

ALASKA LEGISLATURE COMMITTEE FILES 1997-1998 8672

9766 SENATE TRANSPORTATION

**SB**

**259**

# FISCAL NOTE

STATE OF ALASKA  
1998 LEGISLATIVE SESSION

BILL NO. SB 259

Revision Date _____	Dept. Affected <u>DOT&amp;PF</u>
Title <u>An Act relating to the membership of and the state's</u>	BRU <u>Office of the Commissioner</u>
<u>participation in a metropolitan highway planning organization</u>	Component <u>Commissioner's Office</u>
Sponsor <u>Senate Transportation Committee</u>	
Requester <u>Senate Transportation</u>	Component Serial No. <u>530</u>

**Expenditures/Revenues** (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL EXPENDITURES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CHANGE IN REVENUES ( )</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY98) cost: 0.0

**POSITIONS**

Full-time	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

Prepared by Dennis Poshard  
 Division Office of the Commissioner  
 Approved by: *Joseph L. Poshard*, Commissioner  
 Agency Department of Transportation and Public Facilities

Phone 465-3904  
 Date 1/30/98  
 Date 1/30/98

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0-LS1061\K  
Utermohle  
2/10/98

CS FOR SENATE BILL NO. 259( )  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTIETH LEGISLATURE - SECOND SESSION

BY

Offered:  
Referred:

Sponsor(s): THE SENATE TRANSPORTATION COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the membership of and the state's participation in a  
2 metropolitan highway planning organization."

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

4 \* Section 1. AS 19.20 is amended by adding new sections to read:

5 Article 2. Metropolitan Highway Planning Organizations.

6 Sec. 19.20.200. Metropolitan highway planning organizations. The state  
7 may not designate or redesignate under 23 U.S.C. 134 or otherwise participate in a  
8 metropolitan planning organization organized under 23 U.S.C. 134 unless the  
9 membership of the metropolitan planning organization includes, among other members,

10 (1) one member of the senate whose district is located partially or  
11 wholly within the metropolitan area and who is selected by a majority of the members  
12 of the senate whose districts are located partially or wholly within the metropolitan  
13 area; a person who is selected to serve as a member of a metropolitan planning  
14 organization under this paragraph may not receive compensation for service on the

- 1 metropolitan planning organization;
- 2 (2) one member of the house of representatives whose district is located
- 3 partially or wholly within the metropolitan area and who is selected by a majority of
- 4 the members of the house of representatives whose districts are located partially or
- 5 wholly within the metropolitan area; a person who is selected to serve as a member
- 6 of a metropolitan planning organization under this paragraph may not receive
- 7 compensation for service on the metropolitan planning organization; and
- 8 (3) one member appointed by the governor.

ADN  
4/14/98

# A Donleybrook

## *But local control prevails*

Try as he might, and he's tried mighty hard, Sen. Dave Donley has not been able to pull an end run on the Anchorage Assembly and the governor's office.

Good for the Assembly and the administration.

As if legislators don't have enough to do, the Anchorage senator wants to stick his nose where it doesn't belong — in the intimate running of local government.

Sen. Donley authored an ill-conceived bill that would place two legislators on a local committee overseeing Anchorage's share of federal transportation dollars. He contends Anchorage is not getting its "fair share" of money. The senator, who heads Anchorage's legislative caucus, says he can't get legislators interested in "fixing" the problem unless he gives them a say in which projects get funded.

Assembly member Cheryl Clementson, who sits on the policy setting local committee for the Assembly, was blunt about what she thought of the Donley bill. "It's a power grab. This is a local-control issue. And the state Legislature does have a role: They're supposed to look at the appropriations process. They're not supposed to come in and set local priorities," she said recently.

For a while there, it looked like Sen. Donley might get his way. But the House Rules Committee decided to hold an unusual teleconference with the local Assembly, during which Assembly members generally spoke against Sen. Donley's efforts as an unfair attack on local decision-making.

After listening to Anchorage's complaints, legislators took the wise course: They parked the bill in their committee, where we hope it stays — indefinitely.

On this issue, the House Rules Committee made the right call. Thanks.



# Alaska State Legislature

## Senate

**JERRY WARD**

State Capital  
Juneau, AK 99801-1182  
Phone (907) 465-4940  
Fax (907) 465-3766

716 W. 4th Ave., Ste. 450  
Anchorage, AK 99501-2133  
Phone (907) 258-8183  
Fax (907) 258-0820

145 Main Street Loop  
Kenai, AK 99611  
Phone (907) 283-7996  
Fax (907) 283-3075

### MEMORANDUM

DATE: February 17, 1998

TO: George Utermohle  
Legislative Legal

FROM: Lydia A. Jones  
Senate Transportation Committee Aide

RE: CSSB 259/Work Order 0-LS1061/K

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The Senate Transportation adopted the above referenced CS for Senate Bill 259. An amendment to the CS was also adopted as follows:

Line 6 – 9 are deleted and replaced with this amendment:

***Sec. 19.20.200. Metropolitan highway planning organizations. The state metropolitan highway planning organization designated or re-designated under 23 U.S.C. 134 or metropolitan planning organizations organized under 23 U.S.C. 134 shall consist of six members. Three members shall be designated by the municipal government. Three members shall be designated as follows:***

Would you please prepare a new CS accordingly.

Thanks.

# Municipality of Anchorage



Anchorage Assembly  
P.O. Box 201627  
Anchorage, Alaska 99520

Mark Begich  
Chairman

March 15, 1998

*Representative Pete Kott, Chair  
House Rules Committee  
Alaska State Legislature  
State Capitol (MS 3100)  
Juneau, Alaska 99801*

**SENT VIA FAX  
ORIGINAL BY MAIL**

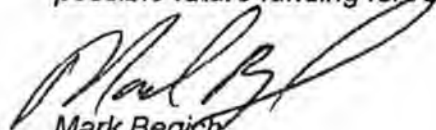
*Dear Representative Kott:*

*The Anchorage Assembly has been informed that Senate Bill # 259, related to AMATS, is currently in your House Rules Committee. I wanted to let you, as Chair of the House Rules Committee, know that the Anchorage Assembly recently approved a resolution that strongly opposed this particular piece of legislation.*

*You may not be aware that when this bill was in the House Transportation Committee, we attempted to provide public comment through a teleconference from Anchorage. It is my understanding that, at the time, Senator Donley indicated to the Chair of the Transportation Committee there was no need to telephonically hook up with Anchorage. Consequently we were not allowed the opportunity to voice our opposition. It is our understanding that since the bill is currently in the Rules Committee, we will have no further opportunities to testify. It is extremely important that you, and others of the Anchorage Caucus understand that this bill, if approved could jeopardize millions of federal dollars coming into the state.*

*Our opposition is based on the fact that we believe this law strips local control from decisions on how local road dollars will be allocated. We feel that our involvement and input from constituents related to items such as the Comprehensive Plan, the Official Streets and Highways Plan, the Trails Plan, Parks Plan and many others; makes us, on the local level, the most qualified to determine where our roads will be, which ones will be funded and how dollars are best distributed.*

*The fact that this bill only affected Anchorage, and the Transportation Committee refused to let the affected local government participate in this proposed legislation concerns many of us who serve on the Anchorage Assembly. I would respectfully urge extreme caution in allowing this bill to move forward because of the potential devastating effect it will have on possible future funding for roads in Anchorage. Thanks in advance for your consideration.*

  
Mark Begich  
Assembly Chair

cc: Anchorage Caucus

# Municipality of Anchorage



P.O. Box 196650  
Anchorage, Alaska 99519-6650  
Telephone: (907) 343-4311

ANCHORAGE ASSEMBLY

February 20, 1998

Members of the Anchorage Caucus  
Alaska State Legislature  
State Capitol  
Juneau, Alaska 99801

Dear Caucus Members:


We are aware that Senate Bill 259 has been introduced which would alter the make-up of the Metropolitan Planning Organization (MPO). The Municipality considers the existing composition of the Policy Committee a reasonable balance between local and State interests.

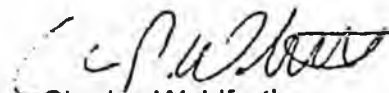
The existing agreement between the State and the Municipality states that the local government shall manage the MPO. This agreement also states that the structure of the MPO Policy Committee be two members from the State and three from local government. This proposed change would reduce the power and input from local government to prioritize its own projects.

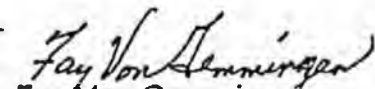
The Assembly is in opposition to Senate Bill 259, and intends to approve a formal resolution reemphasizing its opposition at the Assembly's February 24, 1998 meeting.

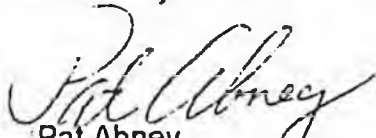
We appreciate your consideration of our concerns.

Sincerely,

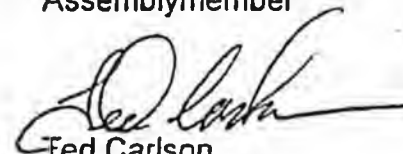
  
Cheryl Clementson  
Assemblymember

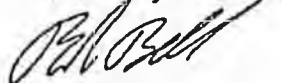
  
Charles Wohlforth  
Assemblymember

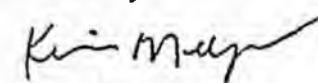
  
Fay Von Gemmingen  
Assemblymember

  
Pat Abney  
Assemblymember

  
Mark Bogich  
Assemblymember

  
Fed Carlson  
Assemblymember

  
Bob Bell  
Assemblymember

  
Kevin Meyer  
Assemblymember

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Submitted by: Assemblymember Clementson

Prepared by: Assembly Office

For reading:

CLERK'S OFFICE  
AMENDED AND APPROVED

Date: 2-24-98

ANCHORAGE, ALASKA

AR NO. 98- 63

A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY OPPOSING SENATE BILL 259 (TRA), "AN ACT RELATING TO THE MEMBERSHIP OF AND THE STATE'S PARTICIPATION IN A METROPOLITAN HIGHWAY PLANNING ORGANIZATION

WHEREAS, the current Metropolitan Planning Organization consists of two Assemblymembers, the Mayor, and two representatives from the State of Alaska (Department of Transportation and Department of Environmental Conservation); and

WHEREAS, currently the Municipality and the State have a balanced and cooperative working relationship in the development of transportation and air quality plans; and

WHEREAS, 23 United States Code 134 states that a metropolitan planning organization is designated "by agreement among the Governor and the units of general purpose local government;" and

WHEREAS, the Municipality and the Governor must agree to any changes in the existing Metropolitan Planning Organization's membership, and it is unclear as to the purpose and intent of the changes proposed in Senate Bill 259 (TRA); and

\*See page 2 for amendment.

WHEREAS, the Environmental Protection Agency is in the process of designating Anchorage as a serious non-attainment area for carbon monoxide and DEC's representation on the Policy Committee is an important role; and

WHEREAS, the Assembly does not support removing the member of the Policy Committee representing the Alaska Department of Environmental Conservation.

NOW, THEREFORE, the Anchorage Assembly resolves:

Section 1: That the Anchorage Assembly opposes Senate Bill 259(TRA) which modifies the membership of and the State's participation in a Metropolitan Planning Organization.

Section 2: That the Municipal Clerk forward copies of this resolution to the Governor and the Alaska State Legislature upon passage and approval.

PASSED AND APPROVED by the Anchorage Municipal Assembly this 24th day of February, 1998.

  
Chair

ATTEST:



Municipal Clerk

EGJ/1998RESOLUTIONS/AR07

Page 2  
AR 98-63  
RE: SB 259 AMATS Membership

The Assembly amended the resolution on February 24, 1998 by adding a new paragraph at line 27 to read:

"WHEREAS, the action to change the AMATS process, entered into unilaterally by the State of Alaska could endanger federal highway funding for Anchorage, which is intended to be handled cooperatively between the Municipality and the State; and "



# Alaska State Legislature

## Senate

**JERRY WARD**

State Capital  
Juneau, AK 99801-1182  
Phone (907) 465-4940  
Fax (907) 465-3766

716 W. 4th Ave., Ste. 450  
Anchorage, AK 99501-2131  
Phone (907) 258-8183  
Fax (907) 258-0820

145 Main Street Loop  
Kenai, AK 99611  
Phone (907) 283-7996  
Fax (907) 283-3075

### SPONSOR STATEMENT

#### Senate Bill 259

#### METROPOLITAN PLANNING AUTHORITY

The Anchorage Metropolitan Area Transportation Study (AMATS) was created to comply with federal law requiring communities of over 50,000 in population to have a Metropolitan Planning Organization in order to qualify for federal highway funding.

The AMATS Policy Committee is presently composed of two Anchorage Assembly members, one representative from the State Department of Transportation and Public Facilities, one representative from the State Department of Environment Conservation and the Mayor of Anchorage. The AMATS Policy Committee has representation from all relevant branches of local and state government except the state legislature.

While AMATS policy requires legislative authorization before any federal funds can be expended on AMATS priority projects, no member of the Alaska State Legislature sits on the committee.

Senate Bill 259 would amend the AMATS operating agreement to add two Anchorage legislators; one member of the senate and one from the house. Both legislative members would have districts that are partially or wholly within the metropolitan area and they would be selected by a majority of the members of their respective bodies whose districts also fall partially or wholly within the metropolitan area. One of the state administrative members to the policy committee would be deleted. This change in membership would create an equal balance of state and local members on the AMATS policy committee.

The Federal Highway Administration (FHWA) has stated no objection to changing the composition of the AMATS Policy Committee to include members of the State Legislature. Further, the FHWA has stated that there is no reason that the AMATS program would not remain in compliance with federal regulations once the change in membership has been instituted.

An example of a successful metropolitan planning organization is the Oahu Metropolitan Planning Organization (OMPO) in Honolulu, Hawaii. Under the auspices of the federal government, created by the State Legislature in 1975 and reorganized in 1986, the OMPO is composed of four parts: a Policy Committee, or decision making body, a Technical Advisory Committee, a Citizen Advisory Committee and a staff person. The Policy Committee consists of six state legislators, five Honolulu City Council members, an appointee of the Governor and an appointee of the Mayor of Honolulu.

SB 259 – Sponsor Statement  
Page 2

The OMPO does not construct projects or implement programs. Rather, its directive focuses upon development of plans and programs to produce an integrated intermodal transportation system.

It should be noted that passage of SB 259 would have no impact on the operation or functions of the Anchorage Assembly or the Municipality of Anchorage.



**SENATOR DAVE DONLEY**  
**ALASKA STATE LEGISLATURE**

October 22, 1997

Mr. David Miller  
Acting Division Administrator  
Federal Highway Administration  
PO Box 21648  
Juneau, AK 99802

Dear Mr. Miller:

The Anchorage Caucus, a bipartisan group of Anchorage legislators, wishes to add two Anchorage legislators to the Anchorage Municipal Area Transportation Study (AMATS) policy committee. Would your agency object to the State of Alaska adding two Anchorage state legislators to the AMATS policy committee?

Since the population of the Municipality of Anchorage (MOA) exceeds 200,000 it was required to form a Metropolitan Planning Organization (MPO) under ISTEA requirements. Given this MPO requirement the MOA created the AMATS committee. The current composition of the AMATS committee consists of two Anchorage Assembly members, one representative from the State Department of Transportation and Public Facilities, one representative from the State Department of Environment Conservation and the Mayor of Anchorage.

Currently the state legislature is the only participating government entity not represented on AMATS. Since without legislative authorization no funds can be expended it would assist the process to have legislative participation on AMATS. What federal agency or agencies must approve the composition of the AMATS policy committee? Who is the federal official currently responsible for this decision?

If two Anchorage area legislators were added to the existing policy committee is there any reason the AMATS program would not remain in compliance with federal requirements?

January-May: STATE CAPITOL • JUNEAU, AK • 99801-1182 • (907) 465-3892 • FAX: (907) 465-6595  
June-December: 716 W. 4TH AVE. • STE. 430 • ANCHORAGE, AK • 99501 • (907) 258-8181 • FAX: (907) 258-1648

*MEMBER:* Senate Finance Committee • Legislative Budget & Audit Committee  
• Senate Community & Regional Affairs Committee

Mr. David Miller  
Page 2  
October 22, 1997

I appreciate your consideration of this request. If you have further questions, please contact James Armstrong of my staff at 258-8181. I look forward to your response.

Sincerely,

Senator Dave Donley

DD/jja

# ALASKA STATE LEGISLATURE



Senate Co-Chair  
Senator Dave Donley

House Co-Chair  
Representative Eric Croft

## Anchorage Caucus

1997 Anchorage Caucus Resolutions That Passed or Are Pending

### Motion #1: by Senator Donley

The Anchorage Caucus supports adding one senator and one representative from Anchorage to the Anchorage Metropolitan Area Transportation Study (AMATS) policy committee and reducing the state administration members.

Senate: YES 6.25 NO \_\_\_ ABSTAIN \_\_\_ NO RESPONSE \_\_\_

#### Senate Members

House: YES 12.75 NO \_\_\_ ABSTAIN 2.00 NO RESPONSE \_\_\_

Johnny Ellis

Rick Halford

Tim Kelly

Loren Leman

Sean Pamell

Drue Pearce

Randy Phillips

Jerry Ward

### Motion #2: by Representative Croft

The Anchorage Caucus establishes as a priority and goal for the second session of the Twentieth Alaska State Legislature rewrite of the state's current education funding formula and the school construction debt reimbursement program, both of which ensure that the Anchorage School District receives an equitable portion of the state education funding.

Senate: YES 5.25 NO \_\_\_ ABSTAIN 1.00 NO RESPONSE \_\_\_

House: YES 13.75 NO \_\_\_ ABSTAIN \_\_\_ NO RESPONSE 1.00

#### House Members

Ramona Barnes

Ethan Berkowitz

Con Bunde

John Cowdery

Fred Dyson

Joe Green

Mark Hanley

Allen Kemplen

Vic Kohring

Pete Kott

Terry Martin

Eldon Mulder

Brian Porter

Norman Rokeberg

Joe Ryan

Jerry Sanders

### Motion #3: by Senator Donley

Working with the Municipality of Anchorage to obtain a replacement jail for the existing 6th Avenue facility, with meaningful community participation, shall be a priority and goal of the Anchorage Caucus.

Senate: YES 6.25 NO \_\_\_ ABSTAIN \_\_\_ NO RESPONSE \_\_\_

House: YES 12.75 NO \_\_\_ ABSTAIN \_\_\_ NO RESPONSE 2.00

### Motion #4: by Senator Halford

The Anchorage Caucus endorses including some amount of district capital in the FY' 99 capital budget for roads and other projects and that specific standards and criteria for such funding be adopted.

Senate: YES 5.25 NO 1.00 ABSTAIN \_\_\_ NO RESPONSE \_\_\_

House: YES 10.75 NO 1.00 ABSTAIN 3.00 NO RESPONSE \_\_\_

### Motion: By Senator Donley and Representative Croft

The Anchorage Caucus supports UAA's capital request for a major expansion of its library, and the Anchorage Caucus urges the UA Board of Regents to achieve educational equity in its allocation of state funding among the various campuses and that the Caucus take appropriate measures to ensure such equity is achieved over a reasonable period of time.

PENDING

# ALASKA STATE LEGISLATURE



Senate Co-Chair  
Senator Dave Donley

House Co-Chair  
Representative Eric Croft

## Anchorage Caucus

December 8, 1997

### Senate Members

Johnny Ellis  
Rick Halford  
Tim Kelly  
Loren Leman  
Sean Parnell  
Drue Pearce  
Randy Phillips  
Jerry Ward

Honorable Tony Knowles  
Governor, State of Alaska  
PO Box 110001  
Juneau, AK 99811-0001

Dear Governor Knowles:

On behalf of the 26 state legislators who constitute the Anchorage Caucus we request you reach an agreement with the Mayor of Anchorage and amend the current membership of the Anchorage Metropolitan Area Transportation Study (AMATS) Policy Committee to delete one representative of the State Executive Branch and add one State Senator and one State Representative.

### House Members

Ramona Barnes  
Ethan Berkowitz  
Con Bunde  
John Cowdery  
Fred Dyson  
Joe Green  
Mark Hanley  
Allen Kemplen  
Vic Kohring  
Pete Kott  
Terry Martin  
Eldon Mulder  
Brian Porter  
Norman Rokeberg  
Joe Ryan  
Jerry Sanders

We request that the Senate member be appointed by the Senate President in January of each even numbered year from among Senators representing Anchorage. We request that the House member be appointed by the Speaker of the House in January of each even numbered year from among Representatives representing Anchorage.

The current agreement between the State and the Municipality creates a policy committee that has representatives of all relevant branches of local and state government except the state legislature. Although the legislature has the power to not fund projects on the list developed by this committee, it can not add to the list. Clearly, publicly elected officials who represent the community affected and who must eventually approve the expenditures in question have a far greater and appropriate interest in the policy committee's priority list development than executive branch non-elected administrators.

Additionally, an equal balance between state and local elected officials and an increase in elected public officials as members will more fairly represent the public interest involved.

Attached is a letter from David Miller of the US Department of Transportation, Federal Highway Administration explaining that the Policy Committee's current composition is not a federal mandate and that federal law does not bar state legislators from being on the Policy Committee. In fact, the Honolulu, Hawaii equivalent of AMATS has six state legislators, five city council members, one appointee by the Mayor and one appointee by the governor.

# CORRECTION

THE FOLLOWING DOCUMENT(S)  
HAVE BEEN REFILMED TO  
ASSURE LEGIBILITY OR PAGINATION



Rev. 6/98

Central Microfilm Services  
Department of Education  
State of Alaska

# ALASKA STATE LEGISLATURE



Senate Co-Chair  
Senator Dave Donley

House Co-Chair  
Representative Eric Croft

## Anchorage Caucus

1997 Anchorage Caucus Resolutions That Passed or Are Pending

### Motion #1: by Senator Donley

The Anchorage Caucus supports adding one senator and one representative from Anchorage to the Anchorage Metropolitan Area Transportation Study (AMATS) policy committee and reducing the state administration members.

Senate:	YES 6.25	NO ___	ABSTAIN ___	NO RESPONSE ___
House:	YES 12.75	NO ___	ABSTAIN 2.00	NO RESPONSE ___

#### Senate Members

Johnny Ellis  
Rick Halford  
Tim Kelly  
Loren Leman  
Sean Parnell  
Drue Pearce  
Randy Phillips  
Jerry Ward

### Motion #2: by Representative Croft

The Anchorage Caucus establishes as a priority and goal for the second session of the Twentieth Alaska State Legislature rewrite of the state's current education funding formula and the school construction debt reimbursement program, both of which ensure that the Anchorage School District receives an equitable portion of the state education funding.

Senate:	YES 5.25	NO ___	ABSTAIN 1.00	NO RESPONSE ___
House:	YES 13.75	NO ___	ABSTAIN ___	NO RESPONSE 1.00

#### House Members

Ramona Barnes  
Ethan Berkowitz  
Con Bunde  
John Cowdery  
Fred Dyson  
Joe Green  
Mark Hanley  
Allen Kemplen  
Vic Kohring  
Pete Kott  
Terry Martin  
Eldon Mulder  
Brian Porter  
Norman Rokeberg  
Joe Ryan  
Jerry Sanders

### Motion #3: by Senator Donley

Working with the Municipality of Anchorage to obtain a replacement jail for the existing 6th Avenue facility, with meaningful community participation, shall be a priority and goal of the Anchorage Caucus.

Senate:	YES 6.25	NO ___	ABSTAIN ___	NO RESPONSE ___
House:	YES 12.75	NO ___	ABSTAIN ___	NO RESPONSE 2.00

### Motion #4: by Senator Halford

The Anchorage Caucus endorses including some amount of district capital in the FY' 99 capital budget for roads and other projects and that specific standards and criteria for such funding be adopted.

Senate:	YES 5.25	NO 1.00	ABSTAIN ___	NO RESPONSE ___
House:	YES 10.75	NO 1.00	ABSTAIN 3.00	NO RESPONSE ___

### Motion: By Senator Donley and Representative Croft

The Anchorage Caucus supports UAA's capital request for a major expansion of its library, and the Anchorage Caucus urges the UA Board of Regents to achieve educational equity in its allocation of state funding among the various campuses and that the Caucus take appropriate measures to ensure such equity is achieved over a reasonable period of time.

PENDING

# ALASKA STATE LEGISLATURE



Senate Co-Chair  
Senator Dave Donley

House Co-Chair  
Representative Eric Croft

## Anchorage Caucus

### 1997 Anchorage Caucus Agendas

All Caucuses were held at the Anchorage Legislative Information Office in the 2nd Floor Conference Room beginning at 1:30pm.

#### Wednesday, September 3, 1997

##### Senate Members

Johnny Ellis	1:30pm	Discussion with Mayor Mystrom and Anchorage Assembly Members on Municipal and Legislative Relations
Rick Halford	2:00pm	Discussion with Mayor Mystrom/Assembly Members on Anchorage Priorities
Tim Kelly		
Loren Leman	3:00pm	Presentation by the Department of Transportation on Anchorage Projects in the State Transportation Improvement Program (STIP)
Sean Parnell	3:30pm	Overview of the Anchorage Municipal Area Transportation Study (AMATS) Program
Druc Pearce		
Randy Phillips		
Jerry Ward		

#### Wednesday, October 1, 1997

##### House Members

Ramona Barnes	1:30pm	Mayor Mystrom and Assembly Members
Ethan Berkowitz	2:00pm	Anchorage School District: Education Construction Budget Process
Con Bunde	3:00pm	Capital Budget Process

John Cowdery

Fred Dyson

#### Wednesday, November 5, 1997

Joe Green	1:30pm	Mayor Mystrom and Assembly Members
Mark Hanley	2:00pm	Anchorage Chamber of Commerce: Legislative Priorities
Allen Kemplen	2:30pm	Follow up of Earlier Subjects

Vic Kohring

Pete Kott

#### Wednesday, December 3, 1997

Terry Martin		
Eldon Mulder	1:30pm	Mayor Mystrom and Assembly Members
Brian Porter	2:00pm	UAA/Anchorage Board of Regents and Chancellor
Norman Rokeberg	3:00pm	Anchorage Convention and Visitors Bureau: Legislative Priorities
Joe Ryan	3:30pm	Follow up of Earlier Subjects

Jerry Sanders

#### Wednesday, December 10, 1997

	1:30pm	Anchorage School District: Legislative Priorities
	2:00pm	Chugiak/Eagle River Chamber of Commerce
	2:30pm	Discussion and Vote on Resolutions
	3:00pm	Public Comment Period

# ALASKA STATE LEGISLATURE



Senate Co-Chair  
Senator Dave Donley

House Co-Chair  
Representative Eric Croft

## Anchorage Caucus

December 8, 1997

### Senate Members

Johnny Ellis  
Rick Halford  
Tim Kelly  
Loren Leman  
Sean Parnell  
Druce Pearce  
Randy Phillips  
Jerry Ward

Honorable Tony Knowles  
Governor, State of Alaska  
PO Box 110001  
Juneau, AK 99811-0001

Dear Governor Knowles:

On behalf of the 26 state legislators who constitute the Anchorage Caucus we request you reach an agreement with the Mayor of Anchorage and amend the current membership of the Anchorage Metropolitan Area Transportation Study (AMATS) Policy Committee to delete one representative of the State Executive Branch and add one State Senator and one State Representative.

### House Members

Ramona Barnes  
Ethan Berkowitz  
Con Bunde  
John Cowdery  
Fred Dyson  
Joe Green  
Mark Hanley  
Allen Kemplen  
Vic Kohring  
Pete Kott  
Terry Martin  
Eldon Mulder  
Brian Porter  
Norman Rokeberg  
Joe Ryan  
Jerry Sanders

We request that the Senate member be appointed by the Senate President in January of each even numbered year from among Senators representing Anchorage. We request that the House member be appointed by the Speaker of the House in January of each even numbered year from among Representatives representing Anchorage.

The current agreement between the State and the Municipality creates a policy committee that has representatives of all relevant branches of local and state government except the state legislature. Although the legislature has the power to not fund projects on the list developed by this committee, it can not add to the list. Clearly, publicly elected officials who represent the community affected and who must eventually approve the expenditures in question have a far greater and appropriate interest in the policy committee's priority list development than executive branch non-elected administrators.

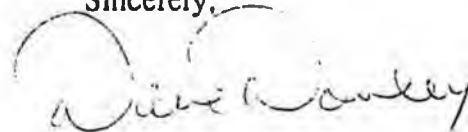
Additionally, an equal balance between state and local elected officials and an increase in elected public officials as members will more fairly represent the public interest involved.

Attached is a letter from David Miller of the US Department of Transportation, Federal Highway Administration explaining that the Policy Committee's current composition is not a federal mandate and that federal law does not bar state legislators from being on the Policy Committee. In fact, the Honolulu, Hawaii equivalent of AMATS has six state legislators, five city council members, one appointee by the Mayor and one appointee by the governor.

Governor Tony Knowles  
December 8, 1997  
Page 2

The Anchorage Caucus looks forward to working with you to improve Anchorage's transportation system. I respectfully request a written response within 21 days so the Anchorage Caucus can begin drafting appropriate legislation to make this change if you do not agree to make this change by agreement.

Sincerely,

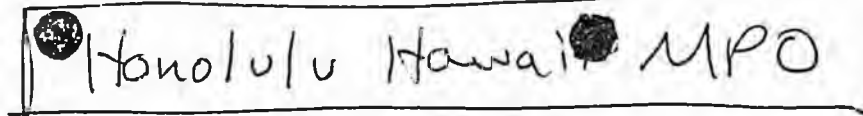


Senator Dave Donley

cc: Mayor Rick Mystrom  
Assembly member Mark Begich, Chair  
Assemblymember George Wuerch  
Assemblymember Ted Carlson  
Assemblymember Pat Abney  
Assemblymember Cheryl Clementson  
Assemblymember Joe Murdy  
Assemblymember Kevin Meyer  
Assemblymember Charles Wohlforth  
Assemblymember Dan Kendall  
Assemblymember Bob Bell  
Assemblymember Fay Von Gemmingen  
Commissioner Michele Brown, Dept. of Environmental Conservation  
Commissioner Joe Perkins, Dept. of Transportation & Public Facilities

Enclosure

DD/dh



## WHAT IS OMPO?

OMPO is an advisory organization responsible for coordinating transportation planning on Oahu.

OMPO was created by the State Legislature in 1975 and reorganized in 1986. The decision-making body of OMPO is its Policy Committee, which consists of six state legislators, five Honolulu City Council members, an appointee of the Governor and an appointee of the Mayor of Honolulu.

OMPO's function is to coordinate the activities of the "3-C" transportation planning process (comprehensive, continuing, and cooperative planning) on Oahu. The planning itself is done largely by the City and the State planning and transportation departments (City Department of Transportation Services, City Planning Department, State Department of Transportation, and State Department of Business, Economic Development, and Tourism (DTS, PD, DOT, and DBEDT, respectively)). These "participating agencies" are part of the OMPO planning process.

OMPO does not construct projects or implement programs. Rather, OMPO's directive focuses upon the development of plans and programs to produce an integrated intermodal transportation system.

## HOW IS OMPO ORGANIZED?

OMPO is composed of four parts: a Policy Committee, a Technical Advisory Committee (TAC), a Citizen Advisory Committee (CAC), and a staff (see Figure 1).

## WHAT ARE THE ROLES OF EACH PART?

**THE POLICY COMMITTEE** is the "heart" of the OMPO planning process. It determines the direction of the OMPO effort, considers and approves transportation planning issues, and makes the final approval for OMPO matters.

**THE TECHNICAL ADVISORY COMMITTEE** provides the technical input to OMPO's planning process. The TAC acts as the technical liaison between the Policy Committee and the OMPO Executive Director, provides advice to the Policy Committee and the OMPO Executive Director on technical matters, and insures the technical competence of the planning process. The TAC has direct responsibility for land use, transportation-related planning, and transit management.

**THE CITIZEN ADVISORY COMMITTEE** was created by the Policy Committee in July 1977 to ensure effective public input into Oahu's transportation planning process. The CAC is a vehicle whereby public input can be solicited to advise the Policy Committee and the OMPO Executive Director on transportation planning issues. Beside being a vehicle for informing interested citizens of various transportation issues and for face-to-face discussions with key decision-makers and project administrators, the CAC is a

# OMPO STRUCTURE

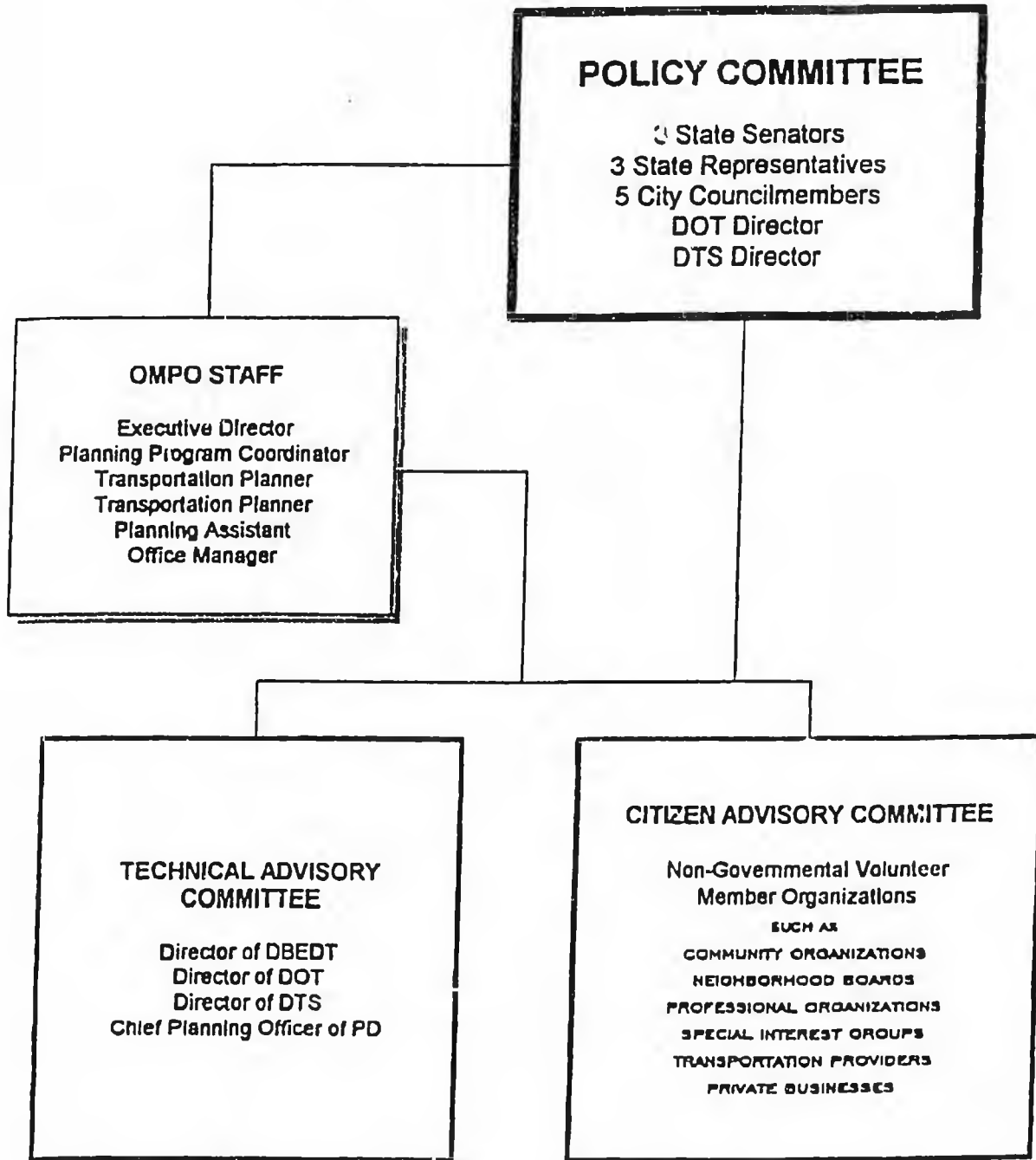


Figure 1

valuable source of public input. The CAC also reviews and develops recommendations to improve the OMPO public involvement program.

## WHO ARE THE MEMBERS OF OMPO?

THE POLICY COMMITTEE is made up of 13 members. Five members are from the City Council, including the chair of the Council's transportation committee. Three members are State senators, including the chair of the Senate's transportation committee. Three members are State representatives, including the chair of the House's transportation committee. One member is the director of the State DOT and one member is the director of the City DTS. Although not a member of the Policy Committee, the CAC Chair has been invited to attend and take part in discussions at Policy Committee meetings.

For FY 1998, the members of the OMPO Policy Committee are:

From the Honolulu City Council:	John Henry Felix Mufi Hannemann ( <i>Vice Chair</i> ) Donna Mercado Kim Rene Mansho Jon Yoshimura
From the State Senate:	Whitney Anderson Cal Kawamoto ( <i>Chair</i> ) Norman Sakamoto
From the House of Representatives:	Kenneth T. Hiraki Mark Moses Paul T. Oshiro
State DOT Director:	Kazu Hayashida
City DTS Director:	Cheryl Soon

THE TECHNICAL ADVISORY COMMITTEE members include the four directors of the City and the State planning and transportation departments. In addition, representatives of the Federal Highway Administration and Federal Aviation Administration attend TAC meetings as non-voting members.

The members of the TAC are:

<u>City and County of Honolulu</u> DTS, Director Planning Department, Chief Planning Officer	<u>Current Representative</u> Cheryl Soon Patrick Onishi
<u>State of Hawaii</u> Department of Business & Economic Development, & Tourism, Director DOT, Director	Seiji Naya Kazu Hayashida

THE CITIZEN ADVISORY COMMITTEE is a volunteer group of non-governmental organizations interested in transportation planning on Oahu. The CAC membership includes community organizations, professional associations, neighborhood boards, special interest groups, and transportation providers. Organizations seeking CAC membership need to have their representatives attend at least four (4) meetings of the CAC or its subcommittees within a twelve-month period and submit, to the OMPO Policy Committee Chair, a written request for appointment to the CAC. The CAC presently consists of the following 36 member organizations:

Ala Moana/Kakaako Neighborhood Board (NB) #11	Kaneohe NB #30
American Planning Association	Ko'ua Council of Senior Citizens
American Society of Landscape Architects	Kuliouou/Kalani-Iki NB #2
American Society of Civil Engineers	League of Women Voters
Chamber of Commerce of Hawaii	Leeward Oahu Transportation Mgmt. Assn.
Charley's Taxi	Life of the Land
Construction Industry Legislative Org.	Liliha/Kapalama NB #14
Downtown NB #13	Makakilo/Kapolei/Honokai Hale NB #34
Ewa Beach NB #23	Makiki/Lower Punchbowl/Tantalus NB #10
Hawaii Bicycling League	Mililani/Waipio/Melemanu NB #25
Hawaii Carpenters Union Local 745	Outdoor Circle, The
Hawaii Transportation Association	Pacific Resource Partnership, The
Hawaii's Thousand Friends	Sierra Club of Hawaii
Honolulu Community Action Program	Tax Foundation of Hawaii
ILWU	Teamsters Union Local 996
Institute of Transportation Engineers	Waianae Coast NB #24
Kailua NB #31	Waianae Coast Transportation Concerns Group
Kalaheo Community Association	Waikiki NB #9
Kalihi Valley NB #16	Waikiki Residents Association

## WHY WAS OMPO CREATED?

The Federal Surface Transportation Assistance Act of 1973 required the formation of a metropolitan planning organization (MPO) for any urbanized area with a population greater than 50,000. This mandate was based on the need to ensure that existing and future expenditures for transportation projects and programs were based on a comprehensive, cooperative, and continuing (3-C) planning process. Federal funding for transportation projects and programs are channeled through this planning process.

In 1975, the State Legislature established the OMPO by passing Act 180, Chapter 279E, Hawaii Revised Statutes. Although this act was later revised in 1986, it continued to identify the OMPO's function as serving in an advisory capacity to the State Legislature and the Honolulu City Council in carrying out the 3-C planning process. The responsibilities of OMPO and its participating agencies in carrying out the 3-C planning process is identified in a Comprehensive Agreement signed by the Governor, City transit operator (or the Honolulu City Council), and OMPO.

## WHAT ARE OMPO'S RESPONSIBILITIES?

OMPO is responsible for identifying Oahu's future transportation needs and programming the federal funds for such projects and programs. This is achieved primarily through the development of the following three documents:

- The Oahu Regional Transportation Plan (ORTP)
- The Overall Work Program (OWP)
- The Transportation Improvement Program (TIP)

**THE REGIONAL TRANSPORTATION PLAN** is a blueprint for identifying the development of future transportation improvements on Oahu. It should be noted, however, that the inclusion of a project into this plan does not guarantee its construction. Rather, it allows a project to begin a series of more detailed evaluations and to be eligible to seek federal funding. During these more detailed evaluations, a project could be postponed or terminated for any number of reasons, such as environmental impact, cost, or lack of public support.

One of the earlier regional transportation plans was prepared in 1967 by the Oahu Transportation Planning Program. The plan was called the "Oahu Transportation Study" (OTS) and used 1985 as its horizon year. It recommended many of the highway and transit improvements that have since been completed, including parts of H-1 and H-2, and served as a guide for improvements to major highways such as Likelike, Pali, Farrington, Kamehameha, and Kalaniana'ole.

Under the new Intermodal Surface Transportation Efficiency Act (ISTEA), an area's regional transportation plan must have a minimum twenty-year horizon, be fiscally-constrained, and be updated at least every five years. In order to conform to this requirement, OMPO endorsed a year 2020 regional transportation plan in November 1995. This plan was forwarded to the State DOT and incorporated, in fact, into the Statewide Transportation Plan.

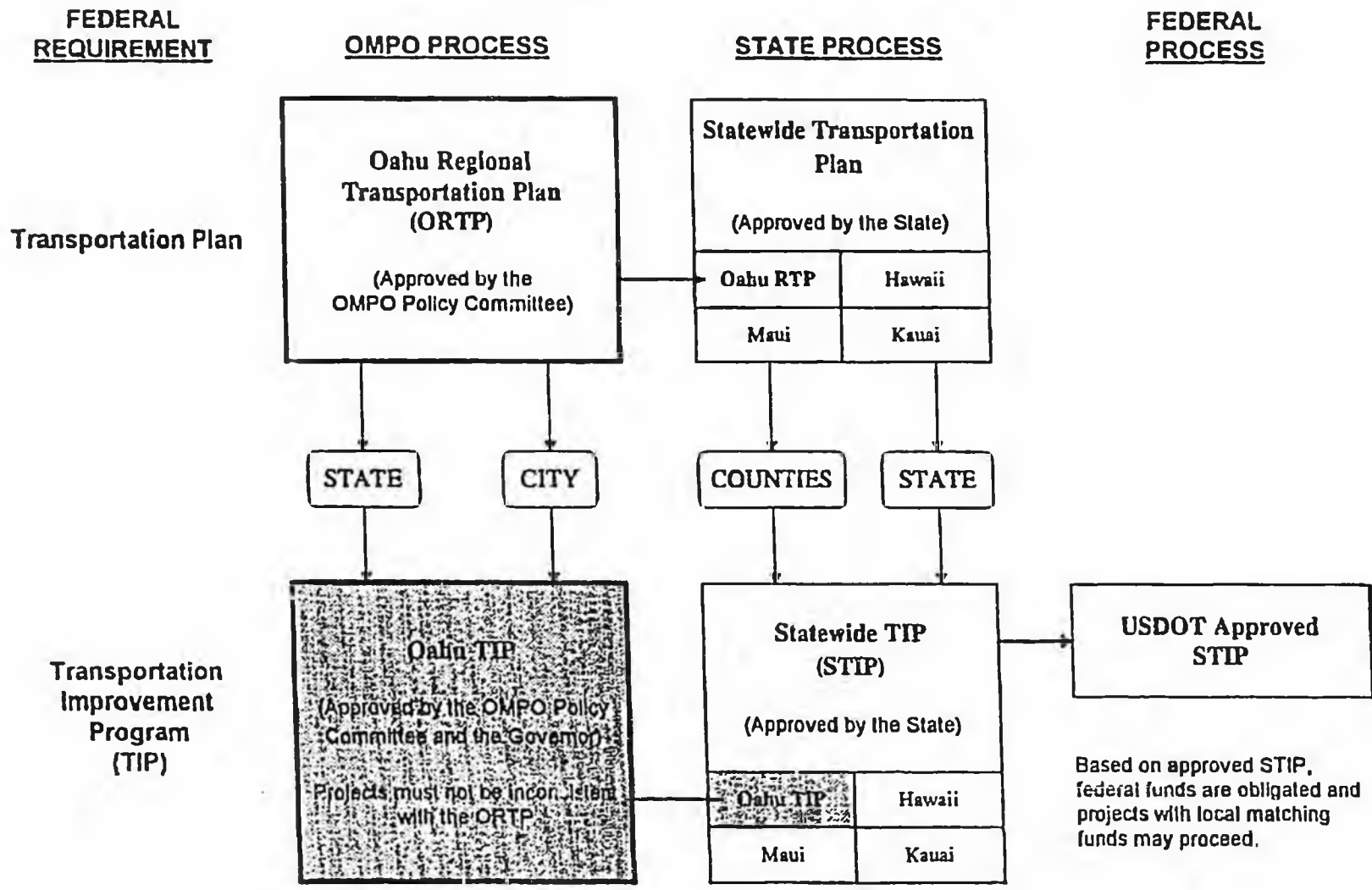
**THE OVERALL WORK PROGRAM (OWP)** serves as the key management tool for monitoring State and City transportation activities on Oahu. It describes transportation-related planning studies to be conducted in a given year (see Figure 2). The OWP defines project objectives and tasks and identifies budgetary and staff requirements needed to carry out the projects. In addressing current transportation issues and problems, the OWP responds to local planning requirements, federal transportation priorities, and ISTEA requirements. The OWP also includes land use studies as they relate to transportation needs.

A draft OWP is prepared each winter and submitted for review in March. After considerable review and revision by citizens and Federal and local agencies, a final OWP is adopted in late spring for the next fiscal year.

**THE TRANSPORTATION IMPROVEMENT PROGRAM (TIP)** is a programming document that lists transportation projects that will be undertaken by the State and City and generally funded in part by federal money. Projects identified in the TIP must not be inconsistent with the ORTP (see Figure 3). The TIP is closely related to the State's and the City and County's Capital Improvement Programs and is prepared



# THE TRANSPORTATION IMPROVEMENT PROGRAM AND ITS RELATIONSHIPS



Based on approved STIP, federal funds are obligated and projects with local matching funds may proceed.

FIGURE 3

every other year in the spring. The TIP identifies funding amounts by source of funding, jurisdictional responsibility, type of project, and year of funding for these projects. Thus, the TIP is an important reference document of transportation projects.

The Oahu TIP is the short-term three-year implementation program for federally-assisted surface transportation projects that support the Oahu Regional Transportation Plan. The TIP describes and prioritizes federally-assisted and major locally-funded transportation programs and projects selected by the OMPO Policy Committee for implementation during the program period. An annual review and a major biennial update of the TIP are scheduled, with off-schedule amendments considered as needed.

The TIP is adopted by the OMPO Policy Committee and sent to the Governor for approval. Upon his approval, the TIP is incorporated as the Oahu element of the Statewide TIP (STIP). The STIP is the official document the U.S. DOT uses to authorize federal funds for projects in Hawaii.

## HOW DOES THE PUBLIC GET INVOLVED?

OMPO has developed a "Guide to Public Involvement" (GPI) handbook that describes how OMPO communicates with the public prior to and during the development of transportation plans and programs. The GPI has been prepared to help members of the public understand 1) the planning process for Oahu's major surface transportation efforts and 2) how to participate effectively in that process. It focuses on those aspects and areas of transportation planning that fall within OMPO's purview. This includes both long- and short-range conceptual planning of facilities and programs.



U.S. Department  
of Transportation  
**Federal Highway  
Administration**

Alaska Division

P.O. Box 21648  
Juneau, Alaska 99802

October 29, 1997

HPR-AK  
Adm-Gen 11

Senator Dave Donley  
716 W. 4th Ave. Ste 430  
Anchorage, AK 99501

Dear Senator Donley:

Your letter of October 27, 1997 asked if the Federal Highway Administration (FHWA) would object to the State of Alaska adding two Anchorage state legislators to the AMATS policy committee. We would have no objection. Neither the FHWA nor any other federal agency would have to approve the addition of members to the policy committee, and there is no reason the AMATS program would not remain in compliance with federal requirements.

There are two processes through which membership can be added to the AMATS policy committee. AMATS in cooperation with the State could agree to add membership, or AMATS could be redesignated by agreement of the governor and the Municipality of Anchorage. This information is included in 23 CFR 450.306.

If you have any further questions, please call John Lohrey at (907) 586-7422.

Sincerely yours,

David C. Miller  
Acting Division Administrator

cc: John Horn, AK DOT&PF, Director, Central Region



U.S. Department  
of Transportation  
**Federal Highway  
Administration**

Alaska Division

P.O. Box 21648  
Juneau, Alaska 99802

January 30, 1998

HPR-AK  
Adm-Gen 11

Senator Dave Donley  
Alaska State Legislature  
State Capitol  
Juneau, AK 99801-1182

Dear Senator Donley:

We have received your January 26, 1998 letter indicating that the Anchorage Caucus wishes to change the membership of the AMATS policy committee. You asked if AMATS would remain in compliance with federal law if the State Department of Environmental Conservation member was replaced by an Anchorage area legislator. The federal regulations state in 23 CFR 450.306(i) that the voting membership of an MPO policy body must include appropriate State officials. There is nothing that specifically states that MPOs in air quality nonattainment areas must include a State environmental agency representative on the MPO policy committee.

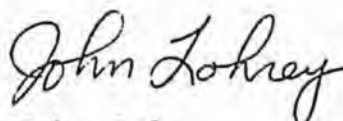
There are some good reasons to have a DEC member on the policy committee. Anchorage is in the process of being redesignated from a moderate CO nonattainment area to a serious nonattainment area. This redesignation will have direct implications on transportation planning. Anchorage also has the potential to become a nonattainment area for PM-10 (dust), which would also impact transportation planning. The EPA air quality conformity rule (40 CFR 93.105) contains requirements for consultation and coordination between the MPO and the state air agency (and other agencies as well) in the process of making transportation conformity determinations. This coordination has been very effective with the current AMATS structure.

Although there are benefits to having DEC represented on the AMATS Policy Committee, there is no federal requirement to do so. If the DEC member is dropped from the Policy Committee, the September 25,

1978 memorandum of understanding for area wide air quality planning between the Municipality and DEC should be revised to put in place procedures that will assure continued coordination between DEC and AMATS. If you have any questions, please call John Lohrey at 586-7422.

Sincerely yours,

Stephen A. Moreno  
Division Administrator



By: John Lohrey  
Division Planner

cc: Ron King, DEC  
John Horn, ADOT&PF Central Region

**SB**

**263**

# FISCAL NOTE

STATE OF ALASKA  
1998 LEGISLATIVE SESSION

BILL NO. CSSB 263 (TRA)

Revision Date _____	Dept. Affected <u>DOT&amp;PF</u>
Title <u>Secondary Roads</u>	BRU <u>Commissioners Office</u>
Sponsor <u>Torgerson, Pearce, Sharp</u>	Component <u>Office of the Commissioner</u>
Requester <u>SPN S TRA</u>	Component Serial No. <u>530</u>

**Expenditures/Revenues** (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services	33.0	34.0	35.0	36.1	37.1	
Travel	10.0	10.0	10.0	10.0	10.0	
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>43.0</b>	<b>44.0</b>	<b>45.0</b>	<b>46.1</b>	<b>47.1</b>	

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	43.0	44.0	45.0	46.1	47.1	
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>43.0</b>	<b>44.0</b>	<b>45.0</b>	<b>46.1</b>	<b>47.1</b>	

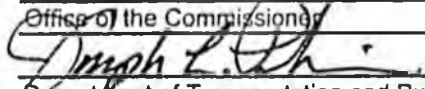
Estimate of any current year (FY98) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

DOT&PF currently has regulations that address design and construction standards for secondary roads. The cost for identifying unimproved secondary roads is approximately 8 person-weeks per year. The cost for ranking these unimproved secondary roads in the order that they should be upgraded by the Department is approximately 1/2 of one person-year.

Prepared by	Dennis Poshard, Special Assistant	
Division	Office of the Commissioner	Phone 465-3900
Approved by	 Commissioner	Date 3/20/98
Agency	Department of Transportation and Public Facilities	Date 3/20/98

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# FISCAL NOTE

STATE OF ALASKA  
1998 LEGISLATIVE SESSION

BILL NO. SB 263

Revision Date _____	Dept. Affected <u>DOT&amp;PF</u>
Title <u>Secondary Roads</u>	BRU <u>Commissioners Office</u>
Sponsor <u>Torgerson, Pearce, Sharp</u>	Component <u>Office of the Commissioner</u>
Requester <u>(S) TRA</u>	Component Serial No. <u>530</u>

**Expenditures/Revenues** (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
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Travel	10.0	10.0	10.0	10.0	10.0	
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CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

FUND SOURCE	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
1002 Federal Receipts						
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Prepared by <u>Dennis Poshard, Special Assistant</u>	Phone <u>465-3900</u>
Division <u>Office of the Commissioner</u>	Date <u>2/10/98</u>
Approved by <u><i>Joseph L. Hubans</i></u> Commissioner	Date <u>2/10/98</u>
Agency <u>Department of Transportation and Public Facilities</u>	

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0-LS1421VE  
Cook  
2/25/98

**CS FOR SENATE BILL NO. 263 ( )**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**TWENTIETH LEGISLATURE - SECOND SESSION**

**BY**

**Offered:**  
**Referred:**

**Sponsor(s): SENATORS TORGERSON, Pearce, Sharp**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to secondary roads; and providing for an effective date."**

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

3 **\* Section 1. SECONDARY ROADS.** (a) The Department of Transportation and Public  
4 Facilities shall adopt regulations establishing design and construction standards for secondary  
5 roads that are uniform throughout the state, shall identify unimproved secondary roads, and  
6 shall rank those unimproved secondary roads in the order in which they should be upgraded  
7 by the department. Standards adopted for secondary roads under this subsection need not  
8 conform to those adopted by the American Association of State Highway and Transportation  
9 Officials.

10 (b) A municipality may request the Department of Transportation and Public Facilities  
11 to transfer to the municipality the ownership of a secondary road or that portion of the road  
12 that is within the boundaries of the municipality. If the secondary road meets the standards  
13 established under (a) of this section, the department may transfer the road or a portion of the  
14 road to the municipality. The department shall give priority to upgrading an unimproved  
15 secondary road if the department receives a request for the transfer of that road or a portion

1 of the road to a municipality under this subsection.

2 (c) Appropriations may be made from federal or other funds to the Department of  
3 Transportation and Public Facilities for upgrading unimproved secondary roads.

4 (d) For purposes of this section, "unimproved secondary road" means a dirt or gravel  
5 road or a road that has received a cold asphaltic application, and that

6 (1) is dedicated to public use;

7 (2) is used by automotive equipment;

8 (3) is under the control of the Department of Transportation and Public  
9 Facilities; and

10 (4) does not meet the standards established under (a) of this section.

11 \* Sec. 2. This Act is repealed June 30, 2003.

12 \* Sec. 3. This Act takes effect July 1, 1998.

**SENATE BILL NO. 263**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY SENATOR TORGERSON, Pearce

Introduced: 1/27/98

Referred: Transportation, Finance

**A BILL****FOR AN ACT ENTITLED**

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11 \* Sec. 2. This Act is repealed June 30, 2003.

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**CENTRAL EMERGENCY SERVICES**  
Central Kenai Peninsula Fire & EMS Providers  
231 SOUTH BINKLEY  
SOLDOTNA, AK 99669-8084  
907-262-4792 ● Fax 907-262-5770



*"Prepared for the Worst,  
Providing the Best"*

March 6, 1998

Senator John Torgerson  
State Capital Building  
Room 514  
Juneau AK 99801-1182

Dear Senator Torgerson:

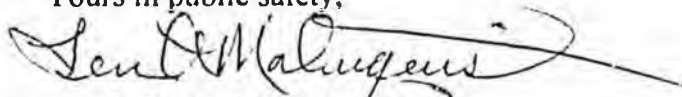
I just read SB 263 regarding Secondary Roads. I would like to offer the support of my fire service area for your efforts in regards to secondary roads.

Many of our fire and emergency medical responses occur on the secondary roads. Most of these are unimproved and in poor condition. This causes us to slow down our response to keep from damaging very expensive equipment. (A fire engine can average \$200,000.00, a ladder truck around \$250,000.00 and an ambulance around \$135,000.00 - not counting the other equipment carried.) The resulting loss of time is critical to our fire or medical responses.

Improving the surfacing of these secondary roads will make travel for area residents more enjoyable. It will also have a major impact on the ability of emergency response personnel to get to scenes of emergencies quicker and with less wear and tear on our equipment.

If I can do anything to assist you with SB 263, please do not hesitate to call me at (907) 262-4792.

Yours in public safety,

  
Len A. Malmquist, Fire Chief

cc: Senator Jerry Ward  
Representative Gary Davis  
Representative Mark Hodgins  
Speaker of the House Gail Phillips

# CORRECTION

THE FOLLOWING DOCUMENT(S)  
HAVE BEEN REFILMED TO  
ASSURE LEGIBILITY OR PAGINATION



Rev. 6/98

Central Microfilm Services  
Department of Education  
State of Alaska

**CENTRAL EMERGENCY SERVICES**  
Central Kenai Peninsula Fire & EMS Providers  
231 SOUTH BINKLEY  
SOLDOTNA, AK 99669-8084  
907-262-4792 • Fax 907-262-5770



*"Prepared for the Worst,  
Providing the Best"*

March 6, 1998

Senator John Torgerson  
State Capital Building  
Room 514  
Juneau AK 99801-1182

Dear Senator Torgerson:

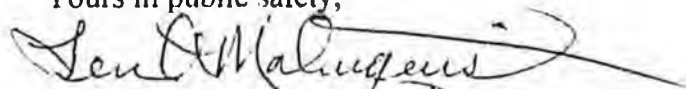
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Yours in public safety,

  
Len A. Malmquist, Fire Chief

cc: Senator Jerry Ward  
Representative Gary Davis  
Representative Mark Hodgins  
Speaker of the House Gail Phillips



# Alaska State Legislature

Please enter into the record my testimony to the Senate Transportation Committee  
 committee name  
 committee on SB 263/264 Secondary Roads dated Feb. 11<sup>th</sup>, 98.  
 bill # / subject

I am for upgrading Secondary Roads, as I live on Scout Lake Rd in Sterling, and I know of no actual Road improvements have been made except for side ditches & culverts put, since 1989. There is more traffic on this road every year. If also, Secondary Roads on the Kenai Peninsula might be addressed quicker (as they need to be) if we were not included into the Anchorage Area, or the whole State. Every Area should have it's own considerations of upgrading, not competing with more population, more road theory.

Signed: [Signature]  
 Testifier

Representing (Optional)  
PO Box 2156 Sterling AK 99167  
 Address  
312-1310  
 Phone number

Ray Gillespie  
Gillespie & Associates  
Lobbying & Governmental Affairs



Mailing Address:  
9478 Riverbend Court  
Juneau, Alaska 99801

Telephone: (907) 463-3375  
Fax: (907) 463-5522

Office Address:  
318 Fourth Street  
Juneau, Alaska 99801

M E M O R A N D U M

TO: Senator Lyda Green  
FROM: Ray Gillespie  
Gillespie & Associates  
DATE: February 11, 1998  
SUBJ: SECONDARY ROADS IN MSB-LANE/CHIP SEALED/PAVED

You asked for information about secondary roads in the Matanuska-Susitna Borough, and I believe the following data will be helpful to you:

1. There are 304 lane miles in the borough.
2. There are 18 miles that are chip sealed.
3. There are 145 miles of paved roads and of that amount, 56 miles are in need of resurfacing.

If you have any other questions, please feel free to contact me.

Margaret Holland  
lane

① means a section of  
~~the~~ road = 1 mile is  
12 ft wide x 1 mile  
304 ÷ 2 = 152 miles  
of unpaved/gravel/  
"virgin" roads.

② + ③ mean 2 lane  
roads - 1 mile =  
a 2 lane road.

(d) For the purposes of this section, "unimproved secondary road" means a dirt or gravel road or a chip sealed or inadequately paved road that

- (1) is dedicated to public use;
- (2) is used by automotive equipment;
- (3) is under the control of the Department of Transportation and Public Facilities; and
- (4) does not meet the standards established under (a) of this section.

I have discussed this matter with Brett Huber of Senator Halford's office and Murph O'Brien, Mat-Su Area Planner for DOT/PF, and both are supportive of such a word change.

Senate Bill 264 "Aid for Municipal Road Maintenance". I have seen your summary and analysis of this bill and agree with your conclusions. I believe this would take some of the guess work out of what amount we will receive each year from the state for road maintenance. Local taxes (in the Mat-Su Borough) for road maintenance have risen significantly and state revenue sharing has dropped

# Alaska State Legislature



## Committee Membership

Senate Finance  
Senate Resources  
Senate Rules  
Legislative Budget & Audit

## District Address:

145 Main St. Loop; Ste. 226  
Kenai, AK 99611  
(907) 283-2690  
fax 283-9267

## Session Address:

State Capitol: Room 514  
Juneau, AK 99801-1182  
(907) 465-2828  
fax 465-4779

*Senator John Torgerson*

## SB 263: Secondary Roads Sponsor Statement

SB 263 establishes a mechanism for upgrading Alaska's graveled roads.

The premise is to upgrade and pave state maintained graveled roads by establishing a secondary road standard. Those graveled roads will then be ranked project by project, against other graveled roads - not against the major highway system or other paved roads. Increased ranking will be given to a road when the local government accepts transfer of the road from the State.

For many years now, the way a secondary road has received funds for upgrading is by competing for federal funding. The federal funds, around \$220 million annually, are allocated by the Governor into three areas: the National Highway System (NHS), the Community Transportation Program (CTP) and the TRAAK. The roads under NHS receive the most funds and are for highways - the primary routes. The TRAAK is for trails and receives about \$ 20 million and the CTP receives \$80 million each year.

Every road in Alaska which is not a national highway competes for that \$80 million under the CTP. Obviously, that's a lot of competition; there are more miles of non-highway roads than there are highway miles, yet there is less money in the CTP by the Governor's allocation. In fact, there are over 2,270 miles of graveled state maintained roads, with 70 miles in the Southeast Region, 273 in Central Region, and over 1,939 miles in the Northern region.

There are problems with secondary graveled roads in many areas of Alaska. The problem is not poor maintenance by DOT; the problem is the poor condition of the road itself. Without an ongoing road improvement program the problems only get worse.

# Alaska State Legislature



## Committee Membership

Senate Finance  
Senate Resources  
Senate Rules  
Legislative Budget & Audit

**District Address:**  
145 Main St. Loop; Ste. 226  
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*Senator John Torgerson*

## SB 263: Secondary Roads Sectional Analysis

**Sec. 1:** (a) Establishes duties of the Department of Transportation and Public Facilities for the Secondary Roads Program.

(b) Establishes the mechanism by which a secondary road may be transferred from the State to a municipality.

(c) Provides authority for appropriations into the secondary road program.

(d) Sets out definitions this special legislation.

**Sec. 2:** Provides for termination of the program in five years.

**Sec. 3:** Effective date of special legislation.

SA SB 263: S(TRA): 2/10/98: mj

**SB**

**264**

# FISCAL NOTE

STATE OF ALASKA  
1998 LEGISLATIVE SESSION

BILL NO. SB 264

Revision Date		Dept. Affected	DOT&PF
Title	<u>Municipal Road Maintenance</u>	BRU	<u>Commissioners Office</u>
		Component	<u>Office of the Commissioner</u>
Sponsor	<u>Torgerson, Pearce</u>		
Requester	<u>(S) TRA</u>	Component Serial No.	<u>530</u>

**Expenditures/Revenues** (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services	88.5	39.7	40.8	42.1	43.3	44.6
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>88.5</b>	<b>39.7</b>	<b>40.8</b>	<b>42.1</b>	<b>43.3</b>	<b>44.6</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

FUND SOURCE	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
1002 Federal Receipts						
1003 GF Match						
1004 GF	88.5	39.7	40.8	42.1	43.3	44.6
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>88.5</b>	<b>39.7</b>	<b>40.8</b>	<b>42.1</b>	<b>43.3</b>	<b>44.6</b>

Estimate of any current year (FY98) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

The Department will require \$50.0 in FY99 for setting minimum road maintenance standards for the regulation adoption process. The routine operating costs are based on the following assumptions:

- 50 requests received from municipalities for road, street, or highway transfers
- 4 person-days per request required for determination of need for upgrade
- No travel will be required for remote sites; instead, DOT&PF maintenance staff will make the required determinations.

Prepared by	<u>Dennis Poshard, Special Assistant</u>	Phone	<u>465-3900</u>
Division	<u>Office of the Commissioner</u>	Date	<u>2/10/98</u>
Approved by	Commissioner	Date	<u>2/10/98</u>
Agency	<u>Department of Transportation and Public Facilities</u>		

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For further distribution information, call the Governor's Legislative Office

Revision Date: \_\_\_\_\_ Dept. Affected: Revenue  
 Title: Aid for Municipal Road Maintenance BRU: Revenue Operations  
 Component: Income and Excise Audit  
 Sponsor: Senator Torgerson  
 Requestor: (S) TRA COMPONENT SERIAL NO. 113

Expenditures/Revenues: (Thousands of Dollars)

	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
<b>OPERATING EXPENDITURES</b>						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES ( )</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1001 CBR						
1048 University of AK receipts						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year cost \$ 0.0

POSITIONS:

FULL-TIME					
PART-TIME					
TEMPORARY					

ANALYSIS: (Attach a separate page if necessary)

This bill provides that 37.5% of highway motor fuel tax collections, less costs of collection, be deposited into a special municipal road maintenance account. The legislature may appropriate funds from this account for grants to municipalities under AS 29.60.700 and for road improvements under AS 29.60.730(b). This bill takes effect July 1, 1998. The Department of Revenue projects that deposits into the special municipal road maintenance account will range from \$9.3 to \$9.7 million over FY 99 - 04 (see attached analysis). The department does not anticipate additional costs for depositing funds into the special account.

Prepared by: Paul E. Dick  
 Division: Income and Excise Audit  
 Approved by Commissioner: Wilson L. Condon  
 Agency: Revenue

Phone: 465-3691  
 Date: February 2, 1998  
 Date: February 2, 1998

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 For further distribution information call the Governor's Legislative Office

**Alaska Department of Revenue**  
*Income and Excise Audit Division*

**SB 264 - Aid for Municipal Road Maintenance**  
**Analysis of Highway Revenue Allocation**

<b>Fiscal Year</b>	<b>FY 99</b>	<b>FY 00</b>	<b>FY 01</b>	<b>FY 02</b>	<b>FY 03</b>	<b>FY 04</b>
<b>Total Highway Tax Collections</b>	25,100.0	25,400.0	25,530.0	25,660.0	25,790.0	25,920.0
<b>Allocation %</b>	37.5%	37.5%	37.5%	37.5%	37.5%	37.5%
<b>Gross Municipal Road Account</b>	9,412.5	9,525.0	9,573.8	9,622.5	9,671.3	9,720.0
<b>Cost of Collection</b>	(70.2)	(70.2)	(70.2)	(70.2)	(70.2)	(70.2)
<b>Net Municipal Road Account</b>	<u>9,342.3</u>	<u>9,454.8</u>	<u>9,503.6</u>	<u>9,552.3</u>	<u>9,601.1</u>	<u>9,649.8</u>

**Notes**

Revenue projections for FY 99 and FY 00 are based on state's Fall Revenue Forecast  
 Revenue projections for FY 01 - 04 assume a .5% growth in consumption  
 Cost of Collection are based on IEAD FY97 Annual Report Table 3 (with allocation to 37.5% of highway revenue)

# FISCAL NOTE

STATE OF ALASKA  
1998 LEGISLATIVE SESSION

BILL NO. CSSB 264 (TRA)

Revision Date _____	Dept. Affected <u>DOT&amp;PF</u>
Title <u>Municipal Road Maintenance</u>	BRU <u>Commissioners Office</u>
	Component <u>Office of the Commissioner</u>
Sponsor <u>Torgerson, Pearce</u>	
Requester <u>SEIN 5 TRA</u>	Component Serial No. <u>530</u>

**Expenditures/Revenues** (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services	38.5	39.7	40.8	42.1	43.3	44.6
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>38.5</b>	<b>39.7</b>	<b>40.8</b>	<b>42.1</b>	<b>43.3</b>	<b>44.6</b>

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

**FUND SOURCE** (Thousands of Dollars)

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1005 GF/Program Receipts						
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Other (Specify Type)						
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Estimate of any current year (FY98) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

The routine operating costs are based on the following assumptions:

50 requests received from municipalities for road, street, or highway transfers  
 4 person-days per request required for determination of need for upgrade  
 No travel will be required for remote sites; instead, DOT&PF maintenance staff will make the required determinations.

Prepared by Dennis Poshard, Special Assistant  
 Division Office of the Commissioner  
 Approved by  Commissioner  
 Agency Department of Transportation and Public Facilities

Phone 465-3900  
 Date 3/20/98  
 Date 3/20/98

**PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE**

For further distribution information, call the Governor's Legislative Office

CS FOR SENATE BILL NO. 264( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY

Offered:

Referred:

Sponsor(s): SENATORS TORGERSON, Pearce, Sharp

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to aid for municipal road maintenance, and to the transfer of  
2 roads to municipalities; and providing for an effective date."

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

4 \* Section 1. AS 29.45.020(a) is amended to read:

5 Sec. 29.45.020. Taxpayer notice. (a) If a municipality levies and collects  
6 property taxes, the governing body shall provide the following notice:

7 "NOTICE TO TAXPAYER

8 For the current fiscal year the (city)(borough) has been allocated the following amount  
9 of state aid for school and municipal purposes under the applicable financial assistance

10 Acts:

11 PUBLIC SCHOOL FOUNDATION PROGRAM

12 ASSISTANCE (AS 14.17) \$

13 STATE AID FOR RETIREMENT OF SCHOOL

14 CONSTRUCTION DEBT (AS 14.11.100) \$

1	MUNICIPAL TAX RESOURCE EQUALIZATION	
2	(AS 29.60.010 - 29.60.080)	\$
3	PRIORITY REVENUE SHARING FOR	
4	MUNICIPAL SERVICES (AS 29.60.100 - 29.60.180)	\$
5	REVENUE SHARING FOR SAFE COMMUNITIES	
6	(AS 29.60.350 - 29.60.375)	\$
7	<u>AID FOR MUNICIPAL ROAD MAINTENANCE</u>	
8	<u>(AS 29.60.700 - 29.60.730)</u>	\$
9	TOTAL AID	\$

10 The millage equivalent of this state aid, based on the dollar value of a mill in the  
 11 municipality during the current assessment year and for the preceding assessment year,  
 12 is:

	MILLAGE EQUIVALENT	
	PREVIOUS YEAR	THIS YEAR
13		
14		
15	PUBLIC SCHOOL FOUNDATION	
16	PROGRAM ASSISTANCE	... MILLS ... MILLS
17	STATE AID FOR RETIREMENT	
18	OF SCHOOL CONSTRUCTION	
19	DEBT	... MILLS ... MILLS
20	MUNICIPAL TAX RESOURCE	
21	EQUALIZATION	... MILLS ... MILLS
22	PRIORITY REVENUE SHARING	
23	FOR MUNICIPAL SERVICES	... MILLS ... MILLS
24	REVENUE SHARING FOR SAFE	
25	COMMUNITIES	... MILLS ... MILLS
26	<u>AID FOR MUNICIPAL ROAD</u>	
27	<u>MAINTENANCE</u>	<u>... MILLS ... MILLS</u>
28	TOTAL MILLAGE	
29	EQUIVALENT	... MILLS ... MILLS"

30 Notice shall be provided  
 31 (1) by furnishing a copy of the notice with tax statements mailed for

1 the fiscal year for which aid is received; or

2 (2) by publishing in a newspaper of general circulation in the  
3 municipality a copy of the notice once each week for a period of three successive  
4 weeks, with publication to occur not later than 45 days after the final adoption of the  
5 municipality's budget.

6 \* Sec. 2. AS 29.60 is amended by adding new sections to read:

7 **Article 9. Aid for Municipal Road Maintenance.**

8 **Sec. 29.60.700. Aid for municipal road maintenance.** (a) The department  
9 shall pay to a municipality that has the power to provide for road maintenance and  
10 exercises that power a grant based on each mile of road, street, or highway maintained  
11 by the municipality excluding

- 12 (1) the official state highway system;  
13 (2) roads, streets, or highways not dedicated to public use;  
14 (3) roads, streets, or highways maintained under AS 19.30.111 -  
15 19.30.251 (local service road program);  
16 (4) alleyways; and  
17 (5) roads, streets, or highways not used by automotive equipment.

18 (b) The amount of a grant to a municipality under this section for a year  
19 equals \$1,000 for each mile of road, street, or highway maintained by the municipality  
20 during that year.

21 **Sec. 29.60.710. Municipal road maintenance account.** (a) The municipal  
22 road maintenance account is established in the department. Money to carry out the  
23 provisions of AS 29.60.700 - 29.60.730 may be annually appropriated by the  
24 legislature from proceeds of the revenue from the tax on motor fuel under  
25 AS 43.40.010(m) or from federal or other sources. If amounts in the account are  
26 insufficient to pay each municipality's grant authorized under AS 29.60.700, the  
27 amounts that are available shall be distributed pro rata among eligible municipalities.

28 (b) Unless otherwise provided in the appropriation, money appropriated to the  
29 municipal road maintenance account for a fiscal year that exceeds the amount required  
30 to fully fund grants authorized under AS 29.60.700 for that fiscal year shall be  
31 allocated by the Department of Community and Regional Affairs to the Department

1 of Transportation and Public Facilities for road improvements under AS 29.60.730(b).

2 **Sec. 29.60.720. Regulations.** The department shall adopt regulations necessary  
3 to carry out the purposes of AS 29.60.700 - 29.60.730. The regulations must include  
4 minimum road maintenance standards required for eligibility for grant money. The  
5 department shall require a municipality to submit a performance report adequate to  
6 demonstrate to the department that maintenance was performed by the municipality and  
7 that the maintenance meets minimum standards prescribed by regulation.

8 **Sec. 29.60.730. Transfer of roads to municipalities.** (a) On application to  
9 the Department of Transportation and Public Facilities by a municipality, a road, street,  
10 or highway located within the boundaries of the municipality may be transferred to that  
11 municipality by the Department of Transportation and Public Facilities if, after the  
12 transfer, the municipality will qualify for a grant to maintain the road, street, or  
13 highway under AS 29.60.700.

14 (b) Within 60 days after receiving a request from a municipality for the  
15 transfer of a road, street, or highway, the Department of Transportation and Public  
16 Facilities shall determine, and notify the municipality, whether the road, street, or  
17 highway needs grading, surfacing, or other improvements before it is transferred to the  
18 municipality under this section. Within 60 days after receiving the notification, the  
19 municipality may withdraw its request for the transfer. If the Department of  
20 Transportation and Public Facilities determines that the road, street, or highway may  
21 be transferred after improvements are made to it and if the municipality does not  
22 withdraw its request for the transfer, the Department of Transportation and Public  
23 Facilities shall make those improvements, subject to appropriations for that purpose,  
24 and transfer the road, street, or highway after the improvements are made. Money to  
25 carry out this section shall be annually appropriated.

26 \* Sec. 3. AS 43.40.010(g) is amended to read:

27 (g) The proceeds of the revenue from the tax on all motor fuels, except as  
28 provided in (e), (f), [AND] (j), and (m) of this section, shall be deposited in a special  
29 highway fuel tax account in the state general fund. The legislature may appropriate  
30 funds from it for expenditure by the Department of Transportation and Public Facilities  
31 directly or as matched with available federal-aid highway money for maintenance of

1 highways, construction of highway projects and ferries included in the program  
2 provided for in AS 19.10.150, including approaches, appurtenances and related  
3 facilities and acquisition of rights-of-way or easements, and other highway costs  
4 including surveys, administration, and related matters. All departments of the state  
5 government authorized to spend funds collected from taxes imposed by this chapter  
6 shall perform, when feasible, all construction or reconstruction projects by contract  
7 after the projects have been advertised for competitive bids, except that, when feasible,  
8 arrangements shall be made with political subdivisions to carry out the construction  
9 or reconstruction projects. If it is not feasible for the work to be performed by state  
10 engineering forces, the commissioner of transportation and public facilities may  
11 contract on a professional basis with private engineering firms for road design, bridge  
12 design, and services in connection with surveys. If more than one private engineering  
13 firm is available for the work, the contracts shall be entered into on a negotiated basis.

14 \* Sec. 4. AS 43.40.010 is amended by adding a new subsection to read:

15 (m) Thirty-seven and one-half percent of the proceeds of the revenue from the  
16 taxes on motor fuel used in motor vehicles licensed to be operated on public ways,  
17 excluding the amount determined to have been spent by the state in its collection, shall  
18 be deposited in a special municipal road maintenance account in the state general fund.  
19 The legislature may appropriate funds from this account for grants to municipalities  
20 under AS 29.60.700 and for road improvements under AS 29.60.730(b).

21 \* Sec. 5. AS 29.60.110(a) is repealed.

22 \* Sec. 6. This Act takes effect July 1, 1998.

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR TORGERSON

TO: SB 264

1 Page 1, line 1, following "to":

2 Insert "**minimum payments under certain municipal aid programs; relating to**"

3 Page 3, following line 5:

4 Insert new bill sections to read:

5 **\*\*Sec. 2.** AS 29.60.290(c) is amended to read:

6 (c) The department shall pay to each municipality eligible to receive a  
7 minimum payment under this section an amount equal to the difference between the  
8 minimum payment determined under (a) and (b) of this section and the sum of the  
9 amounts payable for the same fiscal year under AS 29.60.010 - 29.60.080, [AND]  
10 29.60.100 - 29.60.180, and 29.60.700 - 29.60.720.

11 **\*Sec. 3.** AS 29.60.372(a) is amended to read:

12 (a) If a municipality qualifies for a payment during a fiscal year under  
13 AS 29.60.350 and also under AS 29.60.010 - 29.60.080, 29.60.100 - 29.60.180, or  
14 29.60.290, and if the total amount payable to the municipality under those sections is  
15 less than a minimum entitlement of \$40,000, the department shall pay to the  
16 municipality an amount equal to the difference between \$40,000 and the total amount  
17 payable under AS 29.60.350, 29.60.010 - 29.60.080, 29.60.100 - 29.60.180, 29.60.290,  
18 and 29.60.700 - 29.60.720 [THOSE SECTIONS AND \$40,000] as adjusted under  
19 AS 29.60.373."

20 Renumber the following bill sections accordingly.



# Alaska State Legislature

Please enter into the record my testimony to the Senate Transportation Committee  
committee name

committee on SB 263/264 Secondary Road dated Feb. 11<sup>th</sup>, 98.  
bill # / subject

I am for upgrading Secondary Roads, as I live on Scout Lake Rd in Sterling and I know of no actual Road improvements have been made except for side ditches + culverts put, since 1989. There is more traffic on this road every year. If also, Secondary Roads on the Kenai Peninsula might be addressed quicker (as they need to be) if we were not included into the Anchorage Area, or the whole State. Every Area should have it's own considerations of upgrading, not competing with more population more road theory.

Signed: Sybil Davitt  
Testifier

Representing (Optional)  
P.O. Box 256, Sterling, AK 99672  
Address  
522-1310  
Phone number

# Alaska State Legislature

## Committee Membership

Senate Finance  
Senate Resources  
Senate Rules  
Legislative Budget & Audit



*Senator John Torgerson*

District Address:  
145 Main St. Loop; Ste. 226  
Kenai, AK 99611  
(907) 283-2690  
fax 283-9267

Session Address:  
State Capitol: Room 514  
Juneau, AK 99801-1182  
(907) 465-2828  
fax 465-4779

## **SB 264: Aid for Municipal Road Maintenance Sponsor Statement**

SB 264 removes the current municipal road maintenance program from the revenue sharing statutes and establishes a stand-alone program for aid to municipalities for road maintenance. The funds appropriated to the existing program will be eliminated, except for funding for ice street maintenance. (This legislation does not affect the current statutes pertaining to maintenance of ice streets.)

The new program establishes the same requirements for eligibility of the roads as the current program. The source of funds for the new program is established as the motor fuel tax, which is expected to generate some \$9.3 million in FY 99. The current program cost is some \$3.2 million. The new program actually increases the funding by about 40 percent to \$1,000 per mile (the current appropriation amounts to some \$700.00 per mile) with an estimated total program cost of \$4.4 million.

Any balance which remains from the motor fuel tax funding source after the \$1,000 per mile allocation will be allocated to the Department of Transportation. Those funds will then be used for road improvements to facilitate road transfers from the State to a municipality for road maintenance.

Because the existing program is part of the Safe Communities Program, the minimum entitlement for municipalities is affected when this new program is enacted. This bill (with sponsor submitted amendment) would reduce the minimum entitlement amount by the amount gained through the new road maintenance program.

It is hoped that, by creating a stable funding source of revenue sharing for municipal road maintenance and a mechanism for upgrades for transfers to local governments, the amount of maintenance and appropriation by the state will be reduced.

# Alaska State Legislature



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*Senator John Torgerson*

## **SB 264: Aid for Municipal Road Maintenance Sectional Analysis**

**Sec. 1:** Amends the existing statute requiring public notice by including the new Aid for Municipal Road Maintenance program for required public notice.

**Sec. 2:** Amends existing statute by adding new Article 9 Aid for Municipal Road Maintenance.

**New 29.60.700.** Aid for municipal road maintenance.

- (a) States that municipalities who exercise road maintenance power are entitled to receive funds for maintenance subject to exclusions set forth in items (1) through (5);
- (b) Specifies funding amount of \$1,000 per mile of maintained road.

**New 29.60.710.** Municipal road maintenance account.

- (a) Establishes the account in the Department of Community and Regional Affairs (DCRA); provides for funds for the account from the tax on motor fuel<sup>1</sup> or from federal or other sources. States that the amount appropriated shall be distributed pro rata among municipalities.
- (b) Allows excess funds in the account to be allocated to the Department of Transportation (DOT) for road improvements.

**New 29.60.720** Regulations.

Requires the DCRA to adopt regulations; to include standards for minimum road maintenance and performance reports by a municipality.

**New 29.69.730** Transfer of roads to municipalities.

- (a) Allows transfer of road from the State to a municipality if after the transfer, the municipality qualifies for a grant for maintenance under this bill.
- (b) Establishes responsibilities for DOT: time line for response to a municipal request for a road transfer; determination of specific road improvement need; requirement to proceed with improvements; and specifies that funds for this section shall be appropriated annually.

**Sec. 3:** Amends AS 43.40.010(g) by referencing this bill's new subsection (m).

<sup>1</sup> AS 43.40.010(m) - new section contained in this bill for motor fuel tax.

**Sec. 4:** Amends AS 43.40.010 by adding new subsection (m) which requires that 37.5 percent of the revenues from motor fuel taxes, less the State's collection costs, are deposited in a municipal road maintenance account. Those funds can then be used for grants to municipalities under the new \$1,000 per mile program and for improvements to roads transferred to a municipality under the new AS 29.60.730(b).

**Sec. 5.** Repeals AS 29.60.110(a), which is the current revenue sharing program road maintenance. Subsection (b) of that statute is not repealed, which is the current revenue sharing program for frozen waterway funding.

**Sec. 6.** Effective date of the bill.

# Alaska State Legislature

## Committee Membership

Senate Finance  
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## **SB 264: Aid for Municipal Road Maintenance**

(This is the current statute section repealed by Section 5 of SB 264)

Sec. 29.60.110. State aid to municipalities for roads.

(a) The department shall pay to a municipality that has power to provide for road maintenance and exercises that power, an entitlement based on each mile of road, street, or highway maintained by the municipality, excluding (1) the official state highway system, (2) roads, streets, or highways not dedicated to public use, (3) roads, streets, or highways maintained under AS 19.30.111 - 19.30.251 (local service road program), and (4) alleyways, in accordance with regulations adopted by the Department of Transportation and Public Facilities. A payment may not be made under this subsection for maintenance of a road that is not used by automotive equipment. If at least \$41,472,000 is appropriated for all entitlements under AS 29.60.010 - 29.60.310 for a fiscal year, the entitlement for each municipality under this subsection for that year equals \$3,000 per mile. Otherwise, the entitlement equals \$2,500 per mile.

(b) A frozen waterway and a connection from an inhabited area to a waterway that may be safely used for public transportation by automotive equipment and is so used during a portion of a year is eligible for payment of \$1,500 per mile if the waterway and connection are maintained during the period of use by a municipality or combination of municipalities. The department, after consultation with the Department of Transportation and Public Facilities, shall determine which waterways and connections qualify and, where the waterways or connections lie outside the corporate limits of a municipality, which municipalities shall receive the payments under this subsection, unless the municipalities involved have agreed in writing to a particular distribution.

History -

(Sec. 16 ch 74 SLA 1975; am Sec. 1 ch 122 SLA 1990)

## FY 99 Projections - Road Aid

Matanuska-Susitna Borough	0.00	\$0	\$0	\$0
Matanuska-Susitna Borough	73.60	\$50,191	\$73,600	\$23,409
Matanuska-Susitna Borough	71.13	\$48,507	\$71,130	\$22,623
Matanuska-Susitna Borough	141.55	\$96,529	\$141,550	\$45,021
Matanuska-Susitna Borough	15.03	\$10,250	\$15,030	\$4,780
Matanuska-Susitna Borough	91.11	\$62,132	\$91,110	\$28,978
Matanuska-Susitna Borough	0.00	\$0	\$0	\$0
Matanuska-Susitna Borough	41.36	\$28,205	\$41,360	\$13,155
Matanuska-Susitna Borough	0.00	\$0	\$0	\$0
Matanuska-Susitna Borough	14.71	\$10,031	\$14,710	\$4,679
Matanuska-Susitna Borough	7.01	\$4,780	\$7,010	\$2,230
Matanuska-Susitna Borough	4.08	\$2,782	\$4,080	\$1,298
Matanuska-Susitna Borough	74.55	\$50,839	\$74,550	\$23,711
Matanuska-Susitna Borough	0.00	\$0	\$0	\$0
Matanuska-Susitna Borough	0.00	\$0	\$0	\$0
Matanuska-Susitna Borough	0.00	\$0	\$0	\$0
Matanuska-Susitna Borough	39.31	\$26,807	\$39,310	\$12,503
Matanuska-Susitna Borough	0.00	\$0	\$0	\$0
Matanuska-Susitna Borough	0.00	\$0	\$0	\$0
City of Nenana	26.39	\$23,287	\$26,390	\$3,103
City of Nome	17.52	\$16,039	\$17,520	\$1,481
City of Noorvik	7.20	\$6,591	\$7,200	\$609
North Slope Borough	95.23	\$87,181	\$95,230	\$8,049
Northwest Arctic Borough	64.09	\$58,673	\$64,090	\$5,417
City of Nunapitchuk	0.00	\$0	\$0	\$0
City of Palmer	32.74	\$22,327	\$32,740	\$10,413
City of Petersburg	13.33	\$9,090	\$13,330	\$4,240
City of Sand Point	11.50	\$9,780	\$11,500	\$1,720
City of Savoonga	7.07	\$6,472	\$7,070	\$598
City of Selawik	3.53	\$3,232	\$3,530	\$298
City of Seward	27.27	\$19,294	\$27,270	\$7,976
City of Shungnak	5.00	\$4,577	\$5,000	\$423
City and Borough of Sitka	25.07	\$17,096	\$25,070	\$7,974
City of Soldotna	37.16	\$26,291	\$37,160	\$10,869
City of St. George	16.28	\$13,846	\$16,280	\$2,434
City of St. Mary's	8.68	\$7,659	\$8,680	\$1,021
City of St. Paul	42.82	\$36,417	\$42,820	\$6,403
City of Tanana	29.50	\$27,007	\$29,500	\$2,493
City of Teller	2.69	\$2,463	\$2,690	\$227
City of Thorne Bay	31.90	\$20,968	\$31,900	\$10,932
City of Unalaska	38.42	\$32,675	\$38,420	\$5,745
City of Valdez	23.88	\$18,868	\$23,880	\$5,012
City of Wasilla	59.71	\$40,719	\$59,710	\$18,991
City of Wrangell	10.29	\$7,017	\$10,290	\$3,273
City and Borough of Yakutat	16.54	\$11,702	\$16,540	\$4,838
<b>Totals:</b>	<b>4432.03</b>	<b>\$3,191,072</b>	<b>\$4,432,030</b>	<b>\$1,240,958</b>
Balance from FY 99 projected			<b>\$4,910,270</b>	
<b>Prjtd FY99 MFT Funds</b>	<b>9,342,300</b>			

# FY 99 Projections - Road Aid

Municipality	FY98 Road Miles	FY98 Road Funds	FY99 at \$1,000	Added Funding
Aleutians East Borough	0.00	\$0	\$0	\$0
Municipality of Anchorage	0.00	\$0	\$0	\$0
Municipality of Anchorage	0.00	\$0	\$0	\$0
Municipality of Anchorage	0.00	\$0	\$0	\$0
Municipality of Anchorage	0.00	\$0	\$0	\$0
Municipality of Anchorage	0.00	\$0	\$0	\$0
Municipality of Anchorage	184.94	\$121,560	\$184,940	\$63,380
Municipality of Anchorage	0.00	\$0	\$0	\$0
Municipality of Anchorage	13.96	\$9,176	\$13,960	\$4,784
Municipality of Anchorage	13.49	\$8,867	\$13,490	\$4,623
Municipality of Anchorage	81.62	\$53,649	\$81,620	\$27,971
Municipality of Anchorage	0.00	\$0	\$0	\$0
Municipality of Anchorage	0.00	\$0	\$0	\$0
Municipality of Anchorage	574.26	\$377,459	\$574,260	\$196,801
Municipality of Anchorage	0.00	\$0	\$0	\$0
Municipality of Anchorage	0.00	\$0	\$0	\$0
City of Aniak	17.76	\$16,259	\$17,760	\$1,501
City of Atkasuk	0.00	\$0	\$0	\$0
City of Barrow	0.00	\$0	\$0	\$0
City of Bethel	15.98	\$14,101	\$15,980	\$1,879
Bristol Bay Borough	26.01	\$22,121	\$26,010	\$3,889
City of Buckland	2.50	\$2,289	\$2,500	\$211
City of Coffman Cove	71.00	\$46,668	\$71,000	\$24,332
City of Cordova	12.90	\$9,825	\$12,900	\$3,075
City of Craig	17.60	\$11,568	\$17,600	\$6,032
City of Deering	4.65	\$4,257	\$4,650	\$393
City of Dillingham	21.75	\$18,498	\$21,750	\$3,252
City of Egegik	14.00	\$11,907	\$14,000	\$2,093
City of Emmonak	5.08	\$4,483	\$5,080	\$597
City of Fairbanks	106.72	\$81,279	\$106,720	\$25,441
Fairbanks North Star Boroug	411.76	\$313,600	\$411,760	\$98,160
Fairbanks North Star Boroug	0.00	\$0	\$0	\$0
Fairbanks North Star Boroug	0.00	\$0	\$0	\$0
Fairbanks North Star Boroug	0.00	\$0	\$0	\$0
Fairbanks North Star Boroug	0.00	\$0	\$0	\$0
Fairbanks North Star Boroug	0.00	\$0	\$0	\$0
Fairbanks North Star Boroug	0.00	\$0	\$0	\$0
Fairbanks North Star Boroug	0.00	\$0	\$0	\$0
Fairbanks North Star Boroug	0.00	\$0	\$0	\$0
Fairbanks North Star Boroug	0.00	\$0	\$0	\$0
Fairbanks North Star Boroug	0.00	\$0	\$0	\$0
City of Fort Yukon	29.56	\$27,062	\$29,560	\$2,498
City of Galena	7.10	\$6,500	\$7,100	\$600
City of Haines	11.90	\$8,419	\$11,900	\$3,481
Haines Borough	9.30	\$6,580	\$9,300	\$2,720
Haines Borough	0.00	\$0	\$0	\$0
Haines Borough	0.00	\$0	\$0	\$0
Haines Borough	0.00	\$0	\$0	\$0
Haines Borough	0.00	\$0	\$0	\$0

## FY 99 Projections - Road Aid

City of Homer	23.83	\$16,860	\$23,830	\$6,970
City of Hoonah	75.00	\$53,064	\$75,000	\$21,936
City of Houston	41.33	\$28,185	\$41,330	\$13,145
City and Borough of Juneau	89.83	\$59,045	\$89,830	\$30,785
City and Borough of Juneau	0.00	\$0	\$0	\$0
City and Borough of Juneau	0.00	\$0	\$0	\$0
City of Kake	12.99	\$8,858	\$12,990	\$4,132
City of Kenai	61.32	\$43,385	\$61,320	\$17,935
Kenai Peninsula Borough	0.00	\$0	\$0	\$0
Kenai Peninsula Borough	0.00	\$0	\$0	\$0
Kenai Peninsula Borough	0.00	\$0	\$0	\$0
Kenai Peninsula Borough	0.00	\$0	\$0	\$0
Kenai Peninsula Borough	0.00	\$0	\$0	\$0
Kenai Peninsula Borough	0.00	\$0	\$0	\$0
Kenai Peninsula Borough	0.00	\$0	\$0	\$0
Kenai Peninsula Borough	0.00	\$0	\$0	\$0
Kenai Peninsula Borough	620.68	\$439,140	\$620,680	\$181,540
Kenai Peninsula Borough	0.00	\$0	\$0	\$0
City of Ketchikan	22.51	\$14,796	\$22,510	\$7,714
Ketchikan Gateway Borough	3.29	\$2,163	\$3,290	\$1,127
Ketchikan Gateway Borough	0.00	\$0	\$0	\$0
Ketchikan Gateway Borough	0.00	\$0	\$0	\$0
Ketchikan Gateway Borough	0.00	\$0	\$0	\$0
Ketchikan Gateway Borough	0.00	\$0	\$0	\$0
City of Kiana	7.82	\$7,159	\$7,820	\$661
City of King Cove	7.82	\$6,651	\$7,820	\$1,169
City of Kivalina	1.09	\$998	\$1,090	\$92
City of Klawock	9.70	\$6,376	\$9,700	\$3,324
City of Kodiak	25.31	\$17,907	\$25,310	\$7,403
Kodiak Island Borough	0.00	\$0	\$0	\$0
Kodiak Island Borough	0.95	\$672	\$950	\$278
Kodiak Island Borough	0.00	\$0	\$0	\$0
Kodiak Island Borough	1.75	\$1,238	\$1,750	\$512
Kodiak Island Borough	9.10	\$6,438	\$9,100	\$2,662
Kodiak Island Borough	0.00	\$0	\$0	\$0
Kodiak Island Borough	11.42	\$8,080	\$11,420	\$3,340
Kodiak Island Borough	0.00	\$0	\$0	\$0
City of Kotzebue	27.96	\$25,597	\$27,960	\$2,363
Lake and Peninsula Borough	52.92	\$45,007	\$52,920	\$7,913
Matanuska-Susitna Borough	19.22	\$13,107	\$19,220	\$6,113
Matanuska-Susitna Borough	0.00	\$0	\$0	\$0
Matanuska-Susitna Borough	0.00	\$0	\$0	\$0
Matanuska-Susitna Borough	101.41	\$69,156	\$101,410	\$32,254
Matanuska-Susitna Borough	70.35	\$47,975	\$70,350	\$22,375
Matanuska-Susitna Borough	0.00	\$0	\$0	\$0
Matanuska-Susitna Borough	87.18	\$59,452	\$87,180	\$27,728
Matanuska-Susitna Borough	39.55	\$26,971	\$39,550	\$12,579
Matanuska-Susitna Borough	0.00	\$0	\$0	\$0
Matanuska-Susitna Borough	83.41	\$56,881	\$83,410	\$26,529
Matanuska-Susitna Borough	43.20	\$29,460	\$43,200	\$13,740



217 Second Street, Suite 200 ■ Juneau, Alaska 99801 ■ Tel (907)586-1325, Fax (907)-463-5480

February 10, 1998

Senator Jerry Ward, Chair  
Senate Transportation Committee  
State Capitol  
Juneau, AK 99801

Dear Senator Ward:

I am writing on behalf of the members of the Alaska Municipal League and the Alaska Conference of Mayors in support of SB 264, Aid for Municipal Road Maintenance, sponsored by Senator John Torgerson. Members of our Transportation and Revenue and Finance Subcommittees of the AML Legislative Committee received copies of the SB 264 and discussed it at length at their monthly teleconference. SB 264 has also been discussed by the AML and Alaska Conference of Mayors Executive Committees. The key reasons for support of SB 264 are:

- ◆ **Better Roads and Tax Stabilization for your/our constituents.** Over the past twelve years Revenue Sharing for roads has been cut from \$2500 per mile to an average of \$734 per mile. Of course, the loss of purchasing power of these funds has been much greater. These cuts have greatly reduced the ability of local governments to maintain and improve roads within reasonable budget and local tax limits. We support the increase to \$1000 per road mile, but more important, we need to have a stable source of revenue for roads that allows for more miles of roads. **It is the stated intent of the sponsor to stabilize this amount at least at \$1,000 per mile.**
- ◆ **Gasoline tax is the most appropriate source of funds for municipal road revenue sharing.** Gasoline tax is generated by Alaskans driving on state and municipal roads. Local taxpayers and residents deserve to have a share of their tax payments maintain the state and local roads they drive on.
- ◆ **A voluntary road transfer program can be a win-win-win for the state, the municipal government, and your/our constituents.** SB 264 also provides a mechanism to implement a voluntary road transfer program to municipalities after roads are brought up to standard by the state. Many municipalities may apply to transfer roads. Ultimately your/our constituents benefit. **A critical component of this plan is some reasonable assurance of stable funding.** Without a stable source of funds from the gasoline tax, it may not be reasonable for municipalities to take over roads when road maintenance funding is dwindling. **Every mile of road assumed by municipalities lowers the state budget.**

As stated in the 1998 AML Policy Statement: Part I, Revenue & Finance,

**Transfer of Appropriate State Responsibilities to Municipalities with Adequate Funding:** The League supports the negotiation of service responsibility transfers from the state to municipalities provided the state actively enters into good faith negotiations with municipalities to identify and transfer appropriate services which may more effectively be provided on the local level; and ensure adequate stable, resources to implement these transferred services. The League supports a cooperative agreement with the state to transfer responsibility for operation, maintenance, and improvement of harbors, some classes of local roads, and some classes of air transportation facilities with the long term commitment of the state to share fuel taxes, and other resources to adequately maintain and operate these facilities. The League supports a cooperative agreement with DOT/PF for other services and revenue transfers from the state as appropriate to best serve the citizens of Alaska.

**Motor Vehicle Fuel Tax:** The League supports the increase of the motor vehicle fuel tax to fund state and municipal highway and road operation, maintenance, and improvements. (*Note: includes the use of current motor fuel tax*)

SB 264 clearly ties the source of funds, the motor vehicle tax, directly to related vehicle use. Because maintenance of all roads in Alaska is a critical issue to your/our constituents, we look forward to working with the state to keep them in the best possible condition.

If you have any questions regarding this bill or other municipal issues, please feel free to call on me or any member of AML or the Alaska Conference of Mayors.

Sincerely,



Kevin C. Ritchie, Executive Director

cc: Senator John Torgerson  
AML Board of Directors

**S B**

**298**

# FISCAL NOTE

STATE OF ALASKA  
1998 LEGISLATIVE SESSION

BILL NO. SB 298

Revision Date _____	Dept. Affected <u>DOT&amp;PF</u>
Title <u>Regs of Commercial Vehicles</u>	BRU <u>Commissioners Office</u>
Sponsor <u>Senate Transportation</u>	Component <u>Office of the Commissioner</u>
Requester <u>Senate Transportation</u>	Component Serial No. <u>530</u>

**Expenditures/Revenues** (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services	407.9	411.0	415.0	419.2	423.4	427.6
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	9.5	9.5	9.5	9.5	9.5
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	105.0	0.0	0.0	0.0	0.0	0.0
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>512.9</b>	<b>420.5</b>	<b>424.5</b>	<b>428.7</b>	<b>432.9</b>	<b>437.1</b>

<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES ( )</b>	<b>612.5</b>	<b>612.5</b>	<b>612.5</b>	<b>612.5</b>	<b>612.5</b>	<b>612.5</b>

**FUND SOURCE** (Thousands of Dollars)

FUND SOURCE	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	512.9	420.5	424.5	428.7	432.9	437.1
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>512.9</b>	<b>420.5</b>	<b>424.5</b>	<b>428.7</b>	<b>432.9</b>	<b>437.1</b>

Estimate of any current year (FY98) cost: 0.0

**POSITIONS**

POSITIONS	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Full-time	9	9	9	9	9	9
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

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

This bill transfers the responsibility for establishing and collecting out of state registration fees for commercial trucks and increases the registration fee from the \$10 range to \$350 thereby generating approximately 612.5 in new revenue to fund size, weight & safety inspections. When added to the current collections of about 40.0 there is adequate funding to support this fiscal note. Additionally, this will provide protection to the motoring public by ensuring safer commercial vehicles and to our bridges and highways by ensuring properly loaded trucks. This will also create a level playing field for the industry that is essential to their ability to compete fairly in the market place and to ensure that a good part of Alaska's work is done by Alaskans.

Prepared by <u>Dennis Poshard, Special Assistant</u>	Phone: <u>465-3900</u>
Division <u>Office of the Commissioner</u>	Date <u>3/20/98</u>
Approved by <u>Commissioner</u>	Date <u>3/20/98</u>
Agency <u>Department of Transportation and Public Facilities</u>	

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**Analysis:**

**Program Summary:**

This legislation will:

Add nine new Weigh Station Operator I, 2458-12, positions distributed as follows:

	#	Amount
Tok	3	147.5
Fairbanks	1	44.7
Sterling	3	129.4
Anchorage	2	86.3
	9	407.9

Add three new inspection vehicles as follows:

	#	Amount
Tok	1	35.0
Fairbanks	1	35.0
Sterling	1	35.0
Anchorage	0	0
	3	105.0

**Tok**

Add three additional positions to issue temporary registration permits 24 hours per day and perform size, weight and driver/vehicle safety inspections. Trained personnel will be on duty at all times to ensure that truck traffic coming into and leaving the state at Tok is complying with our laws and regulations. One or more persons will be trained to perform driver/vehicle inspections at commercial vehicle crash scenes. The additional revenue collections are estimated to be 1,750 vehicles at \$350 per vehicle = \$ 612.5.

**Fairbanks**

Add one position to allow additional coverage to increase truck size, weight and safety enforcement at the weigh stations by performing size and weight as well as safety inspections. Temporary registrations will be issued at the Fairbanks Weigh Stations.

**Sterling**

Add three new positions to the current one position staff at the Sterling Weigh Station to perform size, weight and driver/vehicle safety inspections and to issue temporary registrations for those vehicles entering the state at Seward, Kenai or Homer. This station is the only truck size, weight and safety inspection facility on the Kenai Peninsula located on the very busy Sterling Highway. There is no resident driver/vehicle safety inspector located on the Kenai Peninsula at this time. Since the weigh station is open only one shift per day, five days per week, it is nearly impossible to estimate the volume of unregistered out of state commercial vehicle traffic. The potential for increased revenue is small. The priority at this station is to provide the size, weight and safety inspections that are not being done at the present time.

**Anchorage**

Add two new positions to enable 24 hour per day, seven day per week staffing at the Glenn Outbound and the Potter Weigh Stations. These two positions will focus on truck size and weight enforcement with the present seven other size and weight enforcement personnel. There are presently three commercial vehicle inspector positions stationed in Anchorage who can effectively monitor truck traffic for driver and vehicle safety concerns. This additional coverage will allow for the issuance of temporary registrations at the Anchorage Weigh Stations for unregistered vehicles arriving at the Port of Anchorage.

These new positions will monitor all incoming and outgoing traffic into the state at the Tok Weigh Station and will enhance the coverage at the other stations listed above. The new positions will enable us to:

- issue out of state temporary registrations to foreign ( out of state ) commercial vehicles, thereby ensuring the proper payment of fees from those who live outside of our state.
- conduct size and weight inspections to ensure that the vehicles and their loads conform with state regulations governing truck size and weight.
- perform safety inspections of both the drivers and their vehicles to ensure compliance with state and federal safety and hazardous materials regulations.
- verify that the proper insurance coverage is in place to provide liability protection to our citizens.

Vehicle maintenance of \$ 9.5 for the three vehicles will be absorbed in the division budget in FY99. This cost has been identified as an increase in Contractual Services for the next five years.

# FISCAL NOTE

**STATE OF ALASKA**  
**1998 LEGISLATIVE SESSION**

**BILL NO: SB 298**

Revision Date: \_\_\_\_\_ Dept. Affected: Administration  
 Title: "An Act relating to the regulation of commercial vehicles..." BRU: Motor Vehicles  
 Component: Field Services  
 Sponsor: S. Transportation  
 Requestor: (S) TRA COMPONENT SERIAL NO. 2151

**EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)**

OPERATING	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0

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

CHANGE IN REVENUES (1005) Revenue Code	15.5	15.5	15.5	15.5	15.5	15.5
---	------	------	------	------	------	------

**FUNDING: (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>						

Estimate of current year (FY 98) impact: \$ \_\_\_\_\_

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

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

Rounding fees for the registration of the trailers and transferring those fees to the trucks (power-units) derives the revenue.

Prepared By: Juanita M. Hensley Phone: 465-5648  
 Division: Motor Vehicles Date: \_\_\_\_\_  
 Approved by Commissioner: Mark Boyer Date: 3/23/98  
 Agency: Dept. of Administration

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# FISCAL NOTE

**STATE OF ALASKA**  
**1998 LEGISLATIVE SESSION**

**BILL NO: CSSB 298(TRA)**

Revision Date: 4/1/98 Dept. Affected: Administration  
 Title: "An Act relating to the regulation of BRU: Motor Vehicles  
commercial vehicles..." Component: Field Services  
 Sponsor: S. Transportation  
 Requestor: (S) FIN COMPONENT SERIAL NO. 2151

**EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)**

OPERATING	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES	*	*	*	*	*	*
TRAVEL	*	*	*	*	*	*
CONTRACTUAL	*	*	*	*	*	*
SUPPLIES	*	*	*	*	*	*
EQUIPMENT	*	*	*	*	*	*
LAND & STRUCTURES	*	*	*	*	*	*
GRANTS, CLAIMS	*	*	*	*	*	*
MISCELLANEOUS	*	*	*	*	*	*
<b>TOTAL OPERATING</b>	*	*	*	*	*	*

CAPITAL EXPENDITURES						
CHANGE IN REVENUES (1005) Revenue Code	195.5	17.5	17.5	17.5	17.5	17.5

**FUNDING: (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>						

Estimate of current year (FY 98) impact: \$ 0

**POSITIONS:**

FULL-TIME					
PART-TIME					
TEMPORARY					

ANALYSIS: (Attach a separate page if necessary.)

SEE ATTACHED

Prepared By: Juanita M. Hensley Phone: 465-5648  
 Division: Motor Vehicles Date: 4/1/98  
 Approved by Commissioner: Mark Boyer *Mark Boyer* Date: 4/1/98  
 Agency: Department of Administration

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Revision Date: 4/1/98

Dept. Affected: Administration

ANALYSIS CONTINUED:

### COMMERCIAL TRAILER PERMANENT REGISTRATION

DMV is in the process of redefining and re-energizing the way we do business. The efficiency measures are allowing the division to keep up with increased workload each year. For example from 1996 to 1997 the number of registered vehicles increased by 26,047.

The proposal to issue permanent registrations to commercial trailers is intended to be an efficiency savings for DMV and the transportation industry together. In 1997 there were 18,268 registered commercial trailers.

All of the trailer registrations will not be eliminated in one year. During the first year of implementation which would be CY 99 all trailers would still have to be registered and issued the permanent registrations and plate or decal so costs would remain the same. After that there would still be new trailers coming into the state each year and typically this figure would be 20% so the actual workload savings beginning in CY 2000 would be approximately 14,000 registration renewals. The transaction cost for renewal of a commercial trailer is \$7.74 per transaction. Registration and titling for a first time registration in the state is \$12.45 per transaction.

At this time, DMV cannot estimate the amount of savings associated with this bill. Rounding fees for the registration of the trailers and transferring those fees to the trucks (power-units) and a one-time registration fee derives revenue indicated.

# Alaska State Legislature

## Interim:

145 Main St. Lp., 223  
Kenai, Alaska 99611  
907/283-7095  
907/283-3075 fx  
907/262-7574 hm

## Session:

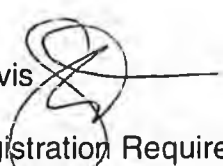
State Capitol  
Juneau, AK 99801  
907/465-2693  
fx 907/465-3835  
800/463-2693

## Representative Gary Davis

### MEMORANDUM

DATE: March 11, 1998

TO: Senator Jerry Ward

FROM: Representative Gary Davis 

RE: Commercial Vehicle Registration Requirement for River Guides

As you are probably aware, the Division of Parks and Outdoor Recreation is requiring applicants for river guide licenses to show proof of commercial vehicle registration for their vehicles and boat trailers before issuing guide licenses. Individuals feel they should not have to pay the higher commercial rates because it is the boat that is used for commercial purposes. The vehicle and trailer are used only incidentally to launch the boat into the river.

I attempted to alleviate their problem with an amendment to House Bill 404 when it was in House Finance. The amendment specified that only vehicles **primarily** used for commercial use need to be commercially registered and defined primarily as more than 6 months in a calendar year. That amendment gained no support.

Enclosed for your information are the following items:

- 1997 and 1998 letters with attachments from the division to Kenai River guides;
- Memorandum to the Department of Administration requesting their interpretation of the vehicle registration statutes and their response;
- Proposed amendment to CSHB404(Tra) that failed;
- Memorandum to Rep. Williams explaining the reasons for the amendment;
- Division of Motor Vehicles, Driver Services section position on the amendment; and
- Letter sent to Kenai River Guides who contacted Sen. Torgerson's and my office.

I would appreciate any suggestions and assistance you may give on solving this particular problem. Thank you for your time and consideration.

GLD/dld

Attachments

cc: Senator Torgerson

*Representing House District 8  
Cooper Landing, Tunny River, Hope, Moose Pass, Seward, Sterling, Soldotna*

Representative\_Gary\_Davis@legis.state.ak.us

1997  
Guide letter  
see page 2

# KENAI RIVER

## C E N T E R

36130 Kenai Spur Highway • Soldotna, Alaska 99669 • (907) 260-4882 • Fax: (907) 260-5992

### DEPARTMENT OF NATURAL RESOURCES DIVISION OF PARKS & OUTDOOR RECREATION

January 13, 1997

Dear Kenai River Guide,

Once again it is time to apply for the Alaska State Park Non-Competitive Park Use Permit for Commercial Activities for the 1997 season. We anticipate having the guide boat stickers and guide identification cards by January 17, 1997.

New for 1997:

\***Deadline: May 1st, 1997 deadline for registering** as a commercial operator/guide within any Alaska State Park unit on the Kenai Peninsula and Prince William Sound. All paperwork must be received by the State Parks staff at the Kenai River Center prior to May 1, 1997.

\* Register in person or by mail: To facilitate the new deadline we will accept renewal and new paperwork by mail or in person. In person permitting will take place Monday through Friday 8:00am to Noon ONLY at the Kenai River Center. You may mail your renewal or new paperwork to the Kenai River Center 36130 Kenai Spur Hwy Soldotna, AK 99669.

\* Sales Tax paperwork: The Kenai Peninsula Borough Sales Tax Department will no longer require you to request your Account Update letter in person. A signature is required from the owner before the borough may release the information directly to State Parks. Write to the Borough at: Kenai Peninsula Borough, Attn. Sales Tax, 144 N Binkley, Soldotna, AK 99669, or fax them your request at 907-262-8623. Call 907-262-4441, ext. 214 or 226 if you have any questions.

Fees: The Kenai River Guide fees will remain the same as those of the 1996 season. Total fees are as follows: Fishing Guides: \$500.00 for Alaska residents and \$1400.00 for non-residents; Non-Fishing Guides: \$200.00 for Alaska residents and \$500.00 for non-residents; Non-Fishing Guides operating within a portion of the Kenai River Special Management Area bounded by the Kenai National Wildlife Refuge, and who are required to obtain a special use permit from the Kenai National Wildlife Refuge will pay a reduced permit fee to Alaska State Parks as follows: \$150.00 for Alaska resident guides and \$350.00 for non-resident guides.

As in past years:

Random Drug Testing: Operators holding a U.S. Coast Guard license will be required to present to the State Park permitting staff documentation, including an expiration date, that you are registered in a random drug testing program. If you have questions regarding the drug testing program please contact the U.S. Coast Guard in Anchorage at 907-271-6714 or Kenai at 283-3292.

Insurance: commercial liability insurance is required. Please make sure that you have a Certificate of Insurance naming the "State of Alaska as additional insured".

Check the Pre-Qualification List: Please review the enclosed pre-qualification criteria for all the required information. We would also appreciate having the license number and description of your towing vehicle(s). We encourage you to call ahead, 260-4882, as we will be pleased to go over any of the criteria in your files to assist you in checking expiration dates, etc.

**End of Season Reports:** If you have not sent in your 1996 End of Season Report, you are requested to do so immediately. Please use a separate form for each state park unit that you guide in, e.g. Kenai River, Kaslof River, Deep Creek. Each individual guide should report their own use, and not clients which were referred to other guides. If a company reports the use for it's employees, please list the employees names on the report. The visitor use data which we derive from these reports is of great importance to the State Park administration, and a few incomplete or inaccurate use reports have made the statistical data less useful. Be forewarned that we will not issue a 1997 guide permit until we have your completed 1996 End of Season Use Report. Enclosed is a blank End of Season Use Report

**Commercial License Plates:** As a reminder, if you use a vehicle to tow your guide boat, whether you transport clients in your vehicle or not, Alaska state law requires you to register your vehicle as a commercial vehicle with the Department of Motor Vehicles. Any trailers used for a guide boat also need to be registered as a commercial trailer. Contact the Department of Motor Vehicles in the Red Diamond Center on Kalifornsky Beach Road or at 907-262-4681 if you have questions.

**Out of State License Plates:** Also as a reminder, state law requires that persons entering Alaska to work must register their motor vehicles in Alaska, within ten days upon your arrival.

**U.S. Forest Service:** An outfitter and guide special use permit with the U.S. Forest Service is required on the Kenai River between Cooper Creek Campground (River Mile 79) and the Sportsmen's Lodge (River Mile 73.75) if clients are taken to shore for fishing, picnicking, launching, etc. Deadline for filing for an outfitter and guide special use permit is April 1, 1997. Please contact the Chugach National Forest, Seward Ranger District at 224-3374 for permit information. Copies of the U.S. Forest Service application may also be picked up at the Kenai River Center.

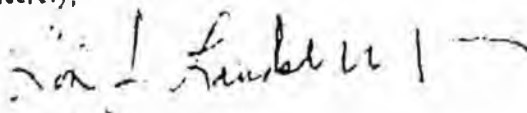
**Kenai National Wildlife Refuge:** An outfitter and guide (visitor services) special use permit with the Kenai National Wildlife Refuge is required on the Kenai River between Sportsman's Lodge (River Mile 73.75) and including Skilak Lake (River Mile 50). A permit is also required below Skilak Lake (River Mile 50) and Torpedo Hole (River Mile 45.5) and River miles 25 to 28 if clients are taken to shore for fishing, picnicking, or if you launch or retrieve through refuge landings. The deadline for filing for a refuge outfitter and guide (visitor services) special use permit is April 1, 1997. Please contact the Kenai National Wildlife Refuge at 262-7021 for permit information.

**Public Restrooms:** To reduce bank trampling, unsanitary conditions or trespass on private property, guides are advised to make the necessary restroom stops only at locations providing restroom facilities. On the lower river, public toilets are available at Centennial Park (mile 20.4), Big Eddy State Recreation Site (mile 16.5), Ciechanski State Recreation Site (mile 15.5), The Pillars (mile 12.3), Cunningham Park (mile 6.5), and the Warren Ames bridge (mile 5). In the middle river, public toilets are available at Bing's Landing State Recreation Site (mile 39.4), Izaak Walton State Recreation Site (mile 36.4), Morgan's Landing State Recreation Area (mile 30.9) and Funny River State Recreation Site (mile 30.5). Please use them. The ranger staff and others will continue educating everyone, not just guides and clients. Thank you for your cooperation on this matter.

**New Facilities:** The new boat launch ramp at the Pillars will probably be open in August. The new and improved boat launch ramp at the Kenai Lake bridge will probably be open in August also. Limited parking will require that we designate certain sections for either guide or public parking so that all groups will have fair and reasonable access.

**Questions:** If you have any questions regarding this letter or any matters concerning guide permitting please call me at 262-5511 or Lori Landstrom at the Kenai River Center at 260-4882. Thank you for your cooperation. Good luck and best wishes for a successful business season in 1997!

Sincerely,

  
Christina M. Degernes  
Kenai Area Superintendent

Enclosures

1998  
Guide Letter

# KENAI RIVER

## C E N T E R

36130 Kenai Spur Highway • Soldotna, Alaska 99669 • (907) 260-4882 • Fax: (907) 260-5992

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF PARKS & OUTDOOR RECREATION

January 28, 1998

Dear Kenai River Guide,

Once again it is time to apply for the Alaska State Park Non-Competitive Park Use Permit for Commercial Activities for the 1998 season. We anticipate having the guide boat stickers and guide identification cards by January 30, 1998

New for 1998:

**Commercial License Plates:** Proofs of commercial vehicle and trailer registration. If you use a vehicle to tow your guide boat, whether you transport client in your vehicle or not, Alaska state law requires you to register your vehicle as a commercial vehicle with the Division of Motor Vehicles. Any trailers used for a guide boat also need to be registered as a commercial trailer. Contact the Division of Motor Vehicle in the Red Diamond Center on Kalifornsky Beach Road or at (907) 262-4681 if you have questions.

**Out of State License Plates:** Proof of vehicle and trailer registration. Alaska state law requires that persons entering Alaska to work must register their motor vehicles in Alaska, within ten (10) days upon your arrival.

**Stipulation Charges:** The Kenai River Comprehensive Management Plan was completed this winter and there have been several changes to the stipulations that are a result of this two year planning process. In particular, the stipulations that have changed are numbers 2, 4, 5, 8, 10, 12, 13, 17, 25, 26, 27, and 28. The changes are in bold print

**Deadline:** May 1<sup>st</sup>, 1998, deadline for registering as a commercial operator/guide within any Alaska State Park unit on the Kenai Peninsula and Prince William Sound. All paperwork must be received by the State Parks staff at the Kenai River Center prior to May 1, 1998. Permits received after May 1, 1998 will be processed as staff time allows and may take up to 30 days to process.

**End of Season Reports:** If you have not sent in your 1997 End of Season (EOS) Report, you are requested to do so immediately. Please use a separate form for each state park unit that you guide in, e.g. Kenai River, Kaslof River, Deep Creek. The 1998 EOS report for the Kenai River has changed. In addition to listing the daily total of clients, we are asking you to identify what area of the river you fished. Each individual guide should report their own use, and not clients which were referred to other guides. If a company reports the use for it's employees, please list the employees name, the area of the river that was fished that day, and the number of clients the employee guided. The visitor use data which we derive from these reports is of great importance to the State Park administration, and a few incomplete or inaccurate use reports have made the statistical data less useful. Be forewarned that we will NOT issue a 1998 guide permit until we have your completed 1997 End of Season Report. Enclosed is a blank 1997 and 1998 End of Season Use Report.

As in past years:

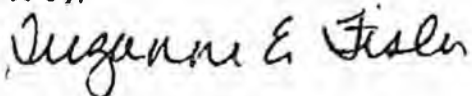
**Insurance:** Commercial liability insurance is required. Please make sure that you have a Certificate of Insurance naming the "State of Alaska as additional insured".

Please use them. The ranger staff and others will continue educating everyone, not just guides and clients. Thank you for your cooperation on this matter.

**New Facilities:** As part of their Commercial Use Permit, guides may use state park boat launch facilities at Izaak Walton State Recreation site, Bing's Landing State Recreation Site and the Cooper Landing Boat Launch to pick up or return passengers and to launch or retrieve boats with no additional fees levied. **Guides (and the general public) are required to pay the daily boat launch fee for the use of the Pillars Boat Launch.** All clients will be required to pay the daily parking fee for their vehicles.

**Questions:** If you have any questions regarding this letter or any matters concerning guide permitting please call Suzanne Fidler at the Kenai River Center at (907) 260-4882. Thank you for your cooperation. Good luck and best wishes for a successful business season in 1998.

Sincerely,



for  
Christina M. Degernes  
Kenai Area Superintendent

Enclosures

### PRE-QUALIFICATION FOR KENAI RIVER GUIDES

To pre-qualify for issuance of a 1998 permit, all permit applicants shall be required to submit the following information. Photostatic copies can be made at the Kenai River Center. Non-Fishing Commercial operators will be required to provide the information described except for Nos. 3, 4, and 8.

1. A valid Business License for the individual business (must be SIC Code No. 7900). The phone number for the Alaska Department of Commerce and Economic Development in Juneau is (907) 465-2552 or in Anchorage is (907) 269-8173.
2. The Current year Account Update Letter from the Kenai Peninsula Borough pertaining to your Sales Tax Account. You can do this in person, by mail or by fax. Contact the Borough at (907) 262-4441, ext. 214 or 226.
3. The Alaska Commercial Fisheries Entry Commission Vessel License (ADF&G triangle plate) is required for fresh water as well as salt water charter vessels. Please bring in your valid registration card issued with the vessel license plate. The phone number for the Entry Commission is (907) 789-6150.
4. The Alaska Department of Fish & Game "Sport Fishing Guide Registration" form for the current year, signed by the business owner and a department representative. Forms may be obtained by calling Fish & Game at (907) 267-2221 or (907) 262-9368 or at the Kenai River Center (907) 260-4882.
5. U. S. Coast Guard Vessel Registration Number (AK numbers) for any powerboat to be used. A current wallet sized registration card is required. The phone number for the U.S. Coast Guard is 1-800-478-6381.
6. A valid U. S. Coast Guard Commercial six-passenger license. This is required by federal law of all powerboat operators (any vessel powered by any motor). Non-motorized boating operations not carrying a motor do not need this license. The phone number for the U.S. Coast Guard licensing is (907) 271-6736.
7. Documentation with an expiration date, that shows you are registered with a random drug testing program. This applies to those individuals who hold a U. S. Coast Guard Commercial License.
8. A Valid Alaska Sport Fishing License. (Required of all operators taking clients sport fishing.) To receive an application form contact the Alaska Department of Fish and Game; Licensing Section; P.O. Box 25525; Juneau, Alaska 99802-5525 or application forms are available by FAX at (907) 267-2860. You can also visit them via the internet at [http://www.state.ak.us/local/akpages/FIGH\\_GAME/admin/license.htm](http://www.state.ak.us/local/akpages/FIGH_GAME/admin/license.htm)
9. A valid American Red Cross Basic First Aid certification or the equivalent.