

**DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES FY2014 HOUSE  
FINANCE BUDGET SUBCOMMITTEE NARRATIVE REPORT**

**SUBCOMMITTEE MEMBERS:**

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**Rep. Mark Neuman, Chair**  
**Rep. Paul Seaton**  
**Rep. Bob Herron**  
**Rep. Neal Foster**  
**Rep. Doug Isaacson**  
**Rep. Harriet Drummond**  
**Rep. Jonathan Kreiss-Tomkins**

**RECOMMENDATIONS:**

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The House Finance Budget Subcommittee for the Department of Transportation and Public Facilities submits a recommended Operating Budget for FY2014 to the House Finance Committee as follows:

Unrestricted General Funds (UGF)	\$ 281,264,900
Designated General Funds (DGF)	\$ 68,251,900
Other Funds	\$ 272,422,800
Federal Funds	\$ 3,844,600
<b>TOTAL</b>	<b>\$ 625,784,200</b>

**BUDGET ACTION:**

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The House Finance Budget Subcommittee for the Department of Transportation and Public Facilities held nine meetings with the Department and analyzed all of the Governor's budget transactions.

**The subcommittee recommends the following Action:**

**Accept the Governor's Budget Requests with the following exceptions:**

**Modify**

- A Reduction of \$55,000 in the increment for Storm-water compliance

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**Deny**

- Eliminate \$166,800 requested for operating cost of new Central Region facilities
- Eliminate \$350,000 requested for Expanded Matanuska-Susitna Maintenance Services
- Eliminate \$469,600 requested for Airport Deicing Chemicals
- Eliminate \$132,500 requested for Rural Airport Maintenance contracts
- Eliminate \$2,580,700 requested for State Equipment Fleet rate increases

**The Subcommittee also proposes the following actions:**

- A Reduction in the present maintenance levels on Municipal owned but Department maintained roads with the intent of completely eliminating maintenance on these roads in FY2015, in the following amounts:
  - Central Region Highways and Aviation by \$1,300,000
  - Northern Highways and Aviation \$500,000
  - Southeast Highways and Aviation \$60,000
- A Reduction in services to the Alaska Marine Highway System in the following amounts:
  - Marine Vessel Operations by \$2,101,000 of (Unrestricted GF), and \$760,000 (Designated GF).
  - Marine Vessel Fuel by \$1,400,000 (Unrestricted GF)

**The Subcommittee also proposes the following intent language:**

- It is the intent of the legislature for the department to evaluate the impacts of instituting landing fee at state owned and operated primary FAA certificated airports and provide a report to the 28<sup>th</sup> Legislature by January 15 2014.
- It is the intent of the legislature for the department to eliminate all maintenance on Municipal owned but Department maintained roads by FY2015.
- It is the intent of the legislature for the department to eliminate any future issuing of free annual passes to vehicles of departments, state employees, or retirees and their families on the Alaska Marine Highway System.
- It is the intent of the legislature for the department of Transportation to seek efficiencies and cost reductions in FY2014. Those savings will be considered for carry forward in the FY2015 Operating Budget.

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**ATTACHED REPORTS:**

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The House Finance Budget Subcommittee for the Department of Transportation and Public Facilities adopts the attached reports:

**Subcommittee generated reports**

Budget Action Worksheet

**Legislative Finance Division Reports – House Structure**

1. Agency Totals – FY2014 Operating Budget
2. Appropriation/Allocation Summary (All Funds)
3. Appropriation/Allocation Summary (GF)
4. Transaction Comparison between ADJ Base and H Subcomm
5. Transaction Comparison between Gov Amd and H Subcomm
6. Wordage Report – FY2014 Operating Budget



**Representative Mark Neuman, Chair  
House Finance Budget Subcommittee for the Department of Transportation and Public  
Facilities**

**1 March, 2013**