

**DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES**  
**FY2016 HOUSE FINANCE BUDGET SUBCOMMITTEE NARRATIVE REPORT**  
**February 26, 2015**

**SUBCOMMITTEE MEMBERS:**

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Rep. Steve Thompson, Chair	Rep. Foster	Rep. Kito
Rep. Chenault	Rep. Vazquez	Rep. Ortiz
Rep. Hughes		

**RECOMMENDATIONS:**

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The House Finance Budget Subcommittee for the Department of Transportation & Public Facilities submits a recommended operating budget for FY2016 to the House Finance Committee as follows:

**Fund Source:** (dollars are in thousands)

Unrestricted General Funds (UGF)	\$ 247,905.9
Designated General Funds (DGF)	\$ 73,394.1
Other Funds	\$ 289,160.1
Federal Funds	<u>\$ 2,028.7</u>
<b>Total</b>	<b>\$612,488.8</b>

The Unrestricted General Fund difference from FY15 Management Plan to the House Subcommittee budget recommendation is a reduction of \$ 30,698.7, which is an 11% percent change. (taken from your BA Sheet, FY15 Mgt Plan to House Subcom)

**Postions:**

Permanent Full-time	3159
Permanent Part-time	373
Temporary	<u>224</u>
<b>Total</b>	<b>3756</b>

## **BUDGET ACTION:**

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The House Finance Budget Subcommittee for the Department of Transportation & Public Facilities held **7** meetings with the Department. The Subcommittee reviewed the FY2016 budget request and took the following actions:

Accepted the Governor's endorsed proposal, which includes these highlights:

- Several transfers regarding the Departments plans to place parts of the Central Region into a new South Coast Region to better reflect the Geographical similarities of parts of the State.
- Several transfers regarding the Departments plans to consolidate its Information Services into one division vs. spread through every allocation of the Department. This step was taken to find efficiencies through economies of scale.
- A change for the State of Alaska to assume complete responsibility in National Environmental policy Act authorizations. This action will allow projects to go from design to completion a more rapid rate.

The Committee made reductions in two areas that contain 92% of the General Funds appropriated to the Department. These departments have had an increase of General fund dollars of 66% and 59% respectively over the last 10 years.

- A 9.9% reduction in General Funds for the Alaska Marine Highway System
- A 9.6% reduction in General Funds for the maintenance & operations of Highways, Aviation, & Facilities

Both of these reductions reflect the need to bring the State of Alaska's Budget more in line with its fiscal situation.

## **ATTACHED REPORTS:**

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

### **2015 Legislative Finance Division Reports – House Structure**

1. Agency Totals – FY2016 Operating Budget
2. Allocation Summary (All Funds)
3. Allocation Summary (GF Only)

4. Transaction Compare between Adjusted Base (16Adj Base) and House Subcommittee (H Sub)

5. Transaction Compare between Governor Amended (Gov Amd) and House Subcommittee (H Sub)

6. Wordage Report – FY2016 Operating Budget

The Budget Action Worksheet (B.A. Sheet) is attached for informational purposes.

Respectfully submitted,

Representative Steve Thompson, Chair  
House Finance Budget Subcommittee for the Department of Transportation & Public Facilities