

HB

314

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/8/08

FURTHER:

DATE TURNED
IN TO OFFICE: _____

Finance Committee considered CS FOR HOUSE BILL NO. 314(FIN) am

HB 314 G.O. BONDS FOR TRANSPORTATION PROJECTS

"An Act providing for and relating to the issuance of general obligation bonds for the purpose of paying the cost of state transportation projects; and providing for an effective date."

and recommends:

- be replaced with SCS or CS HB 314 (FIN)
- adopt previous SCS or CS _____
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

SENATE BILL:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title
<hr/>	
HOUSE BILL:	
<input checked="" type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

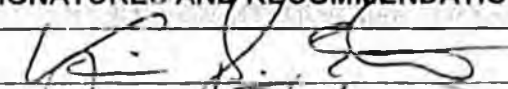

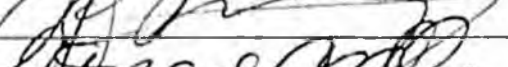
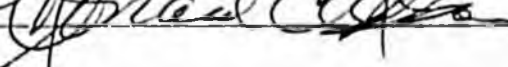

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
GOV	4/4/08	✓			1
REV	4/16/08	✓			2

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	E L Thomas	✓			
	Thomas	✓			
	Huggins	✓			
	Nelson				
CO-CHAIR:					
CO-CHAIR: 	G. E. P. Ryan	✓			

FISCAL NOTE

STATE OF ALASKA
2008 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 314
(H) Publish Date: 1/16/08

Identifier (file name): 0041-OOG-DOE-1-4-08 Dept. Affected: OOG
Title A bill providing for the issuance of general obligation bonds RDU Elections
for paying the cost of state transportation projects Component Elections
Sponsor Rules Committee
Requester Governor Component Number 21

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual	1.5							
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING	1.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES								
-----------------------------	--	--	--	--	--	--	--	--

CHANGE IN REVENUES ()								
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FUND SOURCE (Thousands of Dollars)

	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
1002 Federal Receipts							
1003 GF Match							
1004 GF	1.5						
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	1.5	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2008) cost: _____

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

The passage of this bill would require the general obligation bond question to appear on the 2008 general election ballot. The cost of providing information about the bonds in the Official election Pamphlet, as required by AS 15.58 is \$1.5. Should the addition of this question require printing an 8-1/2 by 18 inch ballot, the cost will increase to \$22.0.

Prepared by Gail Fenurmat, Director
Division Division of Elections
Approved by Linda J. Perez, Administrative Director
Division of Administrative Services

Phone 465-2644
Date/Time 1/4/08, 3:07pm
Date 1/4/2008

FISCAL NOTE

STATE OF ALASKA
2008 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: CSHB 314(FIN)
(H) Publish Date: 4/7/08

Identifier (file name): CSHB314(FIN).DOR-TRE-4-6-08 Dept. Affected: Revenue
Title: Senate Bill 224 Transportation General Obligation Bonds RDU: Taxation and Treasury
Component: Debt Management
Sponsor: Governor
Requester: House Finance Component Number: 121

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous		1.0	1.0	17,254.0	17,254.0	17,254.0	17,254.0	17,254.0
TOTAL OPERATING		1.0	1.0	17,254.0	17,254.0	17,254.0	17,254.0	17,254.0

CAPITAL EXPENDITURES								
-----------------------------	--	--	--	--	--	--	--	--

CHANGE IN REVENUES ()								
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF		1.0	1.0	17,254.0	17,254.0	17,254.0	17,254.0	17,254.0
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
TOTAL		1.0	1.0	17,254.0	17,254.0	17,254.0	17,254.0	17,254.0

Estimate of any current year (FY2008) cost: 00

POSITIONS

Full-time								
Part-time								
Temporary								

ANALYSIS: *(Attach a separate page if necessary)*

The Bill authorizes the voters of the state to consider up to a \$220,600,000 general obligation bond issue of the State of Alaska. This bond would carry the full faith and taxing authority of the State, and thereby achieve the lowest interest rate available to the State. If the proposition were approved in November 2008 it is anticipated Bonds would be issued in early 2009 and debt service would commence in FY 2010. The current interest rate is very favorable with 20 year amortization tax exempt interest rates for credits of this type in the 4.25% range. Interest rate achieved would depend on market conditions at the time bonds were sold. For modeling purposes the Department used an assumed rate of 4.7% and 20 year amortization for the bonds.

Prepared by: Doven Mitchell
Division: Treasury
Approved by: Jerry Burnett
Department of Revenue

Phone: 465-3750
Date/Time: 4/6/08 12:00 AM
Date: 4/6/2008

*Adopted
4/11/08*

25-GH2041\O
Cook
4/11/08

**SENATE CS FOR CS FOR HOUSE BILL NO. 314(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIFTH LEGISLATURE - SECOND SESSION**

BY THE SENATE FINANCE COMMITTEE

**Offered:
Referred:**

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act providing for and relating to the issuance of general obligation bonds for the
2 purpose of paying the cost of state transportation projects; and providing for an
3 effective date."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * Section 1. The uncodified law of the State of Alaska is amended by adding a new section
6 to read:

7 **GENERAL OBLIGATION BONDS.** For the purpose of paying the cost of design and
8 construction of state transportation projects, general obligation bonds of the state in the
9 principal amount of not more than \$315,050,000, if ratified by a majority of the qualified
10 voters of the state who vote on the question, shall be issued and sold. The full faith, credit,
11 and resources of the state are pledged to the payment of the principal of and interest and
12 redemption premium, if any, on the bonds. The bonds shall be issued under the provisions of
13 AS 37.15 as those provisions read at the time of issuance.

14 * Sec. 2. The uncodified law of the State of Alaska is amended by adding a new section to

1 read:

2 2008 TRANSPORTATION PROJECT FUND. If the issuance of the bonds is ratified
3 by a majority of the qualified voters of the state who vote on the question, a special fund of
4 the state to be known as the "2008 transportation project fund" shall be established, to which
5 shall be credited the proceeds of the sale of the bonds described in sec. 1 of this Act except for
6 the accrued interest and premiums.

7 * Sec. 3. The uncodified law of the State of Alaska is amended by adding a new section to
8 read:

9 DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES. The amount
10 of \$271,700,000 is appropriated from the 2008 transportation project fund to the Department
11 of Transportation and Public Facilities to be allocated among the following projects in the
12 amounts listed subject to reallocation between projects in accordance with AS 37.07.080(e):

13	PROJECT	AMOUNT
14	Sawmill Creek Road Upgrade Phase III	\$10,800,000
15	with Separated Pedestrian Path -	
16	Whale Park to Sawmill Creek	
17	Mitkof Highway - Scow Bay to Crystal Lake	7,000,000
18	Hatchery Road: Pavement Rehabilitation	
19	and Drainage Improvements	
20	Glacier Highway - Back Loop Road:	5,000,000
21	Intersection Safety Improvements	
22	North Tongass Highway - Ward Cove	8,900,000
23	to Refuge Cove: Pavement Rehabilitation	
24	and Drainage Improvements	
25	Aleknagik - Wood River Bridge	20,000,000
26	Fairbanks - University Avenue Widening	30,000,000
27	Anchorage: Connect Anchorage	22,100,000
28	Project (Dowling Road - Old	
29	Seward Highway to Minnesota	
30	Drive)	
31	Dalton Highway Improvements	14,000,000

1	Kenai Peninsula Borough Road Projects	8,000,000
2	Nome: Snake River Bridge Replacement	10,000,000
3	Parks Highway: Weight Restriction Elimination	15,000,000
4	Seward Highway: Windy Corner Safety	20,000,000
5	Improvements	
6	Steese Highway/Johansen Expressway	15,000,000
7	Area Traffic Improvements	
8	Sterling Highway: Mackey Lake Road to Sterling	11,000,000
9	Rehabilitation	
10	Glenn Highway: MP 181 to 189 Tolsona Lake Road to	13,000,000
11	Richardson Highway Junction Rehabilitation and	
12	Resurface, including Bikeway	
13	Craig-Klawock Highway: Resurfacing of Craig-	4,800,000
14	Klawock Section	
15	Copper River Highway: Mile 38 - 43 Highway Protection	5,100,000
16	Ketchikan: Harriet Hunt Lake to Shelter Cove,	10,000,000
17	Road Construction	
18	Fairview Loop Road Reconstruction	22,000,000
19	Statewide: Emergency Bridge Repair	20,000,000

20 * Sec. 4. The uncodified law of the State of Alaska is amended by adding a new section to
21 read:

22 DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC
23 DEVELOPMENT. The amount of \$43,350,000 is appropriated from the 2008 transportation
24 project fund to the Department of Commerce, Community, and Economic Development to be
25 awarded as grants under AS 37.05.315 to recipients for projects as follows:

26	RECIPIENT	PROJECT	AMOUNT
27	Municipality of Anchorage	Expansion of the	\$10,000,000
28		Port of Anchorage	
29	Municipality of Anchorage	Victor Road - Dimond	14,000,000
30		Boulevard to 100th	
31		Avenue upgrade	

1	City of Wrangell	Heritage Harbor reconstruction	5,000,000
2		phase II	
3	City of Bethel	Road repairs and upgrades	2,500,000
4	Kodiak Island Borough	Road service area	2,500,000
5		rehabilitation and paving	
6	City of Ouzinkie	Dock replacement	2,850,000
7	City of Old Harbor	Dock replacement	4,000,000
8	City of Emmonak	Road improvements	2,500,000

9 * Sec. 5. The uncodified law of the State of Alaska is amended by adding a new section to
10 read:

11 STATE BOND COMMITTEE. If the issuance of the bonds is ratified by a majority of
12 the qualified voters of the state who vote on the question, the amount of \$1,575,250 or as
13 much of that amount as is found necessary is appropriated from the general fund of the state
14 to the state bond committee to carry out the provisions of this Act and to pay expenses
15 incident to the sale and issuance of the bonds authorized in this Act. The amounts expended
16 from the appropriation authorized by this section shall be reimbursed to the general fund from
17 the proceeds of the sale of the bonds authorized by this Act.

18 * Sec. 6. The uncodified law of the State of Alaska is amended by adding a new section to
19 read:

20 ADVANCE PLANNING. The amount withdrawn from the public facility planning
21 fund (AS 35.10.135) for the purpose of advance planning for the capital improvements
22 financed under this Act shall be reimbursed to the fund from the proceeds of the sale of bonds
23 authorized by this Act.

24 * Sec. 7. The uncodified law of the State of Alaska is amended by adding a new section to
25 read:

26 LAPSE; REDEMPTION; REIMBURSEMENT. The unexpended and unobligated
27 balances of the appropriations made in secs. 3 and 4 of this Act lapse under AS 37.25.020 and
28 are appropriated to the state bond committee to redeem bonds sold under this Act. The
29 amounts expended from the general fund to pay the principal, interest, and redemption
30 premium on bonds issued under this Act shall be reimbursed to the general fund from the
31 appropriation made under this section to the extent that the money is not needed to redeem the

1 bonds.

2 * Sec. 8. The uncodified law of the State of Alaska is amended by adding a new section to
3 read:

4 BALLOT QUESTION. The question whether the bonds authorized in this Act are to
5 be issued shall be submitted to the qualified voters of the state at the next general election and
6 shall read substantially as follows:

7 PROPOSITION

8 State General Obligation \$315,050,000

9 Transportation Project Bonds

10 Shall the State of Alaska issue its general obligation bonds in
11 the principal amount of not more than \$315,050,000 for the
12 purpose of paying the cost of state transportation projects?

13 Bonds Yes []

14 Bonds No []

15 * Sec. 9. This Act takes effect immediately under AS 01.10.070(c).

*Adopted
4/11/08*

25-GH2041NO
Cook
4/11/08

SENATE CS FOR CS FOR HOUSE BILL NO. 314(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - SECOND SESSION

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10 voters of the state who vote on the question, shall be issued and sold. The full faith, credit,
11 and resources of the state are pledged to the payment of the principal of and interest and
12 redemption premium, if any, on the bonds. The bonds shall be issued under the provisions of
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14 * Sec. 2. The uncodified law of the State of Alaska is amended by adding a new section to

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3 by a majority of the qualified voters of the state who vote on the question, a special fund of
4 the state to be known as the "2008 transportation project fund" shall be established, to which
5 shall be credited the proceeds of the sale of the bonds described in sec. 1 of this Act except for
6 the accrued interest and premiums.

7 * Sec. 3. The uncodified law of the State of Alaska is amended by adding a new section to
8 read:

9 DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES. The amount
10 of \$271,700,000 is appropriated from the 2008 transportation project fund to the Department
11 of Transportation and Public Facilities to be allocated among the following projects in the
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15	with Separated Pedestrian Path -	
16	Whale Park to Sawmill Creek	
17	Mitkof Highway - Scow Bay to Crystal Lake	7,000,000
18	Hatchery Road: Pavement Rehabilitation	
19	and Drainage Improvements	
20	Glacier Highway - Back Loop Road:	5,000,000
21	Intersection Safety Improvements	
22	North Tongass Highway - Ward Cove	8,900,000
23	to Refuge Cove: Pavement Rehabilitation	
24	and Drainage Improvements	
25	Aleknagik - Wood River Bridge	20,000,000
26	Fairbanks - University Avenue Widening	30,000,000
27	Anchorage: Connect Anchorage	22,100,000
28	Project (Dowling Road - Old	
29	Seward Highway to Minnesota	
30	Drive)	
31	Dalton Highway Improvements	14,000,000

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2	Nome: Snake River Bridge Replacement	10,000,000
3	Parks Highway: Weight Restriction Elimination	15,000,000
4	Seward Highway: Windy Corner Safety	20,000,000
5	Improvements	
6	Steese Highway/Johansen Expressway	15,000,000
7	Area Traffic Improvements	
8	Sterling Highway: Mackey Lake Road to Sterling	11,000,000
9	Rehabilitation	
10	Glenn Highway: MP 181 to 189 Tolsona Lake Road to	13,000,000
11	Richardson Highway Junction Rehabilitate and	
12	Resurface, including Bikeway	
13	Craig-Klawock Highway: Resurfacing of Craig-	4,800,000
14	Klawock Section	
15	Copper River Highway: Mile 38 - 43 Highway Protection	5,100,000
16	Ketchikan: Harriet Hunt Lake to Shelter Cove,	10,000,000
17	Road Construction	
18	Fairview Loop Road Reconstruction	22,000,000
19	Statewide: Emergency Bridge Repair	20,000,000

20 * Sec. 4. The uncodified law of the State of Alaska is amended by adding a new section to
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23 DEVELOPMENT. The amount of \$43,350,000 is appropriated from the 2008 transportation
24 project fund to the Department of Commerce, Community, and Economic Development to be
25 awarded as grants under AS 37.05.315 to recipients for projects as follows:

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28		Port of Anchorage	
29	Municipality of Anchorage	Victor Road - Dimond	14,000,000
30		Boulevard to 100th	
31		Avenue upgrade	

1	City of Wrangell	Heritage Harbor reconstruction	5,000,000
2		phase II	
3	City of Bethel	Road repairs and upgrades	2,500,000
4	Kodiak Island Borough	Road service area	2,500,000
5		rehabilitation and paving	
6	City of Ouzinkie	Dock replacement	2,850,000
7	City of Old Harbor	Dock replacement	4,000,000
8	City of Emmonak	Road improvements	2,500,000

9 * Sec. 5. The uncodified law of the State of Alaska is amended by adding a new section to
 10 read:

11 STATE BOND COMMITTEE. If the issuance of the bonds is ratified by a majority of
 12 the qualified voters of the state who vote on the question, the amount of \$1,575,250 or as
 13 much of that amount as is found necessary is appropriated from the general fund of the state
 14 to the state bond committee to carry out the provisions of this Act and to pay expenses
 15 incident to the sale and issuance of the bonds authorized in this Act. The amounts expended
 16 from the appropriation authorized by this section shall be reimbursed to the general fund from
 17 the proceeds of the sale of the bonds authorized by this Act.

18 * Sec. 6. The uncodified law of the State of Alaska is amended by adding a new section to
 19 read:

20 ADVANCE PLANNING. The amount withdrawn from the public facility planning
 21 fund (AS 35.10.135) for the purpose of advance planning for the capital improvements
 22 financed under this Act shall be reimbursed to the fund from the proceeds of the sale of bonds
 23 authorized by this Act.

24 * Sec. 7. The uncodified law of the State of Alaska is amended by adding a new section to
 25 read:

26 LAPSE; REDEMPTION; REIMBURSEMENT. The unexpended and unobligated
 27 balances of the appropriations made in secs. 3 and 4 of this Act lapse under AS 37.25.020 and
 28 are appropriated to the state bond committee to redeem bonds sold under this Act. The
 29 amounts expended from the general fund to pay the principal, interest, and redemption
 30 premium on bonds issued under this Act shall be reimbursed to the general fund from the
 31 appropriation made under this section to the extent that the money is not needed to redeem the

1 bonds.

2 * Sec. 8. The uncodified law of the State of Alaska is amended by adding a new section to
3 read:

4 BALLOT QUESTION. The question whether the bonds authorized in this Act are to
5 be issued shall be submitted to the qualified voters of the state at the next general election and
6 shall read substantially as follows:

7 PROPOSITION

8 State General Obligation \$315,050,000

9 Transportation Project Bonds

10 Shall the State of Alaska issue its general obligation bonds in
11 the principal amount of not more than \$315,050,000 for the
12 purpose of paying the cost of state transportation projects?

13 Bonds Yes []

14 Bonds No []

15 * Sec. 9. This Act takes effect immediately under AS 01.10.070(c).



THE COMMUNITY OF KETCHIKAN



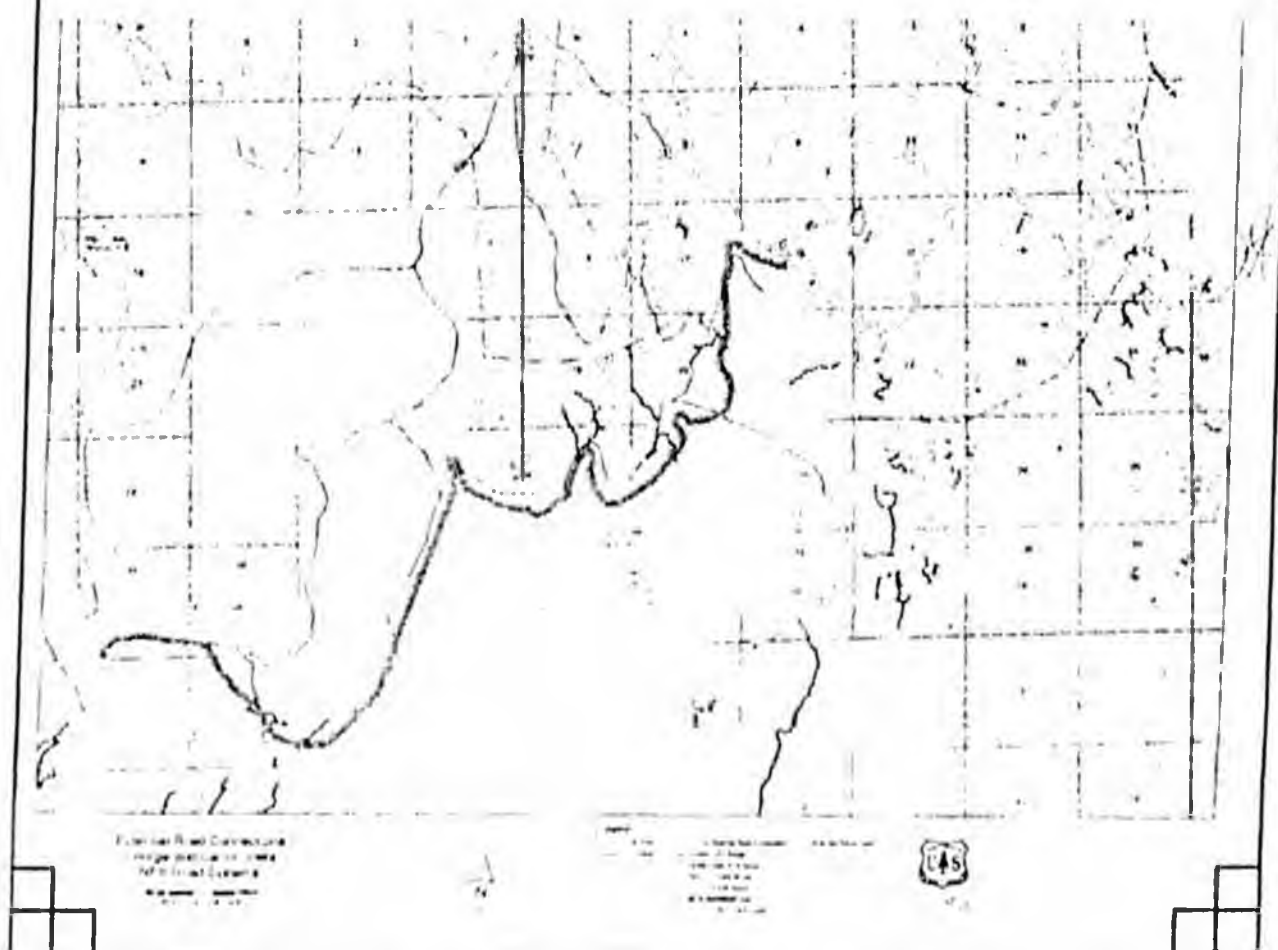
(Continued from page 30)

The CEO for Cape Fox Corporation has recently written a letter of support for this road connection and agrees to provide a public road right-of-way through their private lands.

Project Benefits

The economic benefits include new road access to private, state and Forest Service lands. This access would encourage development on existing and proposed private land lots. It would also reduce the cost to harvest forest products by the local family owned timber companies. Ketchikan residents would have readily available access to firewood and special forest products such as cedar poles. This new access could provide opportunities for local businesses to develop shore excursions for cruise ship passengers. Ketchikan residents could enjoy a long Sunday afternoon drive on a new road system.

It would be difficult to list all the subsistence and recreational benefits from this road connection. There would be many new areas for deer hunting and berry picking. Winter and summer activities would include new opportunities for hiking, camping, fishing and many others.



SARAH PALIN
GOVERNOR

GOVERNOR@GOV.STATE.AK.US



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

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JUNEAU, ALASKA 99811-0001
(907) 465-3500
FAX (907) 465-3532
WWW.GOV.STATE.AK.US

January 15, 2008

The Honorable John Harris
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Harris:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill providing for and relating to the issuance of general obligation bonds for the purpose of paying the cost of state transportation projects.

The state requires a stable transportation construction program. The capital budget addresses many critical transportation needs in Alaska. However, there is much more that needs to be done. Low interest notes provide the opportunity to keep overall spending low, while at the same time utilizing bond receipts to expand and improve our infrastructure. The use of state bond proceeds allows projects to move from design to completion much faster than the lengthy process that federal funding entails.

Safety, congestion, and gas pipeline preparation were the criteria used to identify these priority projects for inclusion in this bond proposal.

Section 1 of the bill adds a new section to the uncodified law of the state authorizing the issuance and sale of state general obligation bonds in the principal amount of not more than \$140 million if ratified by a majority of the qualified voters of the state who vote on the question. The full faith, credit, and resources of the state would be pledged to the payment of the principal of and interest and redemption premium, if any, on the bonds.

Section 2 of the bill adds a new section to the uncodified law of the state establishing the "2008 transportation project fund" if the voters ratify the issuance of the bonds, to which shall be credited the proceeds of the sale of the bonds except for the accrued interest and premiums.

Sections 3 - 5 of the bill add new sections to the uncodified law of the state appropriating from the 2008 transportation project fund the amounts of \$121.1 million to the Department of Transportation and Public Facilities to be allocated to specified

The Honorable John Harris
January 15, 2008
Page 2

to the Department of Transportation and Public Facilities to be allocated to specified road, highway, and bridge projects throughout Alaska; \$10 million to the Department of Commerce, Community, and Economic Development to be awarded as a grant to the Municipality of Anchorage for expansion of the Port of Anchorage; and \$8.9 million to the Department of Natural Resources to be allocated to the South Denali Access Road Design and Construction project.

Section 6 of the bill adds a new section to the uncodified law of the state appropriating from the general fund to the state bond committee \$700,000 or as much of that amount as is found necessary to carry out the provisions of this bill and to pay expenses incident to the sale and issuance of the bonds.

Section 7 of the bill adds a new section to the uncodified law of the state providing that the amount withdrawn from the public facility planning fund (AS 35.10.135) for the purpose of advance planning for the capital improvements financed under this bill shall be reimbursed from the proceeds of the sale of the bonds.

Section 8 of the bill amends the uncodified law of the state to add a new section providing that the unexpended and unobligated balance of the appropriations made in secs. 3 - 5 lapses and is appropriated to the state bond committee to redeem bonds sold under this bill. Further, sec. 8 provides that amounts expended from the general fund to pay the principal, interest, and redemption premium on the bonds shall be reimbursed from this appropriation to the extent that the money is not needed to redeem the bonds.

Section 9 of the bill amends the uncodified law of the state to add a new section directing the submittal to the voters for ratification at the next general election the question of whether the state shall issue its general obligation bonds in the principal amount of not more than \$140 million for the purpose of paying the cost of state transportation projects.

I urge your prompt and favorable action on this measure.

Sincerely,



Sarah Palin
Governor

Enclosure

Changes between HB314 and CSHB314(TRA)

Sec. 1

- Page 1 line 9 (HB 314); the amount of \$140,000,00, changed to \$170,000,000 in CSHB314.

Sec 2

- Page 2 line 10 (HB 314) ; amount of \$121,000,000 was changed to \$151,000,000 in CSHB314 (page 2 line 10)

Sec. 3

- Deleted - Southeast Alaska: pavement rehabilitation \$15M (page 2; line 26 in HB 314)
- Added – Gravina Access \$45M (page 2 line 14 CSHB314)

Sec. 6

- Page 3 line 13 (HB314) the amount of \$700,000 was changed to \$850,00 in CSHB314(page3 line 14)

Sec. 9

- Page 4 line 10(HB 314) \$140,000,000 was changed to \$170,000,000 in CSHB314 (page 4 line 10)

PROJECT TITLE	HD	IMPACT NAME	1008 G/O Bonds
Already in the bill, keep in:			
Municipality of Anchorage - Port of Anchorage Intermodal Expansion Project	50	Anchorage Areawide	\$ 10,000,000
Dalton Highway Improvements	99	Statewide	\$ 14,000,000
Dowling Road: Old Seward Highway to Minnesota Drive	50	Anchorage Areawide	\$ 22,100,000
Kenai Borough Road Projects	90	Kenai Areawide	\$ 8,000,000
Nome: Snake River Bridge Replacement	39	Bering Straits	\$ 10,000,000
Parks Highway Weight Restriction Elimination Program	99	Statewide	\$ 15,000,000
Seward Highway: Windy Corner Safety Improvements	50	Anchorage Areawide	\$ 20,000,000
Sleese Highway / Johansen Expressway Area Traffic Improvements	60	Fairbanks Areawide	\$ 15,000,000
			\$ 114,100,000
Add these projects to the bill (under DOT)			
Sterling Highway, Mackey Lake Road to Sterling Pavement Rehabilitation	90	Kenai Areawide	\$ 11,000,000
Glenn Highway MP181 to 189 Tolsona Road to Richardson Highway Junction Rehabilitate and resurface including bikeway	12	richardson/glenn highway	\$ 13,000,000
Mertarvik: Access road to evacuator center and barge staging area construction	38	Bethel	\$ 3,300,000
Kivalina: community roads protection	40	Arctic	\$ 3,300,000
Craig-Klawock Hollis Highway: Resurfacing of Craig-Klawock Section	5	Cordova/Southeast Is.	\$ 4,800,000
Copper River Highway: Mile 38-43 highway protection	5	Cordova/Southeast Is.	\$ 5,100,000
Ketchikan Gateway Borough: Harriet Hunt Lake to Shelter Cove Road	1	Ketchikan	\$ 10,000,000
Mat-Su: Fairview Loop Road Reconstruction	13-16	Mat-Su Areawide	\$ 22,000,000
Statewide Emergency Bridge Repair	99	Statewide	\$ 20,000,000
			\$ 92,500,000
Grant to Municipality:			
Anchorage: Victor Road-Diamond Boulevard to 100th Avenue-upgrade and trade	50	Anchorage Areawide	\$ 14,000,000
			\$ 14,000,000
Remove from transportation GO bill:			
Gravina Access	1	Ketchikan	\$ 45,000,000
South Denali Access Road Design and Construction	99	Statewide	\$ 8,900,000
Northern Access to University Medical District Study	50	Anchorage Areawide	\$ 2,000,000
		total removed from bill.	\$ 55,900,000
		\$ 114,100,000	remaining in bill
		\$ 92,500,000	add
		\$ 14,000,000	add
		\$ 220,600,000	CS total

Department of Transportation GO Bond Projects

Anchorage: Connect Anchorage - Dowling Rd Old Seward Hwy	\$22,100,000
Anchorage: Connect Anchorage Study - Northern Access to University medical district	\$2,000,000
Dalton Highway Improvements	\$14,000,000
Kenai Borough Road Projects	\$8,000,000
Nome: Snake River Bridge Replacement	\$10,000,000
Parks Highway: Weight Restriction Elimination	\$15,000,000
Seward Highway: Windy Corner Safety Improvements	\$20,000,000
Southeast Alaska :Pavement Rehabilitation	\$15,000,000
Stees Highway/Johansen Expressway Area Traffic Improvements	\$15,000,000
TOTAL	\$121,100,000

Alaska Trucking Association, Inc.

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The authoritative voice of the trucking industry in Alaska

CSHB 314

GO Bonds Bill

House Finance Committee Hearing

1:30 pm, April 4, 2008

Aves D. Thompson, Executive Director

Alaska Trucking Association

Thank you. Mr. Chairman and members of the committee, I am Aves Thompson, Executive Director of the Alaska Trucking Association. Our more than 200 member companies represent all of the diverse trucking operations from Barrow to Ketchikan. In Alaska: trucking employs over 21,000 people - 1 out of 14 civilian workers; trucking pays more than \$928 million in wages annually and consists of several thousand family-owned and corporate trucking businesses (most have fewer than 10 employees).

ATA supports the projects to be funded through this bond issue. Today I want to focus on two specific projects that we believe are critical. The first is the \$14,000,000 Dalton Highway Improvement project. This will fund major improvements to the only surface transportation link to the oilfields on the north slope. Secondly, the Parks Highway is the major freight corridor between the Port of Anchorage and the interior and will play a pivotal role in facilitating gas line construction. The Parks Highway is 364 miles long and we have been working for years to get the entire highway up to a standard that does not require seasonal weight restrictions. At this time, there are less than 50 miles of sub standard road that are restricted which effectively restricts the entire corridor. We support \$15,000,000 for continuing this project.

Improvements to these main routes are essential to maintain current levels of freight movement and to begin to prepare for a gasline project.

While ATA supports the projects in this bill, we take no position on whether these projects should be bonded or included in the capital budget. We feel you are much better qualified to make that decision than we.

Thank you for the opportunity to testify.



If you got it, a truck brought it...

Aves



THE COMMUNITY OF KETCHIKAN



Revillagigedo Island Road Access Harriet Hunt Lake to Shelter Cove Road Connection

FUNDING REQUEST

\$20,000,000

PROJECT SUMMARY:

This 10 mile road connection is presently in the Roads to Resources program of the Alaska Department of Transportation and scheduled to be funded out of the General Fund. This project would link the two existing road systems on Revillagigedo Island, providing Ketchikan residents and visitors access to state, federal and private lands and a Forest Service road system that terminates at Shelter Cove in Carroll Inlet. The community and the borough would realize significant long term economic, subsistence and recreational benefits from this connection. See the enclosed map.

PROJECT HISTORY:

In 2001, the Ketchikan Gateway Borough Assembly passed resolution 1363, which supported this project. They submitted a Forest Highway Proposal application at that time. Unfortunately, the proposed road standard was too costly. Also, portions of the road location would require a right-of-way from Cape Fox Corporation and they were not supportive.

In 2006, Mental Health Trust sold timber from the Leask Lakes parcel near at the head of George Inlet to Alcan Timber Company. They have constructed low standard roads to remove this timber, resulting in additional road segments available for reconstruction and use in this project.

During the Murkowski administration, this road connection was added to the Roads to Resources program and scheduled to be funded out of ADOT's General Fund. It is still in this program, and in summer of 2007, aerial photography and low level radar were flown along the proposed location. Early discussions on rights of way were also initiated.

In 2007, the Forest Service reconditioned and resurfaced the road segments on their ownership that would link this completed road system.

PROJECT PROPOSAL:

- This road connection is proposed to be retained and funded in the Roads to Resources program by the Palin administration.
- The proposed road standard is a 14 foot wide single lane road with turnouts. It would be surfaced with rock and gravel.
- ADOT is proposed to accept the road maintenance of this new road until it reaches the Forest Service boundary. The Forest Service would accept the long term maintenance of the portion of the road on federal lands.

(Continued on page 31)