

**DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES  
FY2013 HOUSE FINANCE BUDGET SUBCOMMITTEE NARRATIVE REPORT  
February 29, 2012**

**SUBCOMMITTEE MEMBERS:**

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Rep. Bryce Edgmon, Chair	Rep. Foster	Rep. Guttenberg
Rep. Keller	Rep. Olson	Rep. Petersen
Rep. Wilson		

**RECOMMENDATIONS:**

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The House Finance Budget Subcommittee for the Department of Transportation & Public Facilities submits a recommended operating budget for FY2013 to the House Finance Committee as follows:

Unrestricted General Funds (UGF)	\$ 269,027.9
Designated General Funds (DGF)	76,485.8
Other Funds	265,124.4
Federal Funds	3,986.6
<b>TOTAL</b>	<b>614,624.7</b>

**BUDGET ACTION:**

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The House Finance Budget Subcommittee for the Department of Transportation & Public Facilities held seven meetings with the Department and analyzed all of the Governor's budget transactions. The following are budget action highlights:

- The Subcommittee recommends authorizing \$2,797.1 less general funds and the same number of full-time positions as the Governor's Amended FY2012 request.
- The Subcommittee recommends a total increase from the FY2013 Adjusted Base of \$776.6 UGF and \$2,641.8 DGF for a total General Fund change of \$3,418.4. The increase from Adjusted Base in Other Funds is \$6,338.6 and there is no change in Federal Funds. The total increase from the Adjusted Base is \$9,757 and 4 temporary positions.

## Accepted

- 1. Anchorage International Airport – Kulis Air Field, \$1,200.0 International Airport Revenue Funds**

This increment covers building maintenance / utilities and property maintenance for the Kulis Air National Guard Base property. DOT/PF is now responsible for these activities after accepting the transfer of ownership of the property.

- 2. Highways & Aviation – Rural Airport Maintenance Contracts' Insurance Requirements, \$779.9 UGF**

This increment covers the Central (\$356.3) and Northern (\$423.6) Region increases to insurance costs, mandated by the Division of Risk Management.

- 3. Alaska Marine Highway System (AMHS) – Service Reconfiguration Cost Increase, \$1,791.8 Alaska Marine Highway System Funds (DGF)**

This increment allows the AMHS to provide the same level of service as FY12. This is due to two lower cost ferries (the Tustemena and Malaspina) being scheduled for capital layup. The ferries replacing them on their scheduled routes during the layup are more expensive to operate.

## Modified

- 1. Highways & Aviation – Central Region Highways, Fund Source Change**

\$850.0 in funding was switched from UGF to Vehicle Rental Tax (VRT).

- 2. Highways & Aviation – Whittier Access and Tunnel, \$600.0 Fund Source Change**

\$600.0 in funding was switched from UGF to CIP Receipts.

## **Denied**

### **1. Facilities – Heating Fuel and Utility Costs, \$1,347.1 UGF**

This increment was denied as fuel costs are already covered under fuel price "trigger" language in the Operating budget. Increases asked for were split between Central (\$405.7), Northern (\$782.5) and Southeast (\$158.9) Regions.

## **AMENDMENT ACTION:**

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The House Finance Budget Subcommittee for the Department of Transportation & Public Facilities also analyzed the Governor's budget amendments and took the following action:

## **Accepted**

1. All 3 amendments submitted by the Governor were accepted. Total result of those amendments is a reduction of \$33.1 in UGF. Those amendments add \$142.4 UGF to Northern Region Highways and Aviation and reduce UGF by 175.5 in Central Region Highways and Aviation

## **ITEMS OF INTEREST**

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1. Current projections show the near depletion of the Marine Highway Fund by the end of FY12. The subcommittee recommends that the full Finance committee consider a further appropriation to the fund.

**ATTACHED REPORTS:**

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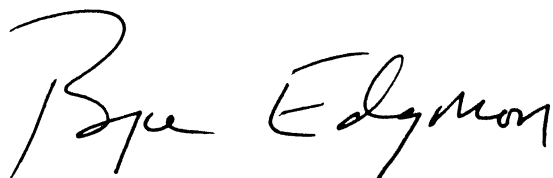
The House Finance Budget Subcommittee for the Department of Transportation & Public Facilities adopts the attached reports:

**Subcommittee generated reports**

Budget Action Worksheet

**Legislative Finance Division Reports (Numbers Only) – House Structure**

1. Agency Totals – FY2013 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 – FY2013 Operating Budget



**Representative Bryce Edgmon, Chair**  
**House Finance Budget Subcommittee for the Department of Transportation & Public Facilities**  
**February 29, 2012**