

**DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES
FY17 - Increment Status**

Legislative Additions

Item #	Appropriation/ Allocation	Description	Amount/Fund Source	Comment	GF Dec?	LFD Notes/Questions?	Agency Comments
1	Marine Highway System/ Marine Vessel Operations	Reduce Unrestricted General Funds and Replace with One-Time Marine Highway System Funds	\$2,000.0 AMHS Funds - IncOTI	The FY17 budget included a permanent base budget reduction of \$2 million UGF that was back-filled on a one-time basis utilizing the available balance of the AMHS Fund. The intent was that the FY18 ferry schedule be built and published assuming a budget \$2 million less than the FY17 budget.		From our conversation regarding AMHS fund balances, this funding is not expected to be utilized in FY17 given the level of UGF authorization. Can you verify this comment? I believe lower realized fuel prices also played a part. Is that correct?	At this time AMHS expects to expend all of this authority in FY17, however, this projection significantly hinges on fuel prices. If fuel prices remain lower than budgeted for the remainder of the fiscal year, AMHS will not expend this authority.
2	Highways, Aviation and Facilities/ Northern Region Highways and Aviation	Funding and Positions for Northway, Chitina, and Central Maintenance Stations	\$1,409.0 Vehicle Rental Taxes (DGF) 10 PFTs VETO - (\$911.9) Vehicle Rental Taxes (DGF)	<p>During budget subcommittees, \$1.4 million of Vehicle Rental Tax (VRT) receipts (DGF) were identified as available to replace UGF. The House budget contained a fund source change in that amount from UGF to the VRT receipts. The Senate budget did not reduce UGF, but specifically allocated the VRT receipts toward keeping the Northway, Chitina, and Central Maintenance stations open (which included addition of 10 PFTs).</p> <p>The Conference Committee accepted the Senate VRT funding to keep the maintenance stations open, yet also accepted the House reduction of UGF. The implication of these transactions is that DOT&PF must absorb the \$1.4 million UGF reduction in some other way besides closure of the three maintenance stations. Closure of those maintenance stations were identified by the agency to have the least impact to the region during budget reduction scenarios.</p> <p>Further complicating the Northern Region's road maintenance budget, the Governor vetoed \$911.9 of the VRT funding. The intent of the veto was to leave only enough funding for the Northway station to remain open.</p>		Can an update be provided as to how this situation was managed by the Northern Region...which stations are open if any, etc.?	The region has complied with the service level intent of the Conference Committee and the Governor's veto. Chitina and Central stations have been closed while Northway remains open.