

**HB**

**122**

<TARGET><BILL>HB 122</BILL><SUBJECT>HB  
122</SUBJECT><COMM>HFIN28</COMM></TARGET>

# ALASKA STATE LEGISLATURE

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*Session:*  
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REPRESENTATIVE PEGGY WILSON  
HOUSE DISTRICT 33

## SPONSOR STATEMENT House Bill 122

**“An Act making a special appropriation to the transportation infrastructure fund; and providing for an effective date.”**

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**HB 122** will appropriate \$2,000,000,000 (\$2B) to the Alaska Transportation Infrastructure Fund (ATIF). A large seed amount is necessary because Alaska currently has a \$20,000,000,000 (\$20B) backlog in transportation projects and \$763,000,000 in deferred maintenance according to DOT.

The fund will provide for an appropriation of up to 6 percent of market value on June 30<sup>th</sup> every year as well as 50% of the revenue earned from motor fuel taxes, tire taxes, vehicle rental taxes, drivers' license fees and vehicle registration fees for the previous year for appropriation. It will be the responsibility of Department of Revenue to invest the fund consistent with using up to 6% POMV per year.

In FY14, 79% of our capital transportation budget comes from the federal government. The Federal Government passed a new, two year highway program, MAP-21. The good news is that the overall federal-aid funding remains consistent with SAFETEA-LU, the previous program. However, the amount of funding for roads not on the National Highway System (NHS) has been cut by about 50%. We will see a lot less funding for our borough and city roads. The categories of funding have been reduced and they are much more restrictive. Our own DC delegation have told the legislature that Alaska needs to rely less on the federal government

As federal funding is diminishing, Alaska will have to shoulder more of the responsibility for its transportation infrastructure. This appropriation is about meeting ever-growing transportation needs for Alaskans. Transportation investment creates a competitive environment, attracting additional economic investment which means jobs for Alaskans.

# ALASKA AFL-CIO

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VINCE BELTRAMI  
Executive President



BRUCE LUDWIG  
Secretary / Treasurer

March 26, 2013

Honorable Peggy Wilson  
State Capitol Room 406  
Juneau, AK 99801

Dear Representative Wilson,

We support the passage of House Bills 122, 123 and House Joint Resolution 10 that create the Alaska Transportation Infrastructure Fund Program. This Funding Program is needed to continue supporting transportation projects with decreasing Federal Funding looming ahead of us. Government has a duty to provide transportation and transportation infrastructure to the public to support our economy and the needs of our population. The State of Alaska must have the ability to fund much needed maintenance on roads, highways, harbors, and airports along with the possibility of building new infrastructure.

The Alaska AFL-CIO believes this is a responsible approach to add funding to our transportation needs and to create jobs for Alaskans. There is strong agreement that the economic benefits derived from investment in Alaska's transportation infrastructure far exceed the cost of the investment. Alaska needs a state funded transportation program that is adequately and predictably funded, provides continuity between succeeding administrations, and considers all modes of transportation.

Sincerely,

Vince Beltrami  
President  
Alaska AFL-CIO