



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

## Department of Commerce, Community, and Economic Development

OFFICE OF THE COMMISSIONER  
Juneau Office

P.O. Box 110800  
Juneau, Alaska 99811-0800  
Main: 907.465.2500  
Fax: 907.465.5442

May 12, 2025

The Honorable Rebecca Himschoot  
Co-Chair, House Community and Regional Affairs Committee  
Alaska State Capitol, Room 411  
Juneau, Alaska 99801

The Honorable Donna Mears  
Co-Chair, House Community and Regional Affairs Committee  
Alaska State Capitol, Room 102  
Juneau, Alaska 99801

Dear Representatives Himschoot and Mears:

During the hearing on HB 207: Fire Station Grant program on May 6, 2025, several questions were asked by the committee that required a follow-up response.

The questions and the follow-up response are below.

**Would an integrated facility (fire/police/etc.) be eligible for funding the way the bill is written, or does it need to be amended to accommodate these facilities?**

If the Legislature's intent is to include integrated facilities, it would be best to identify all eligible facilities in statute. Many fire stations have dual fire/Emergency Medical Service (EMS) personnel, but not always law enforcement. If the intent is to include integrated fire, EMS, and law enforcement facilities in an infrastructure-based grant program involving large construction projects, the Department of Transportation and Public Facilities (DOT& PF) may be the appropriate agency to implement, similar to the Harbor Facility Grant Fund they administer in AS 29.60.800.

**Is 50 percent state match typical for these types of programs? How does this proposed grant fund format compare with the harbor matching grant fund?**

The state matching grants the Division of Community and Regional Affairs (DCRA) administers under AS 37.05.315 (Grants to municipalities) and AS 37.05.316 (Grants to named recipients) are typically a dollar-for-dollar or 100 percent match. Though in Title 29, the Harbor Facility Grant fund in AS 29.60.800 identifies DOT& PF as the implementing and administering agency. While it is not administered at DCRA, it appears to require a 50 percent match, though

AS 29.60.810(2) prohibits state funds from being used as match, with four exceptions. The exceptions include use of community assistance funds in AS 29.60.850-879, shared fisheries business taxes in AS 29.60.450, AS 43.75.130, and AS 43.75.137, excise tax on overnight accommodations on commercial passenger vessels in AS 43.52.200-295, and a transfer agreement between the state and a municipality for a sale under AS 35.10.120, as match funds.

**Would it be possible for municipalities to use funding from multiple sources (municipal /federal/etc.) and still be eligible for this program?**

If the legislature intends for multiple funding sources to be used, it would be best to outline that in statute. The implementing agency could also address this in regulation and/or policies and procedures. DCRA administers several grant programs that utilize a mix of municipal, state, federal, and private funds. Depending on the funding source, applicants should check whether there are any prohibitions on those funds being leveraged with other funding sources or used as a match.

Additionally, DCRA advises it might be helpful to consider whether state-to-state match funds will be eligible for this grant program. For example, whether a fire station could receive a grant to a municipality under AS 37.05.315, a grant to named recipient under AS 37.05.316, or a grant to an unincorporated community under AS 37.05.317 and then leverage those state funds to apply for state fire station matching grant funds in the proposed AS 29.60.750.

Please let us know if the committee has any additional questions.

Sincerely,

DocuSigned by:  
  
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Sandra Moller  
Director

cc: Lizzie Kubitz, Legislative Liaison, Department of Commerce, Community, and  
Economic Development  
Jordan Shilling, Director, Governor's Legislative Office