

Introduced: 3/17/78
Referred: Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE SPECIAL
PERMANENT FUND COMMITTEE

1 IN THE SENATE

2 SENATE BILL NO. 539

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to eligible costs for state grants for
7 capital improvement projects; and providing for an
8 effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 02.15.120 is amended to read:

11 Sec. 02.15.120. ASSISTANCE TO CONSTRUCT, ENLARGE OR IMPROVE AIR
12 NAVIGATION FACILITIES. The department may match available funds with
13 those of municipalities, federal agencies or other state agencies, for
14 project costs relating to the construction, enlargement or improvement
15 of [THE PURPOSE OF ASSISTING TO CONSTRUCT, ENLARGE OR IMPROVE] airports.
16 The department may assist persons in the construction, enlargement and
17 improvement of airports and air navigation facilities. The airports and
18 facilities, until they are abandoned as such, shall be at all times
19 available for the use of and accessible to the general public, and
20 maintained as public airports and facilities.

21 * Sec. 2. AS 02.15.140 is amended to read:

22 Sec. 02.15.140. STATE FINANCIAL ASSISTANCE. The department may
23 grant or lend money, subject to the provisions of secs. 60, 70 and 120
24 of this chapter, to any person or municipality acting jointly for pro-
25 ject costs relating to [IN] the planning, acquisition, construction,
26 improvement, maintenance or operation of an airport owned or controlled
27 or to be owned or controlled by the municipality or person. Grants or
28 loans may be furnished in connection with federal or other financial
29 aid for the same purpose.

1 * Sec. 3. AS 02.15 is amended by adding a new section to read:

2 Sec. 02.15.155. DEFINITIONS. For the purposes of secs. 120 - 155
3 of this chapter, "project costs" includes, in addition to costs directly
4 related to the project, the sum total of all costs of financing and
5 carrying out the project. These include, but are not limited to, the
6 costs of all necessary studies, surveys, plans and specifications,
7 architectural, engineering or other special services, acquisition of
8 real property, site preparation and development, purchase, construction,
9 reconstruction and improvement of real property and the acquisition of
10 machinery and equipment as may be necessary in connection with the
11 project; an allocable portion of the administrative and operating expen-
12 ses of the grantee; the cost of financing the project, including in-
13 terest on bonds issued to finance the project; and the cost of other
14 items, including any indemnity and surety bonds and premiums on in-
15 surance, legal fees, fees and expenses of trustees, depositaries, finan-
16 cial advisors, and paying agents for the bonds issued as the issuer
17 considers necessary.

18 * Sec. 4. AS 03.20.010 is amended to read:

19 Sec. 03.20.010. STATE AID. The state may grant aid to agricul-
20 tural and industrial fair associations, incorporated under the laws of
21 the state, to assist in the payment of (1) costs of operation and main-
22 tenance and (2) project costs for capital improvements of annual agri-
23 cultural and industrial fairs.

24 * Sec. 5. AS 03.20 is amended by adding a new section to read:

25 Sec. 03.20.080. DEFINITIONS. For purposes of this chapter, "pro-
26 ject costs for capital improvements" includes, in addition to costs
27 directly related to the project, the sum total of all costs of financing
28 and carrying out the project. These include, but are not limited to,
29 the costs of all necessary studies, surveys, plans and specifications,

1 architectural, engineering or other special services, acquisition of
2 real property, site preparation and development, purchase, construction,
3 reconstruction and improvement of real property and the acquisition of
4 machinery and equipment as may be necessary in connection with the pro-
5 ject; an allocable portion of the administrative and operating expenses
6 of the grantee; the cost of financing the project, including interest on
7 bonds issued to finance the project; and the cost of other items, inclu-
8 ding any indemnity and surety bonds and premiums on insurance, legal
9 fees, fees and expenses of trustees, depositaries, financial advisors,
10 and paying agents for the bonds issued as the issuer considers necessary.

11 * Sec. 6. AS 18.55.934 is amended by adding a new subsection to read:

12 (c) For purposes of this section, "cost of the project" includes,
13 in addition to costs directly related to the project, the sum total of
14 all costs of financing and carrying out the project. These include, but
15 are not limited to, the costs of all necessary studies, surveys, plans
16 and specifications, architectural, engineering or other special ser-
17 vices, acquisition of real property, site preparation and development,
18 purchase, construction, reconstruction and improvement of real property
19 and the acquisition of machinery and equipment as may be necessary in
20 connection with the project; an allocable portion of the administrative
21 and operating expenses of the grantee; the cost of financing the pro-
22 ject, including interest on bonds issued to finance the project; and the
23 cost of other items, including any indemnity and surety bonds and pre-
24 miums on insurance, legal fees, fees and expenses of trustees, deposi-
25 taries, financial advisors, and paying agents for the bonds issued as
26 the issuer considers necessary.

27 * Sec. 7. AS 19.30.030 is amended by adding a new subsection to read:

28 (d) For purposes of (c) of this section, "cost of construction"
29 includes, in addition to costs directly related to the project, the sum

1 total of all costs of financing and carrying out the project. These
2 include, but are not limited to, the costs of all necessary studies,
3 surveys, plans and specifications, architectural, engineering or other
4 special services, acquisition of real property, site preparation and
5 development, purchase, construction, reconstruction and improvement of
6 real property and the acquisition of machinery and equipment as may be
7 necessary in connection with the project; an allocable portion of the
8 administrative and operating expenses of the grantee; the cost of fi-
9 nancing the project, including interest on bonds issued to finance the
10 project; and the cost of other items, including any indemnity and surety
11 bonds and premiums on insurance, legal fees, fees and expenses of
12 trustees, depositaries, financial advisors, and paying agents for the
13 bonds issued as the issuer considers necessary.

14 * Sec. 8. AS 43.18.010 is amended by adding a new subsection to read:

15 (1) For the purposes of (j) of this section, "total project
16 cost" includes, in addition to costs directly related to the project,
17 the sum total of all costs of financing and carrying out the project.
18 These include, but are not limited to, the costs of all necessary
19 studies, surveys, plans and specifications, architectural, engineering
20 or other special services, acquisition of real property, site prepara-
21 tion and development, purchase, construction, reconstruction and im-
22 provement of real property and the acquisition of machinery and equip-
23 ment as may be necessary in connection with the project; an allocable
24 portion of the administrative and operating expenses of the grantee; the
25 cost of financing the project, including interest on bonds issued to
26 finance the project; and the cost of other items, including any indem-
27 nity and surety bonds and premiums on insurance, legal fees, fees and
28 expenses of trustees, depositaries, financial advisors, and paying
29 agents for the bonds issued as the issuer considers necessary.

1 * Sec. 9. AS 43.18.100(g)(2) is repealed and re-enacted to read:

2 (2) "costs of school construction" means the cost of acquir-
3 ing, constructing, enlarging, repairing, remodeling, equipping or fur-
4 nishing of public elementary and secondary school buildings and includes
5 the sum total of all costs of financing and carrying out the project.
6 These include, but are not limited to, the costs of all necessary
7 studies, surveys, plans and specifications, architectural, engineering
8 or other special services, acquisition of real property, site prepara-
9 tion and development, purchase, construction, reconstruction and im-
10 provement of real property and the acquisition of machinery and equip-
11 ment as may be necessary in connection with the project; an allocable
12 portion of the administrative and operating expenses of the grantee; the
13 cost of financing the project, including interest on bonds issued to
14 finance the project; and the cost of other items, including any indem-
15 nity and surety bonds and premiums on insurance, legal fees, fees and
16 expenses of trustees, depositaries, financial advisors, and paying
17 agents for the bonds issued as the issuer considers necessary.

18 * Sec. 10. AS 43.18.300(h) is amended by adding a new paragraph to read:

19 (3) "costs of construction" includes, in addition to costs
20 directly related to the project, the sum total of all costs of financing
21 and carrying out the project. These include, but are not limited to,
22 the costs of all necessary studies, surveys, plans and specifications,
23 architectural, engineering or other special services, acquisition of
24 real property, site preparation and development, purchase, construction,
25 reconstruction and improvement of real property and the acquisition of
26 machinery and equipment as may be necessary in connection with the
27 project; an allocable portion of the administrative and operating ex-
28 penses of the grantee; the cost of financing the project, including
29 interest on bonds issued to finance the project; and the cost of other

1 items, including any indemnity and surety bonds and premiums on in-
2 surance, legal fees, fees and expenses of trustees, depositaries, finan-
3 cial advisors, and paying agents for the bonds issued as the issuer
4 considers necessary. It does not include the cost of feasibility
5 studies.

6 * Sec. 11. AS 43.18.400(2) is repealed and re-enacted to read:

7 (2) "cost of construction" includes, in addition to costs
8 directly related to the project, the sum total of all costs of financing
9 and carrying out the project. These include, but are not limited to,
10 the costs of all necessary studies, surveys, plans and specifications,
11 architectural, engineering or other special services, acquisition of
12 real property, site preparation and development, purchase, construction,
13 reconstruction and improvement of real property and the acquisition of
14 machinery and equipment as may be necessary in connection with the
15 project; an allocable portion of the administrative and operating ex-
16 penses of the grantee; the cost of financing the project, including
17 interest on bonds issued to finance the project; and the cost of other
18 items, including any indemnity and surety bonds and premiums on in-
19 surance, legal fees, fees and expenses of trustees, depositaries, finan-
20 cial advisors, and paying agents for the bonds issued as the issuer
21 considers necessary. It does not include the cost of promotion, travel,
22 or feasibility studies.

23 * Sec. 12. AS 44.33.150 is amended to read:

24 Sec. 44.33.150. QUALIFYING FOR MATCHING MONEY. In order to quali-
25 fy for tourist attraction development matching money, the applicant
26 shall submit and have approved by the director of tourism, a feasibility
27 study of the program to be used for carrying out the development of the
28 tourist attraction. Subject to the provisions of sec. 120(8) of this
29 chapter, matching money may also be secured by an applicant for the cost

1 of construction, improvement or operation of [PURPOSE OF CONSTRUCTING,
2 IMPROVING OR OPERATING] a visitor information center established for the
3 intent of providing Alaska visitors and residents with tourist travel
4 information on a local and statewide basis. This may include printing
5 and distributing travel promotion material about Alaska. In order to
6 qualify for visitor information center matching money, the applicant
7 must first submit and have approved by the director of tourism a feasi-
8 bility study of the construction, improvement or operation of the
9 visitor information center.

10 * Sec. 13. AS 44.33.150 is amended by adding a new subsection to read:

11 (b) For purposes of (a) of this section, "cost of construction"
12 includes, in addition to costs directly related to the project, the sum
13 total of all costs of financing and carrying out the project. These
14 include, but are not limited to, the costs of all necessary studies,
15 surveys, plans and specifications, architectural, engineering or other
16 special services, acquisition of real property, site preparation and
17 development, purchase, construction, reconstruction and improvement of
18 real property and the acquisition of machinery and equipment as may be
19 necessary in connection with the project; an allocable portion of the
20 administrative and operating expenses of the grantee; the cost of finan-
21 cing the project, including interest on bonds issued to finance the
22 project; and the cost of other items, including any indemnity and surety
23 bonds and premiums on insurance, legal fees, fees and expenses of
24 trustees, depositaries, financial advisors, and paying agents for the
25 bonds issued as the issuer considers necessary.

26 * Sec. 14. AS 46.03.030(b) is amended to read:

27 (b) The department may grant to a municipality, as funds are
28 available, up to the lesser of 50 per cent of the eligible cost or 50
29 per cent of the eligible cost not financed by the federal government,

1 for public water supply, treatment and distribution systems and public
2 sewage collection, treatment and discharge facilities for which con-
3 struction has not commenced on or before June 21, 1976. The eligible
4 cost of a project or portions of a project will be as determined by the
5 federal agency granting the most monetary assistance. On projects or
6 portions of projects, for which federal participation is not available,
7 eligible costs will be determined by the department in accordance with
8 (d) of this section. Projects shall be constructed in accordance with
9 plans and specifications approved by the department.

10 * Sec. 15. AS 46.03.030 is amended by adding a new subsection to read:

11 (d) When not otherwise defined by a federal agency for the pur-
12 poses of (b) of this section, "eligible costs" includes, in addition to
13 costs directly related to the project, the sum total of all costs of
14 financing and carrying out the project. These include, but are not
15 limited to, the costs of all necessary studies, surveys, plans and
16 specifications, architectural, engineering or other special services,
17 acquisition of real property, site preparation and development, pur-
18 chase, construction, reconstruction and improvement of real property and
19 the acquisition of machinery and equipment as may be necessary in con-
20 nection with the project; an allocable portion of the administrative and
21 operating expenses of the grantee; the cost of financing the project,
22 including interest on bonds issued to finance the project; and the cost
23 of other items, including any indemnity and surety bonds and premiums on
24 insurance, legal fees, fees and expenses of trustees, depositaries,
25 financial advisors, and paying agents for the bonds issued as the issuer
26 considers necessary.

27 * Sec. 16. AS 46.07.040 is amended by adding a new subsection to read:

28 (c) For the purposes of (a) of this section, "cost of the con-
29 struction of a facility" includes, in addition to costs directly related

1 to the project, the sum total of all costs of financing and carrying out
2 the project. These include, but are not limited to, the costs of all
3 necessary studies, surveys, plans and specifications, architectural,
4 engineering or other special services, acquisition of real property,
5 site preparation and development, purchase, construction, reconstruction
6 and improvement of real property and the acquisition of machinery and
7 equipment as may be necessary in connection with the project; an allo-
8 cable portion of the administrative and operating expenses of the
9 grantee; the cost of financing the project, including interest on bonds
10 issued to finance the project; and the cost of other items, including
11 any indemnity and surety bonds and premiums on insurance, legal fees,
12 fees and expenses of trustees, depositaries, financial advisors, and
13 paying agents for the bonds issued as the issuer considers necessary.

14 * Sec. 17. AS 47.30.475(c) is amended to read:

15 (c) Grants shall be awarded in a ratio of 75 per cent state money
16 to 25 per cent community money, except that in communities designated as
17 poverty areas the ratio shall be 90 per cent state money to 10 per cent
18 community money, for the costs [PURPOSES] of providing staff and limited
19 improvement, renovation or new construction of facilities for alcoholic
20 detoxification, rehabilitation or "half-way house" care. No grant for
21 improving, renovating or constructing may exceed \$50,000 except when
22 there is a lack of applicants for available money and then only with the
23 approval of the Advisory Board on Alcoholism. The department is not
24 required to award all money available under this program, or the full
25 percentages specified in this subsection, when another source of money
26 is available or could reasonably be made available to the applicant.

27 * Sec. 18. AS 47.30.500 is amended by adding a new paragraph to read:

28 (5) "costs of improvement, renovation or new construction of
29 facilities" includes, in addition to costs directly related to the

1 project, the sum total of all costs of financing and carrying out the
2 project. These include, but are not limited to, the costs of all neces-
3 sary studies, surveys, plans and specifications, architectural, engi-
4 neering or other special services, acquisition of real property, site
5 preparation and development, purchase, construction, reconstruction and
6 improvement of real property and the acquisition of machinery and equip-
7 ment as may be necessary in connection with the project; an allocable
8 portion of the administrative and operating expenses of the grantee; the
9 cost of financing the project, including interest on bonds issued to
10 finance the project; and the cost of other items, including any indem-
11 nity and surety bonds and premiums on insurance, legal fees, fees and
12 expenses of trustees, depositaries, financial advisors, and paying
13 agents for the bonds issued as the issuer considers necessary.

14 * Sec. 19. This Act takes effect upon the effective date of a version of
15 Senate Bill No. 429 (An Act relating to the Alaska loan programs fund, the
16 Alaska permanent fund, the renewable resources development fund, and other
17 state revenues).