

1-23-91

DOT

Dedicated

Fund (HJR 19)

& Statewide

Plan

1. CALL MEETING TO ORDER
2. NOTE THE DATE: Thursday, January 23rd, 1992  
NOTE TIME:
3. ROLL CALL OF MEMBERS PRESENT
4. DURING TODAY'S MEETING WE WILL TAKE UP:  
Worksession/overview by DOT on the  
statewide transportation plan and the  
dedicated fund.
5. INTRODUCE ANY SPECIAL GUESTS OR V.I.P.s
6. REQUEST ANY PERSONS WISHING TO TESTIFY TO SIGN THE  
WITNESS REGISTER

ANNOUNCEMENTS AT CLOSE OF MEETING

7. THE NEXT MEETING OF THE HOUSE TRANSPORTATION  
COMMITTEE WILL BE:  
  
Tuesday, January 28, 1992  
  
HB 402 - *Nissan Bill*  
HJR 60 - *...*
8. ADJOURN MEETING. NOTE TIME OF ADJOURNMENT.



# ALASKA STATE LEGISLATURE

Representative Gail Phillips

TO: Paula Ramsey, SMC - DOT

FROM: Representative Gail Phillips

A handwritten signature in cursive script that reads "Gail Phillips".

DATE: November 1, 1991

RE: Evaluation of Statewide Transportation Plan

After reviewing your first draft of the Plan, I had hoped to get together with Clyde Stoltzfus to discuss my thoughts. I'd appreciate you sharing these comments with him. Rather than a formal evaluation, I will comment on the overall plan, and then add my points on a page to page basis.

Frankly, after reading the manuscript, I felt it was not complete, and felt rather disappointed that it did not contain the scope of detail I had expected. I went back and read through the Commissioner's introductory comments again, and realized that this document is intended only as a policy statement, and not necessarily a working plan, which I had expected. As a policy statement, it is good; as a plan, it is incomplete.

With that out of the way, I'll address the points:

Page 3: As you develop a system, you are correct in stating that this cannot be done by just the DOT; it will take several departments, and most importantly, it will take full cooperation of local governments, which it appears you have agreed upon.

Your comment in the last paragraph that states "the following sections detail the elements of change which we think should be supported by all Alaskans." Where is your justification for thinking that Alaskans will support any change?

Page 5: re supporting participation in economic activity: I don't think we can expand the system in any direction unless we have solid economic justification for doing so, such as private partnership agreements for developing resources.

Page 6: last paragraph: I have been working all summer to identify all resource areas in the State. Do you have these identified, and what kind of system have you developed for doing so? Have you established criteria for determining the economic feasibility of the resource areas?

Page 7: this is a good analysis of what has happened. Were you able to identify why? State statutes require an annual plan and yet we've gone several years without one.

Page 8: What is your analysis of why the responsibility for sufficient capital funds have not been provided in the past?

Page 9: Have you identified the statewide needs and priorities. What are they?

Page 13: Map: I feel this contains the one basic fallacy and shortcoming in your plan. It lacks the one most important ingredient in that it does not tie the entire State together. You have portions and segments, but huge areas such as the Northwest are not tied to any surface system, and I feel this is critical if any plan is to succeed. We have lived too long in our State without being "connected", and I feel this is an absolute priority!

Page 16: Rather than focusing on our future as far as a global marketplace, which I agree is very important, please reevaluate what we are trying to do for the good of the people who live here - this comprehensive approach to improving our transportation system will not only be good for commerce, but most importantly, it will be good for Alaskans.

Page 17: It is incredible that our gas tax had not been increased since before Prudhoe - 1961. Were attempts made by DOT to have it increased in the past and dedicated to maintenance?

Page 19: 3rd paragraph: I don't think the Legislature, the Administration nor the public is aware or accepts the fact that we don't have the money to maintain what we have. The public knows we are not doing the job right, but they feel we are just wasting money in other areas.

Page 22: Last paragraph: were any of the recommendations of the 1988 Task Force put into place by DOT or by the Legislature? Was the work done by this group sufficient to use today, without us having to spend any more time and money studying things?

Page 24: The only reasonable and workable solution for transferring responsibility to local municipalities will be with a firm, unbreakable commitment from the State to not only fund the upgrades before ownership transfer, but to also to guarantee the revenues needed for upkeep and maintenance. What mechanism have you developed for outlining the revenue sharing plan with local governments? And, who is going to oversee that the revenues going to the local areas are used as they are intended. What system of checks and balances have you set up?

Page 27: Initiative 1.1: good! what time frame have you established for this? How will you determine which projects get on the priority list? What criteria have you established for including a project on the priority lists?

Initiative 1.2: this is OK.

Initiative 1.3: I don't think this should necessarily be a priority at this time; we have too many critical maintenance

2

projects to be worrying right now about the scenery. Put this part off until we get a handle on our real problems.

Initiative 1.4: this is OK.

Initiative 1.5: this is OK.

Initiative 1.6: I think representatives from the House and Senate Transportation Committees should also be included in this action group.

Initiative 11.1: this is OK. Will the Governor propose the necessary legislation?

Initiative 11.2: this is OK.

Initiative 11.3: Surely, by this time, you have plenty of studies available and all the information necessary to proceed without us having to spend any more time or money on ANY more studies! I don't think we should concentrate on doing any new studies - we just need to get to work!

Initiative 11.4: good - especially having a completed plan to the Legislature by January, 1994.

Initiative 111.1: this is OK, but again - members of the Legislature should be included in developing these agreements.

Initiative 111.2: This is an absolute MUST! What provisions have you made for a local government entity that refuses to accept responsibility. You cannot make one entity cooperate and give exemptions to another - the entire program will be doomed to failure if it is not equitably enacted.

Initiative 111.3: Good!

Initiative 111.4: Local governments must be assured that the State will guarantee funding in order for them to enter into agreements with the State.

Page 33: Why didn't you include Railroads along with the airports, roads and ports and harbors? Many areas of the State cannot be opened up with a road, but a railroad would be feasible. I think you need to expand this section to include rails; and, in the future, possibly other modes such as air-cushioned vehicles, etc.

Page 34: You don't have much depth in this entire discussion; I feel more detail should have been included.

Page 35: You state that the recommended financing structure MUST fully fund the costs of airport maintenance and operations. What time frame are you looking at to accomplish this? And, how do

you intend to make this happen? How much of the revenues generated at the large urban airports will be used to subsidize operations at the smaller, nonprofitable airports?

You have a very good idea in identifying a highway alternative in tying areas together to an existing airport. I hope you will give this concept full attention.

Page 36: A key factor in the success of turning ownership of ports and harbors over to local governments is your statement "ONCE HARBORS ARE REHABILITATED". Most local governments cannot assume this responsibility unless they are guaranteed support from the State, not only in repair and replacement, but also for shared revenues for maintenance. When do you plan to be able to put the statewide Port and Harbor Development Program into effect?

The statewide Port and Harbor Association is meeting in Kenai this week. Will you have a presentation ready to make to this organization?

Again, problems will develop if the State requires local responsibility from one entity, but lets another area off the hook with an excuse that they don't have enough money, people, etc. to accept this responsibility.

Page 37: Your last sentence on the page is not complete.

Page 38: Regarding a system-wide fee structure to all State-owned harbors: it will be critical that this be developed fairly for all harbors - to avoid serious problems, the fee structure needs to be fair, and needs to be the same for every harbor, with the differences in fees based on size and types, rather than location.

Page 39: When will you have the Highway System Plan ready? For all the work that has been done in the past, we should already have a plan that we can work with right now.

In your statement that the Alaska Highway System includes too many routes that do not serve long-distance travel, you've missed a major point: it includes too few routes that do! Until we can tie our State together in a comprehensive plan, we will not have a sufficient plan.

Don't you have the identification of the state highway network completed yet?

Page 44: My final comment: IT IS CRITICAL, IF WE ARE GOING TO BE SUCCESSFUL IN CONVINCING ALASKANS TO AGREE TO DEDICATED REVENUES FOR TRANSPORTATION, THAT NOTHING CAN BE DONE TO VIOLATE THAT TRUST! The assurance must be complete, and rock solid or the public will not buy into this and there goes our entire hope of providing adequate transportation infrastructures.

Why did the Legislature in 1960 amend the statute to eliminate the dedication of gasoline tax revenues?

I appreciate the work that has gone into this plan; I see it as the first step in solving a tremendous problem that exists across our State. We must always keep in the forefront that what we are doing or can do must be to the benefit of the people of Alaska before any other considerations come into play.

If you have any questions or need to go into more depth on any of my comments, please feel free to call me at any time.

cc: Representative Richard Foster, Chairman  
House Transportation Committee

Worksession overview

8:35

Foster Madrie, Hudson Kubina hemon

020

Clyde Stolfuss

~~The~~ Overview

Read from written testimony

62 million in fuel taxes, land  
leases, licensing fees

Hudson  
230

Fuel taxes alone

↑ 10¢

Additional \$22 million.

Kubina  
240.

would we make money on ↑ transp. taxes.

No.

Kubina

Do you really need dedicated fund

Yes, to really ↑ funds need to have it  
dedicated. Had for legislature to justify otherwise.

Kubina  
289

If dedicated fund for transp then will want  
one for education + others

Clyde.

Different. Transp can + should pay for itself.  
Education other can't. Make sense for transp.

Kubina

Why would local community want to  
take over roads when know how the  
road funds will be decreased.

C.S

In some places, doesn't make sense, others

its good. Need working group with  
community representation.

C.S. local counties should contribute some  
\$. Must be willing to help.  
its time

Hudson - Problem getting dedicated fund.  
in store for future.  
Maybe ↑ taxes in summer + ↓ in winter.

C.S. Create a dedicated fund - legislature  
still appropriate.

Mackie - Concerns, open to suggestions but  
do like to restrict funds for future.  
Also turning over roads - voluntary or not.  
Send Jerry analysis of what roads  
in Jerry's district are proposed for turn over.

C.S. Education dedication was endowment.  
dedication is user fees  
endowment means put money in + live off.

Heman  
Turpin - Taxes are live fees at university (tuition)  
Users pay for service  
A.M.H.S has dedicated fund.

Hudson Not dedicated but semi recommended.

Mackie adjourn - 9:20