

HB

329

<target><bill>HB 329</bill><subject>HB
329</subject><comm>HFIN26</comm></target>

ALASKA STATE LEGISLATURE

Interim:
P.O. Box 109
Wrangell, AK 99929
Phone: (907) 874-3088
Fax: (907) 874-3055

Session:
State Capitol, Room 406
Juneau, AK 99801-1182
Phone: (907) 465-3824
1-800-686-3824
Fax: (907) 465-3175

REPRESENTATIVE PEGGY WILSON
HOUSE DISTRICT 2

SPONSOR STATEMENT House Bill 329

“An act relating to the transportation infrastructure fund, to local public transportation, to motor fuel taxes, and to the motor vehicle registration fee; and providing for an effective date.”

HB 329 will define the Alaska Transportation Infrastructure Fund (ATIF), how it will be funded and where the funds will be spent.

In FY10, 87% of our transportation budget came from the federal government. The current federal reauthorization legislation has already expired and is being extended month to month until new legislation can be passed. The new reauthorization bill is unfavorable for states with small populations due to an emphasis on mass transit and green transportation. It favors toll roads and bridges and other transportation that pays for itself.

The roads, bridges, airports, ferries and other transit systems that make up our state's transportation system are essential to mobility, commerce and economic development. These systems increase safety, enhance economic competitiveness, and lead to a better quality of life. To ensure Alaska has the infrastructure necessary to develop our resources as well as improve the living conditions for our citizens we must commit to funding transportation. Having an amount that is guaranteed from year to year will allow Alaska to manage current congestion and maintenance projects as well as develop access to needed resources and energy.

Additionally the use of state funds for construction means we will have greater control and funding will go towards completing projects as opposed to an expensive and lengthy federal process. Anchorage has benefited from the use of state funds and has seen projects such as the Bragraw Intersection and Dowling Street Extension. These projects cost less and were completed earlier than they would have had they been done using the federal process.

HJR 42 will put a constitutional amendment before voters to change the Alaska constitution to allow a dedicated fund for Capital Transportation Projects. With

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REPRESENTATIVE PEGGY WILSON HOUSE DISTRICT 2

passage, HB 329 will define the fund. It will outline how the fund will be managed, how the earnings will be spent and who will decide which projects will be funded each year.

The ATIF will be seeded with a \$1B endowment. In addition to the endowment ATIF will receive the revenue generated from fuel taxes and vehicle registrations. The Department of Revenue will be charged with administering the fund. Six percent of the market value (POMV) of the fund will be available for appropriation each year. ATIF is estimated to generate \$65-70M the first year and then grow by \$5-7M per year after that.

HB 329 will create a panel to evaluate the project submissions. The panel is comprised of eight members, including 4 legislators, 2 from each house that represent a rural and an urban district. The other 4 members of the panel will be the regional directors from DOT/PF and the commissioner or a designee.

Alaska DOT/PF will be required to create a set of criteria to rank the projects. The panel will use these criteria to give each project a numeric score to be used in prioritizing the projects.

The bill defines how the funds shall be appropriated. Not more than

1. 60% of the funds may be used for roads and surface transportation,
2. 13 % may be used for aviation,
3. 12% may be used for the Alaska Marine Highway,
4. 8 % may be used for harbor facilities, state owned marine facilities and for deposit into the municipal harbor facility grant fund,
5. 5% may be used for local community transportation and transit.
6. 2% may be used for trails and bike-paths.

Alaska is geographically the largest state in the country, and the future of the economic and social well being of its citizens is critically dependent on a reliable transportation system. This fund is one of the tools needed to create a modern reliable transportation system.

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**REPRESENTATIVE PEGGY WILSON
HOUSE DISTRICT 2**

CSHB 329 (TRA) Alaska Transportation Infrastructure Fund: Major Changes

- The legislative intent was removed. An appropriation bill has been introduced, HB 356, to appropriate the 1 billion dollar endowment to the fund.
- ATIF Advisory council: There was move from heavy legislative involvement to limited involvement due to separation of powers issues. Also language was added to allow a public voice in the selection process. The public members will be appointed by the Governor.
- Originally all of the available vehicle registration fees and the motor fuel taxes were deposited in the ATIF and only a 6% POMV was appropriated each year. Ver. O deposits all of the revenue into the account and then allows for up to 50% of the revenues to be appropriated each year along with the 6% POMV.
- Originally the percentages of the modes allowable for appropriations added up to 100% of the available funds for appropriation. There were recommendations to provide more flexibility when defining how the appropriations may be distributed between the different modes of transportation. Now the allocations are larger than the 100% to allow for large expenditures on a particular mode if necessary. This will give the Advisory council the flexibility to put larger amounts in different areas and reduce others as needs dictate.
- Tighter definitions of the modes of transportation were added.

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: CSHB 329
() Publish Date: _____

Identifier (file name): CSHB329-FIN-DOA-DMV-04-09-10
Title: "An Act relating to the transportation infrastructure fund ..."
Dept. Affected: Administration
RDU: Division of Motor Vehicles
Component: Motor Vehicles
Sponsor: TRANSPORTATION
Requester: H (FIN)
Component Number: 2348

Expenditures/Revenues (Thousands of Dollars)

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

| | Appropriation Required | Information | | | | | | |
|-------------------------------|---------------------------|-------------|------------|------------|------------|------------|------------|------------|
| | | FY 2011 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 |
| OPERATING EXPENDITURES | | | | | | | | |
| Personal Services | | | | | | | | |
| Travel | | | | | | | | |
| Contractual | | | | | | | | |
| Supplies | | | | | | | | |
| Equipment | | | | | | | | |
| Land & Structures | | | | | | | | |
| Grants & Claims | | | | | | | | |
| Miscellaneous | | | | | | | | |
| TOTAL OPERATING | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | | | |
|-----------------------------|--|--|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | | | |
|-----------------------------|--|--|--|--|--|--|--|--|

| | | | | | | | | |
|-------------------------------|--|--|--|--|--|--|--|--|
| CHANGE IN REVENUES () | | | | | | | | |
|-------------------------------|--|--|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

| | | | | | | | | |
|---------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | | | | | | | | |
| 1003 GF Match | | | | | | | | |
| 1004 GF | | | 500.0 | 1,169.5 | 2,345.9 | 3,601.7 | 4,941.9 | |
| 1005 GF/Program Receipts | | | | | | | | |
| 1037 GF/Mental Health | | | | | | | | |
| 1156 Receipt Supported Services | | | (500.0) | (1,169.5) | (2,345.9) | (3,601.7) | (4,941.9) | |
| TOTAL | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY2010) cost: _____

POSITIONS

| | | | | | | | | |
|-----------|--|--|--|--|--|--|--|--|
| Full-time | | | | | | | | |
| Part-time | | | | | | | | |
| Temporary | | | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

Currently, almost all funding for DMV, both operating and capital, is through Receipt Supported Services. If all revenues listed in HB 329 are transferred into the Transportation Fund, there would be insufficient fees left to fund the entire DMV operating appropriation after FY2010, and none of the capital appropriation. DMV would require general fund revenues to cover the shortfall.

Estimated additional needed for operating: FY2013-\$669.5; FY2014-\$1845.9; FY2015-\$3101.7; FY2016-\$4441.9
Estimated additional needed for capital = \$500.0 annually

Prepared by: Whitney H. Brewster, Director
Division: Motor Vehicles
Approved by: Kevin Brooks, Deputy Commissioner
Department of Administration

Phone 907-269-5574
Date/Time 4/9/10 5:00 PM
Date 4/9/2010

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: CSHB 329
() Publish Date: _____

Identifier (file name): CSHB329-DOT-CO-3-14-10 Dept. Affected: DOT&PF&PF
Title Transportation Fund RDU Administration and Support Service
Component Commissioner's Office
Sponsor H TRA
Requester H FIN Component Number 530

Expenditures/Revenues (Thousands of Dollars)

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

| | Appropriation Required | Information | | | | | | |
|-------------------------------|---------------------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | | FY 2011 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 |
| OPERATING EXPENDITURES | | | | | | | | |
| Personal Services | 92.7 | 0.0 | 92.7 | 92.7 | 92.7 | 92.7 | 92.7 | 92.7 |
| Travel | 51.1 | 0.0 | 25.8 | 25.8 | 25.8 | 25.8 | 25.8 | 25.8 |
| Contractual | 202.5 | 0.0 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Supplies | 2.5 | 0.0 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Equipment | 10.0 | | | | | | | |
| Land & Structures | | | | | | | | |
| Grants & Claims | | | | | | | | |
| Miscellaneous | | | | | | | | |
| TOTAL OPERATING | 358.8 | 0.0 | 123.5 | 123.5 | 123.5 | 123.5 | 123.5 | 123.5 |

| | | | | | | | | |
|-------------------------------|--|--|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | | | |
| CHANGE IN REVENUES () | | | | | | | | |

FUND SOURCE (Thousands of Dollars)

| | | | | | | | | |
|----------------------------|--------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 1002 Federal Receipts | | | | | | | | |
| 1003 GF Match | | | | | | | | |
| 1004 GF | 358.8 | 0.0 | 123.5 | 123.5 | 123.5 | 123.5 | 123.5 | 123.5 |
| 1005 GF/Program Receipts | | | | | | | | |
| 1037 GF/Mental Health | | | | | | | | |
| Other Interagency Receipts | | | | | | | | |
| TOTAL | 358.8 | 0.0 | 123.5 | 123.5 | 123.5 | 123.5 | 123.5 | 123.5 |

Estimate of any current year (FY2010) cost: _____

POSITIONS

| | | | | | | | |
|-----------|-----|--|---|---|---|---|---|
| Full-time | 1.0 | | 1 | 1 | 1 | 1 | 1 |
| Part-time | | | | | | | |
| Temporary | | | | | | | |

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

DOT will develop project evaluation criteria to be used by the Transportation Infrastructure Fund Advisory Council for prioritizing, ranking and selecting projects. DOT&PF proposes creating at least six sets of criteria for the separate modal categories.

The development of criteria will be done by a consultant and then codified into state Administrative Code. The department's cost estimate for these two activities is \$150.0 in contractual for the consultant effort and \$50.0 for the regulation development (contractual, Dept. of Law) and to conduct regulation hearings.

Prepared by: Mary Siroky, Legislative Liaison
Division: Department of Transportation and Public Facilities
Approved by: Frank Richards, Deputy Commissioner
Department of Transportation and Public Facilities

Phone 465-6971
Date/Time 3/14/2010 2:30:00 PM
Date 3/14/2010

FISCAL NOTE

**STATE OF ALASKA
2010 LEGISLATIVE SESSION**

BILL NO. HB 329

ANALYSIS CONTINUATION

2) One FTE (Transportation Planner III) will be responsible for developing the ranking criteria and overseeing the regulation development process, conducting annual project nomination cycles, organizing meetings and information to be used by the Advisory Council in conducting the evaluations, staffing the ranking meetings and being responsible for all necessary record keeping and information analysis and distribution. The staff person will develop handout materials and presentations for legislators and DOT&PF as necessary. This position will assist with project nominations and will prepare the annual report.

Travel costs are identified below and include travel for the 10 advisory council members and a staff person to attend 4 meetings in the 1st year - to develop criteria, regulations and then prioritize projects. Travel in the out years will be for 2 meetings /year for project prioritization. Additional costs (supplies, contractual) are included to cover expenses such as legal notices and outreach to communities and travel to meetings such as Alaska Municipal League or Tribal Transportation forums. Equipment is estimated at \$10.0 in the first year for office furniture and one laptop computer for the new position.

Travel for the Advisory Council and staff was determined as follows:

| Year 1 | # Trips | Cost | Total |
|---|----------------|-------------|-----------------|
| Travel by Planner III to 4 Meetings, | 4 | \$920 | \$3,680 |
| 2 Outreach trips per year by staff | 2 | \$920 | \$1,840 |
| Travel for 12 advisory council members to 4 Meetings | 48 | \$36,800 | <u>\$45,600</u> |
| | | Total All: | \$51,120 |
| Years 2 and Thereafter | | | |
| Staff travel to 2 meetings | 2 | \$920 | \$1,840 |
| 2 Outreach trips for staff/year | 2 | \$920 | \$1,840 |
| Travel for 12 advisory council members 2 Meetings | 24 | \$18,400 | <u>\$22,080</u> |
| | | Total All: | \$25,760 |

Back up for determining travel costs

| | | |
|--------------|--------------|---------------------|
| Airfare | \$500 | Average in-state RT |
| Lodging | \$200 | 2 nights |
| Per Diem | \$120 | 2 full days |
| Ground Trans | <u>\$100</u> | |
| Total | \$920 | |

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: CSHB 329(TRA)
(H) Publish Date: 3/10/10

Identifier (file name): HB329-REV-TRS-2-11-10 Dept. Affected: Revenue
Title: Transportation Infrastructure Fund RDU: Taxation and Treasury
Component: Treasury Division
Sponsor: House Transportation
Requester: House Transportation Committee Component Number: 121

Expenditures/Revenues (Thousands of Dollars)

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

| | Appropriation Required | Information | | | | | | |
|-------------------------------|---------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------|
| | | FY 2011 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 |
| OPERATING EXPENDITURES | | | | | | | | |
| Personal Services | | | | | | | | |
| Travel | | | | | | | | |
| Contractual | 424.0 | 432.5 | 441.0 | 449.5 | 458.0 | 466.0 | 475.0 | |
| Supplies | | | | | | | | |
| Equipment | | | | | | | | |
| Land & Structures | | | | | | | | |
| Grants & Claims | | | | | | | | |
| Miscellaneous | | | | | | | | |
| TOTAL OPERATING | 424.0 | 432.5 | 441.0 | 449.5 | 458.0 | 466.0 | 475.0 | |

| | | | | | | | |
|-----------------------------|--|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | | |
|-----------------------------|--|--|--|--|--|--|--|

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|-------------------------------|--|--|--|--|--|--|--|
| CHANGE IN REVENUES () | | | | | | | |
|-------------------------------|--|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

| | FY 2011 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 1002 Federal Receipts | | | | | | | |
| 1003 GF Match | | | | | | | |
| 1004 GF | | | | | | | |
| 1005 GF/Program Receipts | | | | | | | |
| 1037 GF/Mental Health | | | | | | | |
| New Transportation Infrastructure fund | 424.0 | 432.5 | 441.0 | 449.5 | 458.0 | 466.0 | 475.0 |
| TOTAL | 424.0 | 432.5 | 441.0 | 449.5 | 458.0 | 466.0 | 475.0 |

Estimate of any current year (FY2010) cost: _____

POSITIONS

| | FY 2011 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 |
|-----------|---------|---------|---------|---------|---------|---------|---------|
| Full-time | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Part-time | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Temporary | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

ANALYSIS: (Attach a separate page if necessary)

House Bill 329 provides for a separate endowment fund to be set up in the amount of \$1 billion initially to be managed by the Commissioner of Revenue. It is anticipated the fund will grow by fuel tax receipts of approximately \$40 million per year. The fund would be managed with an the asset allocation of 55% Fixed Income, 45% Equity with asset allocations to be determined annually in order to achieve a six percent annual real rate of return over time. The costs include investment management fees, audit, accounting and custody fees. These costs are projected based on median market returns based on Callan and Associates capital market assumptions.

The balance of the fund does not reflect appropriations that would reduce the amount of the fund.

Prepared by: Pamela Leary, Comptroller and Jerry Burnett, Deputy Commissioner Phone 465-2300
Division: Treasury Division Date/Time 2-11-10; 12:36pm
Approved by: Ginger Blaisdell, Director Date 2-11-10; 12:40pm
Administrative Services Division

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION DIVISION OF MOTOR VEHICLES

Sean Parnell, GOVERNOR
Annette Kreitzer, Commissioner

Whitney Brewster, Director
1300 W. Benson Blvd.
Anchorage, AK 99503
(907) 269-5559

April 6, 2010

Representative Bill Stoltze
State Capitol Room 515
Juneau AK, 99801

Dear Representative Stoltze:

I am writing you regarding HB 329 – Transportation Infrastructure Fund (TIF) – sponsored by Representative Peggy Wilson, which has been scheduled for a hearing in House Finance on Saturday, April 10. Conceptually, the Division of Motor Vehicles (DMV) does not have an objection to this bill, however, it does have serious concerns with vehicle registration fees being utilized for the Fund and its impact on DMV operations.

Currently, almost all DMV appropriations, including capital, are funded via Receipt Supported Services. The division generates approximately \$64.4 million in revenue annually of which \$37.4 million would be transferred to the TIF under HB 329 and \$12 million is collected on behalf of other entities. This leaves approximately \$14.9 million in remaining fees available for DMV operations. If, in addition to the \$14.9 million in DMV fees, only 3% of TIF appropriation is available to assist in funding DMV operations as is specified in the bill, there would be insufficient revenues to fund the entire DMV operating appropriation (see table below), and none for any capital appropriations. The DMV would likely be put in the position of requesting supplemental funding for known costs from the Legislature.

| FY | DMV Funding from TIF | | DMV fees available to fund operations ¹ | Total Available for DMV operations | Estimated DMV Operating Costs ³ | Excess / (Shortfall) |
|------|--|----------------------|--|------------------------------------|--|----------------------|
| | Estimated TIF Appropriation ² | 3% available for DMV | | | | |
| 2012 | \$ 92,957.0 | \$ 2,788.7 | \$ 14,907.1 | \$ 17,695.8 | \$ 17,263.2 | \$ 432.7 |
| 2013 | 94,198.6 | 2,826.0 | 14,907.1 | 17,733.1 | 18,402.5 | (669.5) |
| 2014 | 95,468.9 | 2,864.1 | 14,907.1 | 17,771.2 | 19,617.1 | (1,845.9) |
| 2015 | 96,768.7 | 2,903.1 | 14,907.1 | 17,810.2 | 20,911.8 | (3,101.7) |
| 2016 | 98,099.0 | 2,943.0 | 14,907.1 | 17,850.1 | 22,292.0 | (4,441.9) |
| 2017 | 113,313.8 | 3,399.4 | 14,907.1 | 18,306.5 | 23,763.3 | (5,456.8) |

¹ \$64,356 less \$12,000 collected for other agencies less \$37,416 collected for TIF

² From the schedule provided by Rep. Peggy Wilson

³ Assuming 3% growth, based on estimates in DMV's 10-year plan

Please note that this concern was brought to the attention of Representative Wilson as well as the House Transportation committee. In an effort to not hold the bill up, it was decided that this specific concern would be forwarded to the House Finance committee for possible resolution.

Representative Bill Stoltze

April 6, 2010

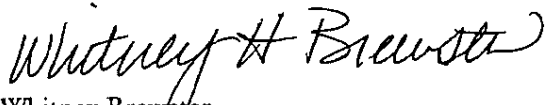
Page 2

The DMV does not want to jeopardize its ability to collect the revenue that is being contemplated for the TIF, nor its ability to carry out its statutory obligations. I suggest that the cost of funding the DMV be completely paid out of the revenue it collects, with the remainder of the funds going to the TIF. The bill language in section 4 could be modified to read:

(g) The Department of Administration shall separately account for and deposit into the special transportation fund registration fees collected under this section in excess of those required for DMV operating and capital appropriations.

If you have any questions or would like to discuss this issue in greater depth, please feel free to contact me at 269-5574.

Sincerely,



Whitney Brewster
Director

cc: Representative Mike Hawker, Co-Chairman
Representative Bill Thomas, Vice-Chairman
Representative Alan Austerman
Representative Mike Doogan
Representative Anna Fairclough
Representative Neal Foster
Representative Les Gara
Representative Reggie Joule
Representative Mike Kelly
Representative Woodie Salmon
Representative Peggy Wilson
Commissioner Annette Kreitzer
Jerry Gallagher, Governor's Legislative Office

RECEIVED

MAR 12 2010

Anton K. Johansen
1887 Arctic Loon Circle
Fairbanks, AK 99709
March 9, 2010

Representative Peggy Wilson
State Capitol, Room 406
Juneau, Alaska 99801-1182

Reference: House Bill No. 329

Dear Representative Wilson:

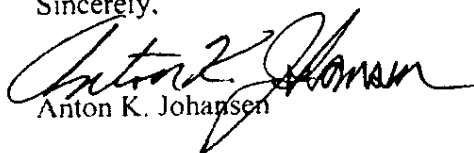
As a life long Alaskan whose exposure to Alaska's transportation system began as I accompanied my father on visits to Alaska Road Commission maintenance camps in the 1950's, I am a strong supporter of Alaska's transportation system. Today I am writing to you in support of House Bill No. 329.

To date Alaska has depended almost entirely on the generosity of the Federal government for its transportation infrastructure. The current Federal deficit and Alaska's surpluses demand that Alaskan's begin to assume a larger role in paying for their transportation system. House Bill No. 329 provides a funding mechanism that allows us to assume our responsibilities. This reliable funding stream enables the Department of Transportation and Public Facilities (DOT) to develop the long range plans necessary to plan, design and construct multi-year projects.

I do have two concerns with this legislation. The first concerns the distribution of the revenue. I believe that this money should be spent where the revenue is generated. Highway tax dollars should be spent on surface transportation. Aviation tax dollars spent on aviation and marine tax dollars spent on port and harbors. I realize that this leaves nothing for the Marine Highway System; however, this system already receives a generous level of funding in the operating budget. My second concern is with the make up of the Transportation Infrastructure Fund Advisory Council. The proposed council provides no continuity between elections. With one election all of these individuals could be replaced. I believe that a council of community leaders and transportation professionals whose appointment process and terms of service were similar to the University of Alaska Board of Regents could better serve the needs of the State.

Thank you very much for recognizing the need for this legislation and more importantly for acting to create the Transportation Infrastructure Fund. I applaud your efforts.

Sincerely,


Anton K. Johansen

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Rebecca Rooney

From: Ellen.Green@CH2M.com
Sent: Tuesday, March 09, 2010 11:20 AM
To: Rep. Peggy Wilson
Subject: HB329

Representative Wilson,

I am emailing to offer input on the HB329 Transportation Infrastructure Fund. I am a believer in such funds as an additional source of revenue for our transportation infrastructure needs. This bill seems to be occurring at the same time questions arise about what to do with the state portion of our fuel taxes. I like the idea of keeping this relatively minor portion of our overall fuel cost and pointing these funds toward infrastructure. It seems to be a way to offset projected state revenue reductions from oil and expected reductions from national transportation funds. I think we should take care of ourselves to a higher extent (save a little face in the national arena) and a program of doing so should alleviate the annual challenges legislature faces - both in terms of funding and allocation and in terms of the workload you bear in a short 90 days. A dedicated fund would seem easier than the competition for general funds.

On another note, we have some major infrastructure shortcomings that cannot be met when the majority of funds of late go to a few mammoth projects. There are many areas statewide falling short when it comes to transportation needs and in Anchorage projects intended to solve multiple problems are being rescoped to answer only a part of the overall problem because of a lack of funding. As an engineer working primarily in the transportation field, I see projects dropped, rescoped, and deferred while a disproportionate amount of money goes to projects that baffle me.

Thank you for 'listening' to my opinion...and thanks for your service.

Ellen Green
8471 Foxlair Circle
Anchorage, AK 99507

907-240-2839

2

Rebecca Rooney

From: Sean Fitzpatrick [sfitzp@hotmail.com]
Sent: Monday, March 08, 2010 10:29 AM
To: Rep. Peggy Wilson
Cc: john@agcak.org
Subject: Transportation Fund

Rep. Wilson,

Please be aware of the substantial support for the transportation fund and the supporting legislation that is being heard today. This is critical to the health of the economy of Alaska and Alaskans.

Sean Fitzpatrick
KL Pacific Construction, Inc.
(907) 694-0300
(907) 694-0340 fax
(907) 632-9399 mobile

Rebecca Rooney

From: Miller, Mike [Mike.Miller@gcinc.com]
Sent: Tuesday, March 09, 2010 10:59 AM
To: Rep. Peggy Wilson; Rep. Craig Johnson; Rep. Kyle Johansen; Rep. Cathy Munoz; Rep. Tammie Wilson; Rep. Max Gruenberg; Rep. Pete Petersen
Subject: Support HB 329

Transportation Committee Representatives:

Please support HB 329 !!

- Alaska has become masters at spending someone else's money. Someone else (Congress) is waking up to that fact.
- Safety –LU expired last September 30th
- The Highway Trust Fund is down to Zero and with increased fuel economy, the price of fuel people everywhere are driving less, therefore paying fewer taxes into the Highway Trust Fund.
- The Permanent Fund looms large in Congress's thoughts. Our Donee status will be lost with the next Federal Transportation Bill

This bill will provide jobs to perform the work and pay economic dividends for years after.

Mike

Michael D. Miller
Business Development Manager
Granite Construction Company
Alaska Region
11471 Lang Street
Anchorage, AK 99515
907.344.2593
907.344.1562 fax
mike.miller@gcinc.com
907.229.7838 cell
907.267.5273 direct

Rebecca Rooney

From: Colleen.Soberay@CH2M.com
Sent: Tuesday, March 09, 2010 11:10 AM
To: Rep. Peggy Wilson
Cc: Rebecca Rooney
Subject: HB 329
Attachments: HB 329 March 9 Letter.pdf

Dear Representative Wilson,

My name is Colleen Soberay. My district is 26, M.

Though I don't reside in your district, I am writing to you as part of the legislative body that works on behalf of all of Alaska, to request support of HB 329. As you know, this Bill will allow for a new funding mechanism for statewide transportation needs. I believe HB 329 will augment funding needs while allowing the State better control of projects. Federal funds are needed, but also come with stringent requirements that significantly delay completion of projects.

Times have changed. Funding has changed. Needs and funding gaps continue to increase. Alaska prides itself on being doers and being an owner state. It is time Alaska gets creative and proactive with government funding initiatives. HB 329 represents proactive government.

I trust that the legislature will finalize this bill that provides details of the fund, control of the fund, and appropriations of the fund.

It is time to be forward thinking, providing for current needs while preparing for future needs. Alaska cannot continue on a path of not providing for its transportation infrastructure needs. A dedicated transportation fund would allow Alaskans to continue enjoying a tax free state, while allowing alternative and creative mechanisms to fund transportation infrastructure. Everyone knows federal transportation dollars for Alaska are on a path to decline.

Transportation investment has been studied and proven to be an economic driver. Consider that 81 percent of daily traffic in Alaska occurs on 37 percent of lane miles (source: FHWA, 2008 Highway Statistics). This 37 percent of roadway is made up of state roads – not just in Anchorage, but our highways – built by and maintained by Alaska DOT. This also represents significant economic flurry – workers traveling, deliveries made, products moved to and from local businesses. Studies have shown that transportation systems can hinder or help local economies. A transportation fund is not about DOT. It is about the big picture. It is about all of Alaska and its economy. It is about jobs and productivity well beyond DOT. DOT has 3,400 employees compared to 71,759 transportation industry jobs across Alaska.

Supporting HB 329 shows support well beyond an individual district. Please continue to support this Bill and work with your legislative team to gain broad support of an Alaska Transportation Infrastructure Fund.

I respectfully request that you support HB 329.

Sincerely,

Rebecca Rooney

From: Lance Mearig [lmeairig@uskh.com]
Sent: Tuesday, March 09, 2010 10:53 AM
Subject: Please support HB 329 creating the Alaska Transportation Infrastructure Fund

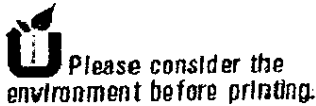
Honorable Members of the House Transportation Committee:

I encourage your support of this bill. I believe that it is imprudent for Alaska to continue relying heavily on the federal government for transportation infrastructure funding. Improving the infrastructure of this great state is critical to our continued development and the ability of private businesses like USKH Inc. to provide attractive, well-paying, highly technical jobs that will keep young Alaskans enthused about our future. Regards,

D. Lance Mearig, P.E.
Vice President



2515 A St.
Anchorage, AK 99503
t: 907.276.4245
f: 907.258.4653
www.uskh.com



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17950 E Purser Pl
Palmer, AK 99645
February 13, 2010

Representative Peggy Wilson
State Capitol Room 406
Juneau AK, 99801

Re: Department of Transportation and Public Facilities

Subject: Create a Transportation Commission to manage DOT/PF

Dear Representative Peggy Wilson:

I compliment you on your service to Alaskans. It was my honor to speak to you and other members of the House Transportation Committee as Regional Materials Engineer during lunch break when you toured the Central Region Material Lab, thank you for the card of thanks you sent to us, it was appreciated.

However at this time, I must offer my thoughts as an Alaskan after being informed of recent newspaper articles (Juneau Empire & Anchorage Daily News) that cite "lack of understanding", "lack of transparency", "least responsive", and "sovereign Nation of DOT" in regard to the DOT/PF's relationship of the Legislature.

I request as an Alaskan that you create **legislation that establishes a Transportation Commission** to govern DOT/PF and not by just the Governor's appointees. This as has been done with the Alaska Railroad and has worked very well. The Commission would be comprised of representatives of the Legislature, Governor's office, AGC, Truckers Association, etc. This would offer the following:

- **Stability of mission** of the department can maintained noting the Knowles administration was trying to condemn private property in Anchorage for bike trails and pave gravel roads, the Murkowski administration focused on fast ferries, 3 "bridges to no where" and a road out of Juneau, the Palin / Parnell administration is looking at using a hover craft for an airport shuttle at Akutan, fix the ruts, highway to highway bypass in Anchorage. The point is it seems that the Department's mission rapidly changes and it may or may not comply with the wishes of the Legislature. These changes ineffective use monies previously spent. A Transportation Commission with accomplish efficiency, legislative involvement, and provide the transparency desired.
- The **internal management** can be greatly improved within DOT/PF as exemplified by the Alaskan Railroad. The General Manager is a railroad professional answerable to the Board, the Alaska Railroad has not requested annual funding of the Legislature to the best of my knowledge. The internal management within DOT/PF was regionalized under Gov.

Hickel where each region accomplished their mission with minimal oversight from Juneau. Then Gov. Knowles centralized the Department's management it where all decisions were made in Juneau by Headquarters and all personnel functions were transferred to Dept of Admin. Then Gov. Murkowski changed DOT/PF management to be partial Headquarters and partial Regional. During the current administration, management has remained thus, but it is not how a viable business can operate efficiently.

- Then a **management team** could be built whereby **authority could be delegated and accountability would be required** of every supervisor in DOT/PF as in any business. I use myself, a Regional Materials Engineer as an example; under Gov. Hickel I could **authorize travel** for my staff to work on projects in our region, since the Knowles Administration centralized authority and up to the present, I cannot approve travel. **Procurement authority** is another example, the State Lab that I supervise has expenses are about \$1million annually, my purchasing authority level is \$2000, for a \$2001purchase I have to apply this for approval from the Admin Clerk of the Regional Preconstruction Engineer, the Preconstruction Engineer has authority for approval for procurement amounts higher than this. All functions at my level would be best managed by approval of annual or project budgets as the Legislature and business does. I worked 30 years in private industry as a project manager for construction companies and for Anchorage Sand & Gravel as operations manager, served in the Army during the Viet Nam war, and from this perspective I sadly state that I would never "run" DOT/PF as it currently operates. For this reason I am writing this letter to you requesting legislated organizational changes.
- A Transportation Commission could better address and interact with the **federal government on issues and regulations** such as;
 - a. DEC assessed environmental penalties to DOT projects and subsequent agreements that will be ongoing, the impact on project due to environmental rules which seem to interpreted differently within the DOT/PF and other agencies.
 - b. An integrated management structure could be accomplished of the required functions: Government Accounting Standards Board (GASB34) / Asset Management / Pavement Management / Maintenance Management (I recommend that you contact Kate Girard, Commissioner of RCA, 263-2110, kate.giard@alaska.gov, she handled the GASB34 effort for Anchorage very well). I have attached information on GASB34 for your information.
 - c. FHWA and FAA agency interaction and funding would be given a stable response from the DOT/PF as decisions would have continuum through successive administrations.
 - d. Would more effective interact with Alaska's Congressional delegation on transportation issues.

- A Transportation Commission would be more likely to be given dedicated revenues to manage such as the related taxes and other assets noted in GASB34.
- An **integrated information systems and technology system** could be implemented quickly under a transportation commission as opposed to the current dysfunctional interaction that exists within the Department i.e. Statewide and regional factions especially as Geographical Information Systems (GIS), Global Positioning Systems (GPS), and electronic document management systems. Gov. Parnell's budget has money for Information Systems and Technology for DOT/PF but it will not accomplish the above. Will Alaskans be better informed by this component of the Department's budget?

As an Alaskan, I would support dedicating funds to a Transportation Commission. I support responsible, transparent, efficient government.

Again thank you for your service and leadership,
Sincerely,
Newton Bingham

Rebecca Rooney

From: Sam Robert Brice [SamRobert@briceinc.com]
Sent: Monday, March 08, 2010 10:12 AM
To: Rep. Peggy Wilson
Cc: John MacKinnon
Subject: HB 329 Dedicated Transportation Fund - Support

Dear Representative Wilson:

I am writing as a strong supporter of HB 329 that would create a dedicated State Transportation Fund. I wrote the below article in the Fall of 2008 as AGC of Alaska outlining why I felt a dedicated State Transportation Fund was important to the State of Alaska. Please let me know if I can provide any further information.

Thank you,
Sam Robert Brice
Fairbanks, AK
907.978.3000

Our responsibility

By Sam Robert Brice

Investment in construction projects is a major driver of the Alaska economy. According to the 2008 Construction Spending Forecast compiled by the Institute of Social and Economic Research at the University of Alaska Anchorage, "Construction is the third largest industry in the state, pays the state's second highest wages, employs nearly 22,000 workers with a payroll over \$1 billion, accounts for 20 percent of Alaska's economy and currently contributes more than \$7 billion to the state's economy." These investments boost the economy while the construction is going on and provide economic benefits for years after.

But the majority of our highway, airport, harbor and rural infrastructure projects in Alaska rely solely on year-to-year budgets of federal funding programs and / or earmarks. We all know the black eye Alaska has received over the past few years for "the bridge to nowhere" and other infamous earmarks that led Congress to earmark reform. Alaska has one of the lowest state gas taxes in the nation and in the recent past has received more than \$6 for every \$1 paid into the highway trust fund from federal gas tax. We are one of a handful of states that does not have our own state funded transportation program. Combine this with our permanent fund savings account and the fact that residents are paid to live here, you can start to feel the ill-will headed our direction, spelling out reduced federal transportation funding for our state. We have a backlog of nearly \$400 million worth of infrastructure projects that have been designed and are sitting on the "shelf" awaiting funding.

Additionally, there are more than \$1 billion worth of projects along the Alaska, Richardson and Dalton Highway corridors alone in order to be prepared for the gas pipeline construction traffic loads. A recent article in the Anchorage Daily News titled "Infrastructure delays threaten pipeline, coordinator says...one thing that could kill the project is under the state's control - needed infrastructure upgrades, said Drue Pearce, who heads the Office of the Federal Coordinator for Alaska Natural Gas Transportation Projects."

It is precisely because of these facts that the top legislative priority for the AGC of Alaska is a State-Funded Transportation Program. Gov. Sarah Palin proposed a \$1 billion appropriation for a sustained transportation funding program that did not move forward last year, but she is still strongly in support of a State Transportation Program as per the Fall 2008 article in this magazine in which she wrote:

"My administration's proposal for a sustained transportation fund is the right idea at the right time. It would add a new, certain source of funding for needs we know will continue long into the future."

This fall, voters showed their support for Alaska transportation projects by overwhelmingly passing the \$315 million statewide general obligation bond issue. This is a step in the right direction.

Outside of Alaska, people don't understand the commitment the federal government made 50 years ago when Alaska was granted statehood. Alaska came into the Union without a transportation infrastructure system, but with great promise of natural resources and a strategic location. It was understood at that time the magnitude of investment that would be required to connect our great state. What better way for Alaska to show how important these continuing needs are than by paying a defined yearly portion of our way forward.

If indeed our infrastructure needs might be "the straw that breaks the camel's back" for the proposed gas pipeline, wouldn't a dedicated state-funded transportation program that could spur additional matching funds be worth the cost? The Obama administration's planned infrastructure investment package could be part of this opportunity and is an example of why time is of the essence for a state funding initiative.

Alaska is at a critical juncture in its history. We have the opportunity in front of us to by-pass the economic hardship much of our nation is feeling today and possibly help to lead our nation's recovery with the continued environmentally sound development of our vast resources. Our state slogan "North to the Future" has never been more appropriate than it is today after 50 years of statehood. It is up to us to ensure it remains so. A state funded transportation plan is a small initiative in the right direction for our future.



Bill Allen
City Manager

City of Palmer
231 W. Evergreen Ave
Palmer, AK 99645-6652
Phone (907) 745-3271
Direct (907) 781-1317
Fax (907) 745-0930
ballen@palmerak.org
www.cityofpalmer.org

City of Palmer

March 9, 2010

The Honorable Peggy Wilson
Representative, District 2
State Capitol Room 406
Juneau AK, 99801
Via Fax: 907-465-3175

Re: Support for HB 329

Dear Representative Wilson:

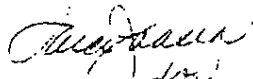
Please inform the House Transportation Committee of my support for HB 329, Alaska Transportation Infrastructure Fund, during today's hearing. In light of the diminishing level of funding we anticipate receiving from the Federal Highway Trust Fund, through this bill the Alaska Legislature can proactively develop a long-term transportation financing program.

The economic future of Alaska and its communities is highly dependent upon a quality, cost effective transportation system. Alaska's transportation system has fallen far behind the needs of Alaska for cost effective transportation which allows economic growth and the safe cost effective movement of people, goods and services.

Transportation investment has been studied and proven to be an economic driver. HB 329 is about jobs and productivity. This bill includes all modes of transportation thereby serving all of Alaska, including impact to transportation related industries. Additionally, local governments may apply for dollars through this Transportation Infrastructure Fund which will encourage local economic development and local participation in funding transportation projects.

I encourage the House Transportation Committee to act favorably on H.B. 329 to provide this important long-term financing tool for transportation infrastructure improvements to the state and all of its communities

Best regards,


B.B. Allen

LEGISLATIVE RESEARCH UNIT

PATRICK D. O'GRADY, EXECUTIVE DIRECTOR

April 20, 2009

ROAD FUNDS FOR NON-ROAD USES

asked us on your behalf about other states that use some motor fuel tax revenues to fund non-road transportation, such as public transit. He said that Maryland has a "transportation fund" that supports public transit as well as roads, and asked whether other states have similar funds. He also asked whether any other state has a fund called "Transportation Fund" rather than "Road Fund." Most of the states listed below call their main fund supported by motor fuel tax revenues and vehicle license fees a "Transportation Trust Fund" or a similar name.

We contacted the Maryland Department of Transportation to ask about funds of other states that are similar to its Transportation Trust Fund. Its chief financial officer provided a report done in 2004 by the Maryland Department of Legislative Services that identifies nine states with transportation funds similar to Maryland's: Connecticut, Delaware, Florida, Louisiana, Pennsylvania, Tennessee, Vermont, Virginia, and Wisconsin. The report said those states and Maryland had "multi-modal transportation funds"—defined as funds supporting multiple transportation modes, including highways, mass transit facilities, ports, airports, and/or state police departments. The report also identified California and New Jersey as states funding public transit from motor fuel tax revenues. Alaska prohibits dedicated-purpose funds. The other 37 states have transportation funds primarily for roads—although some provide public transit funding at lower levels than in the states with multi-modal transportation funds.¹

We describe below multi-modal transportation funds in the 10 states identified in the Maryland report. We also used a Federal Highway Administration publication² to find five other states that appear to provide significant public transit funding from motor fuel tax revenues. Some other states provide funds for public transit, but generally in small amounts.

LRU

States With Multi-Modal Transportation Funds

Connecticut

The Special Transportation Fund was established in 1984 as a dedicated fund for the state's transportation system and its Department of Transportation operating costs. Its primary revenue source is the motor fuel tax, but it also receives proceeds of motor vehicle fees and miscellaneous income. In fiscal year 2002 (the last year for which the Department of Transportation published a report on the Fund) some revenues from the Fund were used to operate two passenger rail services, 15 urban bus services, and five rural bus services, and to support Dial-A-Ride services. The Fund provided over \$1.7 billion for transit projects in fiscal years 1985 through 2002.³

Delaware

The Transportation Trust Fund is used to finance roads, highways, and other transportation facilities⁴—including airports, turnpikes, ports, bridges, tunnels, subways, or parking facilities, and all equipment, machinery, buildings, and land needed to provide transportation services.⁵

Florida

At least 15% of all state revenues to the State Transportation Trust Fund must be used for public transportation projects, including seaports, airports, and public transit systems.⁶ At least 10% of fuel sales tax receipts deposited into the Fund must be used for public transit and rail capital projects unless otherwise provided by law.⁷

Louisiana

The state Constitution says that funds in the Transportation Trust Fund are to be used first for debt service and then for roads and bridges, the Statewide Flood Control Program, ports, airports, transit, traffic control purposes of the state police, and the Parish Transportation Fund. At least 1¢ per gallon of the state tax on gasoline and diesel fuels must be appropriated to the Parish Transportation Fund⁸ and distributed to parishes (similar to counties) for costs of public transit, including transit operating expenses and buying rolling stock.⁹

Maryland

Maryland's Transportation Trust Fund receives revenues from motor fuel taxes; motor vehicle registration, title, license, and other fees; some corporate income tax revenues; some transit operating revenues, such as fares and airport fees; bond proceeds; and federal aid. Most such revenues are distributed to the Department of Transportation to go to counties and municipalities.¹⁰ All of those entities may use the funds to finance "transportation facilities"¹¹—defined as airports, highways, ports, railroads, bridges, tunnels, subways, rolling stock, stations, terminals, parking areas, equipment, buildings, and other property or services related to rendering transit service.¹² The Department of Transportation provides funds to various state transportation agencies, including the Highway Administration, Transit Administration, Port Administration, Aviation Administration, and Motor Vehicle Administration.¹³

Pennsylvania

The state's Motor License Fund, supported mainly by fuel tax revenues and vehicle fees, provides most state transportation funding. It funds highway and bridge improvements, airports, Department of Transportation administrative expenses, State Police highway patrol operations, and aid to local governments for transportation projects. General Fund appropriations subsidize mass transit and rail freight transport.¹⁴

Tennessee

Most motor vehicle fees and fuel taxes go to the Highway Fund.¹⁵ About 10% of its revenues are used for waterways, airports, railroads, public transit, and bicycle and pedestrian areas.¹⁶ Each year \$3 million is appropriated from the Fund for mass transit projects.¹⁷

Vermont

The Transportation Fund receives motor fuel tax proceeds, vehicle fees, revenues from the sales tax on aviation jet fuel, receipts from pilot and aircraft license fees, and miscellaneous sources.¹⁸ Money appropriated from the Fund to the Vermont Agency of Transportation must be used for building and maintaining state highways, railroads, and airports; aid to municipalities for highways and bridges; general administration of the Agency; debt service on highway bonds; operating the public transit system, railroads, and airports; and Department of Motor Vehicles operations.¹⁹ Three-eighths of 1¢ per gallon of the gasoline tax is used for conservation and maintenance of natural resources.²⁰

Virginia

There are two main transportation funds: the Highway Maintenance Operating Fund (HMOF) and the Transportation Trust Fund (TTF). Both receive some proceeds of the state gasoline tax, vehicle sales and use tax, and vehicle registration fee. The TTF also receives 0.5% of state sales tax proceeds.²¹

The HMOF is the primary source of state funding for road maintenance and operations. The TTF is the primary source of state and federal funds for highway construction, mass transit, airports, and seaports. Funds in the TTF are used for highways (78.7%),²² mass transit (14.7%), ports (4.2%), and aviation (2.4%).²²

Wisconsin

The Transportation Fund may be appropriated for purposes including planning, construction, maintenance, and operation of highway, airport, harbor, ferry, railroad, bicycle, or pedestrian facilities or services; aid to local governments for transportation purposes; state enforcement of traffic laws; Department of Transportation administrative costs; and tourism marketing services.²³

Almost half of the Fund goes for highway construction and maintenance. About one-third is distributed to local governments to help with maintaining and improving roads, public transit systems, railways, harbors, airports, and bicycle and pedestrian facilities. The remainder helps finance operations of the Department of Transportation, Department of Motor Vehicles, and State Police.²⁴

Other Funds for Transportation in Five States

California

The Public Transportation Account (a part of the State Transportation Fund) is available only by appropriation for transportation planning and mass transportation purposes.²⁵ The Account receives a portion of revenues from the state sales tax on motor fuel.²⁶ Funds are used for bus and passenger rail services; funding public transit capital improvement projects in the state transportation improvement program; public transportation research; and support of some state agencies and local transportation planning agencies.²⁷

All state funds that are available for capital improvement transportation projects must be divided between projects administered by the state (25%) and those administered by regional authorities (75%). Of the state-administered funds, 60% must be dedicated to highways outside urban areas and to

intercity rail improvements; at least 15% of that 60% (9% of the state-administered funds) must go to intercity rail. The state-administered funds must be used for transportation projects for moving people and goods, including state highways, intercity passenger rail, mass transit projects, and grade separation projects. Locally administered funds are allocated among counties, and may be used for state highways, local roads, public transit, intercity rail, pedestrian and bicycle roads, and other projects to improve transportation in a region.²⁸

Michigan

The Michigan Transportation Fund receives most motor fuel and vehicle taxes. One-tenth of the Fund's income each year (plus some general sales tax receipts²⁹) goes to the Comprehensive Transportation Fund.³⁰ The Comprehensive Transportation Fund must be used, after payments for debt service and administrative costs, for grants to local governments or transportation authorities for public transportation projects.³¹ Each year, at least 10% of these funds must be distributed for intercity passenger and freight transportation purposes.³²

New Jersey

The state Constitution says the Transportation Trust Fund is to be used for costs of planning, acquisition, engineering, construction, repair, and rehabilitation of the state's "transportation system."³³ The Fund receives revenues from motor fuel taxes, vehicle registration fees, and part of the state sales tax. Funds for capital projects are allocated among the Department of Transportation; NJ Transit (the state's public transportation corporation); and local governments.³⁴

New York

New York finances public transit mainly from two funds dedicated for that purpose:

The Dedicated Mass Transportation Trust Fund is to be appropriated for mass transit facilities, vehicles, and rolling stock; debt service or operating expenses for mass transit operating agencies; rail projects; and helping small and minority- or women-owned businesses in transportation construction projects.³⁵ It is funded mainly by a portion of the petroleum business tax.³⁶

The Mass Transportation Operating Assistance Fund provides funding for transit system operations. It is supported mainly by a portion of the petroleum business tax, and a corporation tax and sales tax imposed in the Metropolitan Transportation Authority region.³⁷

Rhode Island

All motor fuel tax proceeds go to the Intermodal Surface Transportation Fund. The Rhode Island Public Transit Authority receives 7.25¢ (about 25%) of the tax on every gallon of motor fuel sold in the state, and the Department of Transportation gets 20.75¢.³⁸ The law does not specify the uses for these funds. But another law charges the Department of Transportation with preparing plans and implementation programs for transportation; for port and waterway facilities if the principal purpose is transportation and management of port properties, warehouses, and state piers used primarily as transportation facilities; and for maintaining an adequate level of rail passenger and freight service.³⁹ In 2007, the Department of Transportation provided funds for commuter rail services and bicycle and pedestrian areas.⁴⁰

We hope this information is helpful. Please let us know if you need anything further.

Sincerely,



Sarah E. Franklin
Senior Research Associate

SEF:ag

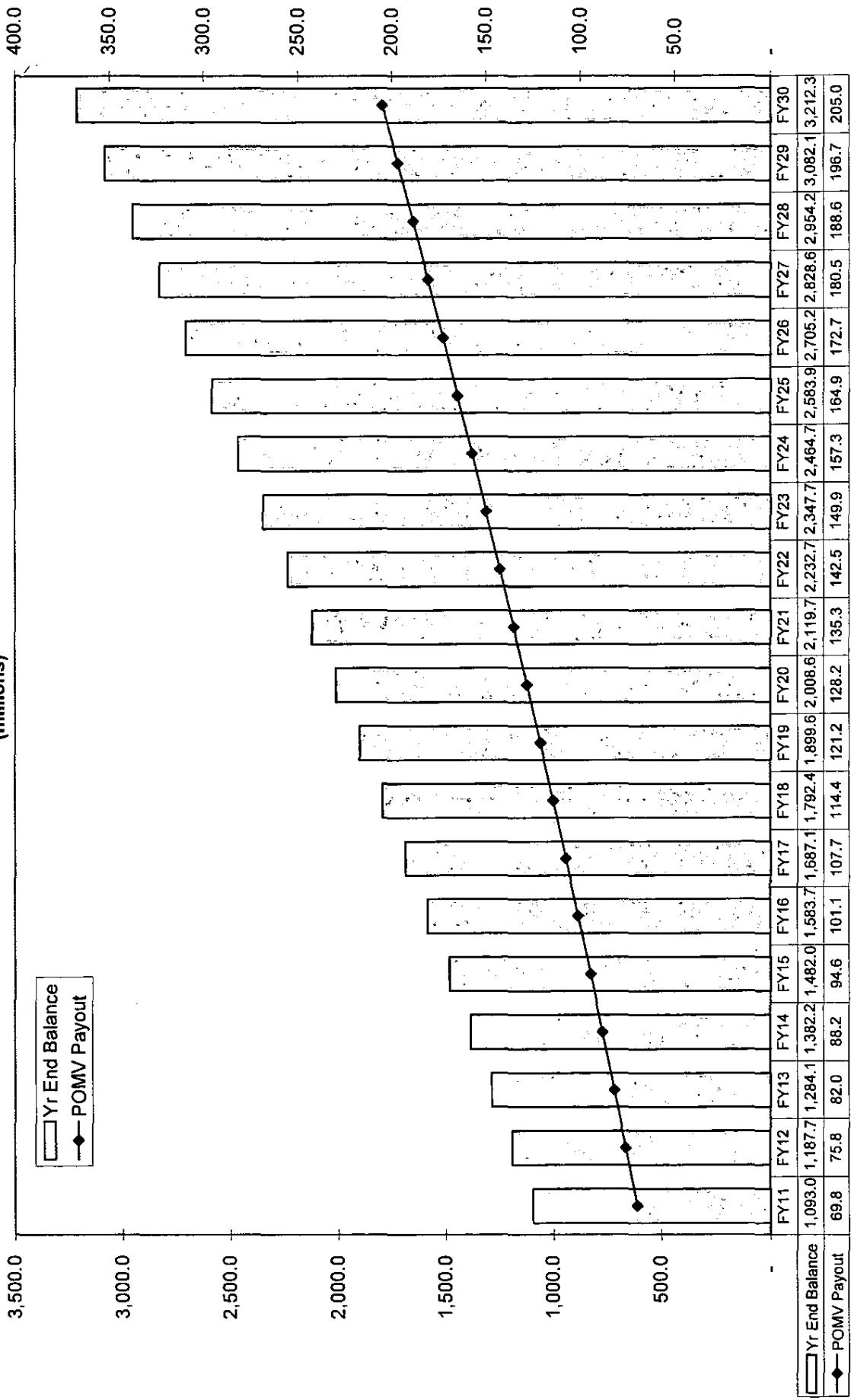
Notes

1. Maryland Department of Legislative Services, *Maryland Department of Transportation Fiscal 2005 Budget Overview*, "Transportation Funding Among the 50 States" (provided by Dave Fleming, Chief Financial Officer, Maryland Department of Transportation and also available on Maryland General Assembly Internet site).
2. U.S. Department of Transportation, Federal Highway Administration, *Highway Taxes and Fees 2008*, Table MF-106 (downloaded from Federal Highway Administration Internet site).
3. Connecticut Department of Transportation, "State Funding: Special Transportation Fund" (FY 2002, downloaded from Connecticut Department of Transportation Internet site).
4. Del. Code, tit. 30, sec. 5119.
5. Del. Code, tit. 2, subsec. 1303(u).
6. Fla. Stat., subsec. 206.46(3).
7. Fla. Stat., sec. 206.606.
8. La. Const., Art. 7, sec. 27.
9. La. Rev. Stat., sec. 48:753.
10. Maryland Department of Transportation, "Transportation Trust Fund" (downloaded March 30, 2009 from Maryland Department of Transportation Internet site).

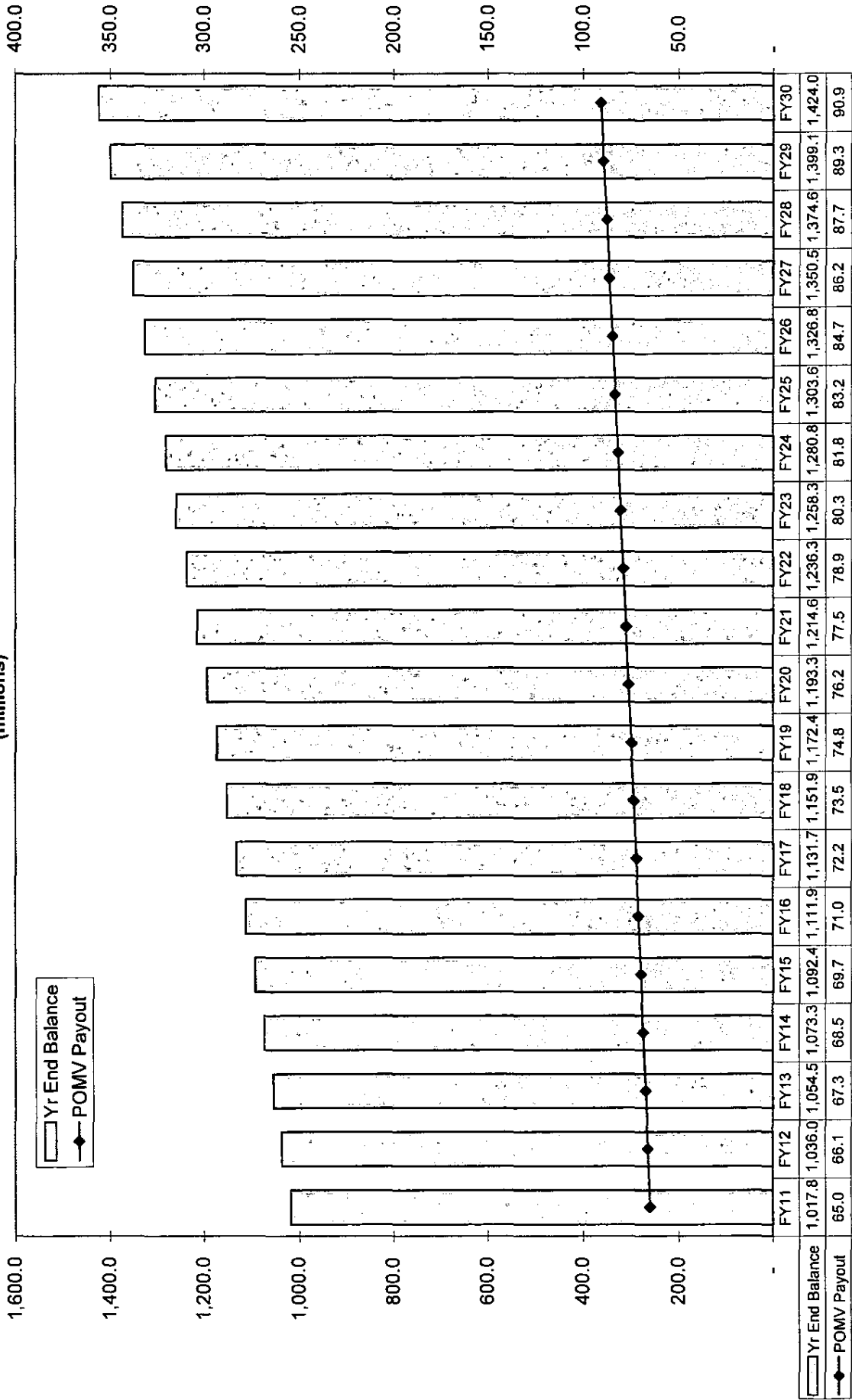
11. Md. Transp. Code, secs. 3-202 and 8-408.
12. Md. Transp. Code, subsecs. 3-101(k) and (l).
13. Maryland Department of Transportation, "Transportation Trust Fund."
14. Pennsylvania Department of Transportation, "Transportation Financing" (downloaded April 1, 2009 from Pennsylvania Department of Transportation Internet site).
15. Tenn. Code, secs. 55-6-107, 67-3-901, and 67-3-905.
16. Tennessee Department of Transportation, "2005-2006 Biennial Report" (downloaded from Tennessee Department of Transportation Internet site).
17. Tenn. Code, subsec. 67-3-901(f)(1)(B).
18. Vt. Stat., tit. 19, sec. 11.
19. Vt. Stat., tit. 19, sec. 12.
20. Vt. Stat., tit. 23, subsec. 3106(d).
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22. Va. Code, sec. 33.1-23.03:2.
23. Wis. Stat., subsec. 25.40(3).
24. Wisconsin Department of Transportation, "Transportation finance issues: How is transportation money spent?" (rev. Oct. 31, 2007, downloaded from Wisconsin Department of Transportation Internet site).
25. Cal. Pub. Util. Code, sec. 99310.5.
26. Cal. Rev. & Tax. Code, sec. 7102.
27. Cal. Pub. Util. Code, secs. 99312 and 99315.
28. Cal. Sts. & High. Code, secs. 163 and 164; California Department of Transportation, "Transportation Funding in California" (2008, downloaded from California Department of Transportation Internet site).
29. Mich. Comp. Laws, subsec. 205.75(4)(a).
30. Mich. Comp. Laws, subsec. 247.660(1)(f).
31. Mich. Comp. Laws, sec. 247.660d.
32. Mich. Comp. Laws, subsec. 247.660e(4)(b).
33. N.J. Const., Art. 8, sec. 2, par. 4.
34. New Jersey Transportation Trust Fund Authority, "NJDOT/NJ Transit Capital Program" (rev. Feb. 27, 2008, downloaded from New Jersey Transportation Trust Fund Authority Internet site).
35. N.Y. State Fin. Law, sec. 89-c.
36. New York Department of Transportation, "Public Transportation Bureau—State Transit Operating Assistance" (downloaded April 2, 2009 from New York Department of Transportation Internet site).
37. N.Y. St. Fin. Law, sec. 88-a; New York Department of Transportation, "Public Transportation Bureau—State Transit Operating Assistance."
38. R.I. Gen. Laws, subsec. 31-36-20(a).

39. R.I. Gen. Laws, subsec. 42-13-1(a).
40. Rhode Island Department of Transportation, "2007 Annual Report" (downloaded from Rhode Island Department of Transportation Internet site).

Transportation Fund
Scenario - 8.28% IR; 6% POMV, \$80/yr new revenue to fund
(millions)



Transportation Fund
Scenario - 8.28% IR; 6% POMV
 (millions)





**Marine Transportation
Advisory Board**

RECEIVED

MAR 26 2010

Alaska Department of Transportation and Public Facilities
P.O. Box 112500 • Juneau, AK 99811-2500

Mike Korsmo
Chair
Skagway
Marine Captain not affiliated
with AMHS

March 19, 2010

Shirley Marquardt
Vice Chair
Unalaska
Southwest AK, Aleutian Chain

The Honorable Peggy Wilson
Alaska State Legislature
State Capitol, Room 406
Juneau, AK 99801-1182

Cathie Roemmich
Juneau
At-Large

Dear Representative Wilson:

Clay Koplín
Cordova
Prince William Sound

The Marine Transportation Advisory Board (MTAB) would like to lend support to HB 329. This legislation would help improve the transportation infrastructure throughout the State of Alaska.

Seth Church
Fairbanks
At-Large

The MTAB is a citizen advisory board established by executive order in 2002 and put into statute in 2008. The board advises the administration on marine transportation issues, particularly those related to the Alaska Marine Highway.

Vacant
Ketchikan
Southern Southeast

Mark Eliason
Anchorage
Travel & Tourism

HB 329, which establishes a transportation infrastructure fund for the State of Alaska, will help us move forward in developing our transportation needs in the face of shrinking federal dollars. We must continue to develop our transportation infrastructure if we want Alaska to grow and prosper. It is also important that the state maintains the infrastructure in place. We would encourage this legislation to include language that allows us to sustain our current infrastructure.

Gerry Hope
Sitka
Central Southeast

Patrick Owen
Juneau
Union

The MTAB is encouraged by the recent changes made to the legislation that allows for members of the public who represent various modes of transportation to be part of the fund advisory council. We hope that consideration will be given to an MTAB board member being a part of this advisory group to lend advice on marine transportation infrastructure.

Maxine Thompson
Angoon
Hoonah, Kake, Pelican and
Tenakee

Robert Venables
Haines
Northern Southeast

SWAMC RESOLUTION 09-02

A RESOLUTION OF THE SOUTHWEST ALASKA MUNICIPAL CONFERENCE URGING THE GOVERNOR AND THE ALASKA LEGISLATURE TO CAPITALIZE STABLE LONG-TERM TRANSPORTATION FUNDING FOR ALASKA

WHEREAS, Alaska's transportation system has fallen far behind the needs of Alaska for cost effective transportation which allows economic growth and the safe cost effective movement of people, goods, and services; and

WHEREAS, the Alaska Highway System, the Alaska Marine Highway System, Alaska Airports, Alaska ports and harbors, and Alaska's local roads all need several years of significant funding for infrastructure improvement, upgrade and expansion; and

WHEREAS, the general appropriation process has resulted in significant underfunding of transportation infrastructure; and

WHEREAS, the Federal Highway Trust Fund is experiencing significant shortfalls, further contributing to a decrease in transportation funding for Alaska; and

WHEREAS, the economic future of Alaska is highly dependent upon a quality, cost effective transportation system; and

WHEREAS, the development of Alaska transportation infrastructure is dependent upon a steady and reliable stream of revenue; and

WHEREAS, the development of an energy policy that works for Alaska requires a quality transportation system in order to be successful; and

WHEREAS, estimates of annual funding needs for transportation infrastructure improvements, upgrades, and expansions exceed \$300 million per year; and

WHEREAS, the State of Alaska is in a position to proactively develop a long-term transportation financing program.

-MORE-

NOW, THEREFORE BE IT RESOLVED that the Southwest Alaska Municipal Conference urges the Governor and the Alaska Legislature to establish a Transportation Trust Fund for Alaska or other suitable and sustainable funding mechanisms that generate at least \$300 million annually to accomplish the following purposes:

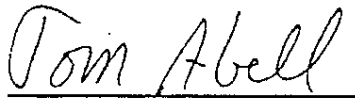
- Generate investment earnings to develop transportation infrastructure in Alaska.
- Improve, upgrade and expand State of Alaska roads and highways.
- Improve, upgrade and expand the Alaska Marine Highway System.
- Improve, upgrade and expand the airports in Alaska.
- Improve and expand Alaska's ports and harbors.
- Provide regular funding to Alaska's communities to improve, upgrade and expand local roads built to local road standards.

AND, BE IT FURTHER RESOLVED that not less than 15-percent of the total funding will be allocated to each of the five programs each year (roads and highways; Alaska Marine Highway System; airports; ports and harbors; public transit and local roads).

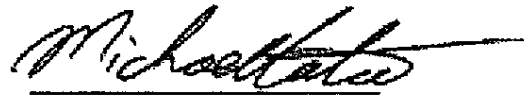
PASSED AND ADOPTED by a duly constituted quorum of the Southwest Alaska Municipal Conference Membership this Thirtieth day of January, 2009.

Signed:

Attest:



Tom Abell
President



Michael Catsi
Executive Director