

HJR

4

<TARGET><BILL>HJR 4</BILL><SUBJECT>HJR
4</SUBJECT><COMM>HJUD27</COMM></TARGET>



Alaska State Legislature

Representative Peggy Wilson
House District 2

MEMORANDUM

Date: March 11, 2011

To: Representative Carl Gatto, Chair
House Judiciary Committee

From: Representative Peggy Wilson *QW*

Re: HJR 4 - Constitutional Amendment: Transportation Fund



I would like to request the House Judiciary Committee schedule a hearing on HJR4.

HJR 4 will put a constitutional amendment before voters to change the Alaska constitution to allow a dedicated fund for Capital Transportation Projects.

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 change to the State Constitution, allowing a dedicated transportation fund, is needed to create and maintain a modern, reliable transportation system for Alaska.

Thank you for your consideration.

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 Joint Resolution 4

“Proposing amendments to the constitution of the State of Alaska creating a transportation infrastructure fund”

HJR 4 will put a constitutional amendment before voters to amend the Alaska constitution to reinstate a dedicated fund for Transportation Projects.

The crafters of the constitution allowed for 3 dedicated funds at the time of statehood. They realized that some funds would be needed no matter the economic or political climate. Transportation, one for land and one for sea, were two of the funds that predated the constitution. They lasted for several years until they were eliminated. HJR 4 will reinstate a transportation fund.

In FY10, 87% of our transportation budget came from the federal government. There have been several major deposits to the Federal Highway Fund to keep the expired federal transportation reauthorization program going. After 2 years we are still operating under the old reauthorization guidelines. All indicators show that the new reauthorization bill will be 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 or that can be supported with a public private partnership. Our own DC delegation have told the legislature that Alaska needs to rely less on the federal government and start shouldering some of the burden of improving our transportation infrastructure.

The roads, bridges, airports, ferries and transit systems that make up our state's transportation system are essential to mobility, commerce and economic development. This system enhances economic competitiveness, increases safety and enhances quality of life. There is a growing imbalance between system use and capacity as well as the need for new infrastructure to access our valuable resources. To insure Alaska has the infrastructure necessary to develop our resources as well as providing a quality of life for our citizens we must commit to funding transportation. Having a dependable revenue stream from year to year will allow Alaska to tackle today's congestion and maintenance projects as well as developing the needed access to resources and energy.

Version I has removed one of the revenue streams, airport leases and airspace leases, because federal grants requirements state that the revenue from those leases be used directly on the airports they were collected from.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number _____
Bill Version HJR 4
() Publish Date _____

Identifier (file name): HJR4-DOR-TRS-3-18-11 Dept. Affected Revenue
Title Transportation Infrastructure Fund Appropriation Taxation and Treasury
Allocation Treasury Division
Sponsor Representative Peggy Wilson
Requester House Transportation Committee OMB Component Number 121

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
		FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
OPERATING EXPENDITURES							
Personal Services				233.0	238.0	242.0	246.0
Travel							
Services				215.0	220.0	224.0	227.0
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	448.0	458.0	466.0	473.0

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

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
1178 Temporary Code				448.0	458.0	466.0	473.0
TOTAL	0.0	0.0	0.0	448.0	458.0	466.0	473.0

Estimate of any current year (FY2011) cost _____

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

initial version

Prepared by Pamela Leary, Comptroller and Jerry Burnett, Deputy Commissioner
Division Treasury Division
Approved by Ginger Blaisdell, Director of Administrative Services
Department of Revenue

Phone 907-465-2350
Date/Time 3/18/11; 2:39pm
Date 3/18/11; 3:43pm

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HJR 4

Analysis

This resolution provides for a Transportation Infrastructure Fund which is assumed to be established in the amount of \$1 billion with additional recurring funding from state fuel taxes, registration and driver's license fees, identification card fees, studded tire taxes, state airport lease and space fees, and other designated fees and funds. It is anticipated the fund will be managed with an asset allocation of 38% fixed income, 10% international equity, and 52% domestic equity. Costs of the fund include investment management fees, audit, accounting and custody fees and are projected based on the assumptions provided by the division's investment advisor and the division's cost allocation plan.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number _____
 Bill Version HJR 4
 () Publish Date _____

Identifier (file name) HJR004-OOG-DOE-2-11-11 Dept. Affected Office of the Governor
 Title Constitutional amendment related to creating a Appropriation Elections
 transportation infrastructure fund Allocation Elections
 Sponsor Representatives P. Wilson, Thompson, Fairclough, Costello
 Requester House Transportation Committee OMB Component Number 21

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2012	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services			1.5					
Commodities								
Capital Outlay								
Grants								
Miscellaneous								
TOTAL OPERATING	0.0	0.0	1.5	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES								
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CHANGE IN REVENUES								
---------------------------	--	--	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF			1.5					
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other (please identify)								
TOTAL	0.0	0.0	1.5	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2011) cost _____

POSITIONS

Full-time								
Part-time								
Temporary								

Why this fiscal note differs from previous version (if initial version, please note as such)

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

Phone 465-2644
 Date/Time 2/11/2011, 4:08pm
 Date 2/11/2011

FISCAL NOTE

**STATE OF ALASKA
2011 LEGISLATIVE SESSION**

BILL NO. HJR 4

Passage of this resolution would require the constitutional amendment to appear on the 2012 general election ballot. The cost of providing information about the constitutional amendment 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.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

February 25, 2011

SUBJECT: Effect of federal laws regarding aviation fuel tax changes in CSHB 30() (Work Order No. 27-LS0198\D)

TO: Representative Peggy Wilson
Attn: Becky Rooney

FROM: Brian J. Kane **BJK**
Legislative Counsel

You have asked the following regarding CSHB 30(): Is there a problem with sec. 7 of the bill placing a portion of the aviation fuel tax into the transportation infrastructure fund in that it violates 49 U.S.C. 47133?

The pertinent part of sec. 7 of the bill reads as follows:

All other proceeds of the taxes on aviation fuel shall be paid into the transportation infrastructure fund established in art. IX, sec. 18, Constitution of the State of Alaska [A SPECIAL AVIATION FUEL TAX ACCOUNT IN THE STATE GENERAL FUND. THE LEGISLATURE MAY APPROPRIATE FUNDS FROM THIS ACCOUNT FOR AVIATION FACILITIES].

The concern that has been brought to your attention involves a federal statute dealing with aviation fuel, 49 U.S.C. 47133, which, in part, reads as follows:

- (a) Prohibition. - Local taxes on aviation fuel (except taxes in effect on December 30, 1987) or the revenues generated by an airport that is the subject of Federal assistance may not be expended for any purpose other than the capital or operating costs of -
- (1) the airport;
 - (2) the local airport system; or
 - (3) any other local facility that is owned or operated by the person or entity that owns or operates the airport that is directly and substantially related to the air transportation of passengers or property.

The state tax on aviation fuel was in place well before December 30, 1987, so it would seem that the state aviation tax is exempted from the requirements of this federal statute. Thus, the money can be used in any manner the state chooses, not just on airport-related

Representative Peggy Wilson
February 25, 2011
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projects. Under the current AS 43.40.010(e), money in the special aviation fuel tax account *may* be appropriated by the legislature for aviation facilities. Thus, even in current statute there is no requirement for the money to be spent on airport-related projects. The change being made in sec. 7 of the bill is simply replacing the "special aviation fuel tax account" with the transportation infrastructure fund as the place where the tax revenue will be deposited.

If I may be of further assistance, please advise.

BJK:ljw
11-138.ljw

ATIF With Payout Rate of 6%

HB30 Calculation of balances for the Transportation Infrastructure Fund assuming \$1 billion starting appropriation.

DRAFT at March 25, 2011

(in 000's)

		Balance to generate earnings	Earnings	Revenue	Value Based Appropriation	Admin Expenses	DMV expenses	Ending bal	Mgt fees	50% of Revenue Appropriation	Total Appropriation
Year 0	July 1, 2013			1,000,000				1,000,000			
Year 1	FY 2014	1,040,282	62,417	80,564		(328)	(13,000)	1,129,653	(452)		
Year 2	FY 2015	1,169,483	70,169	80,564	(62,945)	(109)	(5,000)	1,171,598	(469)	40,282	103,227
Year 3	FY 2016	1,211,411	72,685	80,564	(66,621)	(109)	(5,000)	1,212,367	(485)	40,282	106,903
Year 4	FY 2017	1,252,164	75,130	80,564	(68,661)	(109)	(5,000)	1,253,524	(501)	40,282	108,943
Year 5	FY 2018	1,293,305	77,598	80,564	(70,299)	(109)	(5,000)	1,295,495	(518)	40,282	110,581
Year 6	FY 2019	1,335,259	80,116	80,564	(71,785)	(109)	(5,000)	1,338,481	(535)	40,282	112,067
Year 7	FY 2020	1,378,228	82,694	80,564	(74,291)	(109)	(5,000)	1,381,522	(553)	40,282	114,573
Year 8	FY 2021	1,421,251	85,275	80,564	(76,810)	(109)	(5,000)	1,424,608	(570)	40,282	117,092
Year 9	FY 2022	1,464,320	87,859	80,564	(79,357)	(109)	(5,000)	1,467,714	(587)	40,282	119,639
Year 10	FY 2023	1,507,409	90,445	80,564	(81,927)	(109)	(5,000)	1,510,817	(604)	40,282	122,209
Year 11	FY 2024	1,550,495	93,030	80,564	(84,511)	(109)	(5,000)	1,553,905	(622)	40,282	124,793
Year 12	FY 2025	1,593,566	95,614	80,564	(87,096)	(109)	(5,000)	1,596,975	(639)	40,282	127,378
Year 13	FY 2026	1,636,618	98,197	80,564	(89,681)	(109)	(5,000)	1,640,025	(656)	40,282	129,963
Year 14	FY 2027	1,679,651	100,779	80,564	(92,266)	(109)	(5,000)	1,683,055	(673)	40,282	132,548
Year 15	FY 2028	1,722,664	103,360	80,564	(94,851)	(109)	(5,000)	1,726,064	(690)	40,282	135,133
Year 16	FY 2029	1,765,656	105,939	80,564	(97,434)	(109)	(5,000)	1,769,053	(708)	40,282	137,716
Year 17	FY 2030	1,808,627	108,518	80,564	(100,015)	(109)	(5,000)	1,812,021	(725)	40,282	140,297
Year 18	FY 2031	1,851,578	111,095	80,564	(102,596)	(109)	(5,000)	1,854,968	(742)	40,282	142,878
Year 19	FY 2032	1,894,508	113,670	80,564	(105,175)	(109)	(5,000)	1,897,895	(759)	40,282	145,457
Year 20	FY 2033	1,937,418	116,245	80,564	(107,753)	(109)	(5,000)	1,940,801	(776)	40,282	148,035

Assumptions:

50% of Revenues are available for appropriation every year

Earnings real rate of return= 6.00%

Payout rate 6.00%

Revenue estimates are based on average estimates provided in the Fall Revenue Sources Book (which may not be 100% available) as follows:

	Avg Rev	% per HB329	Available
Studded Tire Tax	414	100%	414
Vehicle Registration, Drivers license, ID card fees	37,900	100%	37,900
Vehicle Rental Tax	7,500	50%	3,750
Motor Fuel Tax	38,500	100%	38,500
Airport Lease Fees	0	40%	0
	84,314		80,564

Management fees are based on ending MV balance

First 5 yrs appropriations are average of previous years

Administrative expenses are based on DOT Fiscal note HB329-DOT-CO-2-9-10

DMV expenses are based on DOA Fiscal note HB329-DOA-DMV-02-24-10

**MATANUSKA-SUSITNA BOROUGH
TRANSPORTATION ADVISORY BOARD
RESOLUTION SERIAL NO. 11-06**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH TRANSPORTATION ADVISORY BOARD SUPPORTING HOUSE JOINT RESOLUTION 4, A CONSTITUTIONAL AMENDMENT TO REINSTATE A TRANSPORTATION INFRASTRUCTURE FUND; SENATE BILL 37, HOUSE BILL 30 AND 31, THE CREATION AND FUNDING OF AN ALASKA STATE TRANSPORTATION INFRASTRUCTURE FUND.

WHEREAS, The roads, bridges, airports, ferries and transit systems that make up our state's transportation system are essential to mobility, commerce and economic development; and

WHEREAS, These systems increase safety, enhance economic competitiveness, and lead to a better quality of life; and

WHEREAS, 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; and

WHEREAS, Having a dependable revenue stream from year to year will allow Alaska to manage current congestion and maintenance projects as well as develop access to needed resources and energy; and

WHEREAS, The use of state funds for construction means we will have greater control and funding will go towards completing projects as opposed to the expensive and lengthy federal process; and

WHEREAS, The Matanuska-Susitna Borough has benefited from the use of state funds and has seen projects such as the Bogard Road Extension, Machen Road, and Museum Drive Extensions get done faster

and cheaper than they would have using the federal guidelines; and

WHEREAS, In FY10, 87 percent of Alaska's transportation budget came from the federal government; and

WHEREAS, There have been several major deposits to the Federal Highway Fund to keep the expired federal transportation reauthorization program afloat; and

WHEREAS, After two years we are still operating under the old reauthorization guidelines; and

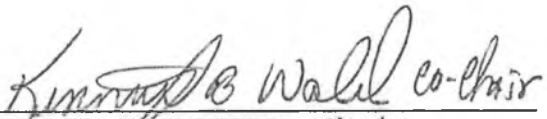
WHEREAS, All indicators show that the new reauthorization bill will be unfavorable for states with small populations such as Alaska due to an emphasis on mass transit and green transportation; and

WHEREAS, Alaska's own Washington D.C. delegation have told the legislature that Alaska needs to rely less on the federal government and start shouldering some of the burden of improving our transportation infrastructure; and

NOW, THEREFORE, BE IT RESOLVED, that the Matanuska-Susitna Borough Transportation Advisory Board supports HJR 4 which will place a constitutional amendment before voters to change the Alaska Constitution to reinstate a dedicated fund for Transportation Projects.

BE IT FURTHER RESOLVED, that the Matanuska-Susitna Borough Transportation Advisory Board supports SB 37, HB 30 and HB 31 creating and funding a State of Alaska Transportation Infrastructure Fund.

ADOPTED by the Matanuska-Susitna Borough Transportation
Advisory Board this 23rd day of February, 2011.


MICHAEL CAMPFIELD, Chair

ATTEST:


MARY BRODIGAN, CLERK

February 9, 2011

The Honorable Peggy Wilson
Alaska State House
State Capitol Room 408
Juneau, AK 99801

Dear Representative Wilson:

The undersigned business associations, working together under the banner of the Business Advocacy Committee, represent hundreds of firms and tens of thousands of employees from every major industry in Alaska. Our organizations share a common vision for Alaska's future – one in which a thriving private-sector economy creates good jobs for Alaskans and attractive economic opportunities for investors. State government, focused on the right issues, can help make this vision a reality.

Our organizations have identified five priority areas to be dealt with during this legislative session. Progress on each of these priorities will make Alaska a better place for business by encouraging private-sector investment and job creation. We urge you and your colleagues to address these issues.

OIL TAX REFORM

Taxes on the oil industry account for nearly nine out of every ten dollars in revenue the state collects. While current oil prices are exceedingly high relative to historic standards, North Slope oil production is only one-third the level of its peak. Alaska's taxation policy should encourage more investment to reverse this dramatic, continuing production decline. We support meaningful reform of Alaska's oil production tax system that reduces the state's tax burden on all Alaska oil and gas exploration and development activities and encourages increased production.

REGULATIONS

The Alaska Coastal Zone Management Program (ACMP) is due to sunset in 2011. We are comfortable renewing the program in its current form. *However, we oppose any changes to the ACMP that diminish the program's ability to provide concise, streamlined, and predictable permitting in Alaska's coastal zone.*

LITIGATION REFORM

Alaska's resource industries are ongoing targets of anti-development groups utilizing the court system and the state and federal appeals processes to stop and delay responsible resource development. Other businesses, local governments and community development projects can also be subject to frivolous lawsuits. Meanwhile, state agencies are forced to spend inordinate amounts of staff and financial resources dealing with third-party lawsuits at the expense of their mission to serve the public at-large. *We support efforts to bring more accountability to the appeals and litigation processes for community and resource development projects.*

FISCAL RESPONSIBILITY

Unrestricted general fund spending within the state's operating budget has increased from \$3.1 billion in fiscal year 2006 to \$4.8 billion in fiscal year 2011. We do not believe such spending growth is sustainable especially in light of the continuing decline in North Slope oil production. The Legislature and Governor must do more to control growth in the operating budget. *We recommend the Legislature*

hold unrestricted general fund spending in the operating budget to \$3.5 billion – a level of spending equal to fiscal year 2010. With regard to the capital budget, we encourage the state to focus on strategic investments that help generate new private sector investment.

STRATEGIC TRANSPORTATION INFRASTRUCTURE

There is strong agreement the long-term economic benefits derived from investment in Alaska's transportation infrastructure far exceed the cost of the initial investment. Considering the vastness of Alaska, the state's current transportation infrastructure is inadequate and requires continued planning, upgrades, and expenditures to assure Alaska citizens are provided with essential services. *We support a state funded transportation program that is adequately and predictably funded, provides continuity between succeeding administrations, and addresses all modes of transportation.*

Working together we can improve Alaska's business climate. We request an opportunity to meet with you to discuss these matters in more detail. A representative from the Business Advocacy Committee will be in touch with your office to schedule a meeting.

Sincerely,

Steve Borell, Executive Director
Alaska Miners Association

John MacKinnon, Executive Director
Associated General Contractors – Alaska

Marilyn Crockett, Executive Director
Alaska Oil and Gas Association

Mike Satre, Executive Director
Council of Alaska Producers

Rachael Petro, President & CEO
Alaska State Chamber of Commerce

Scott Hawkins, President
Prosperity Alaska

Rebecca Logan, General Manager
Alaska Support Industry Alliance

Jason Brune, Executive Director
Resource Development Council for Alaska, Inc.

Aves Thompson, Executive Director
Alaska Trucking Association

ALASKA MUNICIPAL LEAGUE 2011 STATEWIDE PRIORITIES

- **REVENUE SHARING:**

We recommend the Governor include in his budget recommendation, a one-time COLA to Revenue Sharing, based on the cumulative Anchorage CPI for 2007 through 2010, with appropriation of said funds.

- **UNFUNDED MANDATES:**

We believe that any state or federal legislation, or rule, that requires an implementation or operation cost, shall be fully funded by the implementing agency. This includes "optional" exemptions handed down to local governments that will diminish the local tax base.

- **ENERGY:**

We believe the Legislature must aggressively facilitate affordable energy for all Alaskans through:

1. The support of oil and gas, as it remains the primary source of energy for most of Alaska;
2. The encouragement of connectivity between communities, as well as incentives for energy project funding;
3. An actual time certain process that selects and prioritizes projects;
4. Full funding of the PCE (Power Cost Equalization) Endowment fund through joint congressional and state appropriations;

- **PERS:**

We support a sustainable salary base to pay off the PERS unfunded obligations. AS 39.35.625, and any other similar statutes or regulations that require termination studies, should be repealed. Simply following AS 39.35.255(a)(2), amended with inflation adjustment language, will provide a more efficient, cost effective and equitable method of ensuring that the required PERS salary base is maintained.

- **TRANSPORTATION:**

We believe the Legislature should implement:

1. The dedication of funds for the Alaska Transportation Infrastructure Fund;
2. A matching grant component for acquiring federal funds and to help local governments to develop otherwise financially difficult projects;
3. A local government seat at the table during allocation considerations of the Transportation Infrastructure Fund.

**ALASKA MUNICIPAL LEAGUE
2011 FEDERAL PRIORITIES**

- **PAYMENT IN LIEU OF TAXES (PILT):**
We support full funding of the PILT program, to the authorized levels of P.L. 103-379 (over 300 million nationwide).
- **SECURE RURAL SCHOOLS AND COMMUNITY SELF-DETERMINATION ACT (SRS/ TIMBER RECEIPTS):**
We support the reauthorization and enhancement of the Secure Rural Schools program (PL 110-343). Reauthorization should maintain coupling between payments to boroughs and active natural resource management; and the connection between sustainable natural resource management and the stability and well being of forest boroughs and communities.
- **CLEAN WATER ACT:**
While supporting Clean Water Act provisions that protect wetland habitats and rivers and streams of Alaska, we do not support federal efforts to change the definition of the Clean Water Act from navigable waters to "waters of the United States," and also oppose federal efforts to further expand the authority and responsibilities of the federal agencies in regard to these waters.
- **ARCTIC ISSUES:**
We support ratification of the United Nation's Convention on the Law of the Sea. Until that ratification takes place, the US cannot participate in deliberations which affect the national security; environmental concerns relating to the use of the seas; and to economic development for Alaska's coastal communities.
- **LAND USE DESIGNATIONS:**
We oppose decisions on land use designations that are not completely reviewed through the proper Congressional system already in place.
- **ENERGY EFFICIENCY GRANTS:**
We support full funding of the Energy Efficiency and Conservation Block Grant (EECBG) Program to state and local governments.
- **DENALI COMMISSION:**
We support reauthorization and appropriation of the Denali Commission to further construct and improve much-needed infrastructure throughout the State, especially in rural areas.

Legislative Priorities

The Alaska State Chamber of Commerce has adopted three state legislative priorities for the 2011 legislative session. The three statewide legislative priorities are:

Review and Reform Oil Tax Policy to Encourage New Oil Production

Concise and Predictable Permitting in Alaska's Coastal Zone

Create an Alaska Transportation Infrastructure (ATIF) That Will Invest in Alaska's Economy, Safety and Mobility

More than 70 State Chamber members considered over 33 proposals to develop the state and federal positions and priorities. In addition to these priorities, the State Chamber developed positions on a number of other critical issues facing the State of Alaska. The board ratified both the priorities and positions at a meeting Thursday, October 28, in Anchorage.

The legislative priorities will be delivered to the Governor and all sixty members of the State Legislature. "Legislative priorities brought forward are aimed at advocating for a competitive and attractive business climate in Alaska to spur investment and business growth," said Kip Knudson, Chair of the State Chamber. "More than ever, the State Chamber will take a lead role in advocating for a competitive business climate in Alaska and economic growth," Knudson said.

State Chamber members employ the vast majority of private sector workers. The State Chamber established its priorities and positions supported by concise action items needed to achieve each position. Alaska businesses are increasingly challenged by rising energy and logistics costs, burdensome state and federal regulations, lack of sufficient workforce, infrastructure deficiencies, and domestic and global competition. "The Alaska State Chamber is Determined to Improve our 'Dead Last Business Ranking' for Alaska," said Knudson.

The Alaska State Chamber is gravely concerned about the ability of the State of Alaska to continue to grow programs and services at a time when oil supply is dwindling dramatically. Our Legislative positions speak to the need to limit the growth of government programs. These positions and priorities encourage the State to find new streams of revenue to pay for any future expansion of government programs. Government services are an important source of funding for Alaskans businesses, as such a statewide sales and income tax would negatively affect all Alaskan

businesses. However, as government growth continues, Alaskans must prioritize the services they receive or be willing to fund them into the future.

Please join us in support of HJR 4

Associated General Contractors of Alaska

Alaska Municipal League

Alaska AFL-CIO

Alaska Teamsters Local # 959

Alaska Laborers Local 942 & 341

Alaska Transportation Priorities Project

Alaska Trucking Association

Alaska Harbormasters Association

American Society of Civil Engineers

Alaska Mobility Association

Alaska Airports

Alaska Owners and Pilots Association

Alaska Marine Pilots

Marine Transportation Advisory Board

Southeast Conference

SW Alaska Conference of Mayors



**ALASKA ASSOCIATION OF HARBORMASTERS
AND PORT ADMINISTRATORS**

Kim Elliot, Executive Secretary

7 Maksoutoff Street

Sitka, AK 99835

Phone: (907) 747-7677

aahpa@gci.net

February 14, 2011

The Honorable Peggy Wilson
State Capitol Room 408
Juneau, AK 99801-1182

Dear Representative Wilson:

The Alaska Association of Harbormasters and Port Administrators (AAHPA) is a statewide professional organization comprised of senior managers from 31 municipal harbor systems. Our members operate and maintain the majority of the harbors in the State of Alaska.

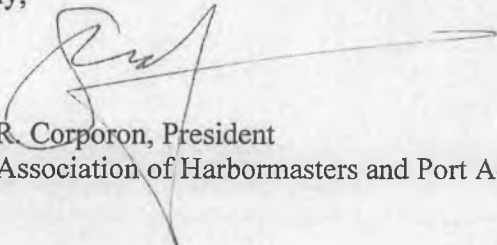
The AAHPA strongly supports House Bill No. 30, which among other things provides a funding source for the State's Municipal Harbor Matching Grant Program (AS 29.60.800). This grant program was developed with substantial input and support from the AAHPA in 2006; however, it has received funding in only three of the State budgets enacted since then.

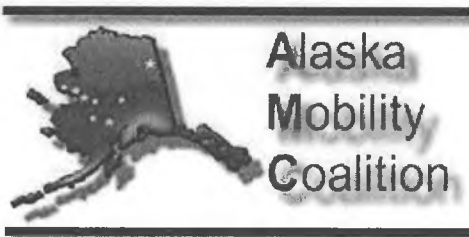
The primary target of this grant program is the small boat harbors constructed by the State of Alaska in the 1960s and 1970s, which have been transferred to local municipalities during the past several years. Most of these facilities were in less than stellar condition at the time ownership was transferred and are in need of major repairs or replacement.

These harbors play a critical economic role by enabling trade, transportation, commercial fisheries, tourism, and recreational opportunities across the State. Providing a stable funding source for the Municipal Harbor Matching Grant Program, as HB 30 will do, is a significant step in ensuring that we are able to adequately repair and maintain these valuable facilities throughout the State of Alaska.

Please contact me at (907) 228-6049 if you have any questions regarding AAHPA's support of HB 30.

Sincerely,


Steven R. Corporon, President
Alaska Association of Harbormasters and Port Administrators



Achieving mobility through community appropriate transportation services

3705 Arctic Blvd #1777
Anchorage, AK 99503.
907-240-2702

February 15, 2011

Representative Peggy Wilson
State Capitol, Rm 408
Juneau, AK 99801-1182

Dear Representative Wilson:

On behalf of the Alaska Mobility Coalition (AMC), we strongly support HJR4 (a constitution amendment creating a transportation infrastructure fund) and HB30 (transportation infrastructure fund).

The AMC is a private, non-profit membership organization that represents and advocates for public and community transportation in Alaska. The AMC has ninety seven members across the state from Bethel to Prince of Wales Island. The AMC membership provides over seven million rides annually for Alaskans to get to work, school, shopping trips, recreational opportunities and medical appointments. For more information on the AMC, I have attached a link to our website for your review (<http://www.alaskamobility.org>)

Alaska is one of just three states that do not provide general operating support for transit service. In addition, there are road maintenance, ferry operation and urban and rural trails that are neglected around the state because of the lack of infrastructure support. The federal government will be reducing its investment in transportation in Alaska in the next few years and it is time for legislature to dedicate its gas taxes and other transportation-related user fees for transportation infrastructure.

The Alaska Mobility Coalition would be honored to serve on the Transportation Infrastructure Fund Advisory Council as proposed in HB 30.

Thank you for your efforts in supporting transit in Alaska. I look forward to working with you and the Alaska legislature on your legislation during the current session.

Sincerely,

David M. Levy
Executive Director



ALASKA MINERS ASSOCIATION, INC.

Issues of Concern for the Alaska Mining Industry for 2011

Actions needed by the Administration and/or the Legislature:

January 2011

CRITICAL ITEMS: PERMITTING INTEGRITY – LITIGATION REFORM – ENERGY – INFRASTRUCTURE

Integrity of Permitting System - Ensure the integrity of the current, very rigorous, science-based state permitting process and fund it at a level that will ensure its integrity.

- Provide sufficient staff and funding for permitting functions of the Departments of Natural Resources, Fish & Game and Environmental Conservation.
- Establish public confidence in the permitting system.

Alaska Coastal Management Program (ACMP) – Ensure reforms made in 2003 are not compromised.

Litigation Reform – Support efforts to bring more accountability to the appeals and litigation processes for community and resource development projects.

Infrastructure - Advocate for and fund infrastructure that will provide access to remote areas of Alaska so natural resource projects can be developed.

- Settle on a route from the Parks Hwy to Nome and begin development of it.
- Establish an effective standard for pioneer roads.
- Fund roads between communities.

Energy - Advocate and adopt a state energy plan and fund interties, pipelines, hydroelectric, etc. to provide energy for resource development and communities.

- Ensure that Healy Plant #2 comes on line at the earliest possible date.
- Rationalize the management and control of the railbelt electrical intertie system.
- Fund and construct an intertie between the railbelt intertie and Bethel.
- Develop and implement a strategy to provide stable sources of energy to the railbelt.

PERMITTING PROCESS

Water Quality Standards - Continue to revise water quality standards to ensure standards are scientifically supportable and developed using Alaska-specific criteria. Also, ensure continued availability of mixing zones and adoption of anti-degradation regulations.

Non-Profit Foundation Money - Enact legislation to require public disclosure whenever funds from 501(c)(3) non-profit foundations are used to affect public policy; disclosure to include name of the source, amounts and purpose for which the moneys are given.

Financial Assurance - Ensure that financial assurance (bonding) requirements for environmental compliance are managed exclusively by the State. Aggressively oppose federal takeover.

Endangered Species Act/Essential Fish Habitat – Continue to aggressively oppose ESA listings in the courts to ensure decisions are based on sound science.

FISCAL ISSUES

Taxation - Maintain an equitable and stable tax structure at state and local government levels to ensure Alaska industry remains competitive.

State Fiscal Policy - Adopt a long range fiscal plan.

Annual Airborne Geophysical Mapping Program - Increase funding for the extremely effective airborne geophysical mapping program; initiate statewide baseline water quality mapping.

Mineral Education & Training - Continue to support mining engineering and geological engineering, geology, the Mining and Petroleum Training Service (MAPTS), and the Delta Mine

From: Steve Sorensen [<mailto:steve.ak.ranch@gmail.com>]

Sent: Monday, February 14, 2011 9:09 PM

To: Rep. Alan Dick; Rep. Bob Miller; Rep. David Guttenberg; Rep. Scott Kawasaki; Rep. Steve Thompson; Sen. John Coghill; Rep. Tammie Wilson

Cc: Sen. Albert Kookesh; Sen. Joe Thomas; Sen. Joe Paskvan

Subject: HJR 4 and HB 30

Key to Alaska's vitality is its transportation system. I vigorously support HJR 4 – the constitutional amendment to re-instate a dedicated transportation fund and HB 30 - the enabling statutes for the fund. This is long overdue and is sorely needed legislation and will greatly benefit interior Alaska. The Senate needs to get on board and proactively support this legislation.

Sincere Regards,

Steve Sorensen P.E.

"We loved a great many things - birds and trees and books and all things beautiful, and horses and rifles and children and hard work and the joy of life." Teddy Roosevelt



ASSOCIATED GENERAL CONTRACTORS of ALASKA

8005 Schoon Street • Anchorage, Alaska 99518
Telephone (907) 561-5354 • Fax (907) 562-6118

3750 Bonita Street • Fairbanks, Alaska 99706
Telephone (907) 452-1809 • Fax (907) 456-8599

March 24, 2011

Representative Peggy Wilson
State Capitol Building, Room 406
Juneau, AK 99801

RE: HJR4

Dear Representative Wilson:

On behalf of the Associated General Contractors of Alaska, a construction industry trade association of 675 business members, I offer support for HJR4.

HJR4 would put an initiative on the ballot for a constitutional amendment to dedicate certain revenue for a state funded transportation program.

A state funded transportation program has been a legislative priority of the AGC for many years, and dedication of funds is the most certain way to insure that a state funded program is maintained. HJR4 is companion legislation to HB30, the enabling legislation for a state funded program, which is also supported by AGC.

Like ballot initiatives of the recent past: the \$315 million transportation bond issue in 2008 and the \$397 million education facility bond issue in 2010, the AGC and other organizations put considerable effort into their public promotion, and eventual passage. The initiative in HJR4 will elicit even more support from stakeholders.

In closing, Alaska needs a state funded transportation program to begin to address our many transportation needs, and dedication of funds for such a program is an essential element.

Sincerely,

John MacKinnon
Executive Director
Associated General Contractors of Alaska