20
PUBLISH DATE: _____

FISCAL NOTE

REQUEST: _____

Revision Date: 3/22/89 draft
Title: Constitutional amendment -
dedicating transportation taxes
Sponsor: Transportation
Requestor: Transportation

Agency Affected: Revenue
BRU: Income & Excise Audit
Components: Operating

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
OPERATING						
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LANDS & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: See attached analysis.

Prepared By: Steven E. Kettel *Steven E. Kettel* Phone: (907) 465-2320
Division: Income and Excise Audit Date: April 4, 1989

Approved by Commissioner: Hugh Malone *Hugh Malone* Date: April 4, 1989
Agency: Department of Revenue

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

Prepare by:
Department of Revenue
Research Section
April 4, 1989

ANALYSIS OF SJR 20

	<u>FY 90</u>	<u>ESTIMATES FY 91</u>	<u>FY 92</u>
Proposed Dedicated Revenues to Airport Fund	9,100.0	9,100.0	9,100.0
Proposed Dedicated Revenues to Ports and Harbor Fund	5,400.0	5,400.0	5,400.0
Proposed Dedicated Revenues to Highway Fund	38,300.0	39,300.0	39,300.0
Proposed Dedicated Revenues to Alaska Marine Highway System Fund	36,400.0	38,100.0	38,100.0
Impact on General Fund Unrestricted Revenues	(89,200.0)	(91,900.0)	(91,900.0)

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Dedicated Fund for Transportation
Projects, Facilities, and Services
Sponsor: Senate Transportation
Requestor: Senate Transportation

Agency Affected: Department of Revenue
BRU: Treasury
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
OPERATING						
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LANDS & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: attach a separate page for analysis.

Prepared By: Milt Barker MB
Division: Treasury

Phone: 465-2350

Date: _____

Approved by Commissioner: Hugh Malone
Agency: Department of Revenue

Date: 3/24/89

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

FISCAL NOTE

REQUEST: _____

Revision Date: _____
Title: Dedicated Funds From Fuel Taxes

Agency Affected: Revenue
BRU: Income & Excise Audit

Sponsor: Transportation Committee
Requestor: _____

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
OPERATING						
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LANDS & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

Prepared By: Steven E. Kettel Phone: (907) 465-2320
Division: Income and Excise Audit Date: February 7, 1989

Approved by Commissioner: Hugh Malone Date: February 7, 1989
Agency: Department of Revenue

Distribution (by preparer):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

ANALYSIS OF SJR 20

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	FY 90	ESTIMATES FY 91	FY 92
PROPOSED DEDICATED REVENUES TO AIRPORT FUND	9,100.0	9,100.0	9,100.0
PROPOSED DEDICATED REVENUES TO PORTS AND HARBOR FUND	5,400.0	5,400.0	5,400.0
PROPOSED DEDICATED REVENUES TO HIGHWAY FUND	38,300.0	39,300.0	39,300.0
PROPOSED DEDICATED REVENUES TO ALASKA MARINE HIGHWAY SYSTEM FUND	36,400.0	38,100.0	38,100.0
IMPACT ON GENERAL FUND UNRESTRICTED REVENUES	(89,200.0)	(91,900.0)	(91,900.0)

FISCAL NOTE

REQUEST:

Revision Date: 4/3/89
Title: Creating dedicated funds
from fuel taxes
Sponsor: Transportation Committee
Requestor: Transportation Committee

Agency Affected: Office of the Governor
BRU: Division of Elections

Components: II-Elections
Primary & General Elections

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	-0-	-0-	2.2*	-0-	-0-	-0-
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	2.2*	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	2.2*	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	2.2*	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

* Costs included cover 2 to 3 pages in each Official Election Pamphlet for printing and typesetting, and costs estimated to cover computer programming requirements for vote (Continued)

Prepared by: Linda Edgeworth Phone: 465-4611
Division: Elections Date: _____

Approved by Commissioner: Linda Edgeworth for Sandra Street Date: 4/3/89
Agency: Division of Elections

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. CSSJR 20

counting purposes. However, these costs are based on the assumption that all candidates and issues will fit on three ballot cards, which is the norm. It should be noted, however that should the inclusion of this issue require a 4th ballot to be printed, the cost increase would have to be calculated at 16 cents per ballot x approximately 320,000 voters. The total cost of printing the additional ballot card would be \$51.2.

Under these circumstances the fiscal note would be:

53.4

FISCAL NOTE

REQUEST:

Revision Date: 4/3/89
Title: Creating dedicated funds
from fuel taxes
Sponsor: Transportation Committee
Requestor: Transportation Committee

Agency Affected: Office of the Governor
BRU: Division of Elections

Components: II-Elections
Primary & General Elections

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	-0-	-0-	2.2*	-0-	-0-	-0-
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	2.2*	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	2.2*	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	2.2*	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

* Costs included cover 2 to 3 pages in each Official Election Pamphlet for printing and typesetting, and costs estimated to cover computer programming requirements for vote (Continued)

Prepared by: Linda Edgeworth Phone: 465-4611
Division: Elections Date: _____

Approved by Commissioner: Linda Edgeworth Date: 4/3/89
Agency: Division of Elections

Distribution (by preparer):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SJR 20

counting purposes. However, these costs are based on the assumption that all candidates and issues will fit on three ballot cards, which is the norm. It should be noted, however that should the inclusion of this issue require a 4th ballot to be printed, the cost increase would have to be calculated at 16 cents per ballot x approximately 320,000 voters. The total cost of printing the additional ballot card would be \$51.2.

Under these circumstances the fiscal note would be:

53.4

6-0948A
Chenoweth
3/6/89

1 IN THE SENATE

BY THE TRANSPORTATION COMMITTEE

2 SENATE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the special transportation fund
7 and amending and repealing related accounts; and
8 providing for an effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 28.10.421(d)(14) is amended to read:

11 (14) special request Winter Olympics commemorative plates

12\$ 70

13 plus the fee required for that vehicle under (b)(1) or (2) of this
14 section; the fee required by this paragraph shall be collected only on
15 the first issuance and on the replacement of special request plates;
16 the commissioner of administration shall separately account for the
17 fees received under this paragraph that the department deposits in the
18 general fund [; THE ANNUAL ESTIMATED BALANCE IN THE ACCOUNT MAY BE
19 APPROPRIATED BY THE LEGISLATURE TO THE ALASKA SPORTS FUND ESTABLISHED
20 UNDER AS 05.35.150].

21 * Sec. 2. AS 28.10.421(f) is amended to read:

22 (f) In addition to the fees imposed under (b) and (d) of this
23 section, the following special annual registration fee is imposed upon
24 renewal of registration for a passenger vehicle, motor home, pick-up
25 truck, or a van with special request Winter Olympics commemorative
26 plates\$ 30;

27 the commissioner of administration shall separately account for the
28 fees received under this subsection that the department deposits in
29 the general fund [; THE ANNUAL ESTIMATED BALANCE IN THE ACCOUNT MAY BE

1 APPROPRIATED BY THE LEGISLATURE TO THE ALASKA SPORTS FUND ESTABLISHED
2 UNDER AS 05.35.150].

3 * Sec. 3. AS 37.05 is amended by adding a new section to read:

4 Sec. 37.05.550. SPECIAL TRANSPORTATION FUND. (a) There is
5 established as a separate fund in the state treasury the special
6 transportation fund. The fund consists of money derived from

7 (1) state taxes, licenses, and fees related to registra-
8 tion, operation, and use of vehicles, including money from

9 (A) motor vehicle registration fees levied and col-
10 lected under AS 28.10.411 - 28.10.430;

11 (B) other fees and charges levied and collected on
12 motor vehicles under AS 28.10.441;

13 (2) state taxes, licenses, and fees related to registra-
14 tion, operation, and use of aircraft;

15 (3) state taxes, licenses, and fees related to registra-
16 tion, operation, and use of watercraft;

17 (4) fees collected for transportation aboard the vessels of
18 the Alaska marine highway system; and

19 (5) state motor fuel taxes imposed and collected under
20 AS 43.40, except

21 (A) refunds and credits allowed by law; and

22 (B) the proceeds of the tax that are authorized for
23 refund to municipalities under AS 43.40.010(e).

24 (b) The Department of Revenue shall manage and invest assets of
25 the special transportation fund in the manner set out for the manage-
26 ment and investment of the assets of the general fund under AS 37.10.-
27 070.

28 (c) Income from investment of the fund earned during a fiscal
29 year that is not appropriated by the legislature becomes part of the

1 principal of the fund on June 30 of that fiscal year.

2 (d) The legislature may appropriate funds from the special
3 transportation fund only for expenditure by the Department of Trans-
4 portation and Public Facilities

5 (1) directly or as matched with available federal-aid
6 highway money for

7 (A) maintenance of highways;

8 (B) construction of highway projects and marine high-
9 way projects included in the program described in AS 19.10.150,
10 including approaches, appurtenances and related facilities, and
11 acquisition of rights-of-way or easements; and

12 (C) other highway costs including surveys, administra-
13 tion, and related matters;

14 (2) directly or as matched with available federal-aid money
15 for

16 (A) maintenance of airports;

17 (B) construction of airport projects and facilities
18 under AS 02.15; and

19 (C) other airport and aviation-related costs, adminis-
20 tration, and related matters;

21 (3) directly or as matched with available federal-aid money
22 for

23 (A) maintenance of ports and harbors;

24 (B) construction of port and harbor projects and
25 facilities; and

26 (C) other port and harbor-related costs, administra-
27 tion, and related matters;

28 (4) directly or as matched with available federal-aid money
29 for

1 (A) maintenance and operation of the Alaska marine
2 highway system under AS 19.65; and

3 (B) construction, reconstruction, repair, and mainte-
4 nance of ferry terminal facilities under AS 19.60.

5 * Sec. 4. AS 37.15.430(a) is amended to read:

6 (a) There is established an enterprise fund known as the "Inter-
7 national Airports Revenue Fund," into which shall be paid all revenue
8 obtained from the [,] fees, charges, and rentals derived by the state
9 from the ownership, lease, use, and operation of the airports, and all
10 of the facilities and improvements of them and facilities and improve-
11 ments used in connection with them. The revenue [, CHARGES, FEES, AND
12 RENTALS] may not include the proceeds of any state tax or license.
13 The money in the revenue fund may only be used for the purpose of

14 (1) paying or securing the payment of the principal of and
15 interest on the bonds and of and on any other revenue bonds issued by
16 authorization of the legislature to provide money to acquire, equip,
17 construct, and install additions and improvements to, and extensions
18 of and facilities for, the airports, and to be payable out of the
19 revenue fund;

20 (2) paying the normal and necessary costs of maintaining
21 and operating the airports and all of the improvements and facilities
22 of them;

23 (3) paying the costs of renewals, replacements, and extra-
24 ordinary repairs to the airports and all of the improvements and
25 facilities of them;

26 (4) redeeming before their fixed maturities any and all
27 revenue bonds issued for the purposes of the airports;

28 (5) providing money to acquire, construct and install
29 necessary additions and improvements to and extensions of and

1 facilities for the airports and all of their facilities; and

2 (6) providing money to pay any and all other costs relating
3 to the ownership, use, and operation of the airports.

4 * Sec. 5. AS 43.40.010(e) is amended to read:

5 (e) Sixty percent of the proceeds of the revenue from the taxes
6 on aviation fuel, excluding the amount determined to have been spent
7 by the state in its collection, shall be refunded to a municipality
8 owning and operating or leasing and operating an airport in the pro-
9 portion that the revenue was collected at the municipal airport. All
10 other proceeds of the taxes on aviation fuel shall be paid into the
11 [A] special transportation [AVIATION FUEL TAX ACCOUNT IN THE STATE
12 GENERAL] fund (AS 37.05.550). [THE LEGISLATURE MAY APPROPRIATE FUNDS
13 FROM THIS ACCOUNT FOR AVIATION FACILITIES.]

14 * Sec. 6. AS 43.40.030(a) is amended to read:

15 (a) A [EXCEPT AS SPECIFIED IN AS 43.40.010(j), A] person who
16 uses motor fuel to operate an internal combustion engine is entitled
17 to a refund of six cents a gallon if

18 (1) the tax on the motor fuel has been paid;

19 (2) the motor fuel is not aviation fuel, or motor fuel used
20 in or on watercraft; and

21 (3) the internal combustion engine is not used in or in
22 conjunction with a motor vehicle licensed to be operated on public
23 ways.

24 * Sec. 7. AS 43.40.010(f), 43.40.010(g), 43.40.010(h), 43.40.010(j) are
25 repealed.

26 * Sec. 8. This Act takes effect on the effective date of an amendment
27 to the Constitution of the State of Alaska establishing the special trans-
28 portation fund as an exception to the prohibition against dedicated funds.
29

6-0948A
Chenoweth
3/22/89

1 IN THE SENATE

BY THE TRANSPORTATION COMMITTEE

2 SENATE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the special transportation fund
7 and amending and repealing related accounts; and
8 providing for an effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 28.10.421(d)(14) is amended to read:

11 (14) special request Winter Olympics commemorative plates
12\$ 70

13 plus the fee required for that vehicle under (b)(1) or (2) of this
14 section; the fee required by this paragraph shall be collected only on
15 the first issuance and on the replacement of special request plates;
16 the commissioner of administration shall separately account for the
17 fees received under this paragraph that the department deposits in the
18 general fund [; THE ANNUAL ESTIMATED BALANCE IN THE ACCOUNT MAY BE
19 APPROPRIATED BY THE LEGISLATURE TO THE ALASKA SPORTS FUND ESTABLISHED
20 UNDER AS 05.35.150].

21 * Sec. 2. AS 28.10.421(f) is amended to read:

22 (f) In addition to the fees imposed under (b) and (d) of this
23 section, the following special annual registration fee is imposed upon
24 renewal of registration for a passenger vehicle, motor home, pick-up
25 truck, or a van with special request Winter Olympics commemorative
26 plates\$ 30;

27 the commissioner of administration shall separately account for the
28 fees received under this subsection that the department deposits in
29 the general fund [; THE ANNUAL ESTIMATED BALANCE IN THE ACCOUNT MAY BE

1 APPROPRIATED BY THE LEGISLATURE TO THE ALASKA SPORTS FUND ESTABLISHED
2 UNDER AS 05.35.150].

3 * Sec. 3. AS 37.05 is amended by adding a new section to read:

4 Sec. 37.05.550. TRANSPORTATION FUND. (a) There is established
5 as a separate fund in the state treasury the transportation fund. The
6 fund consists of money derived from

7 (1) state taxes, licenses, and fees related to registra-
8 tion, operation, and use of vehicles, including money from

9 (A) motor vehicle registration fees levied and col-
10 lected under AS 28.10.411 - 28.10.430;

11 (B) other fees and charges levied and collected on
12 motor vehicles under AS 28.10.441;

13 (2) state taxes, licenses, and fees related to registra-
14 tion, operation, and use of aircraft;

15 (3) state taxes, licenses, and fees related to registra-
16 tion, operation, and use of watercraft;

17 (4) revenues collected for transportation aboard the
18 vessels of the Alaska marine highway system;

19 (5) fees received by the state from the operation of con-
20 cessions in state transportation facilities;

21 (6) fees for the use of state transportation facilities;
22 and

23 (7) state motor fuel taxes imposed and collected under
24 AS 43.40, except

25 (A) refunds and credits allowed by law; and

26 (B) the proceeds of the tax that are authorized for
27 refund to municipalities under AS 43.40.010(e).

28 (b) The Department of Revenue shall manage and invest assets of
29 the transportation fund in the manner set out for the management and

1 investment of the assets of the general fund under AS 37.10.070.

2 (c) Income from investment of the fund earned during a fiscal
3 year that is not appropriated by the legislature becomes part of the
4 principal of the fund on June 30 of that fiscal year.

5 (d) The legislature may appropriate funds from the transporta-
6 tion fund only for expenditure by the Department of Transportation and
7 Public Facilities

8 (1) directly or as matched with available federal-aid
9 highway money for

10 (A) maintenance of highways;

11 (B) construction of highway projects and marine high-
12 way projects included in the program described in AS 19.10.150,
13 including approaches, appurtenances and related facilities, and
14 acquisition of rights-of-way or easements; and

15 (C) other highway costs including surveys, administra-
16 tion, and related matters;

17 (2) directly or as matched with available federal-aid money
18 for

19 (A) maintenance of airports;

20 (B) construction of airport projects and facilities
21 under AS 02.15; and

22 (C) other airport and aviation-related costs, adminis-
23 tration, and related matters;

24 (3) directly or as matched with available federal-aid money
25 for

26 (A) maintenance of ports and harbors;

27 (B) construction of port and harbor projects and
28 facilities; and

29 (C) other port and harbor-related costs,

1 administration, and related matters;

2 (4) directly or as matched with available federal-aid money
3 for

4 (A) maintenance and operation of the Alaska marine
5 highway system under AS 19.65; and

6 (B) construction, reconstruction, repair, and mainte-
7 nance of ferry terminal facilities under AS 19.60.

8 * Sec. 4. AS 37.15.430(a) is amended to read:

9 (a) There is established an enterprise fund known as the "Inter-
10 national Airports Revenue Fund," into which shall be paid all revenue
11 obtained from the [,] fees, charges, and rentals derived by the state
12 from the ownership, lease, use, and operation of the airports, and all
13 of the facilities and improvements of them and facilities and improve-
14 ments used in connection with them. The revenue [, CHARGES, FEES, AND
15 RENTALS] may not include the proceeds of any state tax or license.
16 The money in the revenue fund may only be used for the purpose of

17 (1) paying or securing the payment of the principal of and
18 interest on the bonds and of and on any other revenue bonds issued by
19 authorization of the legislature to provide money to acquire, equip,
20 construct, and install additions and improvements to, and extensions
21 of and facilities for, the airports, and to be payable out of the
22 revenue fund;

23 (2) paying the normal and necessary costs of maintaining
24 and operating the airports and all of the improvements and facilities
25 of them;

26 (3) paying the costs of renewals, replacements, and extra-
27 ordinary repairs to the airports and all of the improvements and
28 facilities of them;

29 (4) redeeming before their fixed maturities any and all

1 revenue bonds issued for the purposes of the airports;

2 (5) providing money to acquire, construct and install
3 necessary additions and improvements to and extensions of and facili-
4 ties for the airports and all of their facilities; and

5 (6) providing money to pay any and all other costs relating
6 to the ownership, use, and operation of the airports.

7 * Sec. 5. AS 43.40.010(e) is amended to read:

8 (e) Sixty percent of the proceeds of the revenue from the taxes
9 on aviation fuel, excluding the amount determined to have been spent
10 by the state in its collection, shall be refunded to a municipality
11 owning and operating or leasing and operating an airport in the pro-
12 portion that the revenue was collected at the municipal airport. All
13 other proceeds of the taxes on aviation fuel shall be paid into the
14 transportation [A SPECIAL AVIATION FUEL TAX ACCOUNT IN THE STATE
15 GENERAL] fund (AS 37.05.550). [THE LEGISLATURE MAY APPROPRIATE FUNDS
16 FROM THIS ACCOUNT FOR AVIATION FACILITIES.]

17 * Sec. 6. AS 43.40.030(a) is amended to read:

18 (a) A [EXCEPT AS SPECIFIED IN AS 43.40.010(j), A] person who
19 uses motor fuel to operate an internal combustion engine is entitled
20 to a refund of six cents a gallon if

21 (1) the tax on the motor fuel has been paid;

22 (2) the motor fuel is not aviation fuel, or motor fuel used
23 in or on watercraft; and

24 (3) the internal combustion engine is not used in or in
25 conjunction with a motor vehicle licensed to be operated on public
26 ways.

27 * Sec. 7. AS 43.40.010(f), 43.40.010(g), 43.40.010(h), and 43.40.010(j)
28 are repealed.

29 * Sec. 8. This Act takes effect on the effective date of an amendment

1 to the Constitution of the State of Alaska establishing the transportation
2 fund as an exception to the prohibition against dedicated funds.
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6-0463A
Chenoweth
~~1/9/89~~

1 IN THE SENATE

BY THE TRANSPORTATION COMMITTEE

2 SENATE JOINT RESOLUTION NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 Proposing an amendment to the Constitu-
6 tion of the State of Alaska creating
7 dedicated funds from fuel taxes on
8 aircraft, watercraft, and motor vehi-
9 cles, and from related sources.

10 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. Article IX, sec. 7, Constitution of the State of Alaska,
12 is repealed and readopted to read:

13 SECTION 7. DEDICATED FUNDS PROHIBITED. The proceeds of any
14 State tax or license shall not be dedicated to any special purpose.
15 This provision shall not prohibit the continuance of any dedication
16 for special purposes existing on April 24, 1956, and shall not pro-
17 hibit the dedication of revenue under section 15 or section 17 of this
18 article or when required by the federal government for State par-
19 ticipation in federal programs.

20 * Sec. 2. Article IX, Constitution of the State of Alaska, is amended
21 by adding a new section to read:

22 SECTION 17. SPECIAL FUNDS FOR TRANSPORTATION. The proceeds of
23 State taxes and licenses on aircraft and of State taxes on the trans-
24 fer or consumption of fuel for aircraft that are received by the State
25 shall be placed in an airport fund. The proceeds of State taxes and
26 licenses on watercraft and of State taxes on the transfer or consump-
27 tion of fuel for watercraft that are received by the State shall be
28 placed in a ports and harbors fund. The proceeds of State taxes and
29 licenses on motor vehicles and of State taxes on the transfer or

1 consumption of fuel for motor vehicles that are received by the State
2 shall be placed in a highway fund. The legislature may appropriate
3 from a fund established by this section only to pay the cost of admin-
4 istering the tax or license law from which the revenue is derived, to
5 pay costs of construction, reconstruction, maintenance, and repair of
6 a public facility, including debt service, applicable to the means of
7 transportation to which that fund relates, and to pay expenses of
8 State enforcement of laws applicable to the means of transportation to
9 which that fund relates. The legislature may appropriate from the
10 highway fund to construct, repair, maintain, and operate vessels and
11 facilities of the Alaska Marine Highway System.

12 * Sec. 3. The amendments proposed by this resolution shall be placed
13 before the voters of the state at the next general election in conformity
14 with art. XIII, sec. 1, Constitution of the State of Alaska, and the
15 election laws of the state.
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6-0463A
Chenoweth
~~1/10/89~~

1 IN THE SENATE BY THE TRANSPORTATION COMMITTEE

2 SENATE JOINT RESOLUTION NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 Proposing amendments to the Constitution
6 of the State of Alaska creating dedicat-
7 ed funds from fuel taxes on aircraft,
8 watercraft, and motor vehicles, and from
9 related sources, and creating a dedicat-
10 ed fund from revenue earned by the
11 Alaska marine highway system for use by
12 that system.

13 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

14 * Section 1. Article IX, sec. 7, Constitution of the State of Alaska,
15 is repealed and readopted to read:

16 SECTION 7. DEDICATED FUNDS PROHIBITED. The proceeds of any
17 State tax or license shall not be dedicated to any special purpose.
18 This provision shall not prohibit the continuance of any dedication
19 for special purposes existing on April 24, 1956, and shall not pro-
20 hibit the dedication of revenue under Sections 15, 17, or 18 of this
21 article or when required by the federal government for State par-
22 ticipation in federal programs.

23 * Sec. 2. Article IX, Constitution of the State of Alaska, is amended
24 by adding new sections to read:

25 SECTION 17. SPECIAL FUNDS FOR TRANSPORTATION. The proceeds of
26 State taxes, ^{fuel} and licenses on aircraft and of State taxes on the trans-
27 fer or consumption of fuel for aircraft that are received by the State
28 shall be placed in an airport fund. The proceeds of State taxes, ^{fuel} and
29 licenses on watercraft and of State taxes on the transfer or

1 consumption of fuel for watercraft that are received by the State
2 shall be placed in a ports and harbors fund. The proceeds of State
3 taxes, ^{fees} and licenses on motor vehicles and of State taxes on the trans-
4 fer or consumption of fuel for motor vehicles that are received by the
5 State shall be placed in a highway fund. The legislature may appro-
6 priate from a fund established by this section only to pay the cost of
7 administering the tax or license law from which the revenue is de-
8 rived, to pay costs of construction, reconstruction, repair, mainte-
9 nance, and operation of a public facility, including debt service,
10 applicable to the means of transportation to which that fund relates,
11 and to pay expenses of State enforcement of laws applicable to the
12 means of transportation to which that fund relates. The legislature
13 may appropriate from the highway fund to construct, reconstruct,
14 repair, maintain, and operate vessels and facilities of the Alaska
15 marine highway system, and to pay debt service for construction or
16 reconstruction of a vessel or ferry terminal of the Alaska marine
17 highway system.

18 SECTION 18. ALASKA MARINE HIGHWAY SYSTEM FUND. The revenue that
19 is received by the State for operation of the Alaska marine highway
20 system shall be placed in an Alaska marine highway system fund. The
21 legislature may appropriate from the Alaska marine highway system fund
22 established by this section only to pay costs of administration of the
23 Alaska marine highway system, to pay costs of construction, recon-
24 struction, repairs, maintenance, and operation of a vessel or ferry
25 terminal of the Alaska marine highway system, and to pay debt service
26 for construction or reconstruction of a vessel or ferry terminal of
27 the Alaska marine highway system.

28 * Sec. 3. The amendments proposed by this resolution shall be placed
29 before the voters of the state at the next general election in conformity

1 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-
2 tion laws of the state.
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6-0463A ✓
Chenoweth
~~1/17/89~~

1 IN THE SENATE

BY THE TRANSPORTATION COMMITTEE

2 SENATE JOINT RESOLUTION NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 Proposing amendments to the Constitution
6 of the State of Alaska creating dedicat-
7 ed funds from fuel taxes on aircraft,
8 watercraft, and motor vehicles, and from
9 related sources, and creating a dedicat-
10 ed fund from revenue earned by the
11 Alaska marine highway system for use by
12 that system.

13 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

14 * Section 1. Article IX, sec. 7, Constitution of the State of Alaska,
15 is repealed and readopted to read:

16 SECTION 7. DEDICATED FUNDS PROHIBITED. The proceeds of any
17 State tax or license shall not be dedicated to any special purpose.
18 This provision shall not prohibit the continuance of any dedication
19 for special purposes existing on April 24, 1956, and shall not pro-
20 hibit the dedication of revenue under Sections 15, 17, or 18 of this
21 article or when required by the federal government for State par-
22 ticipation in federal programs.

23 * Sec. 2. Article IX, Constitution of the State of Alaska, is amended
24 by adding new sections to read:

25 SECTION 17. SPECIAL FUNDS FOR TRANSPORTATION. The proceeds of
26 State taxes, licenses, and fees on aircraft and of State taxes on the
27 transfer or consumption of fuel for aircraft that are received by the
28 State shall be placed in an airport fund. The proceeds of State
29 taxes, licenses, and fees on watercraft and of State taxes on the

1 transfer or consumption of fuel for watercraft that are received by
2 the State shall be placed in a ports and harbors fund. The proceeds
3 of State taxes, licenses, and fees on motor vehicles and of State
4 taxes on the transfer or consumption of fuel for motor vehicles that
5 are received by the State shall be placed in a highway fund. The
6 legislature may appropriate from a fund established by this section
7 only to pay the cost of administering the law imposing the tax, li-
8 cense, or fee from which the revenue is derived, to pay costs of
9 construction, reconstruction, repair, maintenance, and operation of a
10 public facility, including debt service, applicable to the means of
11 transportation to which that fund relates, and to pay expenses of
12 State enforcement of laws applicable to the means of transportation to
13 which that fund relates. The legislature may appropriate from the
14 highway fund to construct, reconstruct, repair, maintain, and operate
15 vessels and facilities of the Alaska marine highway system, and to pay
16 debt service for construction or reconstruction of a vessel or ferry
17 terminal of the Alaska marine highway system.

18 SECTION 18. ALASKA MARINE HIGHWAY SYSTEM FUND. The revenue that
19 is received by the State for operation of the Alaska marine highway
20 system shall be placed in an Alaska marine highway system fund. The
21 legislature may appropriate from the Alaska marine highway system fund
22 established by this section only to pay costs of administration of the
23 Alaska marine highway system, to pay costs of construction, recon-
24 struction, repairs, maintenance, and operation of a vessel or ferry
25 terminal of the Alaska marine highway system, and to pay debt service
26 for construction or reconstruction of a vessel or ferry terminal of
27 the Alaska marine highway system.

28 * Sec. 3. The amendments proposed by this resolution shall be placed
29 before the voters of the state at the next general election in conformity

1 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-
2 tion laws of the state.
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6-0463A ✓
Chenoweth
1/26/89

1 IN THE SENATE

BY THE TRANSPORTATION COMMITTEE

2 SENATE JOINT RESOLUTION NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 Proposing amendments to the Constitution
6 of the State of Alaska creating dedicat-
7 ed funds from fuel taxes on aircraft,
8 watercraft, and motor vehicles, and from
9 related sources, and creating a dedicat-
10 ed fund from revenue earned by the
11 Alaska marine highway system for use by
12 that system.

13 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

14 * Section 1. Article IX, sec. 7, Constitution of the State of Alaska,
15 is repealed and readopted to read:

16 SECTION 7. DEDICATED FUNDS PROHIBITED. The proceeds of any
17 State tax or license shall not be dedicated to any special purpose.
18 This provision shall not prohibit the continuance of any dedication
19 for special purposes existing on April 24, 1956, and shall not pro-
20 hibit the dedication of revenue under Sections 15, 17, or 18 of this
21 article or when required by the federal government for State par-
22 ticipation in federal programs.

23 * Sec. 2. Article IX, Constitution of the State of Alaska, is amended
24 by adding new sections to read:

25 SECTION 17. SPECIAL FUNDS FOR TRANSPORTATION. The proceeds of
26 State taxes, licenses, and fees on aircraft and of State taxes on the
27 transfer or consumption of fuel for aircraft that are received by the
28 State shall be placed in an airport fund. The proceeds of State
29 taxes, licenses, and fees on watercraft and of State taxes on the

1 transfer or consumption of fuel for watercraft that are received by
2 the State shall be placed in a ports and harbors fund. The proceeds
3 of State taxes, licenses, and fees on motor vehicles and of State
4 taxes on the transfer or consumption of fuel for motor vehicles that
5 are received by the State shall be placed in a highway fund. The
6 legislature may appropriate from a fund established by this section
7 only to pay the cost of administering the law imposing the tax, li-
8 cense, or fee from which the revenue is derived, to pay costs of
9 construction, reconstruction, repair, maintenance, and operation of a
10 capital improvement, including debt service, applicable to the means
11 of transportation to which that fund relates, and to pay expenses of
12 State enforcement of laws applicable to the means of transportation to
13 which that fund relates. The legislature may appropriate from the
14 highway fund to construct, reconstruct, repair, maintain, and operate
15 vessels and facilities of the Alaska marine highway system, and to pay
16 debt service for construction or reconstruction of a vessel or ferrv
17 terminal of the Alaska marine highway system.

18 SECTION 18. ALASKA MARINE HIGHWAY SYSTEM FUND. The revenue that
19 is received by the State for operation of the Alaska marine highway
20 system shall be placed in an Alaska marine highway system fund. The
21 legislature may appropriate from the Alaska marine highway system fund
22 established by this section only to pay costs of administration of the
23 Alaska marine highway system, to pay costs of construction, recon-
24 struction, repairs, maintenance, and operation of a vessel or
25 facility of the Alaska marine highway system, and to pay debt service
26 for construction or reconstruction of a vessel or ferry terminal of
27 the Alaska marine highway system.

28 * Sec. 3. The amendments proposed by this resolution shall be placed
29 before the voters of the state at the next general election in conformity

1 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-
2 tion laws of the state.

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6-0463E ✓
Chenoweth
2/28/89

Original sponsor: Transportation Committee

1 IN THE SENATE

BY THE TRANSPORTATION COMMITTEE

2 CS FOR SENATE JOINT RESOLUTION NO. 20 (Transportation)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 Proposing amendments to the Constitution
6 of the State of Alaska creating dedicat-
7 ed funds for revenue related to air-
8 craft, watercraft, vehicles, and the
9 Alaska marine highway system and from
10 related sources, and relating to ac-
11 counting and expenditure of that reve-
12 nue.

13 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

14 * Section 1. Article IX, sec. 7, Constitution of the State of Alaska,
15 is repealed and readopted to read:

16 SECTION 7. DEDICATED FUNDS PROHIBITED. The proceeds of any
17 State tax or license shall not be dedicated to any special purpose.
18 This provision shall not prohibit the continuance of any dedication
19 for special purposes existing on April 24, 1956, and shall not pro-
20 hibit the dedication of revenue under Sections 15 and 17 of this
21 article or when required by the federal government for State par-
22 ticipation in federal programs.

23 * Sec. 2. Article IX, Constitution of the State of Alaska, is amended
24 by adding a new section to read:

25 SECTION 17. SPECIAL FUNDS FOR TRANSPORTATION. Money derived
26 from State taxes, licenses, and fees related to registration, opera-
27 tion, or use of vehicles, aircraft, watercraft, and the Alaska marine
28 highway system, and from taxes on fuel used for the propulsion of
29 vehicles, aircraft, and watercraft, may not be expended for other than

1 the cost of administering the law under which the money is derived and
2 enforcing laws applicable to the means of transportation to which the
3 fund relates, making refunds and adjustments authorized by law, paying
4 debt obligations for facilities for vehicles, aircraft, and water-
5 craft, and paying costs of construction, reconstruction, maintenance,
6 and repair of transportation facilities and making appropriations to
7 local governments to pay those costs. The legislature shall by law
8 require separate accounting of money derived from the taxes, licenses,
9 and fees for highways, ports and harbors, airports, and the Alaska
10 marine highway system. The expenditure of money shall be restricted
11 to activities authorized by this section for the means of transporta-
12 tion to which the separate account relates, except that the legisla-
13 ture may appropriate from money derived from vehicles for the Alaska
14 marine highway system. The provisions of this section do not apply to
15 a tax, license, or fee levied and collected by the State on behalf of
16 a local government. The legislature shall implement this section.

17 * Sec. 3. The amendments proposed by this resolution shall be placed
18 before the voters of the state at the next general election in conformity
19 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-
20 tion laws of the state.

6-0463E ✓
Chenoweth
3/21/89

Original sponsor: Transportation Committee

1 IN THE SENATE BY THE TRANSPORTATION COMMITTEE

2 CS FOR SENATE JOINT RESOLUTION NO. 20 (Transportation)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 Proposing amendments to the Constitution
6 of the State of Alaska creating dedicat-
7 ed funds for revenue related to air-
8 craft, watercraft, vehicles, and the
9 Alaska marine highway system and from
10 related sources, and relating to ac-
11 counting and expenditure of that reve-
12 nue.

13 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

14 * Section 1. Article IX, sec. 7, Constitution of the State of Alaska,
15 is repealed and readopted to read:

16 SECTION 7. DEDICATED FUNDS PROHIBITED. The proceeds of any
17 State tax or license shall not be dedicated to any special purpose.
18 This provision shall not prohibit the continuance of any dedication
19 for special purposes existing on April 24, 1956, and shall not pro-
20 hibit the dedication of revenue under Sections 15 and 17 of this
21 article or when required by the federal government for State par-
22 ticipation in federal programs.

23 * Sec. 2. Article IX, Constitution of the State of Alaska, is amended
24 by adding a new section to read:

25 SECTION 17. SPECIAL FUNDS FOR TRANSPORTATION. Effective July 1,
26 1991, money derived from State taxes, licenses, and fees related to
27 registration, operation, or use of vehicles, aircraft, watercraft, and
28 the Alaska marine highway system, and from taxes on fuel used for the
29 propulsion of vehicles, aircraft, and watercraft, may not be expended

1 for other than the cost of administering the law under which the money
2 is derived and enforcing laws applicable to the means of transporta-
3 tion to which the fund relates, making refunds and adjustments author-
4 ized by law, paying debt obligations for facilities for vehicles,
5 aircraft, and watercraft, and paying costs of construction, recon-
6 struction, maintenance, and repair of transportation facilities and
7 making appropriations to local governments to pay those costs. The
8 legislature shall by law require separate accounting of money derived
9 from the taxes, licenses, and fees for highways, ports and harbors,
10 airports, and the Alaska marine highway system. The expenditure of
11 money shall be restricted to activities authorized by this section for
12 the means of transportation to which the separate account relates,
13 except that the legislature may appropriate from money derived from
14 vehicles for the Alaska marine highway system. The provisions of this
15 section do not apply to a tax, license, or fee levied and collected by
16 the State on behalf of a local government, or to revenue derived from
17 the operation of a facility constructed with bond proceeds to the
18 extent that it is necessary to satisfy the debt obligation or maintain
19 the facility so that the facility continues to generate revenues for
20 that purpose. The legislature shall implement this section.

21 * Sec. 3. The amendments proposed by this resolution shall be placed
22 before the voters of the state at the next general election in conformity
23 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-
24 tion laws of the state.

6-0463H
Chenoweth
3/6/89

Original sponsor: Transportation Committee

1 IN THE SENATE BY THE TRANSPORTATION COMMITTEE

2 CS FOR SENATE JOINT RESOLUTION NO. 20 (Transportation)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 Proposing amendments to the Constitution
6 of the State of Alaska creating a dedi-
7 cated fund for projects related to
8 transportation. *and providing for an*
effective date.

9 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. Article IX, sec. 7, Constitution of the State of Alaska,
11 is repealed and readopted to read:

12 SECTION 7. DEDICATED FUNDS PROHIBITED. The proceeds of any
13 State tax or license shall not be dedicated to any special purpose.
14 This provision shall not prohibit the continuance of any dedication
15 for special purposes existing on April 24, 1956, and shall not pro-
16 hibit the dedication of revenue under Sections 15 and 17 of this
17 article or when required by the federal government for State par-
18 ticipation in federal programs.

19 * Sec. 2. Article IX, Constitution of the State of Alaska, is amended
20 by adding a new section to read:

21 SECTION 17. SPECIAL FUND FOR TRANSPORTATION. Effective July 1,
22 1991, money derived from State taxes, licenses, and fees related to
23 registration, operation, or use of vehicles, aircraft, watercraft, and
24 the Alaska marine highway system, and from taxes on fuel used for the
25 propulsion of vehicles, aircraft, and watercraft, less refunds and
26 credits as provided by law, shall be placed in a transportation fund,
27 the principal and income of which shall be appropriated by the legis-
28 lature for facilities and operations related to transportation. The
29 legislature shall implement this section.

1 * Sec. 3. The amendments proposed by this resolution shall be placed
2 before the voters of the state at the next general election in conformity
3 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-
4 tion laws of the state.

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6-0463H ✓
Chenoweth
3/20/89

Original sponsor: Transportation Committee

1 IN THE SENATE BY THE TRANSPORTATION COMMITTEE
 2 CS FOR SENATE JOINT RESOLUTION NO. 20 (Transportation)
 3 IN THE LEGISLATURE OF THE STATE OF ALASKA
 4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 Proposing amendments to the Constitution
 6 of the State of Alaska creating a dedi-
 7 cated fund for projects ^{↑ services} related to
 8 transportation.

9 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. Article IX, sec. 7, Constitution of the State of Alaska,
11 is repealed and readopted to read:

12 SECTION 7. DEDICATED FUNDS PROHIBITED. The proceeds of any
 13 State tax or license shall not be dedicated to any special purpose.
 14 This provision shall not prohibit the continuance of any dedication
 15 for special purposes existing on April 24, 1956, and shall not pro-
 16 hibit the dedication of revenue under Sections 15 and 17 of this
 17 article or when required by the federal government for State par-
 18 ticipation in federal programs.

19 * Sec. 2. Article IX, Constitution of the State of Alaska, is amended
20 by adding a new section to read:

21 SECTION 17. SPECIAL FUND FOR TRANSPORTATION. Effective July 1,
 22 1991, money derived from State taxes, licenses, and fees related to
 23 registration, operation, or use of vehicles, aircraft, watercraft, and
 24 the Alaska marine highway system, and from taxes on fuel used for the
 25 propulsion of vehicles, aircraft, and watercraft, less refunds and
 26 credits as provided by law, shall be placed in a transportation fund,
 27 the principal and income of which shall be appropriated by the legis-
 28 lature for facilities and operations related to transportation and for
 29 enforcing laws applicable to transportation facilities and services.

1 The provisions of this section do not apply to a tax, license, or fee
2 levied and collected by the state on behalf of a local government, or
3 to revenue derived from the operation of a facility constructed with
4 bond proceeds to the extent that it is necessary to satisfy the debt
5 obligation or maintain the facility so that the facility continues to
6 generate revenues for that purpose. The legislature shall implement
7 this section.

8 * Sec. 3. The amendments proposed by this resolution shall be placed
9 before the voters of the state at the next general election in conformity
10 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-
11 tion laws of the state.

6-0463H
Chenoweth
3/22/89

Original sponsor: Transportation Committee

1 IN THE SENATE BY THE TRANSPORTATION COMMITTEE
2 CS FOR SENATE JOINT RESOLUTION NO. 20 (Transportation)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 Proposing amendments to the Constitution
6 of the State of Alaska creating a dedi-
7 cated fund for projects, facilities, and
8 services related to transportation.

9 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. Article IX, sec. 7, Constitution of the State of Alaska,
11 is repealed and readopted to read:

12 SECTION 7. DEDICATED FUNDS PROHIBITED. The proceeds of any
13 State tax or license shall not be dedicated to any special purpose.
14 This provision shall not prohibit the continuance of any dedication
15 for special purposes existing on April 24, 1956, and shall not pro-
16 hibit the dedication of revenue under Sections 15 and 17 of this
17 article or when required by the federal government for State par-
18 ticipation in federal programs.

19 * Sec. 2. Article IX, Constitution of the State of Alaska, is amended
20 by adding a new section to read:

21 SECTION 17. TRANSPORTATION FUND. Effective July 1, 1991, money
22 derived from State taxes, licenses, and fees related to registration,
23 operation, or use of vehicles, aircraft, watercraft, the Alaska marine
24 highway system, and the use of other State transportation facilities,
25 and from taxes on fuel used for the propulsion of vehicles, aircraft,
26 and watercraft, less refunds and credits as provided by law, shall be
27 placed in a transportation fund, the principal and income of which
28 shall be appropriated by the legislature for facilities and operations
29 related to transportation and for enforcing laws applicable to

1 transportation facilities and services. The provisions of this sec-
2 tion do not apply to a tax, license, or fee levied and collected by
3 the State on behalf of a local government, or to revenue derived from
4 the use or operation of a facility constructed with bond proceeds to
5 the extent that it is necessary to satisfy the debt obligation or to
6 maintain the facility so that the facility continues to generate
7 revenues for that purpose. The legislature shall implement this
8 section.

9 * Sec. 3. The amendments proposed by this resolution shall be placed
10 before the voters of the state at the next general election in conformity
11 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-
12 tion laws of the state.

Original sponsor: Transportation Committee

1 IN THE SENATE

BY THE JUDICIARY COMMITTEE

2 CS FOR SENATE JOINT RESOLUTION NO. 20 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 Proposing amendments to the Constitution
6 of the State of Alaska creating a dedi-
7 cated fund for projects, facilities, and
8 services related to transportation.

9 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. Article IX, sec. 7, Constitution of the State of Alaska,
11 is repealed and readopted to read:

12 SECTION 7. DEDICATED FUNDS PROHIBITED. The proceeds of any
13 State tax or license shall not be dedicated to any special purpose.
14 This provision shall not prohibit the continuance of any dedication
15 for special purposes existing on April 24, 1956, and shall not pro-
16 hibit the dedication of revenue under Sections 15 and 17 of this
17 article or when required by the federal government for State par-
18 ticipation in federal programs.

19 * Sec. 2. Article IX, Constitution of the State of Alaska, is amended
20 by adding a new section to read:

21 SECTION 17. TRANSPORTATION FUND. Effective July 1, 1991, money
22 derived from [State taxes,] licenses, and fees related to registration,
23 operation, or use of vehicles, aircraft, watercraft, the Alaska marine
24 highway system, and the use of other State transportation facilities,
25 and from taxes on fuel used for the propulsion of vehicles, aircraft,
26 and watercraft, less refunds and credits as provided by law, shall be
27 placed in a transportation fund, the principal and income of which may
28 be appropriated by the legislature only for facilities and operations
29 related to transportation and for enforcing laws applicable to

1 transportation facilities and services. The provisions of this sec-
2 tion do not apply to a tax, license, or fee levied and collected by
3 the State on behalf of a local government, or to revenue derived from
4 the use or operation of a facility constructed with bond proceeds to
5 the extent that it is necessary to satisfy the debt obligation or to
6 maintain the facility so that the facility continues to generate
7 revenues for that purpose. The legislature shall implement this
8 section.

9 * Sec. 3. The amendments proposed by this resolution shall be placed
10 before the voters of the state at the next general election in conformity
11 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-
12 tion laws of the state.

Original sponsor: Transportation Committee

1 IN THE SENATE

BY THE JUDICIARY COMMITTEE

2 CS FOR SENATE JOINT RESOLUTION NO. 20 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 Proposing amendments to the Constitution
6 of the State of Alaska creating a dedi-
7 cated fund for projects, facilities, and
8 services related to transportation.

9 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. Article IX, sec. 7, Constitution of the State of Alaska,
11 is repealed and readopted to read:

12 SECTION 7. DEDICATED FUNDS PROHIBITED. The proceeds of any
13 State tax or license shall not be dedicated to any special purpose.
14 This provision shall not prohibit the continuance of any dedication
15 for special purposes existing on April 24, 1956, and shall not pro-
16 hibit the dedication of revenue under Sections 15 and 17 of this
17 article or when required by the federal government for State par-
18 ticipation in federal programs.

19 * Sec. 2. Article IX, Constitution of the State of Alaska, is amended
20 by adding a new section to read:

21 SECTION 17. TRANSPORTATION FUND. Effective July 1, 1991, money
22 derived from State licenses and fees related to registration, opera-
23 tion, or use of vehicles, aircraft, watercraft, the Alaska marine
24 highway system, and the use of other State transportation facilities,
25 and from taxes on fuel used for the propulsion of vehicles, aircraft,
26 and watercraft, less refunds and credits as provided by law, shall be
27 placed in a transportation fund, the principal and income of which may
28 be appropriated by the legislature only for facilities and operations
29 related to transportation and for enforcing laws applicable to

1 transportatic facilities and services. The provisions of this sec-
2 tion do not apply to a tax, license, or fee levied and collected by
3 the State on behalf of a local government, to revenue derived by
4 a public corporation whose revenue must, by federal law, be retained
5 and managed by the corporation, or to revenue derived from the use or
6 operation of a facility constructed with bond proceeds to the extent
7 that it is necessary to satisfy the debt obligation or to maintain the
8 facility so that the facility continues to generate revenues for that
9 purpose. The legislature shall implement this section.

10 * Sec. 3. The amendments proposed by this resolution shall be placed
11 before the voters of the state at the next general election in conformity
12 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-
13 tion laws of the state.
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Formal Recommendations

TASK FORCE RECOMMENDATION # 1

Whereas: This task force was created by the Governor's Administrative Order #105 and under intent language adopted by the 15th Alaska Legislature.

Whereas: The charge by the Governor and the Legislature to this task force was to evaluate and examine reasonable and equitable funding sources for expenses related to transportation facilities.

Whereas: The charge by the Governor and the Legislature to this task force specifically required a review of motor fuel taxes and other equitable sources of revenue for the expenses related to transportation facilities in Alaska.

Whereas: The task force, for the purposes of this recommendation interprets expenses related to transportation facilities to mean expenses for the Alaska transportation systems excluding indirect costs.

Whereas: This task force has determined that user fees are the most reasonable source of funding for expenses related to the Alaska transportation systems.

And Whereas: This task force has further determined that funding for transportation systems is an important function of government; that the Alaska transportation systems are an investment in current and future economic development and stability; that funding for the Alaska transportation systems requires a predictable and stable source of revenue.

NOW THEREFORE BE IT RESOLVED, that it is the recommendation of this task force after careful review of all information put before us, and in response to the charge of the Governor and the Legislature of the State of Alaska, that revenue collected and retained by the State of Alaska for fees directly related to the use of transportation facilities should be dedicated for direct costs related to the transportation system from which the revenue was generated.

*Task force recommendation
number 1*

TASK FORCE RECOMMENDATION #2

Whereas: This task force was created by the Governor's Administrative Order # 105 and under intent language adopted by the 15th Alaska Legislature.

Whereas: The charge by the Governor and the Legislature to this task force was to evaluate and examine reasonable and equitable funding sources for expenses related to transportation facilities.

Whereas: The task force, for purposes of this recommendation, interprets expenses related to transportation facilities to mean expenses for the Alaska transportation systems excluding indirect costs.

Whereas: This task force has recommended with Task Force Recommendation # 1, that revenue collected and retained by the State of Alaska for fees directly related to use of transportation facilities should be dedicated for direct costs related to the transportation system from which the revenue was generated.

And Whereas: It is the determination of this task force that the current status of the dedication of fuel taxes for the Alaska transportation systems found in Article IX, Section 7, of the Alaska Constitution is unclear.

NOW THEREFORE BE IT RESOLVED, that it is the recommendation of this task force that the Governor and the Legislature should seek a constitutional amendment which would unequivocally dedicate all directly related fees collected and retained by the State of Alaska to the direct costs associated with the improvement, maintenance and operation of the existing transportation system from which the revenues were generated.

*Task force recommendation
number 2*

FISCAL NOTE

REQUEST: _____

Revision Date: _____
Title: Dedicated Funds From Fuel Taxes

Agency Affected: Revenue
BRU: Income & Excise Audit

Sponsor: Transportation Committee
Requestor: _____

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
OPERATING						
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LANDS & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

Prepared By: Steven E. Kettel
Division: Income and Excise Audit

Phone: (907) 465-2320
Date: February 7, 1989

Approved by Commissioner: Hugh Malone
Agency: Department of Revenue

Date: February 7, 1989

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

page ____ of ____

Revenue Fiscal note

ANALYSIS OF SJR 20

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	FY 90	ESTIMATES FY 91	FY 92
PROPOSED DEDICATED REVENUES TO AIRPORT FUND	9,100.0	9,100.0	9,100.0
PROPOSED DEDICATED REVENUES TO PORTS AND HARBOR FUND	5,400.0	5,400.0	5,400.0
PROPOSED DEDICATED REVENUES TO HIGHWAY FUND	38,300.0	39,300.0	39,300.0
PROPOSED DEDICATED REVENUES TO ALASKA MARINE HIGHWAY SYSTEM FUND	36,400.0	38,100.0	38,100.0
IMPACT ON GENERAL FUND UNRESTRICTED REVENUES	(89,200.0)	(91,900.0)	(91,900.0)

The Revenue Picture

In addition to the well publicized decline in state revenue, the task force warns that Alaska must be prepared to face potential declines of unknown magnitude in the current sizeable federal contribution to our capital construction program.

Caveat: The following estimates are provided to illustrate the potential revenue problem. Although the task force believes these estimates to be reliable enough for this exercise, readers should be aware that these figures are not provided for any purpose other than to help explain the revenue problem.

ALASKA HIGHWAY REVENUE(1)

	<u>FY87</u>	<u>FY88</u>	<u>FY89</u>	<u>FY90</u>	<u>FY91</u>
FEDERAL HIGHWAY (2) (3) (4)	152	129	135	135	135
FUEL TAX (5)	18	19	19	19	19
VEHICLE FEES (6)	19	19	19	19	19
TOTAL	189	167	173	173	173

ALASKA HIGHWAY EXPENSES(1)

	<u>FY87</u>	<u>FY88</u>	<u>FY89</u>	<u>FY90</u>	<u>FY91</u>
MAINTENANCE AND OPERATIONS	44	51	55	60	60
REHABILITATION /IMPROVEMENTS(7)	200	210	220	230	230
TOTAL	244	261	275	290	290

REVENUE SHORTEALL(1)

	<u>FY87</u>	<u>FY88</u>	<u>FY89</u>	<u>FY90</u>	<u>FY91</u>
TOTAL	55	94	102	117	117

(1) Dollars in millions. (2) The statute that authorizes federal highway dollars expires in 1991 and it is recognized that the program as it exists today may be terminated. (3) Actual spending level set annually by Congress and has been shrinking in part due to Gramm-Rudman. (4) Spending limit or amount obliterated (1987) - not appropriation. (5) Highway account only - not including the off-highway tax. (6) Collection costs not deducted. (7) Represents an optimal level of expenditures to protect current investments and expand the system, not actual expenditures.

Revenues

ANALYSIS OF SJR 20

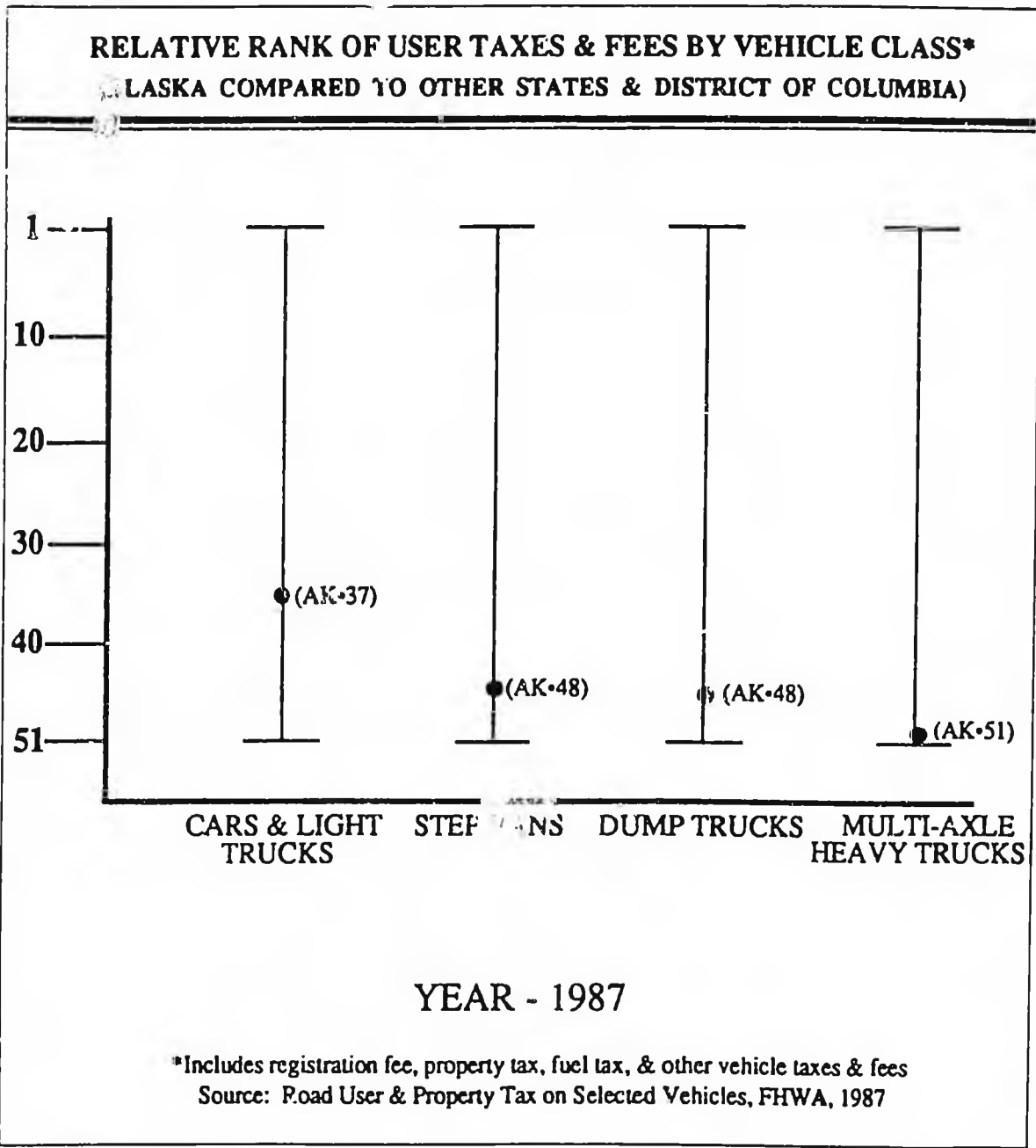
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	FY 90	ESTIMATES FY 91	FY 92
PROPOSED DEDICATED REVENUES TO AIRPORT FUND	9,100.0	9,100.0	9,100.0
PROPOSED DEDICATED REVENUES TO PORTS AND HARBOR FUND	5,400.0	5,400.0	5,400.0
PROPOSED DEDICATED REVENUES TO HIGHWAY FUND	38,300.0	39,300.0	39,300.0
PROPOSED DEDICATED REVENUES TO ALASKA MARINE HIGHWAY SYSTEM FUND	36,400.0	38,100.0	38,100.0
IMPACT ON GENERAL FUND UNRESTRICTED REVENUES	(89,200.0)	(91,900.0)	(91,900.0)

Paying For Alaska's Transportation Delivery System

The task force finds that the state has no revenue policy for transportation services. Consequently, there is no clear view concerning who should pay for services at what level or what revenue sources should be tapped. Moreover, this results in major differences between the support that government subsidized transportation services provide to some users and the impact that these users have on the system.

It is the opinion of the task force that users will willingly accept additional user fees if they have confidence that the fees will be used to support the infrastructure needs and that the revenue will be strictly accounted for. The task force feels this would be especially true if an organized effort was made to educate the public about the value of transportation facilities toward improving the quality of life.



Who pays?