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CSHB 63 cont. CSHB 63 (3/27/67)

1 (1) preventing the restriction, construction, or stoppage of
2 normal traffic upon any road or highway;

3 (2) prohibiting a person from committing a wilful or
4 careless act causing injury or damage to a road, highway, trail, or
5 bridge;

6 (3) governing the size, weight, and load limits of all
7 vehicles operating upon public roads, highways, or bridges, including
8 the issuance or withholding of special permits for excessive sizes,
9 weights, and loads; limiting or prescribing conditions of operation of
10 vehicles when necessary to assure against undue damage to the road
11 foundations, surfaces, or structures; and prescribing fees for special
12 permits.

13 * Sec. 36. AS 28.05.050 is amended to read:

14 Sec. 28.05.050. DEPARTMENT OF PUBLIC SAFETY TO PUBLISH REGULATIONS
15 AND LAWS RELATING TO VEHICLES. The Department of Public Safety shall
16 publish in pamphlet form the [RULES AND] regulations adopted under
17 authority of secs. 10 - 50 of this chapter, traffic laws governing the
18 operation of motor vehicles, driver's licensing and motor vehicle
19 licensing and dealer laws, and accident reporting and safety responsi-
20 bility statutes. These [RULES,] regulations[,] and laws shall be
21 distributed free of charge to the motoring public through officers or
22 agencies designated for the purpose. The cost of producing the pamphlet
23 shall be jointly shared by the Department of Transportation [HIGHWAYS,
24 THE DEPARTMENT OF REVENUE,] and the Department of Public Safety.

25 * Sec. 37. AS 30.15.010 is amended to read:

26 Sec. 30.15.010. STATE GRANTS FOR PORT FACILITIES CONSTRUCTION. To
27 the extent funds are appropriated by the legislature, or from the
28 proceeds from the sale of bonds, the state may make grants to municipi-
29 palities to finance a portion of the cost of constructing local,

1 regional or state port facilities. The state shall participate only
2 in those projects approved by the governor on recommendation of the
3 commissioner of transportation [PUBLIC WORKS].

4 * Sec. 38. AS 30.15.020(a) is amended to read:

5 (a) Before a grant may be awarded under this chapter, the commis-
6 sioner of transportation [PUBLIC WORKS] shall determine that

7 (1) the grant is for a feasible project;

8 (2) the project is endorsed by resolution of the governing
9 body of the sponsoring municipality on its own behalf, or on behalf of
10 a service area in an organized borough if a service area is established
11 to finance and construct port facilities and operate and maintain them
12 once constructed; and

13 (3) the municipality can clearly demonstrate its ability to
14 finance the local share of project costs.

15 * Sec. 39. AS 30.15.060 is amended to read:

16 Sec. 30.15.060. REGULATIONS. The commissioner of transportation
17 [PUBLIC WORKS] shall promulgate regulations under the Administrative
18 Procedure Act (AS 44.62) that he considers necessary to carry out the
19 provisions of this chapter.

20 * Sec. 40. AS 30.15.070(1) is amended to read:

21 (1) "commissioner" means commissioner of transportation
22 [PUBLIC WORKS];

23 * Sec. 41. AS 30.15.070(2) is amended to read:

24 (2) "department" means Department of Transportation [PUBLIC
25 WORKS];

26 * Sec. 42. AS 35.10 is amended by adding a new section to read:

27 Sec. 35.10.125. DEFINITION. In secs. 90 - 120 of this chapter,
28 "department" means the Department of Transportation.

29 * Sec. 43. AS 41.20.050 is amended to read:

1 Sec. 41.20.050. SELECTION OF SITES. The Department of Trans-
2 portation [PUBLIC WORKS] and the Department of Natural Resources,
3 jointly, shall select sites of ten acres or less for their historic
4 or scenic value, or for recreation beaches along waterways, roadside
5 rests for travelers resting, camping, or parking, and determine what
6 facilities are necessary or desirable at these sites. Selection of
7 the sites for roadside rests and recreation beaches shall be based upon
8 the flow of traffic and distances to and between facilities otherwise
9 provided. Insofar as possible, sites shall be located on, or adjacent
10 to, highway rights-of-way and small boat waterways. The Department of
11 Natural Resources may acquire the sites jointly selected by grant, gift,
12 purchase, lease, dedication or prescription and hold them in the name
13 of the state.

14 * Sec. 44. AS 41.20.060 is amended to read:

15 Sec. 41.20.060. CONSTRUCTION AND MAINTENANCE OF FACILITIES. The
16 Department of Transportation and the Department of Natural Resources
17 [PUBLIC WORKS] may construct and maintain facilities at scenic sites,
18 recreation beaches or roadside rests as are determined to be necessary
19 and desirable. Facilities may include, but are not limited to, access
20 roads, camp facilities, including picnic tables, fire places, and
21 toilets, camping areas or other facilities that are considered necessary
22 and desirable for the convenience and benefit of travelers and small
23 boat operators.

24 * Sec 45. AS 41.20.080 is amended to read:

25 Sec. 41.20.080. SELECTION. The Department of Natural Resources,
26 in consultation with the Department [DEPARTMENTS] of Fish and Game
27 [AND PUBLIC WORKS], shall designate a system of wilderness trails and
28 campsites throughout the state. Significant in the selection shall be
29 the scenic, historic, natural, or cultural qualities of the areas through

1 which the trails may pass. The Department of Natural Resources may
2 acquire the trail sites jointly selected by grant, gift, purchase,
3 lease, dedication or prescription and hold them in the name of the
4 state.

5 * Sec. 46. AS 41.20.110(a) is amended to read:

6 (a) The Department of Natural Resources [PUBLIC WORKS] may con-
7 struct and maintain campsites throughout the wilderness trails system.
8 Campsites may include any type of shelter or camp facility considered
9 necessary and desirable for the benefit and convenience of travelers.

10 * Sec. 47. AS 44.15.010(15) is amended to read:

11 (15) Department of Transportation [HIGHWAYS].

12 * Sec. 48. AS 44.19.360 is amended to read:

13 Sec. 44.19.360. COMPOSITION. The State Geographic Board consists
14 of the commissioner [DIRECTOR] of the Department of Community and
15 Regional Affairs, the curator of the state museum, the state historical
16 librarian, the commissioner of the Department of Transportation [HIGH-
17 WAYS], the commissioner of the Department of Natural Resources, the
18 commissioner of the Department of Education, the director of the divi-
19 sion of lands, and one other person appointed by the governor.

20 * Sec. 49. AS 44.19.820(3) is amended to read:

21 (3) the commissioner of transportation [HIGHWAYS] or his
22 representative;

23 * Sec. 50. AS 44.43.020 is amended to read:

24 Sec. 44.43.020. GENERAL POWERS AND DUTIES OF DEPARTMENT. The
25 Department of Public Works is charged with [(1)] the duties involved
26 in the construction, maintenance, and operation of state [FERRIES,
27 AIRPORTS, DOCKS, FLOATS, BREAKWATERS,] buildings [,] and similar
28 facilities [; AND (2) THE SUPERVISION AND MAINTENANCE OF ALL STATE
29 AIRCRAFT AND VESSELS EXCEPT VESSELS USED BY THE DEPARTMENT OF FISH AND

1 CAME].

2 * Sec. 51. AS 44.57.010(a) is amended to read:

3 (a) There is created the Alaska Toll Bridge Authority composed
4 of the governor, the commissioner of the Department of Transportation
5 [HIGHWAYS], the commissioner of the Department of Administration, the
6 commissioner of the Department of Public Works, and the commissioner
7 of the Department of Revenue. The Alaska Toll Bridge Authority is a
8 public corporation of the state. The authority is an instrumentality
9 of the state within the Department of Transportation [HIGHWAYS], but
10 has a legal existence independent of and separate from the state. If
11 the office of a commissioner is discontinued or abolished by law, the
12 governor shall appoint any person or officer of the state to fill the
13 vacancy resulting from the abolition or discontinuance of the office.

14 * Sec. 52. AS 44.57.140 is amended to read:

15 Sec. 44.57.140. CONSTRUCTION OF TOLL BRIDGES. Whenever in the
16 judgment of the Department of Transportation [HIGHWAYS] it is considered
17 in the best interest of the public highways of the state that a new
18 toll bridge or bridges be constructed upon a public highway and across
19 a stream, body of water, gulch, navigable water, swamp or other topo-
20 graphical formation and operated by the state, the Department of
21 Transportation [HIGHWAYS] shall submit its recommendation to that
22 effect to the Alaska Toll Bridge Authority together with preliminary
23 estimates of the cost of construction and an estimate of the amount
24 necessary to be raised for that purpose by the issuance of revenue
25 bonds, and a statement of the probable amount of money, property,
26 materials or labor to be contributed from other sources in aid of the
27 construction. If the Alaska Toll Bridge Authority concurs in the
28 recommendation of the Department of Transportation [HIGHWAYS] or on
29 its own motion determines to construct a toll bridge or toll bridges,

1 the Alaska Toll Bridge Authority shall adopt a resolution declaring
2 that public interest and necessity require the construction of the
3 toll bridge or bridges, and may thereafter issue bonds therefor as
4 provided herein.

5 * Sec. 53. AS 44.57.150 is amended to read;

6 Sec. 44.57.150. AUTHORITY TO ACQUIRE RIGHT OF WAY IN CONSTRUCTING
7 A TOLL BRIDGE. Whenever the Alaska Toll Bridge Authority authorizes
8 the construction of a toll bridge, the Department of Transportation
9 [HIGHWAYS] is empowered to secure right of way therefor and for
10 approaches thereto by gift or purchase, or by condemnation in the
11 manner provided by law for the taking of private property for public
12 highway purposes.

13 * Sec. 54. AS 44.57.170(b) is amended to read:

14 (b) When it becomes necessary for the Department of Transportation
15 [HIGHWAYS] to condemn real estate to be used in connection with a toll
16 bridge, the attorney general of the state shall represent the depart-
17 ment. In eminent domain proceedings to acquire property for any of
18 the purposes of this chapter, a toll bridge, real property, personal
19 property, franchises, rights, easements or other property or privileges
20 appurtenant thereto appropriated or dedicated to a public use or
21 purpose by a person, firm, private, public or municipal corporation,
22 borough, city, district or political subdivision of the state, may be
23 condemned and taken, and the acquisition and use as herein provided
24 for the same public use or purpose to which the property has been so
25 appropriated, dedicated, or for any other public use or purpose, shall
26 be considered a superior and permanent right and necessity, and a more
27 necessary use and purpose than the public use or purpose to which the
28 property has already been appropriated or dedicated. It is not
29 necessary in an eminent domain proceeding under this chapter to plead

1 or prove any acts or proceedings preliminary or before [PRIOR TO] the
2 adoption of the resolution hereinbefore referred to describing the
3 property sought to be taken and directing the proceedings.

4 * Sec. 55. AS 44.65.050(c) is amended to read:

5 (c) The Department of Natural Resources and the Department of
6 Transportation [PUBLIC WORKS] may enter into agreements under this
7 chapter for the acquisition of rights of way, construction, reconstruc-
8 tion, maintenance, repair or alternation of access roads serving public
9 airports.

10 * Sec. 56. AS 19.05.030, 19.20.090, 44.19.700 - 44.19.714, and 44.44 are
11 repealed.

12 * Sec. 57. All litigation, hearings, investigations and other proceeding
13 pending under a law amended or repealed or functions which may be trans-
14 ferred by this Act, continue in effect and may be continued and completed
15 notwithstanding a transfer or amendment or repeal provided for in this Act.
16 Certificates, orders or regulations issued or filed under authority of the
17 law amended or repealed by this Act which may be transferred by this Act,
18 remain in effect for the term issued, until revoked, vacated, or otherwise
19 modified under the provisions of this Act. All contracts, rights, liabilities
20 and obligations created by or under a law amended or repealed under this
21 Act, and in effect on the effective date of this Act, remain in effect
22 notwithstanding the enactment of this Act. Records, equipment and other
23 property of agencies of the state whose functions are transferred to
24 the Department of Transportation under this Act shall be transferred commen-
25 surate with the provisions of this Act., Appropriations and other money
26 available and to become available to a department whose functions are
27 transferred under this Act shall be available to the Department of Trans-
28 portation, commensurate with this Act, for the same objects and purposes,
29 and subject to the same restrictions, if any.



SPEECH TO THE ALASKA AIRMANS ASSOCIATION

FEBRUARY 5, 1975

Walter B. Parker

Commissioner of Highways

The Department of Transportation has been a dream for many Alaskans for several years. They hope that such a department will create more efficient, cheaper, and safer transportation systems for this State. The administration is going to present a bill to the legislature which will create a department which will achieve the above goals. A bill that is not simply a reorganization of existing departments. Since early December a working group composed of the commissioners of Public Works, Economic Development, Public Safety, Natural Resources, Administration, Community and Regional Affairs, plus the director of Planning and Policy Development, has been engaged in developing administration consensus on the Department of Transportation. Their efforts were based upon the past bills introduced by the legislature to create the department. The Department of Highways then began to put together the background material upon which formation of a new department will be based. We began to accumulate budget information but, more important, to identify roles and duties that must be carried out by the new organization. First, I would like to explain some of the concepts that have guided us in our effort thus far. These are some of the same concepts that have caused Alaskans to desire a Department of Transportation. They are:

First, a State with a small population spread over a wide area will always face problems that cannot be totally solved by the conventional

systems in use in other states. Our federal funds have not come to us in a way that will provide us maximum flexibility in meeting those problems. Our State organizations must also be related to the real problems of Alaska and not simply copies of state organizations elsewhere.

Second, a State with 80% of its population in its seven largest cities must provide solutions for urban as well as rural transportation systems.

Third, the tiny population of rural Alaska requires a transportation system that meets its needs at a reasonable cost in fares and freight rates. Such a small rate base spread over such an immense area will probably never provide enough income for all competing modes and it will be difficult to sustain economic competition within modes in many areas. Only efficient regulation and judicious use of subsidies will provide transportation in these remote areas at a reasonable cost with reasonable frequency.

Fourth, the transportation system needs of large scale resource development will often not meet the logistical needs of the local populations. Provision of more roads, airports, ports, and other capital investments need to meet the resource development must be carefully studied to insure that there is adequate return to the public from these investments. Normally if there is a resource and a market, a transportation system will be provided by the industry, as we have proven in the case of the pipeline.

The primary intent of the reorganization into a Department of Transportation will be to create a single agency, single fund approach to meet transportation needs. Obviously, federal funds will be limited

by the Congressional acts creating those funds, but the greater flexibility that is already available to us in the use of highway trust funds and airport development funds will enable us to utilize those funds in a more efficient manner until such time as we gain complete flexibility in their use.

With achievement of greater fiscal flexibility will come the flexibility in planning that is one of the major goals of this new organization. There is no point in developing several alternative answers to transportation problems if funding for them is not possible. Integrated planning will make possible multi-modal solutions where they are the best, but will also utilize the most efficient mode - road, air, marine, or other newer concepts - where a single mode of transportation will suffice to meet a community's needs. Integrated planning will make it possible to more completely identify the social and cultural impact the different forms of transportation will create. Most importantly, it will provide a single agency to which communities can relate their transportation needs and to which they can provide the initial planning input.

Already the Department of Highways has taken steps in increase community participation in the initial steps of road and highway planning. They have been limited in this by the lack of a planning organization in some communities, but it is our intention to create a system in transportation, as in other areas, where the initial impetus for planning will originate in the local communities where, insofar as possible, decisions - the important decisions - will be made by the people most affected - the local residents.

One of the most important decisions facing the Department of Transportation working group was whether organization should be on a functional or a modal basis. We reviewed the 26 Department of Transports that already exist in other states and found that while many had initially been created on a modal basis, they were rapidly shifting to a functional design. We feel at this time that only by true integration of such functions as design, construction, and maintenance will we be able to achieve the kind of transportation planning that the public expects of this new organization.

The most important element that the new department will bring that is not already present in existing State organizations is a greatly strengthened transportation planning function. There will be two deputy commissioners as presently envisioned; one deputy for planning, programming, and assessment, and another deputy for engineering policy and operations. I wish to make it clear that these are only organizational concepts at this time and that we are still seeking input at this time in order to create the most responsive department possible for public needs. One of the most important additions to the planning process will be the capability of reviewing transportation projects to insure that they are going to result in real transportation economies, in greater safety, and in greater efficiency. It is our intent to abolish other concepts of transportation. Planning cannot be accomplished one project at a time.

We believe that only by integrating all transportation aspects can a rational systems based approach to transportation be developed. This approach will be contained in a master State transportation plan which

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the present legislation would require the Commissioner of Transportation to submit to the Governor and the legislature every year. In effect, the master transportation plan would be the annual budget, but with accompanying narrative stating exactly what the budget was designed to accomplish. By referring to the State transportation plan citizens of Alaska and those in the legislature and the rest of the government and those in the legislature responsible for achieving Alaska's goals will know what is planned for them in transportation and therefore be able to better influence transportation planning in those areas where they feel their needs are inadequately represented.

Some of the initial goals upon which the State transportation plan will be based are:

1. To supply a transportation structure for the economic development of the entire State. The transportation system most suitable to the development of the entire State is only in part a simple aggregation of the best plans for each region in the State. It has been for many years recognized that one of the prime functions of state government is economic development, and I use economic development in the terms of this administration which is that it is better and that bigger is not always better, if the transportation structure can build and support better. Economic development has been planned piece-meal by individual state and local agencies supplemented by private endeavors. In Alaska we have done a fairly good job of planning each mode on a statewide basis. Systems technology has now reached the point where we can coordinate all modes in a statewide application for economic development and resource use, population change, social behavior, and transportation

stands all provide a coherent master State transportation plan.

2. A second goal is to promote and protect the State land use plan when one has been developed. We are developing a land use plan in Alaska; some of it on our own, a great deal with help from the federal government - which has not always been sought. By having a State transportation plan we hope to gain greater control of our own destinies in land use planning also. The two plans should reinforce each other - the goals of one should build upon the goals of the other. It is very likely there will be large wilderness areas, which means roadless areas, in Alaska. The important thing is to insure that these roadless areas so not unduly impede transportation development; we know there are many areas of Alaska which can be set aside as wilderness that will not impede such development, but if the wrong areas are set aside as wilderness, they will stop the development of critical transportation improvements. The important thing we must insure is that land use and transportation planning do truly relate to each other.

There has always been and always will be a close relationship between land use and transportation. The better we relate these two together, the more successful each will be.

3. Another goal is to minimize transportation costs and maximize transportation benefits. Systems technology when applied to economic activity as the populations changes will enable planners to define the affects of alternate transportation plans. Within the urban area of Anchorage we are now faced with severe problems because our populations changes and our economic activity were not defined in time to convince our citizens that necessary roads needed to be built. A similar problem

exists with improvements to Anchorage International Airport, the complexities of which extend throughout half the world. By analyzing our trade-offs in these situations and presenting them to the public, the wide range of differing benefits from each solution will soon make apparent to most reasonable citizens which solution is best. Such planning by minimizing the investment costs necessary to achieve a certain level of transportation benefits will make possible the maintenance of minimum levels of fares and rates.

4. We must supply a broad framework to which regional and local transportation plans can be related. As I stated before, we have already taken steps to insure that maximum local control of transportation planning will be achieved by having hearings before the local planning and zoning commissions. If these commissions are to do the best possible job, they must have a State transportation plan to which they can relate their local decisions. One problem with the State transportation plan is if it becomes insensitive to change due to local considerations. Therefore, it is extremely critical that a provision for change at the local level should be strongly recognized. We feel that by giving the local planning and zoning commissions, city councils, and borough assemblies the maximum amount of control over transportation decisions that the problems inherent in a master transportation plan not being responsive to local needs can be overcome.

Some decisions that are made at the State level are not truly recognizable at the local level unless they are spelled out. The movement of freight is an example of this. The modal division of freight carriage is more affected by the State and federal regulations of the

than carriers than it is by the provision of any local facilities generally. Consideration of freight movement in depth is essential at the State level if rational economic planning is to be achieved. It is, therefore, important that local bodies recognize the damage they can do to such freight movements by unwise decisions on land use or transportation corridors.

5. Another goal is to facilitate the supply of federal and state funds to those areas which benefit the State as a whole. Transportation investments must be made so as to maximize benefits. Some areas, because of political ineffectiveness, may be unable to secure the transportation investments they need, while others are provided with more roads, airports or ports than can be efficiently utilized. The creation of a statewide transportation plan should reduce the pressure of pork barrel construction initiated and justified only by local and political needs.

6. The last goal would be to implement national transportation policy as promulgated by federal legislation. By having our own plan for implementing national policy, we are going to make that policy serve us best. Even within the most rigid federal framework there is latitude for the State to seek its optimum decision if the State recognizes the opportunity. A strong State transportation planning agency will be able to influence decisions in Washington far better than we are able to now.

So these are some of the goals which a new Department of Transportation must address itself to. This will be a large department. As presently envisioned it will have a total budget this year of \$234 million, of which \$110 million is in the capital improvement budget. It

It will have a summertime peak employment of around 4,000 people. It will have the capacity to have a very strong influence on the lives of every citizen in the State and, because of that, it is vitally important that this department be wide open to public input. This does not mean only public hearings; it means that each citizen who approaches this department should have his needs incorporated in some way or another in the State's transportation system. Those needs will vary from those of corporations and consortiums like the Alyeska Pipeline Service Company to those of the single individual living in a cabin in the lake in the Brooks Range.

THE DEPARTMENT OF TRANSPORTATION

WHAT DO WE WANT?

To Bartlett Democratic Club

March 13, 1975

By

Commissioner of Highways

Walter B. Parker

FOR THE PAST FIVE YEARS ALASKANS HAVE BEEN TALKING ABOUT CREATING A DEPARTMENT OF TRANSPORTATION. SUCH A DEPARTMENT HAS BEEN DESIRED FOR A WIDE RANGE OF REASONS. SOME THINK THAT IT WOULD BRING GREATER EFFICIENCY TO THE TRANSPORTATION SYSTEM AND MAKE POSSIBLE A MORE INTEGRATED USE OF OUR CAPITAL INVESTMENTS IN HIGHWAYS, AIRPORTS AND FERRIES. OTHERS HAVE SEEN THE DEPARTMENT AS A MEANS OF CONTROLLING HIGHWAY DEVELOPMENT. SOME SEE IT AS A MEANS OF CREATING A GREATER ENVIRONMENTAL CONCIIOUSNESS IN TRANSPORTATION PLANNING. ALL THAT HAVE WORKED FOR SUCH A DEPARTMENT HOPE THAT IT WILL CREATE MORE RELIABLE, SAFER AND CHEAPER TRANSPORTATION SYSTEMS TO SERVE THE PEOPLE OF ALASKA.

IF A DEPARTMENT OF TRANSPORTATION IS CREATED IT CAN DO ALL OF THE FOREGOING OR NONE OF IT. A SIMPLE REORGANIZATION OF EXISTING DEPARTMENTS INTO AN UMBRELLA ORGANIZATION UNDER ONE COMMISSIONER WOULD PERHAPS BE BETTER THAN WE HAVE NOW BUT WOULD NOT BRING ABOUT THE KIND OF INTER-RELATIONSHIPS OF TRANSPORTATION SYSTEMS THAT SHOULD BE ACCOMPLISHED. THIS CAN BE DONE ONLY IF WE APPROACH TRANSPORTATION PLANNING FROM THE ASPECT OF SERVICE RATHER THAN THINKING OF IT IN TERMS OF THE PROJECTS IN THE CAPITAL BUDGETS. THE PROJECT SHOULD BE A RESPONSE TO A CAREFULLY DEFINED PUBLIC NEED - A RESPONSE EXPRESSED IN TERMS OF BETTER SERVICE, GREATER SAFETY AND LESS COST.

THERE ARE SOME THINGS ABOUT ALASKA THAT ARE INESCAPABLE AND TO WHICH A DEPARTMENT OF TRANSPORTATION MUST ADDRESS ITSELF. THE OBVIOUS FACTORS ARE ALWAYS GEOGRAPHY AND CLIMATE. WHATEVER ELSE HAPPENS IT IS ALWAYS GOING TO

BE MORE DIFFICULT TO ACCOMPLISH HERE AND THEREFORE USUALLY MORE COSTLY.

A STATE WITH A SMALL POPULATION SPREAD OVER A WIDE AREA WILL ALWAYS FACE PROBLEMS THAT CANNOT BE TOTALLY SOLVED BY THE CONVENTIONAL SYSTEMS IN USE IN OTHER STATES. EVEN WHEN THE OIL ROYALTIES BEGIN THERE WILL NOT BE ENOUGH DOLLARS TO FUND EVERYTHING WE WOULD LIKE. IF WE WISH TO DOUBLE THE SIZE OF OUR PRIMARY AND SECONDARY HIGHWAY SYSTEM WE ARE LOOKING AT A TOTAL INVESTMENT IN PRESENT DOLLARS OF AROUND FIVE TO SEVEN BILLION DOLLARS FOR 7,000 MILES OF NEW HIGHWAYS AND ROADS. ASSUMING THAT YEAR ROUND MAINTENANCE WOULD BE DESIRED ON MOST OF THE SYSTEM THE BILL FOR THAT WOULD INCREASE TO AROUND \$60 MILLION ANNUALLY. IF WE WANT TWICE AS MANY TRUNK AIRPORTS WE ARE LOOKING AT ANOTHER 40 FIELDS WITH A PRICE TAG OF SOME \$400 MILLION OR SO.

A STATE WITH 80 PERCENT OF ITS POPULATION IN ITS SEVEN LARGEST CITIES AND TOWNS MUST PROVIDE SOLUTIONS FOR URBAN AS WELL AS RURAL TRANSPORTATION. A LOOK AT THE FIVE-YEAR PROGRAMS FOR HIGHWAYS IN RECENT YEARS SHOWS MORE AND MORE MONEY GOING INTO EXPENSIVE URBAN PROJECTS. MOST OF THE ARTERIALS STREETS AND SECONDARY HIGHWAYS IN URBAN AREAS THROUGHOUT THE STATE ARE IN NEED OF MAJOR IMPROVEMENTS AND PAVING. WE CAN SPEND \$500 MILLION OR SO ON SUCH IMPROVEMENTS AND PROBABLY LEAVE A GREAT DEAL UNDONE. FURTHER IMPROVEMENTS IN PUBLIC TRANSIT WILL REQUIRE FUNDING. THERE IS NO LACK OF PLACES TO SPEND MONEY NOR WILL THERE BE IN THE YEARS AHEAD.

THE SMALL POPULATION OF RURAL ALASKA WILL NEVER BE ABLE TO PROVIDE A RATE BASE THAT WILL SUPPORT SEVERAL COMPETING MODES OF TRANSPORTATION. THIS IS THE PART OF THE STATE THAT NEEDS HELP WITH FARES AND FREIGHT RATES. ONLY EFFICIENT REGULATION AND A JUDICIOUS USE OF SUBSIDIES IN SOME CASES WILL PROVIDE TRANSPORTATION TO THE REMOTE AREAS AT A REASONABLE COST WITH REASONABLE FREQUENCY.

THERE WILL BE MANY MORE TRANSPORTATION SYSTEMS PLANNED IN THIS STATE TO MEET LARGE SCALE RESOURCE DEVELOPMENT. ALREADY THERE IS TALK OF SEVERAL MORE PIPELINES, SOME PRIVATE AND SOME GOVERNMENT. THESE PIPELINES AND OTHER SYSTEMS WILL REQUIRE A SUPPORTING NETWORK OF ROADS, AIRPORTS, PORTS AND OTHER CAPITAL INVESTMENTS TO ENABLE THEIR CONSTRUCTION. ANY PUBLIC INVESTMENT IN SUCH SUPPORT SYSTEMS MUST BE CAREFULLY STUDIED TO INSURE THAT THERE IS ANY ADEQUATE RETURN TO THE PUBLIC FROM THESE INVESTMENTS.

THE PRIMARY INTENT OF ANY REORGANIZATION SHOULD BE TO CREATE A SINGLE PLANNING AGENCY - SINGLE CAPITAL BUDGET APPROACH TO MEETING TRANSPORTATION NEEDS BY THE STATE. FUNDS WILL BE EXPENDED AS DICTATED BY THE FEDERAL FUNDING SOURCE AND BY THE STATE BOND ISSUES, BUT THEY WILL BE UTILIZED IN A MORE RELATED MANNER. EVENTUALLY GREATER FLEXIBILITY IN FUNDING SOURCES WOULD BE HOPED FOR - THERE IS NOT POINT IN DEVELOPING ALTERNATIVE TRANSPORTATION OPTIONS IF THERE IS NOT FUNDING FOR THEM.

INTEGRATED PLANNING WILL MAKE POSSIBLE MULTIMODAL SOLUTIONS WHERE THESE ARE BEST BUT WILL UTILIZE THE MOST EFFICIENT MODE -- ROAD, AIR, MARINE OR OTHER -- WHERE A SINGLE TRANSPORTATION MODE WILL MEET A COMMUNITY'S

NEEDS. A SINGLE PLANNING AGENCY WILL BE ABLE TO IDENTIFY THE SOCIAL AND ECONOMIC IMPACTS THAT DIFFERENT FORMS OF TRANSPORTATION WILL CREATE. IT WILL, MOST IMPORTANTLY, PROVIDE A SINGLE AGENCY TO WHICH COMMUNITIES CAN ADDRESS THEIR TRANSPORTATION NEEDS AND TO WHICH THEY CAN PROVIDE THEIR PLANNING INPUT.

THE DEPARTMENT OF HIGHWAYS HAS ALREADY TAKEN STEPS TO INCREASE COMMUNITY PARTICIPATION IN THE INITIAL STEPS OF ROAD AND HIGHWAY PLANNING. IT HAS BEEN LIMITED BY THE LACK OF A LOCAL PLANNING ORGANIZATION IN MANY AREAS BUT IT IS OUR INTENT TO CREATE A SYSTEM WHERE THE INITIAL IMPETUS FOR PLANNING WILL ORIGINATE IN THE LOCAL COMMUNITIES AND WHERE DECISIONS WILL BE MADE BY THOSE MOST AFFECTED - THE LOCAL RESIDENTS. THIS DOES NOT MEAN THAT A COMMUNITY CAN BLOCK A ROAD NEEDED AS PART OF THE STATE SYSTEM - IT MEANS THAT THE ROAD WILL BE BUILT INSOFAR AS POSSIBLE TO REFLECT COMMUNITY DESIRES.

A DEPARTMENT OF TRANSPORTATION WILL, BY POOLING OUR TRANSPORTATION PLANNING RESOURCES, GIVE US STRENGTH IN AREAS WE ARE PRESENTLY WEAK. INITIALLY THIS WOULD BE IN THE AREA OF PORT DEVELOPMENT AND MARINE TRANSPORTATION GENERALLY. WE MUST NOT CONTINUE IN OUR PRESENT SITUATION WHERE OUR FACILITIES WILL BE TAXED TO THE UTMOST TO MEET ONGOING NEEDS AND ALYESKA'S AND FUTURE PIPELINES NEEDS.

THE STATE'S ABILITY TO MAINTAIN A STRONG POSITION IN FUTURE PIPELINE PLANNING WILL BE INCREASED BY A STRONG DEPARTMENT OF TRANSPORTATION. WE ARE PRESENTLY CROSS-TRAINING ENGINEERS WITH THE OFFICE OF PIPELINE COORDINATION AND OTHER STATE AGENCIES SO THAT FUTURE PIPELINES WILL

REFLECT THE STATE'S INTEREST AS STRONGLY AS POSSIBLE. WE CANNOT RELINQUISH CONTROL AND PLANNING OF ENERGY CORRIDORS AND PIPELINE ROUTES TOTALLY TO THE FEDERAL ESTABLISHMENT.

THE GREATEST PROBLEM THAT WE WILL FACE IN THE IMMEDIATE FUTURE IS TO MAINTAIN OUR EXISTING HIGHWAYS AND ROAD SYSTEMS IN A DRIVEABLE CONDITION. INFLATION IS AT PRESENT CAUSING 5 PERCENT ANNUAL INCREASE IN OUR MAINTENANCE COSTS. THE SAME FACTORS ARE CAUSING A STEADY DIMINISHING OF THE VALUE OF OUR HIGHWAY TRUST FUNDS. EVERYTIME WE EXPERIENCE ANOTHER LARGE PRICE INCREASE, ANOTHER PROJECT MUST BE DROPPED FROM OUR FIVE-YEAR PROGRAM OR SET BACK.

WE ARE RESTRUCTURING THE HIGHWAY CONSTRUCTION PROGRAM TO INSURE THAT OUR EXISTING HIGHWAYS ARE UPGRADED AS RAPIDLY AS POSSIBLE. THIS INCLUDES NOT ONLY OUR MAJOR INTERCITY HIGHWAYS, BUT THE URBAN ROUTES PREVIOUSLY REFERRED TO AS WELL WHICH HAVE BEEN SO SADLY NEGLECTED IN RECENT YEARS.

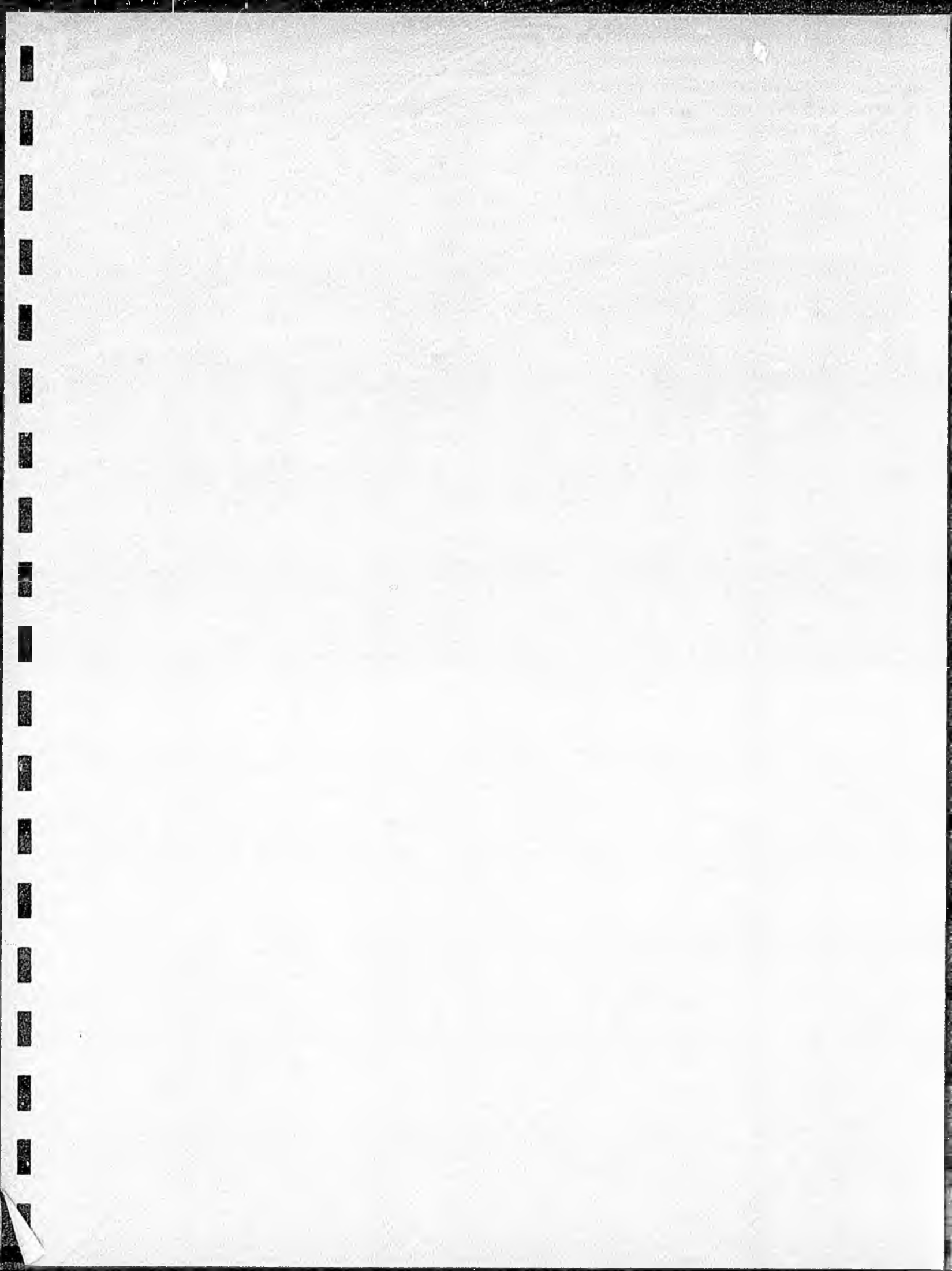
WE WILL CONTINUE TO ACCUMULATE SOILS INFORMATION, HYDROLOGICAL DATA AND OTHER INFORMATION ALONG PROPOSED ACCESS ROUTES TO OTHER PARTS OF THE STATE SO AS TO INSURE THAT WHEN THE TIME COMES THAT ROADS ARE NEEDED OR DESIRED IN THOSE AREAS, THEY CAN BE BUILT WITH MAXIMUM ENVIRONMENTAL SAFEGUARDS. ALTERNATIVE TRANSPORTATION MODES WILL BE CLOSELY EXAMINED AS PART OF THAT PLANNING.

THE RESPONSIBILITY FOR SECURING CORRIDORS FOR NEW ROADS IN URBAN AREAS WILL REST LARGELY WITH THE LOCAL GOVERNMENTS. NO ONE WANTS A FREEWAY BY HIS FRONT DOOR OR EVEN A MAJOR URBAN ARTERIAL IN MOST CASES. YET, NEW ARTERIALS MUST BE BUILT AS THE POPULATIONS INCREASE TO INSURE THAT PUBLIC TRANSIT CAN OPERATE EFFICIENTLY AND TO INSURE THAT WE CAN GET BACK AND FORTH TO WORK AND THAT OUR CHILDREN CAN GET TO SCHOOL. IT WILL BE THE RESPONSIBILITY OF THE LOCAL GOVERNMENTS TO RESOLVE THESE LOCAL PROBLEMS AND THE STATE WILL NOT INTERCEDE EXCEPT AS A LAST RESORT--AND I MEAN THE VERY LAST RESORT.

IN THE YEARS AHEAD AS PIPELINE IMPACT GROWS AND INFLATION CONTINUES, WE CANNOT PROMISE THAT THE ROADS WILL BE PLOWED AS OFTEN AS THE PEOPLE WOULD LIKE OR THAT THE POTHoles WILL BE FILLED AS QUICKLY. THERE WILL PROBABLY NOT BE ENOUGH MONEY FOR THAT KIND OF ROAD MAINTENANCE UNTIL THE OIL REVENUES BECOME AVAILABLE. I CAN ONLY PROMISE THAT THE STATE'S HIGHWAYS AND ROAD PROGRAMS WILL BE PRIMARILY DEDICATED TO MEETING THE CONCERNS OF LOCAL RESIDENTS AS WELL AS WE CAN WITHIN THE FINANCIAL CONSTRAINTS THAT WE FACE.

WE WILL CONTRACT WITH LOCAL COMMUNITIES TO THE MAXIMUM EXTENT POSSIBLE TO INSURE JOINT EFFICIENCIES IN OPERATING OUR ROADS. WE WILL PLAN OUR NEW PROJECTS SO AS TO SERVE THE EXISTING NEEDS -- NOT THE NEEDS OF SOME NEBULOUS FUTURE.

FINALLY, NO AREA HAS CAUSED MORE CONTROVERSY IN ALASKA THAN TRANSPORTATION. THIS CONTROVERSY WILL INCREASE AS POWERFUL PRIVATE AND GOVERNMENTAL INTERESTS JOCKEY FOR POSITIONS. WE ARE IN A PINCHERS BETWEEN THE ENERGY CRISIS AND ENVIRONMENTAL CONTROL. WE CANNOT LET OURSELVES BE GROUND BETWEEN THEM. A STRONG DEPARTMENT OF TRANSPORTATION IS A VITAL NECESSITY IF THE INTERESTS OF ALASKANS ARE TO BE UPHELD.



STATE TRANSPORTATION
IN TRANSITION

by D. Joseph Smith
Assistant to the Director of
Program Management
Office of the Deputy Under
Secretary
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Washington, D. C. 20590

INTRODUCTION

As the decade of the 1970's begins, it is quite apparent that in government, industry, and society in general, many of the institutions that served this nation well enough in the past do not meet the needs of today. Transportation, because of its strong association with technological advancement and with the everyday needs of a changing society, has had to be particularly sensitive in recent years to the call for institutional change. In a super industrial society such as the United States:

Our choice of technologies (such as those involved in transportation), in short, will decisively shape the cultural styles of the future. . . This is why technological questions can no longer be answered in technological terms alone. They are political questions. . . This is why we cannot continue to make technological decisions in the old way. We cannot permit them to be made haphazardly, independently of one another. We cannot permit them to be dictated by short-run economic considerations alone. We cannot permit them to be made in a policy vacuum. And we cannot casually delegate responsibility for such decisions to businessmen, scientists, engineers, or administrators who are unaware of the profound consequences of their own actions. 1/

There has been a tendency in an industrializing nation such as the U.S. during the last half dozen decades to "functionalize" and "specialize" most everything. In the case of transportation, development has often been broken down into individual modes, isolated from one another. This practice was uncommonly successful as an example, when this nation was "getting out of the mud" in the early stages of the highway program or

1/ Alvin Toffler, Future Shock, (New York; Bantam Books, 1971), pp. 436-437.

needed to stimulate the aviation mode to develop its full service potential. But in the 1970s and beyond, public agencies at all levels will increasingly need to adopt broader, more flexible methods of operation. Public transportation agencies are no exception.

The purpose of this article is to describe some of the underlying forces that are causing the State transportation establishment to undergo some basic institutional changes, keying on some of the changes occurring in this area. Finally, it is suggested that these institutional changes are very timely in relation to the increasingly perceived need to get a handle on the future growth and development of our natural and man-made environment. This is especially true when one considers the very real constraints imposed by our limited financial resources and our limited natural resources such as oil and land.

RATIONALE FOR CHANGE

One of the most pervasive factors causing institutional change in transportation is the tide of urbanization that continues to sweep the population of this nation to residences in or near our urban areas. In the census of 1970, 73.5% of the nation's population was found to be living in urban areas. This rise in urbanization is generally associated in Western nations with an increase in industrialization, which in turn necessitates a sizeable service population of commercial and governmental interests. This advanced

employment mix represents a more affluent and sophisticated populus, demanding in the last few decades a transportation system that includes jet air travel, improved mass transportation service, and a safe, efficient highway system.

This greater amount of people concentrated in ever smaller geographic areas has meant that the complexity involved in providing transportation services has greatly increased; while the growth of the relative size of our urban areas (i. e. , suburbanization) demands a tremendously increased need for more of all urban transportation services. Thus our American style of urbanization places a challenging and often conflicting set of demands on the field of transportation. These demands dictate that these new systems be adequately planned and developed as a coordinated system having as little detrimental effect as possible on the existing or planned urban fabric.

Strongly associated with the increase in the degree of urbanization has been the impact over the last decade of the one man-one vote ruling of the U. S. Supreme Court. As State legislatures become more representative of urban areas, sweeping reorganization and a general modernization of many State governments is taking place. In transportation, the phenomena of State reapportionment and reorganization have developed support and action for improved comprehensive planning and development of the State transportation system.

One of the most highlighted issues in recent years that has caused elected officials to be especially critical of traditional transportation policies has been the revolution of thought concerning the impact of transportation facilities on the environment in which these facilities are located. The environmental issue in transportation can be divided into two general categories: the long range social, economic, aesthetic and ecological concerns, and the immediate, short range community disruption of relocated families and businesses. The long range environmental concern has been upheld over time through a framework of legislative actions such as the National Environmental Policy Act of 1969, Section 4 (f) of the Department of Transportation Act of 1966 and numerous other State, Federal and local statutes. Short range community disruption, on the other hand, has forced many elected officials to become directly involved in transportation decisions. With this involvement and the continuing impact of environmental legislation, State officials have increasingly realized the need for more responsive transportation institutions that have an ability and mandate to consider the broader implications of transportation investment.

As States study and consider actions on the alternatives to the traditional solutions toward providing transportation facilities in urban areas, they are finding the most promising are various forms of public or mass transportation. This intensified interest in public transit stems from two increasingly obvious realities. The first is that more highways do not

seem to be the long run solution to urban traffic congestion; indeed, new highway facilities often generate more traffic and ultimately more congestion. Public transit is viewed as an alternate to the open-ended approach of building more highways, especially in urban areas where the financial, environmental and social costs of new highways are becoming exceptionally high to individual communities and the State governments involved.

The second reality is the virtual financial collapse over the last two decades of the privately and publically owned transit companies in this country, especially in communities of medium or small size. Largely because of the one sided emphasis on highway investment, together with very little popular interest in public transit in the past, the local, State and Federal governments have recently had to financially help out floundering transit companies or see this public service disappear at the same time that its potential for solving urban transportation problems is increasing.

The preoccupation of the Federal and State governments with the highway system and with air and water transportation, has had a serious impact on almost all other modes of transportation in the last several decades. Examples included in the "other mode" category are bus transit, commuter rail (subway, streetcar, light rail, etc.), inter-city rail transportation (freight and passenger service), intra-urban freight transportation, transportation terminals or ports (freight and passenger) and such non-technical

transportation modes as walking and bicycling. The emphasis has not only led to overdevelopment of some transportation systems, but has meant a lack of research, development and outdated regulation of the "other modes" so as to favor highway and air travel in the transportation market place. Thus, State action concerning these other modes has become necessary if the services they provide are to be continued.

Finally, the States have been redirecting their transportation policies and programs in response to the institutional momentum generated by the Federal government. With the exception of Hawaii (1960) and New Jersey (1965), all State departments of transportation have been created since the passage of the U. S. Department of Transportation Act in 1966 and the flood of new Federal transportation legislation since 1966. Chart A displays the broad thrust of this reappraisal which now involves at least 37 states in one phase of action or another as of September 1974. Although the 27 states and Puerto Rico with established DOTs vary from loose coordinating structures to strong executive agencies with powerful financial tools, the States' response to Federal initiatives in transportation as discussed below is unmistakable.

The Federal government views the improvement of State transportation capabilities favorably. The Federal policy has generally been to encourage and assist where requested the States as they review existing transportation policies and programs. The U. S. DOT has avoided prescribing or promoting

CHART A

DOT Established

1. Arizona (1974)
2. California (1973)
3. Connecticut (1969)
4. Delaware (1970)
5. Florida (1967)
6. Georgia (1972)
7. Hawaii (1960)
8. Idaho (1974)
9. Illinois (1972)
10. Iowa (1974)
11. Kentucky (1973)
12. Maine (1972)
13. Maryland (1971)
14. Massachusetts (1971)
15. Michigan (1973)
16. Missouri (1974)
17. New Jersey (1966)
18. New York (1967)
19. North Carolina (1971)
20. Ohio (1972)
21. Oregon (1969)
22. Pennsylvania (1970)
23. Rhode Island (1970)
24. South Dakota (1973)
25. Tennessee (1972)
26. Virginia (1974)
27. Wisconsin (1967)
- Puerto Rico (1973)

DOT Legislation Recently Considered

1. Alaska,
2. Colorado
3. Kansas
4. Minnesota
5. New Hampshire
6. Washington

DOT Feasibility Studies Under Way
or Completed

1. Colorado
2. Kansas
3. Louisiana
4. Minnesota
5. New Hampshire
6. Oklahoma
7. Utah
8. Vermont
9. Washington

any particular type of organization or financial structure when advising the States on this subject. A prescriptive or promotional posture on the part of the U. S. DOT in this area would ignore the real differences between each State's needs in transportation.

THE STATES' RESPONSE

ORGANIZATION

With the exception of the newly established Missouri DOT, all State DOTs include the highway mode among their responsibilities. All States include their respective State aeronautics functions within the State DOT organization. All State DOTs have some responsibility in the area of mass transit, but the picture becomes quite blurred, with some State DOTs' owning and operating transit properties (Maryland and Rhode Island) while others possessing the authorization only to plan or study mass transit with very limited funding and staffing. State DOTs active in this area generally help match Federal transit grants, provide technical assistance to medium or small communities, and assess public transit needs for the benefit of the Governor and the legislature. Furthermore, about twelve States have some responsibility in the area of port or marine transportation. Again, this responsibility ranges from state ownership and operation of port facilities (North Carolina, New York and Maryland) to a rather general mandate to plan for or consider ports relative to the overall State transportation system.

It should also be noted that New York is the first State to fully consolidate the development function in transportation (DOT) and the economic regulatory function in transportation (typically a Public Utilities Commission function) into one organization. Thus, regulatory decisions are in immediate and constant contact with the DOT's multimodal staff or in other words, the regulatory side of the New York State transportation program is set up to work hand-in-hand or complement the development side of the program. After a couple of years of operation, this arrangement, while a large additional responsibility for NYS DOT to handle, has proven to be an important new tool in facilitating improved mass transit service and in meeting the crisis generated by the bankrupt Penn Central railroad.

A shake up of transportation boards or commissions of various kinds has usually accompanied the establishment of State DOTs. Some of these bodies have retained important administrative responsibilities (Arizona, Georgia, and South Dakota). The trend in most States seems to be toward limiting the power of independent transportation bodies to advisory roles or sounding boards for new or controversial policies and projects. This trend is consistent with the reorganization and modernization of State governments to make the process of governing more responsive and more clearly understood by the public. This trend also recognizes that the role of boards or commissions as "blue ribbon" panels is no longer as necessary considering

the high level of professionalism that the existing State transportation agencies have built up over the last forty or fifty years.

The three general types of organizational structure of existing State DOTs are shown in Figures 1-3. The Connecticut DOT (the most typical) is similar to the Federal DOT whereby general policy is made in the Office of the Commissioner, but the mass of planning and operations are carried out in line offices under the Commissioner. It is also interesting to note that planning, research, and administration are shown as line bureaus only equal to modal bureaus.

Maryland (Figure 2) is also organized with the modal administrations in separate line positions, but the difference is that the Office of the Secretary clearly consolidates all staff functions (planning, administration, etc.) above a modal identity. This type of organization allows operational functions to continue in separate modal offices while facilitating a single Departmental posture when dealing with the public and elected officials. Under this approach everyone is working with one transportation plan, one transportation budget and one set of transportation policies.

New York State (Figure 3) has developed what is closest to the functional or low-modal approach to transportation organization. As in Maryland, the key administrative functions are in the office of the agency head while the Office of Planning and Development, Office of Operations and Office of Transportation Regulatory Affairs are located in line positions. These

CONNECTICUT DEPARTMENT OF TRANSPORTATION ORGANIZATION CHART

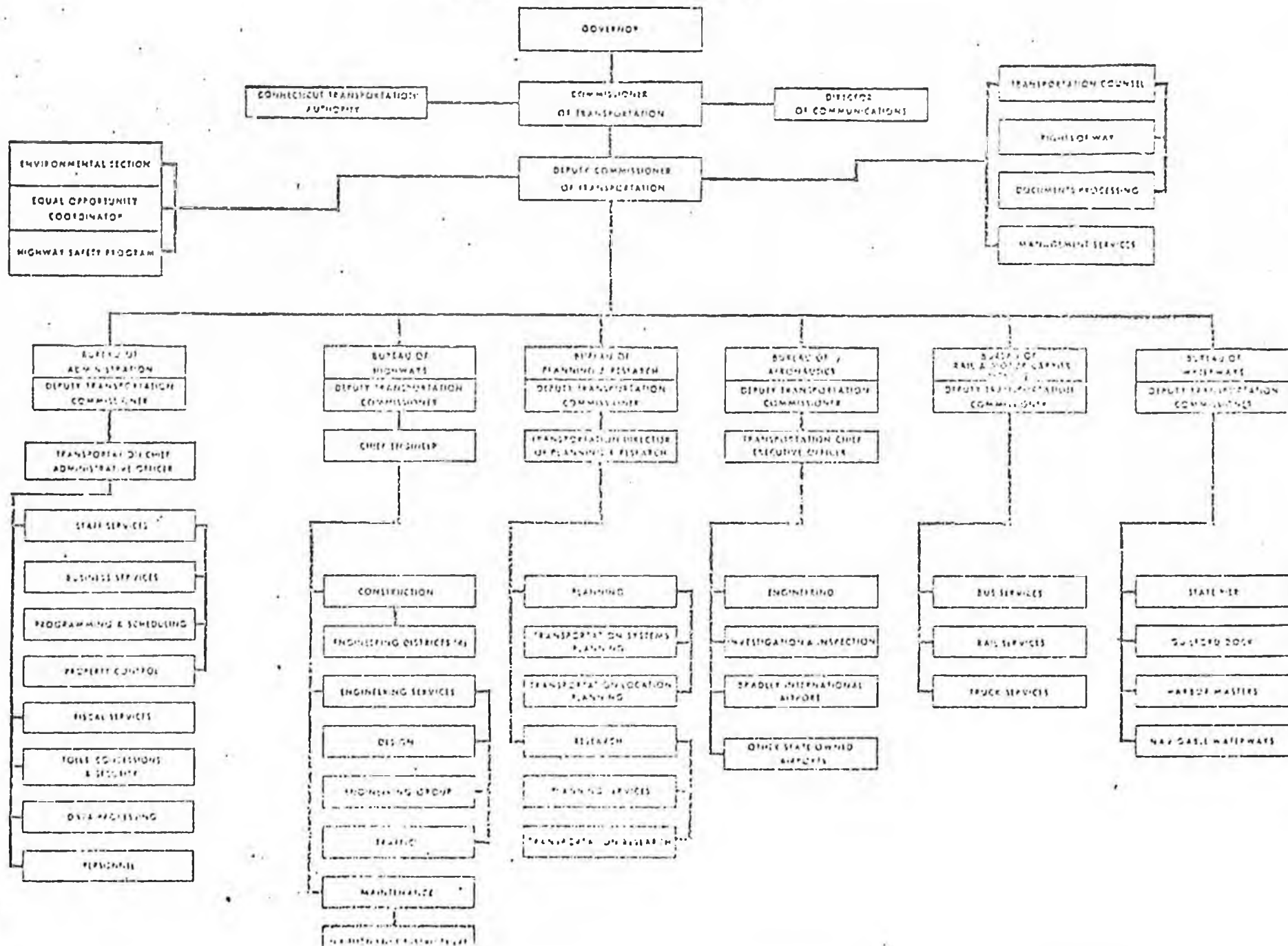
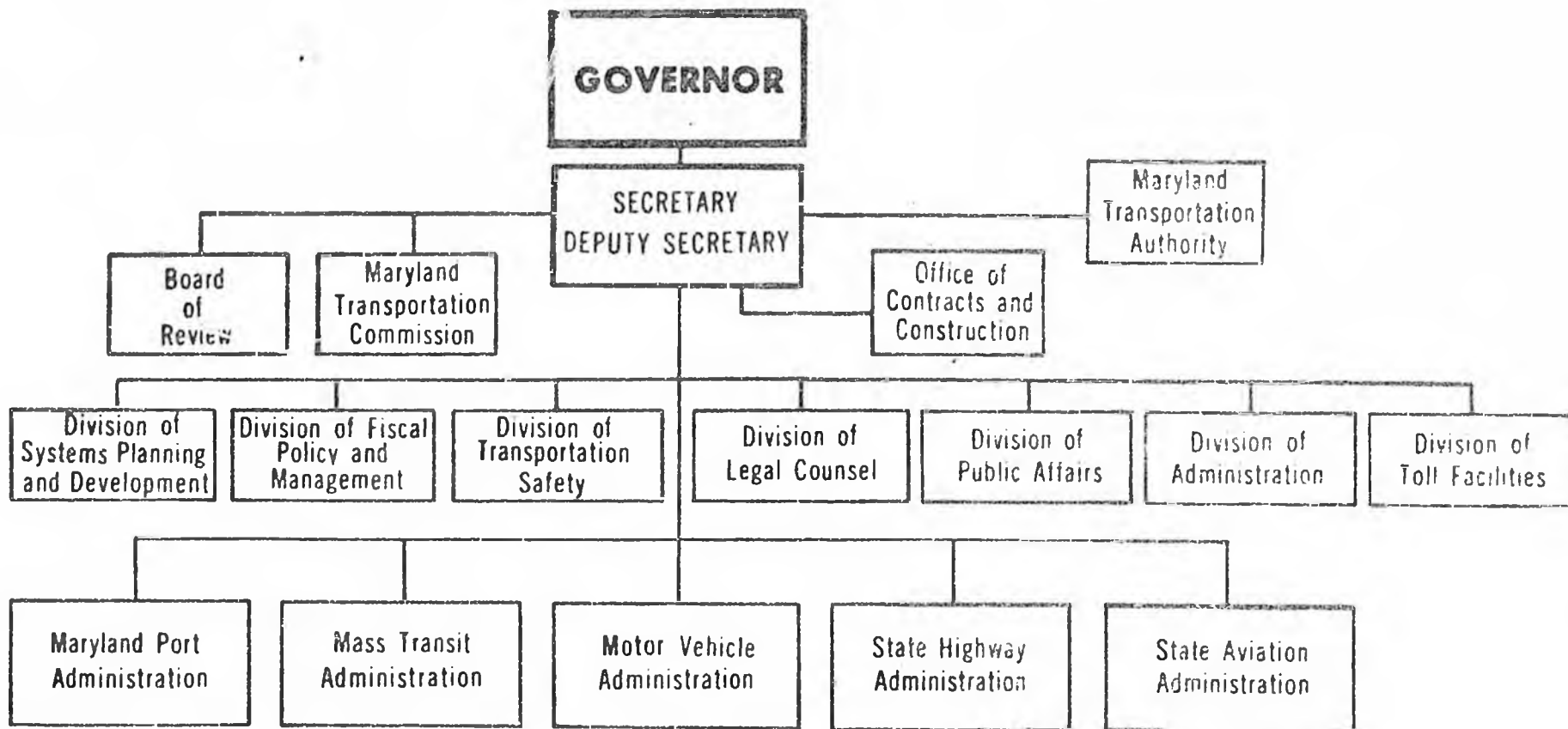


Figure 1

FIGURE II - 1

Maryland Department of Transportation



11-2

NEW YORK STATE DEPARTMENT OF TRANSPORTATION

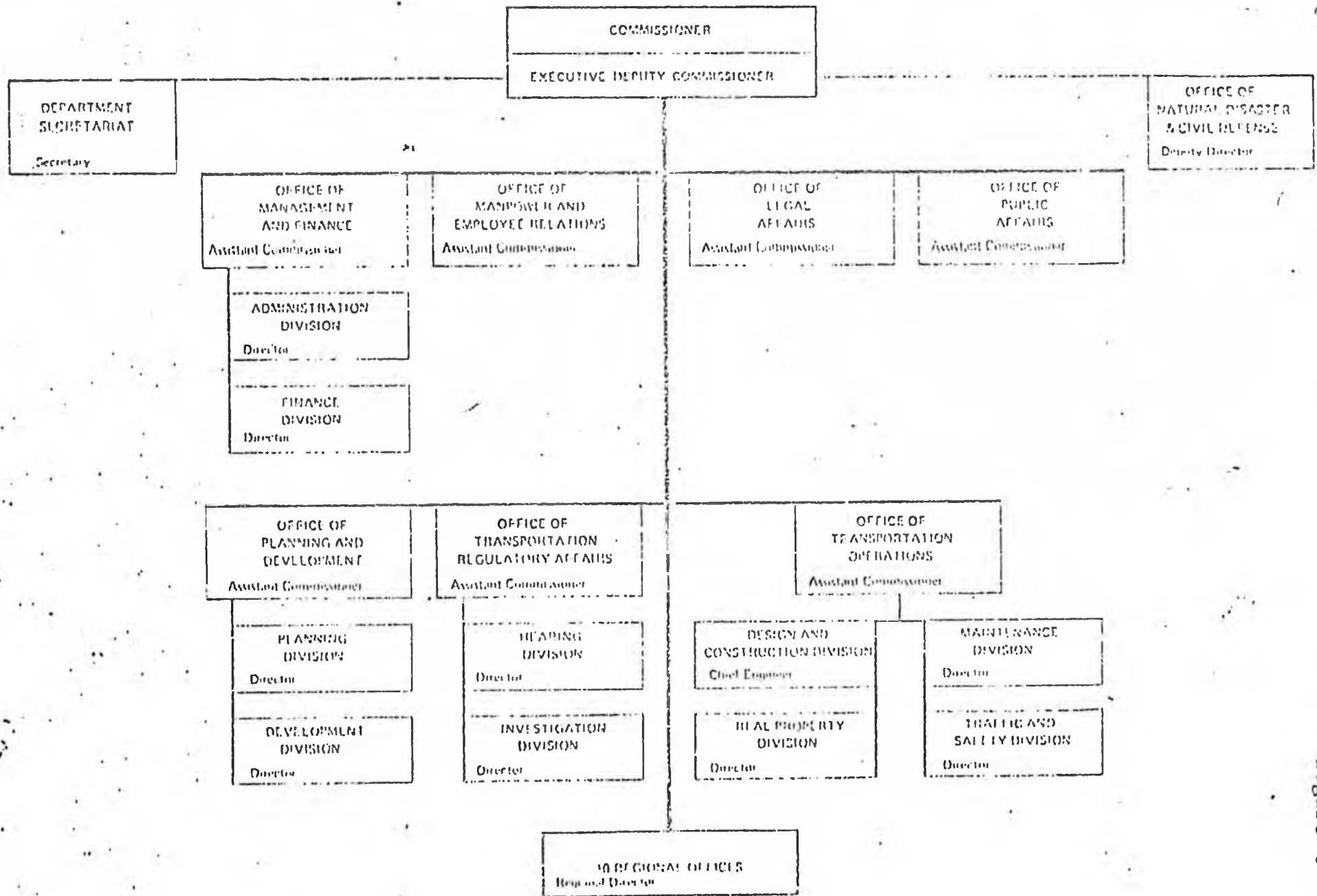


Figure 3

offices are then divided into functional specialties. As an example, the Office of Operations is divided into functional categories dealing with construction, acquisition, maintenance and traffic engineering and safety. The modal identity is then apparent as specialists in highway design or waterway maintenance are located within multimodal divisions dealing with design or maintenance. New York has also been somewhat successful over the last few years in extending this functional organization to its district or regional transportation offices. It should be noted that New Jersey and Illinois have also adapted a functional approach to organization and many other State DOTs are noticeably evolving into functional organizations as they gain more operational experience.

FINANCING

There are presently three overall methods that have been developed to finance State DOT programs. Although these methods are often supplemented by various bonding schemes and other financial schemes, they represent the main source of State transportation program funds.

The most typical method of funding State transportation is the "constitutionally or legislatively dedicated revenue method" whereby money collected concerning the use of a specific mode can only be used to fund the construction of that particular mode of transportation. Most States (including several States with DOTs) finance highway construction using this method

and several States finance airport construction with a similarly dedicated revenue base.

The second method can be called the "general revenue method" whereby transportation user fees are taken into the State treasury like any other State tax or fee and are then budgeted for transportation development or any other purpose as decided by the governor and the legislative process. Under this method (used by 21 States) transportation is viewed as one public service among all other public services and its importance is decided by elected officials on a regular basis. The diversion of transportation user fees and taxes for use on other than transportation uses varies from virtually no diversion to as much as one-third diversion in one state.

A third method, although not typical, is the Maryland Transportation Trust Fund. Developed in conjunction with the creation of the Maryland DOT, this method allows all transportation user fees to be pooled into a single trust fund to be allocated using the following priorities.

1. The first 35 percent of certain highway user revenues are automatically allocated to the Gas and Motor Vehicle Account which is dedicated for highway use in local jurisdictions.
2. The remaining 65 percent of the highway user fees, 2¢ of the State gas tax, port docking fees, airport landing fees, toll fees, Baltimore transit revenues, and all other transportation revenue sources are combined with three-fourths of one percent of the Maryland

Corporate Income Tax to be dedicated to paying off the State DOT's consolidated transportation bonds. These bonds can be used to finance any type of transportation improvement.

3. Finally, the remaining revenue is available for transportation projects as proposed by the Governor and approved by the legislature.

GENERAL CONSIDERATIONS

From the proceedings of recent conferences dealing with State transportation issues* and the author's discussions with the agency heads and staff of the State DOTs now in operation, it is possible to piece together some important financial and organizational considerations that should be taken seriously by all State officials concerned about transportation.

ACCOUNTABILITY

As discussed before, the States are moving away from "government by commissions or boards." Citizens are asking their elected officials to take charge of public affairs and make important resource and policy decisions themselves. The pressures and the complexity of modern

* State Transportation Issues of the Seventies, the Council of State Governments and U. S. Department of Transportation, Washington, D. C. August 1973. Summary of a conference cosponsored by C. S. G., U. S. DOT and hosted by the Maryland DOT in September 1972 at Baltimore/Washington International Airport.

Issues in Statewide Transportation Planning, Special Report 146, Transportation Research Board, Washington, D. C., 1974. Summary of a TRB Conference held in February 1974 in Williamsburg, Va.

government demand a professional responsiveness that many old State boards and commissions were never set up to accommodate.

Almost universally, State DOT officials feel that the best method for them to continue to reflect the public interest in their activities is to be in a direct line of authority from the Governor while maintaining a close working relationship with the State legislature and locally elected officials. Under such a process, however organized, the lines of authority and therefore accountability are clear to citizens, elected officials and State DOT personnel alike. This enables a more direct responsiveness concerning new or controversial transportation issues.

An example of responsiveness to public needs arose during the recent Northeast rail crisis. When the impact of this crisis first became apparent to citizens and elected officials some States in the region did not have the capability to react in a timely fashion because of a lack of legislative mandate and the necessary organizational framework. On the other hand, many of the State DOTs in the region were able to put resources and staff together to develop a State position regarding this vital transportation service almost immediately.

★ FLEXIBILITY

The ability to meet changing needs and priorities is the most emphasized aspect of discussions with State DOT officials when discussing how a State should go about reforming its transportation function. Flexibility is defined as the capability of a State DOT agency head to change his

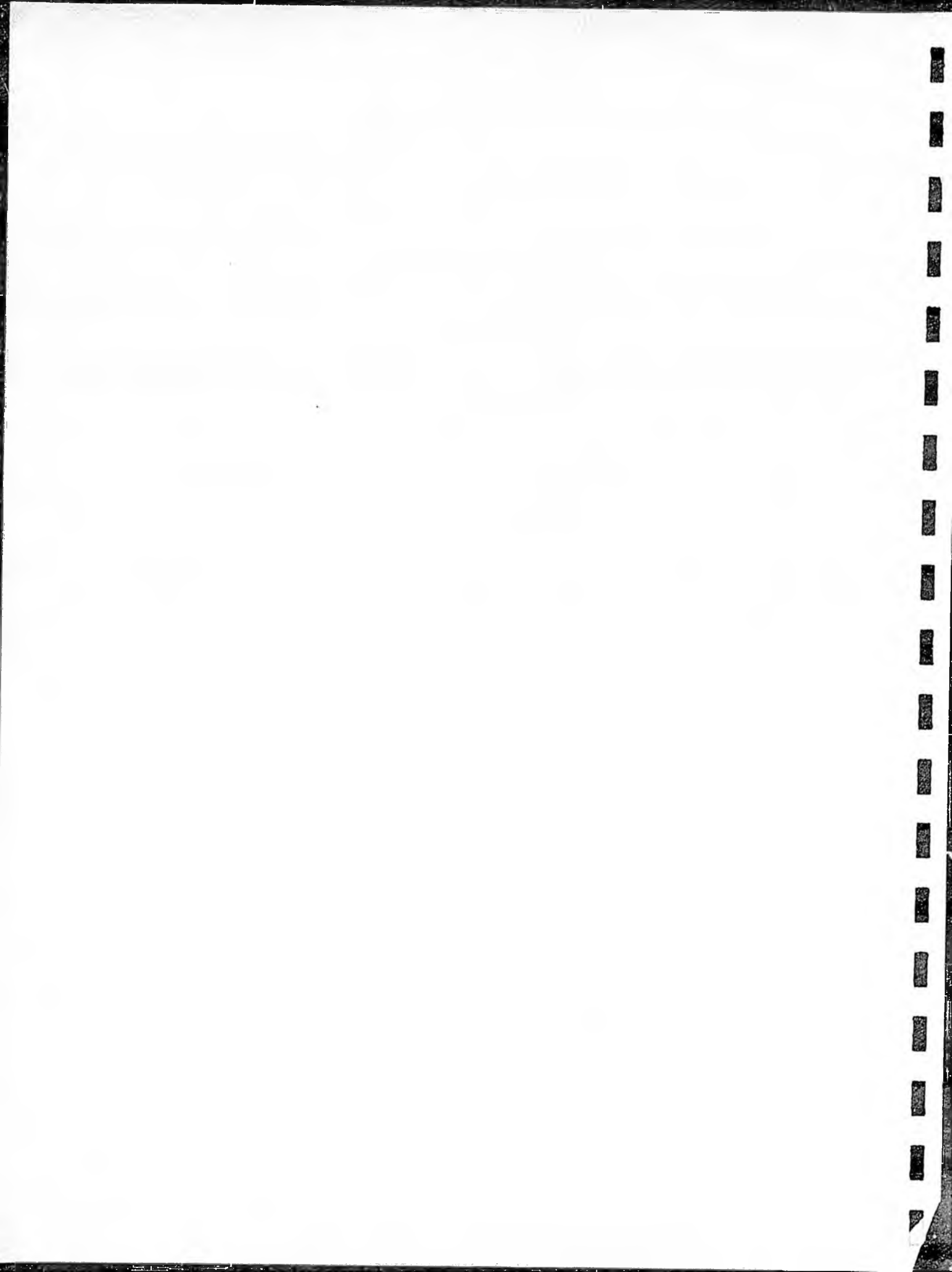
organizational or financial structure to accommodate in a timely fashion the increasing uncertainties of providing necessary transportation service.

The need for flexibility has been particularly critical in the last few years as States face abandonment of vital mass transit or railroad service, the energy crisis and environmental problems to name just a few prominent examples. In addition, there are the regular demons of natural disasters, sudden industrial development, inevitable shifts in Federal and State programs and priorities, and local demands for increased State funding that are more easily handled without an undue amount of red tape and time consuming legislative delays if program flexibility is allowed.

Finally, flexibility will be helpful as the States face the specter of a general decline in the collection of gas tax and other transportation user fees combined with the present inflationary situation. Public works projects are particularly hard hit by inflation because of the labor intensive nature of such work and the importance of expensive oil in almost all facets of the industry. The current economic situation is making it harder to pay for maintenance of existing facilities and is keeping many new, large projects on the shelf with little relief in sight from hard pressed taxpayers. Under these conditions, it will be necessary for all States to make very tough resource allocation decisions within each mode and between the modes of transportation.

To make these tough resource allocation decisions most efficiently, State DOT officials will need more flexibility. As an example of the potential of financial flexibility, two years ago the Maryland DOT had difficulty spending funds to improve the Port of Baltimore because of environmental problems. Instead of the funds being dedicated to the port project, the DOT simply shifted the funds to a much needed local roads program thus utilizing the delayed project funds, delaying or canceling the need to float a separate bond issue for the roads, and in speeding up the road program the State was able to get a jump on inflation. This year the reverse is true; port projects will probably be utilizing excess highway and transit funds. Many citizens take it for granted that their government can manage public funds at least as well as the Maryland DOT, but too often this is not the case.

New York provides a good case study of the potential of flexibility in organization of a State transportation bureaucracy. As the DOT concept evolved in New York and other states, it became clear that to go into new program areas would be a costly and time consuming proposition, especially in recruiting, training, and paying the salaries of new staff. One of the primary reasons New York adopted a functional organization was to better utilize existing State highway and other State transportation personnel.



Paul

INFORMATION AND OBSERVATIONS CONCERNING
STATE DEPARTMENTS OF TRANSPORTATION

I. ORGANIZATION

The three general types of organizational structure of existing State DOTs are shown in Figures 1-3. The Connecticut DOT (the most typical) is similar to the Federal DOT whereby general policy is made in the Office of the Commissioner, but the mass of planning and operations are carried out in line offices under the Commissioner. It is also interesting to note that planning and research and administration are shown as line bureaus only equal to modal bureaus. (Florida is organized in this way.)

Maryland (Figure 2) is also organized with the modal administrations in separate line positions, but the difference is that the Office of the Secretary clearly consolidates all staff functions (planning, administration, etc.) above a modal identity. This type of organization allows operational functions to continue in separate modal offices while facilitating a single Departmental posture when dealing with the public and elected officials. Under this approach everyone is working with one transportation plan, one transportation budget and one set of transportation policies and regulations.

New York State (Figure 3) has developed what is closest to the non-modal approach to transportation organization. As in Maryland, the key administrative functions are in the office of the agency head while the Office of Planning and Development and the Office of operations are located in line positions. The Office of Operations is divided into functional categories dealing with construction, acquisition, maintenance and traffic engineering and safety. The modal identity is then apparent as specialists in highway design or waterway maintenance are located within multimodal divisions.

It should also be noted that New York is the first State to consolidate the development function in transportation (DOT) and the regulatory function in transportation (Public Utilities Commission) into one organization. Thus, while an independent board still makes the regulatory decisions, its staffing is in immediate and constant contact with the DOT's multimodal staff.

FIGURE 1
CONNECTICUT
DEPARTMENT OF TRANSPORTATION
ORGANIZATION CHART

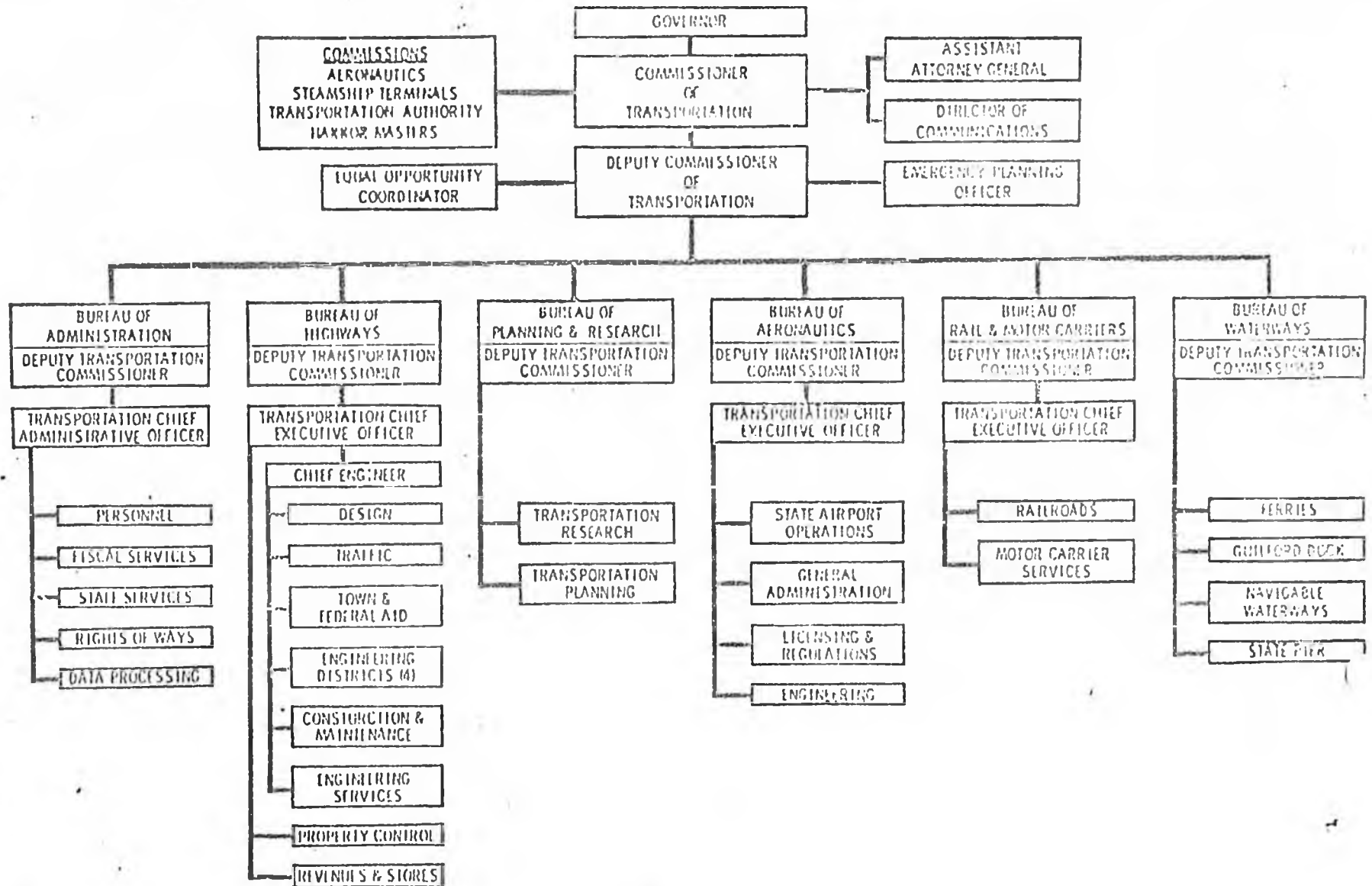


FIGURE 2

MARYLAND DEPARTMENT OF TRANSPORTATION

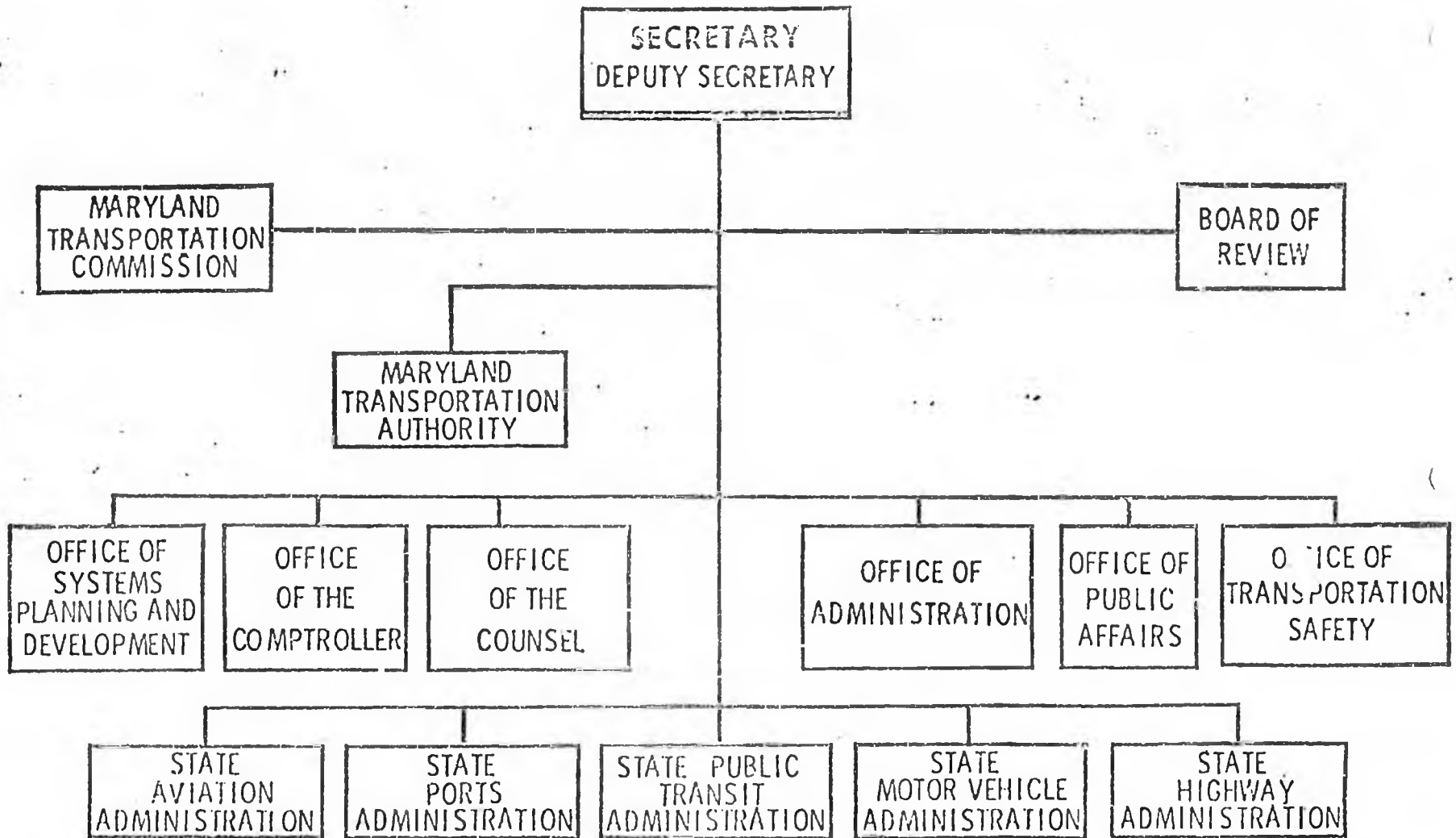
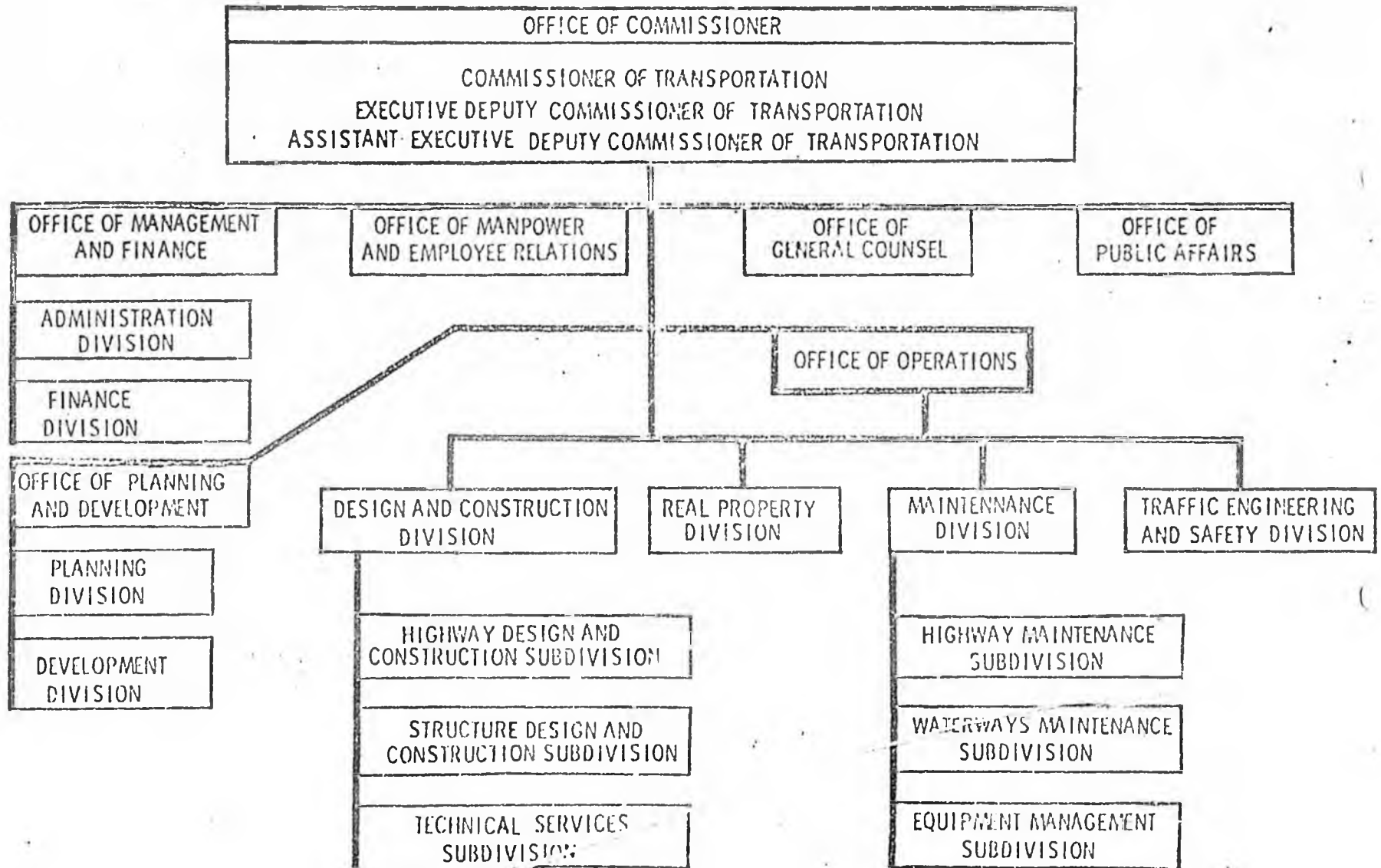


FIGURE 3

STATE OF NEW YORK / DEPARTMENT OF TRANSPORTATION

ORGANIZATION CHART
DEPARTMENT OF TRANSPORTATION



- 4 -

Recommendations

A. Strong Executive

From all discussions with operating State DOTs, it is apparent that in order to pull all the transportation concerns of a State together a strong executive type of organization is mandatory. Generally, in transportation this means:

1. An agency head that is appointed by and responsible to the Governor of the State.
2. Complete budgetary control vested in the agency head.
3. Location of key administrative offices directly under the control of the agency head and over the operational elements of the agency. Key administrative functions are those dealing with budgeting, planning, public affairs, legal work and personnel.
4. A legislative mandate that vests all administrative and planning authority in the agency head.

B. Types of Line Organization

In most States, it is suggested that a non-modal organization be adopted because:

1. Non-modal organization tends to discourage modal competition and encourage overall cooperation of agency elements. This cooperative atmosphere is very difficult to achieve when separate modal identities (and independence) are continued in a new State DOT. Modal independence can make the goal of a continuing process of multimodal planning, programming and design a difficult, if not impossible, bureaucratic maneuver.
2. A modal organization tends to continue to undermine the spirit of modal cooperation by allowing narrow modal interests in and out of State government access to the process on a purely modal basis. Thus, it provides the separate modal offices with the visibility to be individually identified and individually supported or attacked in the legislative process. This situation obviously takes away from the agency head's ability to administer.

If it is politically or otherwise not possible to create a non-modal organization, a State should consider the development of the Maryland-type of modal organization. While this type of organization continues to allow modal identity, it consolidates all key administrative or staff functions in the office of the agency head. In such an organization, the funding, planning, public affairs, legal, and personnel offices are all directly responsible to the Secretary and have no modal ties. The line organization retains only operational functions such as detailed design, construction, and maintenance.

It is also important to note that the State DOT enabling legislation in Maryland (and other strong executive States) gives the agency head the administrative authority over all agency operations. This gives the agency head the necessary power to experiment with and change organizational structure and policies as the new State DOT begins to function.

It has generally been the experience of States that have adopted organizations with weak executive authority that there is little change in the status quo of State transportation development. Simply creating a loose coordinating mechanism has not been found to be successful in providing the changes in transportation policy that creation of a State DOT is supposed to make possible.

|||
C. Economic and Safety Regulation

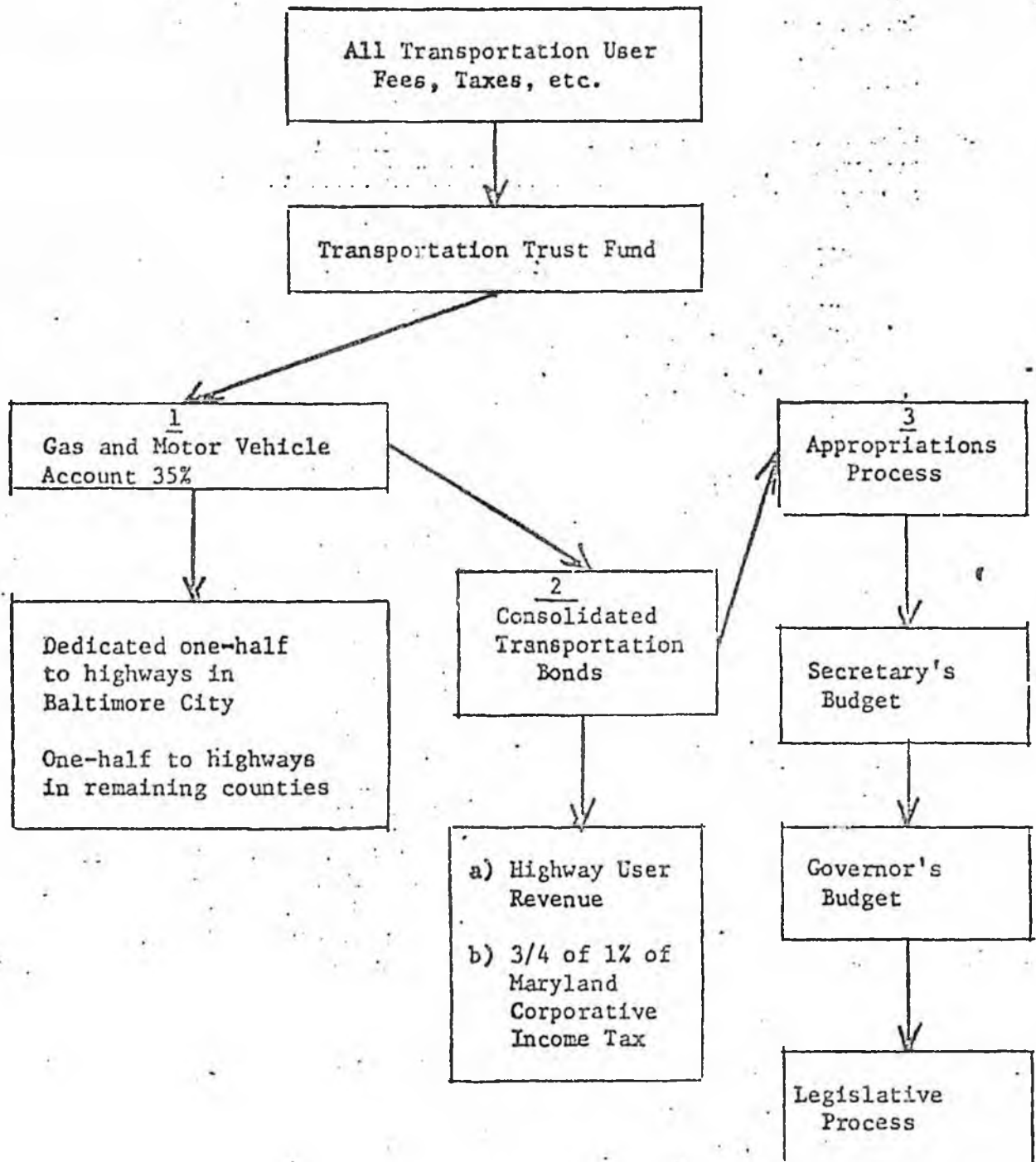
It is very difficult to recommend a generally preferred method of dealing with State regulation of transportation because of the wide variation in State traditions, laws and organization on this subject. Regulation is also probably one of the most sensitive political issues facing State transportation.

Recommendation

Ideally, transportation regulation should:

1. Be organized so as to be non-modal in orientation, that is, it should regulate all modes and forms of transportation with equal objectivity.

Figure 6.--Maryland Transportation Funding Mechanism



2. The remaining 65 percent of the highway user fees, port docking fees, landing fees, toll fees, and all other transportation revenue sources are combined with three-fourths of one percent of the Maryland Corporate Income Tax to be dedicated to paying off the State DOT's consolidated transportation bonds. These bonds can be used to finance any type of transportation improvement.
3. Finally, the remaining revenue is available for transportation projects as proposed by the State DOT and approved by the legislature.

Recommendation

Consistent with the present legislative thrust of the U.S. DOT, it is paramount that the transportation development process of the future be financed in a flexible manner that can stay in step with the changing needs and desires of the public. Whether a State decides to finance transportation through general revenue method or through a Transportation Trust Fund method such as used by the State of Maryland, the financing of a successful State DOT operation calls for budget flexibility. Budget flexibility is defined as the ability of a State DOT agency head to fund all modes of transportation or transportation related functions in a timely fashion consistent with the policy of the State government and local need.

The above discussion is not meant to imply that the primary objectives of a State DOT can't be met utilizing dedicated revenue sources, but it is generally agreed that dedication of revenue sources lessens the agency head's ability to manage on-going programs and to initiate new solutions to our transportation problems. It is suggested that any State researching the feasibility of creating a State DOT should carefully review existing State financial arrangements for transportation in relation to the State's current transportation needs.

Figure 5.--Appropriation Process of Funding Transportation
(about 21 States use this method)

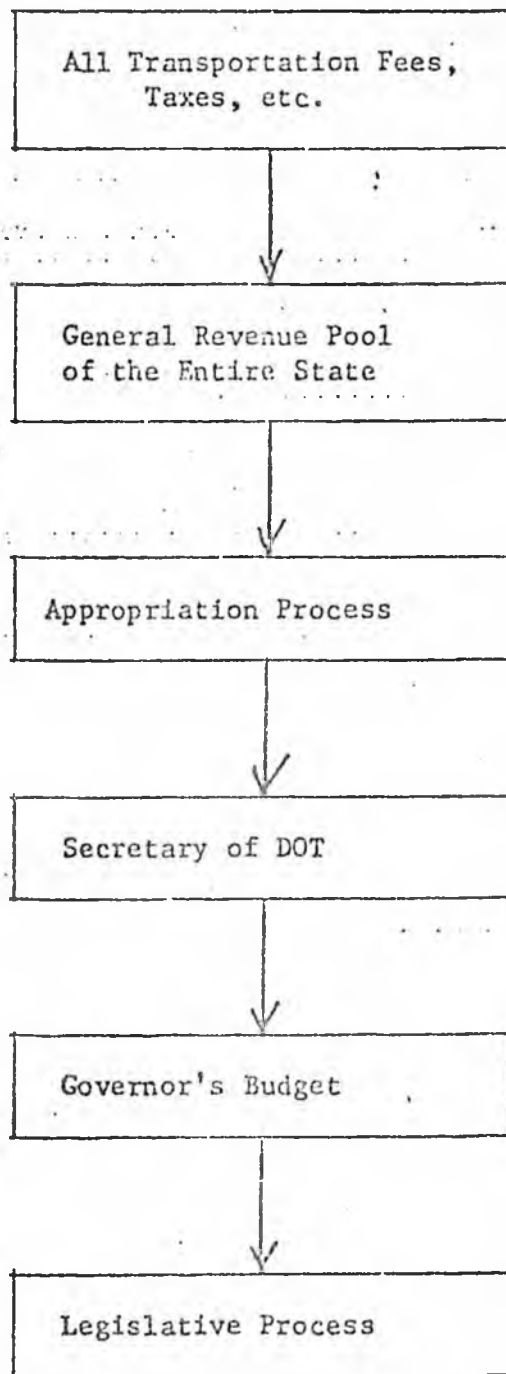
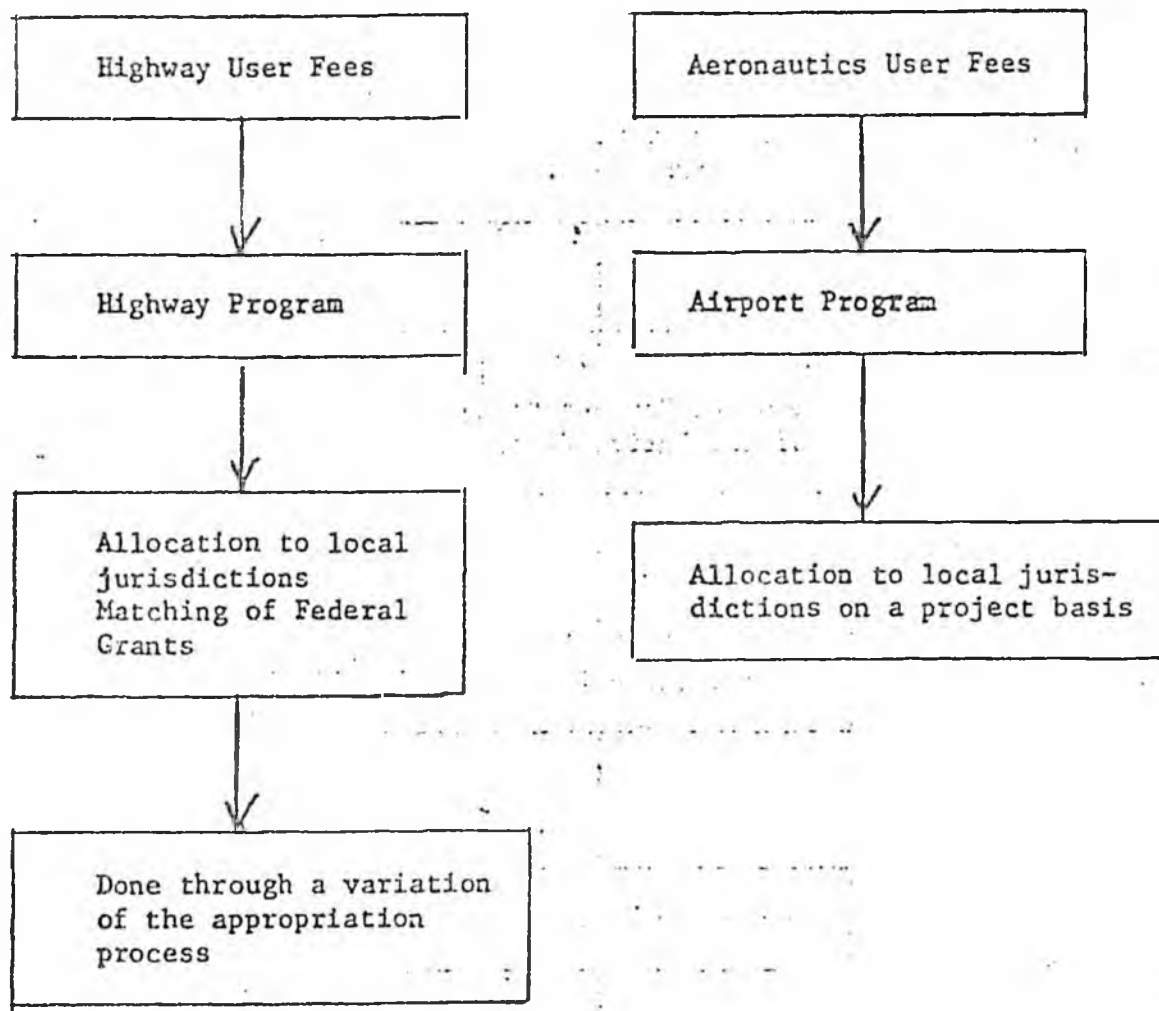


Figure 4.--Dedicated Revenues - Usually by Constitutional Amendment
(about 28 States use this method)



2. Be organized so as to be in constant and close communication with the State DOT so that the goals and objectives of the State development program will be fully understood and recognized by the regulatory process.
3. Consist of a small (3-5 member), full-time regulatory board or commission that serves for a maximum of 4 to 6 years and is adequately compensated and staffed for this high level work.

D. Environmental and Safety Review Functions

It has been the experience of the U.S. Department of Transportation and other State transportation organizations that the environmental and safety review functions should be located above the operational level if they are to receive the careful attention, objectivity and executive emphasis necessary to have an impact on the transportation development process.

Recommendation

It is suggested that State DOTs either create a separate office of program review in the office of the agency head to carry out these functions or that a section of the staff level planning office contain such functions. It is becoming clear that these functions are too important to be subjugated under a supervisor whose primary responsibility is constructing highways or airports. These review functions seem to work most successfully when they are located in the State DOT agency head's office whose responsibility concerns the broad implementations of transportation investment.

E. Field Organization

In discussions with State DOT personnel it is recognized that the strength of an administrator is only as strong as his field organization. The changes in transportation policies are only evident to the public and elected officials if they are carried through into actual capital improvements.

Recommendation

In order to carry through change in transportation development it is suggested, when practical, that the various capabilities of the headquarters staff be duplicated in a miniature version in field offices as a well-rounded technical assistance team. It will be necessary, especially in urban areas, to pull together professional staff in State DOT district or regional offices that possess a multimodal, interdisciplinary staff that has the capability to provide technical assistance to local government while closely monitoring the changing transportation needs of local communities.

II. FINANCING

There are presently three general methods of financing State DOT programs. The money flow involved in each method is illustrated in Figures 4-6. Although these methods are often supplemented by various bonding schemes and other methods, they represent the main source of program funds.

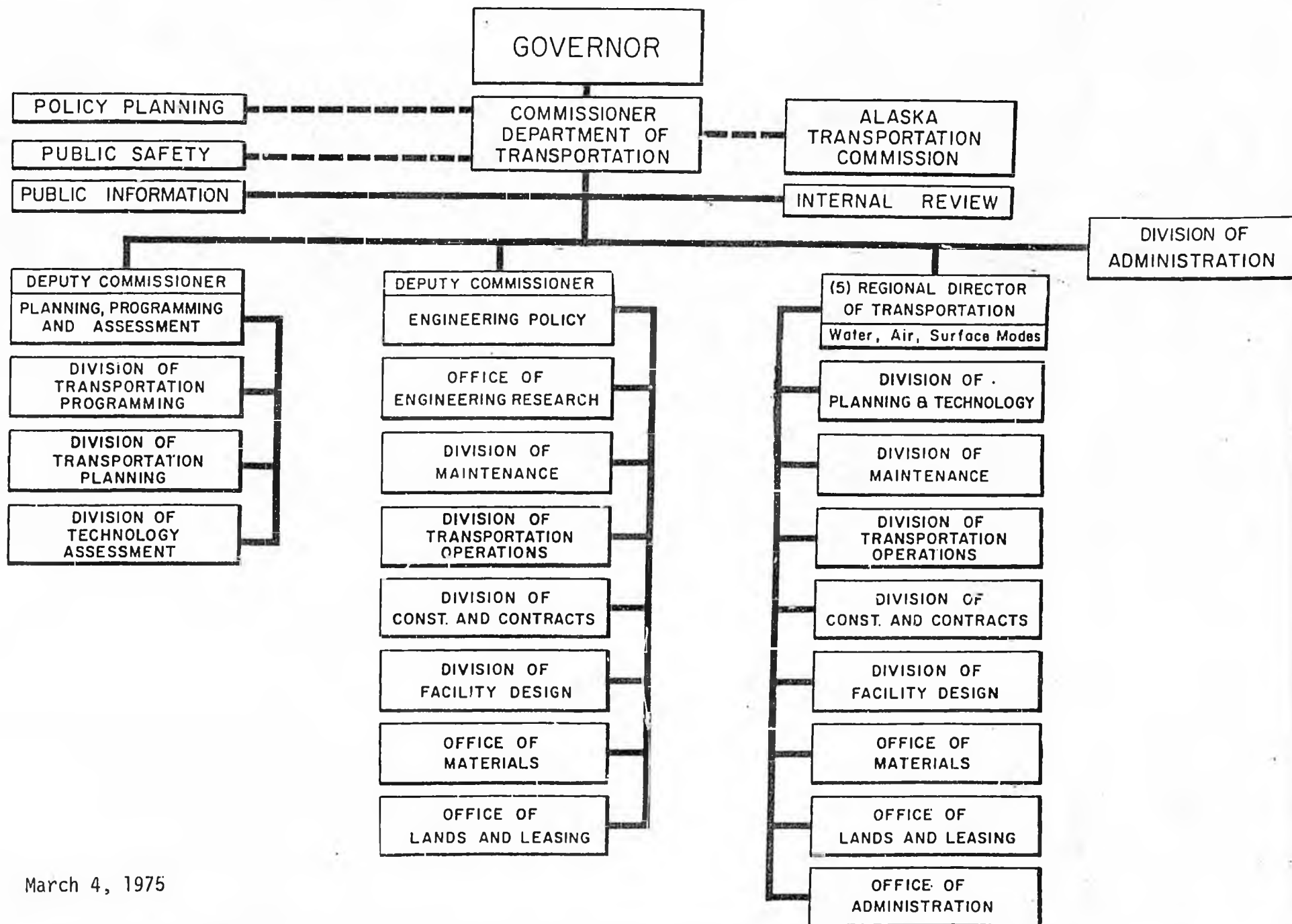
The most typical method of funding State transportation is the constitutionally or legislatively dedicated revenue method whereby money collected concerning the use of a specific mode can only be used to fund the construction of that particular mode of transportation. Twenty-eight States (including several States with DOTs) finance highway construction using this method and several States finance airport construction with a similarly dedicated revenue base.

The second method can be called the general revenue method whereby transportation user fees are taken into the State treasury like any other State tax or fee and are then budgeted for transportation development or any other purpose as decided by the governor and the legislative process. Under this method (used by 21 States) transportation is viewed as one public service among all other public services and its relative importance is decided by elected officials on a regular basis. The diversion of transportation user fees and taxes for use on other than transportation uses varies from virtually no diversion to as much as one-third diversion in one State.

The third method devised to finance transportation is the Maryland Transportation Trust Fund. Developed in conjunction with the creation of the Maryland DOT, this method (see Figure 6) allows all transportation user fees to be pooled into a single trust fund to be allocated using the following priorities.

1. The first 35 percent of the highway user revenues are automatically allocated to the Gas and Motor Vehicle Account which is dedicated for highway use in local jurisdictions.

PROPOSED DEPARTMENT OF TRANSPORTATION FOR THE STATE OF ALASKA



March 4, 1975



RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James J. Smith
Signature of Camera Operator

11/31/90
Date

COMMITTEE REPORT

4/26/75

SENATE

Mr. President:

Date 3-26-76

The Committee on COMMERCE has had C.HB 63 (Fin) AM creating the Department of Transportation under consideration. A Majority of the members of the Committee

() recommends it DO PASS

() recommends it DO NOT PASS

recommends ^{C.S. substitute} ~~it~~ DO PASS WITH ATTACHED AMENDMENT(S) ^{new title}

recommends it BE REPLACED WITH CS FOR _____ AND THAT CS FOR _____ DO PASS

() "and" recommends it BE REFERRED TO THE _____ COMMITTEE

() reports it back WITHOUT RECOMMENDATION

() "other"

Members signing the Majority report:

K. K. [Signature]
[Signature]
[Signature]

Members NOT concurring in the Majority report:

Do NOT PASS This version of DOT Willis recommends:
[Signature] recommends: Don't pass any version of DOT
recommends:
recommends:
recommends:

[Signature] Chairman

A M E N D M E N T

OFFERED IN THE SENATE:

By: COMMERCE

To: SCS CS SENATE BILL No. _____

HOUSE BILL No. 63

PAGE: 8

LINE: _____

To Page 8, Line 3

after the word "municipality" delete "and to each" ✓

To Page 8, Line 4

"delete "person known to be interested" ✓

To Page 8, Line 13 ✓

after the word "facility" delete "either" ✓

To Page 8, delete lines 14, 15, 16, 17, and 18 and insert
new language to read: ✓

- (1) a resolution adopted by a majority of all the members of the governing body submitting the recommended facility to the electorate of the affected community at the next general election adopted by a majority of the qualified voters voting on the question.

To Page 8, Line 22 ✓

after the word "lives" delete the period and insert
"as determined by the commissioner."

A M E N D M E N T

OFFERED IN THE SENATE:

By: COMMERCE

To: _____ SENATE BILL No. _____

HOUSE BILL No. _____

PAGE: 10

LINE: 1 and 23 & 24

To Page 10, Line 1

✓ insert the word "through" after "AS 35.10.090"

To page 10 lines 23+24

after the word "facility" delete [WITHIN TWO MILES OF A
FEDERAL-AID HIGHWAY OR PROPOSED FEDERAL-AID HIGHWAY] and
insert "within two miles of a federal-aid highway or
proposed federal-aid highway"

COMMITTEE REPORT

SENATE

3/26/76

Mr. President:

Date _____

The Committee on Finance has had CSHB 63 (Fin) am
creating the Department of Transportation
under consideration. A Majority of the members of the Committee

- () recommends it DO PASS
- () recommends it DO NOT PASS
- () recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- () recommends it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS
- () "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- () reports it back WITHOUT RECOMMENDATION
- () "other":

Members signing the Majority report:

Members NOT concurring in the Majority report:

_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:

Chairman

COMMITTEE REPORT

4/26/75

SENATE

Mr. President:

Date 3-26-76

The Committee on COMMERCE has had CSHR 63 (Fin) AM creating the Department of Transportation under consideration. A Majority of the members of the Committee

() recommends it DO PASS

() recommends it DO NOT PASS

recommends ^{C. substitute} DO PASS WITH ATTACHED AMENDMENT(S) *multiple*

recommends it BE REPLACED WITH CS FOR _____ AND THAT CS FOR _____ DO PASS

() "and" recommends it BE REFERRED TO THE _____ COMMITTEE

() reports it back WITHOUT RECOMMENDATION

() "other"

Members signing the Majority report:

K. E. ...
Colette
Bradley

Members NOT concurring in the Majority report:

Do Not PASS This version of DOT Willis recommends:
3-26 recommends: Don't pass any version of DOT
recommends:
recommends:
recommends:

Kutub Chairman

AMENDMENT

OFFERED IN THE SENATE:

BY: COMMERCE

TO: SCS CS SENATE BILL No. _____

HOUSE BILL No. 63

PAGE: 8

LINE: _____

To Page 8, Line 3

after the word "municipality" delete "and to each" ✓

To Page 8, Line 4

delete "person known to be interested" ✓

To Page 8, Line 13 ✓

after the word "facility" delete "either" ✓

To Page 8, delete lines 14, 15, 16, 17, and 18 and insert
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- (1) a resolution adopted by a majority of all the members of the governing body submitting the recommended facility to the electorate of the affected community at the next general election adopted by a majority of the qualified voters voting on the question.

To Page 8, Line 22 ✓

after the word "lives" delete the period and insert
"as determined by the commissioner."

AMENDMENT

OFFERED IN THE SENATE:

BY: COMMERCE

TO: _____ SENATE BILL No. _____

HOUSE BILL No. _____

PAGE: 10

LINE: 1 and 23 & 24

To Page 10, Line 1

✓ insert the word "through" after "AS 35.10.090"

To page 10 lines 23 & 24

after the word "facility" delete [WITHIN TWO MILES OF A
FEDERAL-AID HIGHWAY OR PROPOSED FEDERAL-AID HIGHWAY] and
insert "within two miles of a federal-aid highway or
proposed federal-aid highway"

press: 3/26/76

Original sponsor: Bowman, Swanson
and Kelley

Offered: 3/26/76
Referred: Finance

Referred to Finance

1 IN THE HOUSE

BY THE COMMERCE COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 63

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the organization of transporta-
7 tion related functions; creating the Department of
8 Transportation; and providing for an effective
9 date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. FINDINGS AND PURPOSE. The legislature finds that the
12 diverse transportation needs of the state would best be served by the
13 creation of a single department for the planning, study, development,
14 management and operation of integrated, intermodal transportation systems.
15 The purpose of this department is to evaluate, plan, design, construct,
16 manage, operate and maintain all state transportation modes and systems,
17 relying on analysis of the relative advantages of different modes and
18 systems and considering their social, economic, and environmental conse-
19 quences.

20 * Sec. 2. AS 44 is amended by adding a new chapter to read:

21 CHAPTER 42. DEPARTMENT OF TRANSPORTATION.

22 Sec. 44.42.010. COMMISSIONER OF TRANSPORTATION. The principal
23 executive officer of the Department of Transportation is the commission-
24 er of transportation.

25 Sec. 44.42.020. POWERS AND DUTIES. (a) The department shall

26 (1) plan, design, and construct all state modes of transpor-
27 tation and transportation facilities;

28 (2) study existing transportation modes and facilities in
29 the state to determine how they might be improved or whether they

1 should continue to be maintained;

2 (3) study alternative means of improving transportation in
3 the state with regard to the economic costs of each alternative and
4 its environmental and social effects;

5 (4) develop a comprehensive, long-range intermodal transpor-
6 tation plan for the state;

7 (5) study alternatives to existing modes of transportation
8 in urban areas and develop plans to improve urban transportation;

9 (6) cooperate and coordinate with and enter into agreements
10 with federal, state and local government agencies and private organiza-
11 tions and persons in exercising its powers and duties;

12 (7) delegate its duties for the design and construction of
13 transportation facilities to the Department of Public Works;

14 (8) work cooperatively with the Department of Public Works
15 to assure that design and construction of transportation facilities by
16 the Department of Public Works is consistent with plans and with
17 management and operational requirements;

18 (9) manage, operate, and maintain state transportation
19 facilities, including all state highways, vessels, railroads, pipelines,
20 airports, and aviation facilities;

21 (10) study alternative means of transportation in the
22 state, considering the economic, social, and environmental impacts of
23 each alternative;

24 (11) coordinate and develop state and regional transportation
25 systems, considering deletions, additions, and the absence of altera-
26 tions;

27 (12) develop facility program plans for transportation
28 facilities required to implement the duties set out in this section,
29 including but not limited to (A) first and life-cycle cost budgets;

1 (B) functional performance criteria; and (C) schedules for completion;
2 these program plans shall be reviewed by the Department of Public
3 Works before commencement of transportation facility project designs;

4 (13) supervise and maintain all state automotive and
5 mechanical equipment, aircraft, and vessels except vessels used by the
6 Department of Fish and Game; and

7 (14) supervise aeronautics and transportation-related
8 communications inside the state, under AS 02.10.

9 (b) The department may

10 (1) engage in experimental projects relating to available
11 or future modes of transportation and any means of improving existing
12 transportation facilities and service;

13 (2) exercise the power of eminent domain, including the
14 declaration of taking as provided in AS 09.55.

15 Sec. 44.42.030. DUTIES OF DEPARTMENT OF PUBLIC WORKS; TRANSPORTA-
16 TION FACILITIES. The Department of Public Works shall design and
17 construct, or cause to be designed and constructed, only those trans-
18 portation facilities which have been planned and programmed for construc-
19 tion by the Department of Transportation. It shall cooperate with
20 that department in the hearing and planning processes described in
21 this chapter. It may turn over a transportation facility to the
22 Department of Transportation for management, operation and maintenance
23 when construction of the facility is substantially completed, subject
24 to the request of the Department of Transportation that earlier
25 occupancy or control be permitted. It shall turn over a transportation
26 facility to the Department of Transportation for management, operation
27 and maintenance when construction of the facility is entirely complete.
28 In either event, the Department of Public Works shall continue to
29 administer construction contracts during guaranty or warranty periods.

1 Sec. 44.42.040. REGULATIONS. The department may adopt regulations
2 under the Administrative Procedure Act (AS 44.62) to implement, inter-
3 pret, or make more specific its powers and duties.

4 Sec. 44.42.050. DEPARTMENTAL ORGANIZATION; ADVISORY BOARDS. (a)
5 The commissioner shall establish transportation regions within the
6 state, corresponding with the state's major physiographic regions.
7 The functions of the department within each transportation region
8 shall be performed, to the maximum extent feasible, through a regional
9 office. Each regional office shall be directed by a regional trans-
10 portation director appointed by the commissioner.

11 (b) The commissioner shall provide for the creation of regional
12 transportation advisory boards comprised of residents of the transporta-
13 tion regions established under (a) of this section. The regional
14 transportation advisory boards shall advise the commissioner and
15 shall, with the assistance of the regional transportation directors,
16 prepare recommendations on transportation-related public policy,
17 departmental operations, and capital improvements programming within
18 their respective regions. The number of members of each regional
19 transportation advisory board shall be determined by the commissioner.

20 (c) The governor shall appoint members to each regional transpor-
21 tation advisory board from lists of nominees submitted by municipalities
22 located within each transportation region and from lists of nominees
23 submitted by any interested organization which has its principal
24 office within the region. In addition, the mayor of each organized
25 borough and each home rule and first class city located within each
26 region shall appoint one member, to the board.

27 (d) In order to avoid duplication or disruption of regional
28 efforts, the commissioner may designate a non-profit, public interest,
29 regional organization as a regional transportation advisory board.

1 (e) Each regional transportation advisory board shall annually
2 elect a chairperson from among its members. The chairperson shall
3 designate the time and location of meetings of the board. Members are
4 entitled to transportation expenses and per diem established by law
5 for state boards and commissions.

6 Sec. 44.42.060. ALASKA TRANSPORTATION ADVISORY BOARD. (a)
7 There is established the Alaska Transportation Advisory Board consisting
8 of the chairpersons of each regional transportation advisory board.
9 The board shall elect a chairperson from its members. The chairperson
10 shall designate the time and location of meetings of the board.
11 Members of the board are entitled to travel expenses and per diem
12 established by law for state boards and commissions.

13 (b) The Alaska Transportation Advisory Board shall meet at least
14 once in the fall of each year to review the work of the previous year
15 and the then current state transportation plan, and make recommen-
16 dations to the commissioner regarding the plan and departmental
17 operations. The department shall provide staff support and assistance
18 to the board.

19 Sec. 44.42.070. STATE TRANSPORTATION PLAN. (a) The commissioner
20 shall develop annually a comprehensive, intermodal, long-range trans-
21 portation plan for the state. In developing and revising the state
22 plan, he shall consider means and costs of improving existing modes
23 and facilities, state and federal subsidies, and the costs and benefits
24 of new transportation modes and facilities. The plan shall be submitted
25 to the governor for his review and approval and submitted by the
26 governor to the legislature.

27 (b) In developing and revising the plan, the commissioner shall
28 seek public review and evaluation by any reasonable means and may

29 (1) consult and cooperate with officials and representatives

1 of the federal government, other governments, interstate commissions
2 and authorities, local agencies and authorities, interested corporations
3 and other organizations concerning problems affecting transportation
4 in the state; and

5 (2) request from an agency or other unit of the state
6 government or of a political subdivision of it, or from a public
7 authority, the assistance and data that may be necessary to enable the
8 commissioner to carry out his responsibilities under this section;
9 every such entity shall provide the assistance and data requested.

10 (c) Copies of the plan, as revised, shall be kept on file as a
11 public document in the office of the commissioner and at each regional
12 office of the department.

13 (d) The plan shall include a description of projects planned for
14 design and construction for the following two years. The description
15 shall include an itemization of the estimated cost for each project
16 and the total cost of all projects. The commissioner shall propose
17 and forward to the governor for his review and approval and inclusion,
18 as approved, in the capital budget a construction program which includes
19 the projects to be undertaken during the following two years, including
20 recommended project priorities. Appropriations for transportation
21 construction projects shall be included annually in the general appro-
22 priations Act.

23 Sec. 44.42.080. PUBLIC HEARINGS AND SURVEYS. (a) When a major
24 new state transportation facility or a significant extension or altera-
25 tion of an existing system or facility is proposed, the department
26 shall give notice of the proposal and of the opportunity to request a
27 public hearing to the governing body of an affected municipality and
28 residents of each affected community. The purpose of this notice is
29 to provide information to the governing body and those residents and

1 provide an opportunity for informed public review of a proposal from
2 the earliest time practicable.

3 (b) Before a final decision is made regarding a proposal, the
4 department shall give a second notice and opportunity for public
5 hearing.

6 (c) A notice given under this section shall describe the project,
7 invite written comments regarding the proposal, inform that all current
8 and relevant information regarding the proposal will be made available
9 in at least one designated location within the affected community, and
10 inform that basic information regarding the proposal will be provided
11 upon the request of any person. The notice shall also inform that a
12 public hearing will be held upon the written request of the governing
13 body of an affected municipality or of at least 20 interested residents
14 of an affected community.

15 (d) If the governing body of an affected municipality requests a
16 hearing, the hearing shall be conducted by and may take place before
17 that governing body. Otherwise the public hearing may be held by the
18 department at any convenient location. If a public hearing is held,
19 the deadline for written comment may be not earlier than 30 days after
20 the hearing.

21 (e) At a public hearing held under (a) of this section, the
22 department shall describe the proposal, identify the essential considera-
23 tions in favor of and against it, and receive comments and answer
24 questions from any interested person. In addition, at a hearing, the
25 department shall present its recommendations, to the extent they have
26 been developed, regarding the proposal, its costs and benefits, its
27 environmental and social effects, and the alternatives which have been
28 considered, including the alternative of not constructing a facility.

29 (f) The department may use other means of enabling the residents

1 of each affected community to express opinions regarding the proposal.

2 (g) Within 90 days after a hearing, the department shall prepare
3 and mail to the governing body of an affected municipality and to each
4 person known to be interested a report which summarizes the oral
5 testimony and written comments received and the results of surveys and
6 other relevant data and which informs whether and to what extent the
7 proposal has been modified as a result of public comments, surveys and
8 other relevant data.

9 (h) Within 60 days after receipt of the documents described in
10 (g) of this section, an affected community may exclude itself, withdraw
11 from, or reject the proposed new transportation system or facility or
12 the extension or alteration of an existing transportation system or
13 facility either by

14 (1) a resolution adopted by a majority of all the members
15 of the governing body; or

16 (2) a measure submitted to the electorate of the affected
17 community, either by initiative or referendum, adopted by a majority
18 of the qualified voters voting on the question.

19 (1) This section does not apply to improvements or modifications
20 to existing facilities which do not significantly affect the environment
21 nor to actions and repairs which may be necessary to meet a disaster
22 or emergency which threatens human lives.

23 (j) For the purposes of this section,

24 (1) "affected community" means a municipality or an unincor-
25 porated village of 25 or more persons which is directly served by an
26 existing facility, or where an existing facility is actually located
27 or in which a proposed facility would actually be located, or which
28 would be directly served by a proposed facility;

29 (2) "municipality" means a home rule or general law borough

1 or city, and includes a municipality unified under AS 29.68.

2 Sec. 44.42.090. GRANTS TO THE DEPARTMENT. The commissioner may
3 apply for and accept, on behalf of the state, grants from the federal
4 government or an agency of it, or from another state, a foundation, or
5 any person, for any of the functions or purposes of the department.

6 Sec. 44.42.100. LIMITATION ON TRANSPORTATION FACILITIES. (a)
7 The department shall consult with the appropriate officials of other
8 departments regarding environmental risks and economic and social
9 considerations that may arise by reason of the location, design,
10 construction or reconstruction of a transportation facility.

11 (b) No highway, transit line, highway interchange, airport or
12 other transportation corridor or facility may be built or expanded in
13 such a way as to use land from a recreation area, wildlife or waterfowl
14 refuge, historic site, forest land, wetland, game land, wilderness
15 area, public park or a critical habitat area designated as such by
16 federal, state or local government unless

17 (1) there is no feasible and prudent alternative to the use
18 of that land; and

19 (2) the corridor or facility is planned and constructed so
20 as to minimize harm to the land.

21 Sec. 44.42.900. DEFINITIONS. In this chapter, unless the context
22 requires otherwise,

23 (1) "commissioner" means the commissioner of the Department
24 of Transportation;

25 (2) "department" means the Department of Transportation;

26 (3) "transportation" or "transportation mode" includes, but
27 is not limited to, the following means of conveyance or travel, includ-
28 ing their related or auxiliary structures, facilities or services:
29 air, rail, water, highway, and pipeline; however, these terms do not

1 include facilities provided for under AS 35.10.090--35.10.120.

2 * Sec. 3. AS 02.10.080 is amended to read:

3 Sec. 02.10.080. DEPARTMENT DEFINED. As used in this chapter,
4 "department" means the state Department of Transportation [PUBLIC
5 WORKS].

6 * Sec. 4. AS 02.15.060 is amended to read:

7 Sec. 02.15.060. ESTABLISHMENT, OPERATION AND MAINTENANCE. The
8 department may plan, [ESTABLISH, CONSTRUCT, ENLARGE, IMPROVE,] maintain,
9 equip, operate, regulate, protect and police airports and air navigation
10 facilities within the state.

11 * Sec. 5. AS 02.15 is amended by adding a new section to read:

12 Sec. 02.15.065. DUTIES OF DEPARTMENT OF PUBLIC WORKS. The
13 Department of Public Works, shall design, construct, enlarge and
14 improve airports and airport facilities that are planned and programmed
15 by the Department of Transportation. It shall perform a life-cycle
16 cost analysis for each proposed airport and airport facility planned
17 by the Department of Transportation, consistent with the provisions of
18 AS 35.10.160, 35.10.180, 35.10.190, and regulations adopted by the
19 Department of Transportation.

20 * Sec. 6. AS 02.15.205 is amended to read:

21 Sec. 02.15.205. APPROVAL REQUIRED FOR AIRPORT CONSTRUCTION. (a)
22 No person may construct, reconstruct, relocate, or extend an airport,
23 airstrip, or private air facility [WITHIN TWO MILES OF A FEDERAL-AID
24 HIGHWAY OR PROPOSED FEDERAL-AID HIGHWAY] without first obtaining the
25 written approval of the commissioner of transportation [PUBLIC WORKS],
26 as provided by regulation.

27 (b) The commissioner of transportation [PUBLIC WORKS] shall not
28 approve the construction, reconstruction, relocation, or extension of
29 an airport, airstrip, or private air facility if the construction would

1 constitute a hazard to the traveling public or if the construction would
2 otherwise not be in the public interest.

3 (c) The commissioner of transportation [PUBLIC WORKS] shall
4 promulgate [RULES AND] regulations, to effectuate the purpose of this
5 section, which are consistent with standards established by partici-
6 pating federal agencies.

7 * Sec. 7. AS 02.15.260(8) is amended to read:

8 (8) "commissioner" means the commissioner of the Department
9 of Transportation [PUBLIC WORKS] of the state;

10 * Sec. 8. AS 02.15.260(9) is amended to read:

11 (9) "department" means the Department of Transportation
12 [PUBLIC WORKS];

13 * Sec. 9. AS 02.20.070 is amended to read:

14 Sec. 02.20.070. DEPARTMENT DEFINED. In this chapter "department"
15 means the Department of Transportation [PUBLIC WORKS].

16 * Sec. 10. AS 02.25.110(4) is amended to read:

17 (4) "department" means the Department of Transportation
18 [PUBLIC WORKS] of this state;

19 * Sec. 11. AS 02.35.150 is amended to read:

20 Sec. 02.35.150. "DEPARTMENT" AND "COMMISSIONER" DEFINED. In
21 this chapter, "department" means the state Department of Transportation
22 [PUBLIC WORKS]; "commissioner" means the commissioner of transportation
23 [PUBLIC WORKS].

24 * Sec. 12. AS 19.05.030 is amended to read:

25 Sec. 19.05.030. DUTIES OF DEPARTMENT. The department has the
26 following duties:

27 (1) direct approved highway planning and construction and
28 maintenance, protection and control of highways;

29 (2) employ assistants and employees;

- (3) certify and approve vouchers;
- (4) provide for a program of highway research;
- (5) prepare a budget;
- (6) review the annual highway program;
- (7) delegate its duties for the design and construction of highways and highway facilities to the Department of Public Works;
- (8) establish by regulation steps for the coordination of life-cycle analysis by the Department of Public Works for highways and highway facilities planned by the department.

* Sec. 13. AS 19.05 is amended by adding a new section to read:

Sec. 19.05.035. DUTIES OF DEPARTMENT OF PUBLIC WORKS. The Department of Public Works shall design and construct, as an agent for the Department of Transportation, highways and highway facilities planned and programmed by the Department of Transportation. It shall perform a life-cycle cost analysis for each proposed highway and highway facility planned by the Department of Transportation, consistent with the provisions of AS 35.10.160, 35.10.180, 35.10.190 and regulations adopted by the Department of Transportation.

* Sec. 14 AS 19.05.125 is amended to read:

Sec. 19.05.125. PURPOSE. The purpose of chs. 5--25 of this title is to establish in the Department of Transportation the capability for [A HIGHWAY DEPARTMENT CAPABLE OF] carrying out a highway planning, construction, and maintenance program which will provide a common defense to the United States and Alaska, a network of highways linking together cities and communities throughout the state (thereby contributing to the development of commerce and industry in the state, and aiding the extraction and utilization of its resources), and otherwise improve the economic and general welfare of the people of the state.

* Sec. 15. AS 19.05.130 is amended to read:

SCS CSHB 63

1 Sec. 19.05.130. DEFINITIONS. Unless otherwise provided, in [IN]
2 chs. 5--40 of this title

3 (1) "commissioner" means the commissioner of transportation
4 [HIGHWAYS];

5 (2) "construction" or any derivation means construction,
6 reconstruction, alteration, improvement or major repair;

7 (3) "controlled-access facility" means a highway especially
8 designed for through traffic, and over, from, or to which owners or
9 occupants of abutting land or other persons have either no right or
10 easement or only a controlled right or easement of access, light, air,
11 or view;

12 (4) "cost of change, relocation, or removal" means the entire
13 cost incurred by the utility properly attributed to the change, reloca-
14 tion, or removal of a utility after deducting any increase in the value
15 of the new facility and any salvage value derived from the old facility;

16 (5) "department" means the Department of Transportation
17 [HIGHWAYS];

18 (6) "excess lands" means land acquired by the state in
19 excess of land required for a highway, when the remaining portion of a
20 parcel of land so acquired is left in such shape or condition as to be
21 of little or no value to its owner, or to give rise to claims or
22 litigation concerning severance or other damage;

23 (7) "federal-aid primary, federal-aid secondary, and inter-
24 state system" include any highway which is a part of the federal-aid
25 systems as provided in the Federal-Aid Highway Act of 1956, and any
26 laws amending or supplementing it;

27 (8) "highway" includes a highway (whether included in
28 primary or secondary systems), road, street, trail, walk, bridge,
29 tunnel, drainage structure and other similar or related structure or