

SB

131

COMMITTEE REPORT  
SENATE

2/12/79

FURTHER: Finance

Date: 2-19-80

Mr. President:

The Committee on COMMUNITY & REGIONAL AFFAIRS has had SB 131  
issuance of general obligation bonds in amount of \$8,000,000 for sewerage  
systems construction

under consideration and (a majority of the committee) (the committee)  
reports it back with the following recommendations:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for \_\_\_\_\_  same title  
 new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

Mark ...  
James P. ...  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Tom Kelly - The Roc  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

CHAIRMAN

20 Pass

# Committee Log Book - 1979

Tape Number IX

Senate CPA-Chairman Sturgulwski

Side Number ① & ②

Committee

Dates 2-19-80 to —

Mbrs Present: Sen. Kelly, Rodey, Stimson

Absent: " Mulcahy

Bill Numbers Discussed

SB									
16									

Date & Time	Tape Meter Number	Bill	Significant Information (Witness, Action)
1:30 2-19-80	100	SB 16	start - Chairman Sturgulwski gave summary
	100		Madilyn Miller, AML - large full funding
	154		Sen. Stimson Question - Full funding & 3:00 hour
	196		Sen. Kelly - Goodmans HB 192
	218		Sen. Rodey
	289		Palmer McCarter - Dept CPA
	335		Sen. Stimson - Ad mile estimate cost
	364		Sen. Kelly - Hold until other revenue sharing bill rec'd.
	370		" Rodey - concurred
	384	CS SB 436	Sen. Sturgulwski - Summary
	467		Sen. Kelly - "Do Pass" Senators Rodey & Sturgulwski concurred
	470	SB (CS) 131	Sen. Sturgulwski - Summary
	564		Keith Kelton Dept. Environ. Conservation i.e. Committee intent "Construction"
	593		Sen. Kelly - pipe distribution purpose
	620		Sen. Sturgulwski - will request a legal opinion & forward to Finance

(over)

Keith Kelton (cont'd)

629 \_\_\_\_\_ Sen. Rodey - Basically rural program?

660 "CS" SB131 DAN OGG? Kodiac Is. Lough

684 Kelly move "Do Pass with individual recommendation"

Rodey, Stinson "Do Pass"

697-SB 408 Jeff Haynes - Dept. Nat. Resources

841

Sen. Kerttula

Side ② 200

Palmer, McCarter - Dept. CIRA

229

Jeff Haynes - Dept. N. R.

289

Sen. Stinson

350

Met. adjourned. (Agreement to hold bill for further input from DNR)



# Committee Log Book - 1980

Senate CIRA

Tape Number 112

Side Number 1 of 2

Dates 2-14-80 to     

Committee

Pres. Chairman Stargulowski  
Senators Kelly & Stinson

Absent: Senators Keady & Kelly

Bill Numbers Discussed

SB 436	SB (OS) 131	SB 378-354					
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Date & Time	Tape Meter Number	Bill	Significant Information (Witness, Action)
1980 2-14-80	174	SB 436	Commissioner Switzer / Dept. Environmental Conservation
	369	" "	Assembly Bill 1011
	392		Sen. Kelly
	635		Kind. Kilday Dept. Environmental Conservation
	647		End
	676	SB 436	Dept. of Labor - Issues Lines
	835		Public Employees Association / IOP
	841		Public Employees Association Municipality
	870	SB 436	Sen. Kelly / Assembly Bill 1011
	900		Sen. Kelly - Insurance to cover OS - then use a work under Inc. Cbi.
			Man. Government & introduce new
			Assembly Bill (Insurance bill to SB 436)

Side 2

27





Official Business

# Alaska State Legislature

## Senate Committee on Community & Regional Affairs

Pouch V  
State Capitol  
Juneau, Alaska 99811

TO: Senator Bob Mulcahy  
Vice-Chairman  
Senator Terry Stimson  
Senator Tim Kelly  
Senator Patrick Rodey  
Senator George Hohman  
Senator Frank Ferguson  
Senator Mike Colletta  
All Interested Parties

FROM: Senator Arliss Sturgulewski *AS*  
Chairman

SUBJECT: COMMITTEE MEETING - ASSEMBLY BUILDING, ROOM 207

Thursday, March 8, 1979

1:30 p.m.

SB 204 - An Act relating to public utility rates.

SB 2 - Continued from February 22:  
An Act relating to the comprehensive recycling and reduction of litter and imposing a litter reduction assessment; and providing for an effective date.

*Committee discussed - SB 131  
Did not Move - -*

3/6/79

Committee Log Book - ~~1980~~

Tape Number 1  
 Side Number 1  
 Dates 3/6/79 to ---

SENATE C/RA / Chairman Sturgulewski  
 Committee

PRESENT: Senators Kelly, Stimson, Rodey, Mulcahy  
 No Absent

## Bill Numbers Discussed

SB 132	SB 140	SB 201	SB 137	SB 131					
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Date & Time	Tape Meter Number	Bill	Significant Information (Witness, Action)
1:30			Chairman Sturgulewski called meeting to order.
	005	SB 132	Sen. Kerttula
	7		Sen. Tillion
	71		Sen. Kelly
	115		Sen. Mulcahy / against bill
	128		Chairman Sturgulewski
	147		Sen. Rodey/ Motion to Move Sen. Mulcahy object
	170		Sen. Tillion
	215		Sen. Mulcahy
	224		Perry Lovitt, City of Cordova Assoc.
	264		Rick Lauber, Representing Pacific Seafood Processors
	382		Sen. Mulcahy
	392		Chairman Sturgulewski
	394		Ginny Chitwood, Alaska Municipal League
	415		John Messenger, Dept. of Revenue
	423		Sen. Kelly
	451		Sen. Mulcahy
	461		Sen. Kelly
	462		Sen. Tillion
	484		Sen. Sturgulewski Sen. Kelly move with letter of intent- ramification particularly in pollack fish
	488		Sen. Mulcahy
	493		Sen. Kelly
	494		Sen. Mulcahy/ Letter of Intent Chairman Sturgulewski Sen. Mulcahy / Do not pass
	±		Sen. Rodey / No rec.
	501		Sen. Rodey
	506		"
	511		Sen. Tillion
	515		Sen. Rodey

OVER

SB 140

519	Chairman Sturgulewski
534	Sen. Ray
540	Sen. Sturgulewski
561	Sen. Rodey
570	Sen. Kelly
586	Sen. Sturgulewski
594	Sen. Ray
597	Sen. Rodey
601	Sen. Ray
605	Sen. Rodey
625	Sen. Sturgulewski Sen. Rodey moved to adopt CS
633	Sen. Kelly
636	Sen. Rodey
643	Sen. Kelly
656	Sen. Ray & Sen. Kelly
675	Chairman Sturgulewski
681	Sen. Rodey
689	Chrmn. Sturgulewski
691	Sen. Stimson
697	Sen. Rodey MOVED DO PASS WITH INDIVIDUAL RECOMMENDATIONS
706	Sen. Ray

SB 137

710	Chrm. Sturgulewski
727	Sen. Kelly
732	Sen. Rodey
734	Ginny Chitwood, Ak. Municipal League
737	Sen. Kelly & G. Chitwood
751	Sen. Stimson, G. Chitwood, Sen. Stimson
758	Sen. Kelly, G. Chitwood
764	Doug Griffin, Dept. C/RA - clean up bill
789	Sen. Stimson
790	Chrmn. Sturgulewski
794	Sen. Kelly
803	Chmn. Sturgulewski
805	Sen. Rodey
808	Sen. Rodey - Mtion to adopt CS SB 137 with am change
813	Sen. Rodey & Mulcahy - pas CS, as amended - do pass

SB 201

830	G. Chitwood
837	Sen. Rodey
840	Sen. Kelly - move to pass with individual recommendation

ADJOURNED 3:05

~~SB 131~~ → Not Acted Upon



Official Business

# Alaska State Legislature

Senate

Committee on  
Community & Regional Affairs

Pouch V  
State Capitol  
Juneau, Alaska 99811

TO: Senator Bob Mulcahy  
Vice-Chairman  
Senator Terry Stimson  
Senator Tim Kelly  
Senator Patrick Rodey  
Senator Jalmar Keritula  
Senator Bill Ray  
All Interested Parties

FROM: Senator Arliss Sturgulewski *AS*  
Chairman

SUBJECT: COMMITTEE MEETING - BUTROVICH ROOM, 207 Capitol Building

Tuesday, March 6, 1979

1:30 p.m.

SB 131 - An Act providing for the issuance of general obligation bonds in the amount of \$8,000,000 for the purpose of paying the cost of sewerage systems construction; and providing for an effective date.

SB 132 - An Act relating to the refund of raw fish tax receipts to local government; and providing for an effective date.

SB 140 - An Act amending the authority of the Alaska Housing Finance Corporation to adopt administrative regulations; and providing for an effective date.

SB 201 - An Act relating to the salaries of elected municipal officials.

3-8-79

# Committee Log Book

Tape Number 1

Side Number 182

Senate CIRA  
Committee

Dates 3-8-79 to \_\_\_\_\_

Present: Chmn. Sturgulewski, Senators Stinson,  
Rodey, Mulcahy

### Bill Numbers Discussed

SB	SB	SB	SB	scr					
2	204	131	205	9					

Date & Time	Tape Meter Number	Bill	Significant Information (Witness, Action)
1:30 P.M.	000	SB 2	Chairman Sturgulewski
			Sen. Mulcahy mtn. bring "15" before Committee
			David Olerud-Haines - Nat'l Fed. Ind. <sup>Business</sup> <del>Ind. period</del>
			Mr. DeBoy - Dir. - Gordon Youth Center
			Sen. Kelly, amend to Dept. Env. Cont.
			Sen. Mulcahy move to pass w/rid. rec.
			Decision to have work session <sup>tomorrow</sup> Beltz Rm
		SB 204	Carolyn Guess - APUC Commissioner
			Sen. Holman
			Rob Kochus
			Carolyn Guess
			Mulcahy
			Rodey
			Held until tomorrow Guess to work w/ <sup>Holman</sup>
			David Stinson AK Dir Cooperative Assoc.
			Jerry Larson, Mgr., Engineering Dept.
		SB 131	John Scribner, Dir. Water Programs
			Sally Hanson, Sen. Kertula's AA
			Palmer McCarter Dept. CIRA - objection
			Sen. Stinson Move to Pass es w/rid rec - <sup>in direction</sup>

1-4-52  
52-215

Committee Substitute for Senate Bill 131 presently reflects:

1. Title and body contents of SB 342
2. \$10 million G.O. Bond increase - covering solid waste facilities, plus new wording when relating to same.
3. \$ 6 million G.O. Bond increase - raising State share from 50% to 75%

Committee Substitute for Senate Bill 436 presently reflects:

1. Page 1, line 10, section 1 - new wording (per Dept. Environmental Conservation request) to incorporate the raising of the State share from 50% to 75%
2. Amending typewriter error, page 1, line 28 to read (d) instead of (e)
3. Page 2, Line 21, Section 5 - adding a new paragraph stating "solid waste" definition as stated in HB 353, (per D.E.C. request and in answer to Mr. Baldwin's concern, our bill drafter.)

# Alaska MUNICIPAL League

TELEPHONES  
(907) 586-1325  
586-6526

204 N FRANKLIN ST.  
JUNEAU, ALASKA 99801

The Alaska Municipal League urges amendment of CSSB 131 to provide for up to 75% state funding of municipal water and sewer projects that are not already receiving 75% EPA funding.

Currently EPA participates only in sewer interceptors and treatment plants. Sewerage collection and water distribution systems do not receive federal funding except for a few projects that have small EDA grants of 10%.

Equity: The state increasing the percentage of state support for those projects will go a long way toward reducing the inequitable burden that property owners must bear in paying for necessary basic water and sewer services. As it stands now, the property owner pays anywhere from 12.5% to 50%, depending on the nature of the project.

Relief for Property owners and Tax Payers: As I'm sure you are aware, the local share of water and sewer projects is paid by assessments on local property. Increasing the state share will provide direct relief to property owners and tax payers by reducing local improvement district assessments.

Price of Land: A big issue for the last couple of years has been the high cost of land. One reason for the high prices in developable suburban areas is the high cost of installing water and sewer systems. Increasing state participation in providing those systems will help to lower the cost of making land available for use.

I realize there is a problem with language in the bill to incorporate the proposed change. Because we are not advocating increasing the state share on EPA funded projects, we cannot simply change the 50% in the current law to 75%. I'm sure, however, if the committee accepts the concept, the professional bill drafters will be able to find acceptable language.

Possible questions:

1. What is the Village Safe Water Plan? What communities are involved?

What is evaluation criteria? Past Projects, etc.

Standards used for design decisions? Life cycle, maintenance costs? other ?

Initial start with the communities - procedure? Options/alternatives presented to communities?

2. Water Sewer facilities construction grants - who does assessment on new systems? Community? Dept.?

Does Dept. check with communities, on their land use plan? Does Dept. follow communities land use plan? Exceptions?

How thoroughly are options to traditional (pipe) systems explored?

How many other communities does Dept. feel might end up in Skagway's situation? What is electrical percentage estimated for Sitka's new plant?

What happens if secondary treatment requirement waivers are not granted? How many waivers have been requested?

Dept. seems to have attitude - communities design, (if money available,) they build, or Dept. will help their design and communities can build..

*Other Fed. agencies who might possibly be involved w/ Fed funding?*

*Environmental Development Administration?*

*Farmer's Home Adm.?*

Overview / Dept. Environmental Conservation

What determines a community is eligible for Fed. funds for water/sewer grants? Mostly if collector systems are not involved.

Federally funded programs - have priorities  
State and community programs - no priority list

If communities are eligible for Fed. grants - percentage breakdown:  
75 % - Federal money  
12 1/2 % - State Money  
12 1/2 % - Local Participation

If just State/Community: 50 % State // 50 % Community = funding

Fed. requirements: Community must put in water/sewer plant with both primary and secondary facilities...  
(3rd level (tursory?) gets 85 % Fed. funds if communities desire that phase.)  
water/sewer mandatory State law - 1977??

Communities can get waivers depending on certain conditions for secondary facility. None have yet been granted, but applications are pending.

Federal agency: Environmental Protection Agency (EPA)

*Economic Development Adm.*

SB 131

CONSIDER COMMITTEE SUBSTITUTE

CONSIDER AMENDMENT TO COMMITTEE SUBSTITUTE

(50-75% increase of state share)

Both Dept. of DEC and Ginny Chitwood, AML will speak

Testimony of

Ernst W. Mueller  
Commissioner of Environmental Conservation

On Senate Bill 342

Before the

Senate Committee on Community and Regional Affairs

February 12, 1980

*New!  
SB 131*

I am Ernst W. Mueller, Commissioner, Department of Environmental Conservation. I am here today to testify on SB 342, for the provision of bond funds for the award of grants to build water and sewerage facilities throughout the State of Alaska. These funds are administered by my Department in the Facility Construction and Operation Section. Two programs are included in the bond bill:

(1) Construction grants, which are available only to incorporated municipalities. Fifty percent of non-federally financed costs can be granted. Costs of operation and maintenance support of water and sewerage facilities are not grant eligible under this program.

(2) Village Safe Water. Grants under this program are available with populations ranging between 25 and 600, or to second class cities. One hundred percent funding is available for construction. Costs of operation, and maintenance support of facilities are grant eligible, these funds are included in the Department's operating budget.

The capital budget submittal fully describes these programs and a detailed delineation of the \$25.520 million bond request. The primary purpose of the program is to improve sanitation facilities, improve public health and protect the quality of the environment. A secondary benefit results from stimulation of the local economy due to employment opportunities generated during construction. In the case of the VSW projects, which are performed under force account by the villages, valuable construction and management skills are imparted to the community.

This program differs from other State capital construction programs in that the Department has no firmly established set of projects at the time the bond funds are requested, or even when approved by the voters. Construction grants projects are developed by the municipal grantee in accordance with local planning requirements. They proceed at a pace selected by municipalities. The Department is often unaware of the specific project until an application is received. Therefore, to meet continually changing needs, it is necessary to have adequate funds available upon demand. Of course, the Department has performed a statewide needs assessment to provide us with basic information of sewage and water supply requirements.

In order to assure that there are adequate funds available, the Department projects past bond obligation rates and then adds an

inflation factor to forecast future needs. This process is explained in the capital budget submittal. To date, this method has been very accurate. The \$23.0 million request is nearly identical with the need forecast two years ago. Having an adequate supply of bond funds available allows us to meet all grantee requests without requiring us to determine which communities can construct facilities when there are not funds available for all communities' needs. The program can run on a first-come, first-served basis.

Having adequate funds also has a secondary benefit in that the Department's administrative procedures and costs can be kept lower, since we are not required to establish a detailed ranking of priorities among the communities. If priority allocation of funds was necessary, the Department would be forced to require additional paper work from the grantee to enable us to make these decisions.

The VSW needs are also projected, based on past expenses for building a standard type of facility. The actual facilities to be built have not yet been determined. However, the bush caucus has been provided with a priority list of projects detailing in which communities the Department feels the greatest public health needs exist. The \$2.520 million requested for the VSW Program would fund approximately three new projects. This

amount is suggested due to the limitations of our existing small staff to handle new projects. Since the VSW projects require a far greater amount of staff work per project than does the construction grants program, we are limited to approximately two new projects per engineer. If the Legislature chooses to fund more than the first group of projects listed on the priority list, the Department would like the opportunity to submit an additional fiscal note to assure that proper staffing becomes available.

The Department favors SB 342 for \$25.520 million if there are no changes in AS 46.03.030. If AS 46.03.030 is amended by either adding solid waste facilities or changing the percentage of grant funding, the dollar amount in SB 342 needs to be increased, so that the projects can be funded. The eligibility of solid waste facilities would require an additional \$8-\$10 million in SB 342. In addition, an appropriation of \$2.5-\$3 million to cover the time period July 1, 1980 to December 31, 1980 would be required, so that communities would have money available immediately for solid waste purposes. A fiscal note has been prepared showing an increased need to hire more staff for the operation of the expanded grants program. This fiscal note requests a total of \$82,700 to cover the salaries and support costs of an engineering position and an administrative assistant. The Department endorses the concept of adding solid waste facilities to our grants program if adequate funding is provided.

Increasing the percentage of grant participation above the current level of 50 percent is a serious concern of the Department. It has been our experience that as the grantee's percentage of project contribution is lowered, there is often a corresponding decrease in the level of active project participation by the grantee. The 50 percent level of funding appears to be adequate to ensure that the grantee administers this project properly. It is also probable that should State grants be increased to too high a percentage of total project cost, municipalities would have little interest in applying for federal grants (which require more paper work). The EPA provides approximately \$18-20 million per year for sewerage system projects in 75 percent grants. The State then provides an additional 12.5 percent for a total of 87.5 percent in grant funding. If, for example, the State grant percentage was raised from 50 percent, there would be a strong likelihood that some communities would settle for a lesser total grant to avoid EPA grant requirements. An immediately increased annual demand of \$18-\$20 million on the State bond funds could result.

Should the Legislature choose to alter either the grant percentage or include solid waste facilities as grant eligible, a corresponding increase in the amount of the bond proposition will be required if the same number of projects are to be funded in the future.

Thank you for this opportunity to provide comments on SB 342. I would be glad to provide any further information you may need.

\* \* \* \*

STATE OF ALASKA  
THE LEGISLATURE  
LEGISLATIVE AFFAIRS AGENCY

*Called Keith Kelton  
3-24-80 & Sent  
Copy*

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907-465-3800

MEMORANDUM

March 17, 1980

SUBJECT: CSSB 131 - G. O. Bonds for sewers

TO: Senator Arliss Sturgulewski, Chairman  
Senate Community and Regional Affairs  
Committee

FROM: Billy G. Berrier *BGB*  
Director  
Division of Legal Services

You have indicated that the Department of Environmental Conservation has indicated it would prefer deletion of the word "construction" on lines 9, 13, 21, and 25 of page 1, and lines 4, 18, and 23 of page 2, and replacement by the term "capital improvements".

I do not see any problem this would cause.

BGB:ljb



Official Business

# Alaska State Legislature

Senate  
Committee on  
Community & Regional Affairs

75 file  
Pouch V  
State Capitol  
Juneau, Alaska 99811

March 28, 1980

James A. Van Altvorst  
City Manager  
City of Ketchikan  
Box 7300  
Ketchikan, Alaska 99901

Dear Mr. Van Altvorst:

Thank you very much for your letter of support for CSSB 436, "An Act relating to grants for water supply, sewerage systems and solid waste facilities" and CSSB 131, "An Act providing for the issuance of general obligation bonds in the amount of \$41,520,000, for the purpose of paying the costs of water and sewerage system and solid waste facility construction." Your letter is right to the point and I fully concur with your comments.

As you know, I sit as Chairman of the Senate Community and Regional Affairs Committee. Substantial work was done by the committee in conjunction with the Department of Environmental Conservation on this legislation. The legislation does address the solid waste disposal problem which creates concerns in so many areas of Alaska as well as giving incentive for solid waste recovery systems. Please be assured that I will support this bill before the Senate Finance Committee. I will make a copy of your letter available to the staff of Senator John Sackett. Thank you for sharing.

Sincerely,

A handwritten signature in cursive script that reads "Arliss Sturgulewski".

Arliss Sturgulewski  
Senator, District 10-H

cc: Senator Sackett

# STATE OF ALASKA

**DEPT. OF ENVIRONMENTAL CONSERVATION**

JAY S. HAMMOND, GOVERNOR

POUCH 0 - JUNEAU 99811

The Honorable Arliss Sturgulewski  
Alaska State Senate  
Pouch V  
Juneau, Alaska 99811

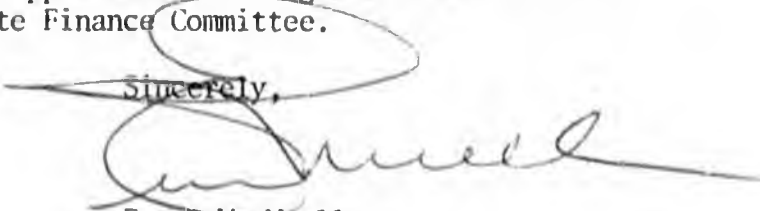
February 26, 1980

Dear Senator Sturgulewski:

As presented during the committee hearing on S.B. 436, February 19, 1980, the Department of Environmental Conservation has a concern regarding the substitution of the word "construction" for "capital improvements" in the title and body of the bill. In the past, this program has funded items such as water delivery vehicles and honey bucket trucks, and we would wish to continue this practice. These items may not be included in a definition of construction but could certainly be included as capital improvements.

We would appreciate a statement of legislative intent that the wording substitution does not modify the Department's practice of funding some non-construction costs, particularly rolling stock. A legal opinion obtained from the Director of Legal Services stating that no problem exists with the substitute wording would satisfy our concerns. If such an opinion is obtained, we would appreciate it being forwarded with the bill and fiscal note to the Senate Finance Committee.

Sincerely,



Ernst W. Mueller  
Commissioner

INTRODUCTION OF BILLS (Senate)(cont'd)

Bond Issue ✓ SENATE BILL NO. 342, by the Rules Committee by request of the Governor. Provides for the issuance of \$25,520,000 in general obligation bonds to pay cost of capital improvement for water and sewer systems. Funds will be allocated to Village safe water construction grants (\$2,520,000) and urban water and sewer construction grants (\$23,000,000). Provides amount withdrawn from the Public Facility Planning Fund for advance planning shall be reimbursed from proceeds of bond sale. Provides question be placed before voters at next general election. Effective immediately.

Introduced January 18 and referred to HE&SS and Finance.

*Other Action on Bill*

Bond Issue ✓ SENATE BILL NO. 342 (see p. 16). January 21 the Health, Education & Social Services Committee referral waived at the request of Senator Hackney, Chairman of HE&SS. Referred to Community & Regional Affairs, then to Finance.

STATE  
of ALASKA

MEMORANDUM

TO:  Mr. Keith Specking  
Legislative Assistant  
Office of the Governor

February 26, 1979

FILE NO:

FROM: Ernst W. Mueller  
Commissioner  
Department of Environmental  
Conservation

TELEPHONE NO:

SB 131

SUBJECT: Proposed 1979 Sewerage  
Construction Funds

The enactment of this bill would produce inequities in the funding process for Alaskan communities constructing water and sewerage systems.

Some communities would be eligible for the 90 percent funding provided through this bill; others would remain under AS 46.03.030, which provides for funding "up to 50 percent of the estimated cost not borne by the federal government."

If the formula for construction grants is to be modified, it should be done by revising the statute, to assure fair treatment of all Alaskan communities.

We believe that localities should bear a meaningful part of the cost of construction of these facilities. This is one way to ensure the local need for and interest in capital improvements.

Further inequities may result from the fact that SB 131 authorizes funding only for sewerage systems. Under AS 46.03.030, communities are eligible for grants for construction of both water and sewerage systems.

At present, federal construction grants are provided by the United States Public Health Service, the U. S. Department of Housing and Urban Development, the Farmers Home Administration, the U.S. Economic Development Administration, and the Coastal Energy Impact Program. Through federally-funded programs, the State is currently able to provide up to as much as 87.5 percent of the costs for sewerage and water systems.

We recommend that:

1. introduction of this bill be held over to the 1980 session to allow consideration with other bond issues; and also when additional information is needed for new projects in 1980-1982.
2. the match ratio be changed to (a) the lesser of 50 percent of total cost; or (b) 50 percent of the non-federal project costs (consistent with AS 46.03.030); and
3. funding be allowed for both water and sewerage systems.

Chapter 03. Environmental Conservation.

Article 2. Department of Environmental Conservation.

Section

- 20. Powers of the department
- 30. Grants and loans for water supply and sewerage systems

**Sec. 46.03.020. Powers of the department.** The department may (10) adopt regulations necessary to effectuate the purposes of this chapter, including, by way of example and not limitation, regulations providing for

(A) control, prevention and abatement of air, water, or land or subsurface land pollution;

(B) safeguard standards for petroleum and natural gas pipeline construction, operation, modification or alteration;

(C) protection of public water supplies by establishing minimum drinking water standards, and standards for the construction, improvement, and maintenance of public water supply systems;

(D) collection and disposal of sewage and industrial waste;

(E) collection and disposal of garbage, refuse, and other discarded solid materials from industrial, commercial, agricultural and community activities or operations;

(F) Repealed by § 12 ch 172 SLA 1978.

(G) control of pesticides;

(H) such other purposes as may be required for the implementation of the policy declared in § 10 of this chapter;

(am § 12 ch 172 SLA 1978)

**Effect of amendments.**

The 1978 amendment, in paragraph (10), repealed subparagraph (F), which read "control of radiation sources to prohibit and prevent unnecessary radiation."

As the rest of the section was not affected by the amendment, it is not set out.

**Editor's note.** — Section 10, ch. 172, SLA 1978, provides: "Regulations adopted

under authority of statutes repealed or amended by this Act shall remain in effect until repealed by the Department of Environmental Conservation in consultation with the Department of Health and Social Services."

→ **Sec. 46.03.030. Grants and loans for water supply and sewerage systems.** (a) Repealed by § 19 ch 220 SLA 1976.

(b) The department may grant to a municipality, as funds are available, up to the lesser of 50 per cent of the eligible cost or 50 per cent of the eligible cost not financed by the federal government, for public water supply, treatment and distribution systems and public sewage collection, treatment and discharge facilities for which construction has not commenced on or before June 21, 1976. The eligible cost of a project or portions of a project will be as determined by the federal agency granting the most monetary assistance. On projects or portions of projects, for which federal participation is not available, eligible costs will be determined by the department in accordance with (d) of this section. Projects shall be constructed in accordance with plans and specifications approved by the department.

(c) There is a water supply and sewerage systems fund created in the department to carry out the purposes of this section.

(d) When not otherwise defined by a federal agency for the purposes of (b) of this section, "eligible costs" includes, in addition to costs directly related to the project, the sum total of all costs of financing and carrying out the project. These include, but are not limited to, the costs of all necessary studies, surveys, plans and specifications, architectural, engineering or other special services, acquisition of real property, site preparation and development, purchase, construction, reconstruction and improvement of real property and the acquisition of machinery and equipment as may be necessary in connection with the project; an allocable portion of the administrative and operating expenses of the grantee; the cost of financing the project, including interest on bonds issued to finance the project; and the cost of other items, including any indemnity and surety bonds and premiums on insurance, legal fees, fees and expenses of trustees, depositaries, financial advisors, and paying agents for the bonds issued as the issuer considers necessary. (§ 3 ch 120 SLA 1971; am §§ 2, 19 ch 220 SLA 1976; am §§ 30, 31 ch 168 SLA 1978)

**Effect of amendment.**

The 1978 amendment added "in accordance with (d) of this section" to the

end of the third sentence of subsection (b) and added subsection (d).

Presented by  
 Daniel O'Quinn / Deputy Mayor  
 Kodiak

The undersigned residents of borough service district #1 hereby petition the legislature of the state of Alaska to fund 90% of the non federal portion of the cost of water and sewer service to this district based on the fact that the health and environmental protection of all citizens is involved.

Name	Address	Box #
Dick Juelson	Spruce Cape Rd.	P.O. Box 286
June Juelson	"	Box 286
Quinn A. Peterson	Spruce Cape Road	Box 2633
Peterson A. Peterson	" " "	" "
Dana Paul	Spruce Cape Road	Box 2702
Karoly E. Paul	Spruce Cape Rd.	Box 2702
Ron Paul	Spruce Cape Rd.	Box 1904
Mavis V. Beasley	Spruce Cape Rd.	Box 1904
Evel Brayfield	Spruce Cape Rd.	Box 1031
John A. Ketchum	Spruce Cape Rd.	Box 2243
Bill G. G.	Spruce Cape Rd.	Box 2898
Jan Kalkrey	Spruce Cape Rd.	Box 2898
Kenneth M. Holland	Spruce Cape Rd.	Box 608
Carson J. Holland	Spruce Cape	Box 608
Wayne A. Guba	" "	Box 3003
Ray T. Guba	" "	" "
Dennis Riley	Spruce Cape Rd.	P.O. Box 1114
Petrical Anderson	Spruce Cape Rd.	P.O. Box 1673
Art Zimmer	Island Lake Rd.	P.O. Box 1582
Joseph Cerna	Millers Point	Box 694
Dick Friday	Spruce Cape Rd.	Box 3107
Margaret Emmons	Mission Road	Box 2272
Jim Brusco III	Island Lake <sup>Lot 14</sup> Bldg.	Box 1513
Ch. M. Brusco	Island Lake	Box 1513
Mark Schroy	Island Lake	Box 473
Stephanie Krueger	Spruce Cape Rd.	Box 2966
Neil Stahl	Millbay Rd.	Box 1244
Debbie Johnson	Millbay Rd.	Box "
Paul L. Tuck	NAUGHTONS SUBD.	Box 162
Merina A. Matheson	Regan Rd. EXT.	Box 2078
Mary Kristen	Mission Rd.	Box 802
Gene Franklin	Mission Rd.	Box 705
Nilledge Harris	Mission Rd.	Box 1974
Gene Mark	"	"

The undersigned residents of borough service district #1 hereby petition the legislature of the state of Alaska to fund 90% of the non federal portion of the cost of water and sewer service to this district based on the fact that the health and environmental protection of all citizens is involved.

Name	Address	Box #
Donald S. Emerson	Spruce Cape	Box 394
Daphy Erdman	Spruce Cape Rd.	Box 394
Connie Jo Moore	Spruce Cape Rd	POB 2027
Francis L. Flanagan	Spruce Cape Rd.	mailing address P.O. Box 420 Support Center
Ernest P. Flanagan	" " "	" " "
Ernest R. Flanagan Jr.	" " "	" " "
William E. Rodgers	Spruce Cape Rd.	P.O. Box 421
Nancy Rodgers	Spruce Cape Rd	P.O. Box 421
Jena Gonzalez	Spruce Cape Rd	POB 2209
Danny Gonzalez	" "	" "
John G. Gieseler	Spruce Cape Rd	Box 3134
John G. Gieseler	Spruce Cape Rd	Box 3134
Eliu Kwasnik	Spruce Cape Rd	Box 3063
Warren Murphy	SPRUCE CAPE Rd	Box 2704
John Murphy	" "	Box 2557
John R. Ricketts	" "	Box 3081
George Kurb	Spruce Cape	Box 3152
Patrick Helms	Spruce Cape	Box 1584
Chri Helms	Spruce Cape	Box 1584
Leonard Bottel	Spruce Cape	Box 2215
Wesley Kwasnik	SPRUCE CAPE	Box 137
Christina Kwasnik	Spruce Cape	Box 137
John Mitchell	Spruce Cape	Box 2145
Mike Murray	" "	Box 2145
R. E. DeVol	Spruce Cape Rd	Box 355
Barry DeVol	Spruce Cape Rd.	Box 355
Kimberly DeVol	Spruce Cape Rd.	Box 355
Mary Lou Knuckey	Spruce Cape Rd.	Box 1683
Tony Gil	Spruce Cape Rd	Box 2030
La Donna Gil	Spruce Cape Rd	Box 2030
Stanville W. Wilber	Spruce Cape Rd	Box 188 Base
Barbara L. Wilber	Spruce Cape Rd	Box 188 Base
Tim Scott Robinson	Spruce Cape Rd	Box 3058 Town
Teresa A. Robinson	Spruce Cape	Box 3058 Town

The undersigned residents of borough service district #1 hereby petition the legislature of the state of Alaska to fund 90% of the non federal portion of the cost of water and sewer service to this district based on the fact that the health and environmental protection of all citizens is involved.

Name	Address	Box #
Patricia Szabo	Island Lake	1633
Nick Szabo	ISLAND LAKE	11633
Kevin Campbell	Island Lake	1822
Karen Campbell	Island Lake	1822
INGRID PETERSON	ISLAND LK.	1971
Charles Jones	Island Lake	3066
Esther Jones	Island Lake	3066
Ann M. Moen	Island Lake	3074
John M. Moen	ISLAND LAKE	3074
Nan Moen	ISLAND LAKE	3074
Gary Moen	ISLAND LAKE	2985
Dinaj Kneiss	Island Lake	2985
Jan Kneiss	Island Lake	2244
Cathy Stevens	Island Lake	2899
Sarbana Tsopanoglou	Island Lake	3093
B. H. Tsopanoglou	Is. Lake	3093
C. A. Moen	Island Lake	2972
Marybeth Kendall	Island Lake	3116
Clyde Ross Kendall	Island Lake	3116
William Kendall	Island Lake	3116
Maria K. Sund	Island Lake	2872
Matthew Hunter	Island Lake	1701
Duncan Hunter	Island Lake	1701
Palmer Lyle	Island Lake	642
Michelle Koyle	Island Lake	642
Susan Thompson	Island Lake	94
Jewine M. Warren	Island Lake	3073
Jim H. R. L.	Island Lake	2284
Sheila R. L.	Island Lake	1384
Ileana Ross	Island Lake	1661
Buster C. Parker	Island Lake	Box 2801
Matt Doney	Island Lake	Box 2801
Dwaine Freeman	Island Lake	Box 912

The undersigned residents of borough service district #1 hereby petition the legislature of the state of Alaska to fund 90% of the non federal portion of the cost of water and sewer service to this district based on the fact that the health and environmental protection of all citizens is involved.

Name	Address	Box #
Patricia Kentucky	Cutoff Road	Box 208
Chris Jensen	Jacksons Tr	355
Babaka Kovic	Spruce Cape Jackson	#49 2922
Paula H. Lee	Jackson Tr Spruce Cape Rd	#49 3133
Marie Leighton	Mission Rd	452
Jean M. Mink	Cutoff Road	Box 1757 Kodiak
Dudy Robbins	Spruce Cape Rd	Box 2921 Kodiak
Bertha Malinen	Mill Bay Rd	Box 525
William J. Mink	Jessie Cape Rd	Box 951
W. M. Mink	Mill Bay Rd	Box 465
W. M. Mink	Mill	
Patricia Mink	Island Lake	Box 1582
Charles Mink	Island Lake	Box 1384
Dennis Mink	Spruce Cape	Box 2971
ynthia Peterson	Island Lake	Box 37
Walter Mink	Mill Bay	Box 1361
Joe Williams	Cliff side bay	Box 2582
Virginia S. Dick	Sheepskin Acres	Box 2182
Gladys Mink	Spruce Cape	Box 2451
David Mink	Island Lake	Box 2900
Rosa F. Blackett	514 Willow St.	Box 593
Robert West	Spruce Cape	Box 1581
E. E. Eriksen	Mill Bay	Box 1247
Al Anderson	Spruce Cape	Box 42
Barbara Sheratone	Spruce Cape	Box 2574
Don Madak	Island Lake Rd.	Box 2515
Ted Logan	Spruce Cape Rd	Box 2396
Ken Stover	Island Lake	Box 727
Jim Mink	Island Lake	Box 5115
Lee Schwarz	Spruce Cape Rd	Box 2086
James Mink	Island Lake Rd	Box 417
Thomas Naughton	Mill Bay	Box 1097
Thomas Mink	Mill Bay	P.O. Box 701
Christopher G. Koster	Woodland Acres	Box 1057

The undersigned residents of borough service district #1 hereby petition the legislature of the state of Alaska to fund 90% of the non federal portion of the cost of water and sewer service to this district based on the fact that the health and environmental protection of all citizens is involved.

Name	Address	Box #
Grant Van Ravel	Spruce Cape Rd	GD
Shirley Van Ravel	"	Gen Delivery
Dr. [unclear]	Spruce Cape Rd	Gen Delivery
[unclear]	Spruce Cape Rd	Box 2670
Andrew Sherstine	Spruce Cape Rd	Box 2365
Margery McKelley	Spruce Cape Rd	Box 2731
Kennedy Baskin	Spruce Cape Rd	Gen Del 570
Michael F. Anberg	Spruce Cape Rd.	Box 170 CG Base
[unclear]	Spruce Cape Rd.	General Delivery
James [unclear]	Mill Bay Rd.	Box 1865 of Dan [unclear]
Dorinda [unclear]	Mill Bay Rd	Box 825
Nadene [unclear]	Gen. Del.	
Jerry Anberg	Spruce Cape Rd	Box 170 1106 Base
Angie Allen	Spruce Cape Rd.	Box 1898
Robert T. Cole	Spruce Cape Rd.	Box 2818
Robert A. Hale	Mill Bay Rd	Box 1631
[unclear]	Spruce Cape Rd.	Box 414
[unclear]	Spruce Cape Rd.	Box 414
Don L. Randolph	Spruce Cape Rd	Box 414
Bert Randolph	Spruce Cape Rd.	Box 414
Nobin [unclear]	Spruce Cape Rd	Box 2812
Richard [unclear]	Spruce Cape Rd.	Box 2812
Walter [unclear]	Spruce Cape Rd	Box 2812
Debbie [unclear]	Spruce Cape Rd	Box 1341
Debra A. [unclear]	Mill Bay Rd.	Box 1603
W. T. [unclear]	" "	" "
O. Magnus	cut off rd	Box 1551
C. Magnus	" "	Box 516
M. Magnus	" "	" "
Brenda Fox	Cutoff Rd	Box 1053
Ray Magnus	Cut Off Road	Box 301
Fayine Magnus	Cut off Road	Box 301
Red K. [unclear]	" "	Box 208
Cliff G. Chandler	Spruce Cape Rd	Box 1635

The undersigned residents of borough service district #1 hereby petition the legislature of the state of Alaska to fund 90% of the non federal portion of the cost of water and sewer service to this district based on the fact that the health and environmental protection of all citizens is involved.

Name	Address	Box #
J. Jackson	Spruce Cape	1215
Harold Bump	" "	1215
Henrietta Metcalfe	" "	2072
R. Edward R.	" "	355
Mr. Sheridan	" "	2276
Michael W. Nichols	" "	2836
Coyl Erickson	Shofa Acres	Box 1552
Linda Kockstad	Spruce Cape Rd.	Box 3078
Celista Dink	Spruce Cape Rd.	Box 545
John K. Ombi	Spruce Cape Rd.	Box 545
Lloyd W. Davis	Spruce Cape Rd.	Box 2223
Borden Wilson	Chok's tract #4	Box 2697
Phil Robert	Spruce Cape Rd.	Box 1922
John K. Ombi	Spruce Cape Rd.	Box 1161
Walter Ombi	Spruce Cape Rd.	Box 1161
Brian Muller	Spruce Cape Rd.	Box 2713
Marianne Fischer	Spruce Cape Rd.	Box 2367
Mary W. Pittman	Spruce Cape Rd.	Box 2402
Barbara Courtney	Spruce Cape Rd.	Box 2402
Wanda Reyes	Spruce Cape	Box 2088
Keith R. Beember	Spruce Cape	Box 1341
Cathy Nelson	Cliffside Rd.	Box 2228
Danny W. Ray	Fir Terrace	Gen Del.
Harold Stohm	Resanal Ext	Box 2603
Tim Kueber	Mission Rd	Box 802
Janet Hodgins	Spruce Cape	Box 37
Kakana Duncan	Spruce Cape	Box 2862
Janet R. Dawson	" "	" "
John R. Dawson	Island X	Box 358
Don Fulis	Shubert Acres	Box 2306
John J. Jolly	" "	Box 336
Kathy A. Sapi	Spruce Cape	Box 326
Marie L. Chandler	Spruce Cape	Box 801
	Spruce Cape	Box 1635

The undersigned residents of borough service district #1 hereby petition the legislature of the state of Alaska to fund 90% of the non federal portion of the cost of water and sewer service to this district based on the fact that the health and environmental protection of all citizens is involved.

Name	Address	Box #
VERNE WOOD	SPRUCE CAPE	Box # 2063
Betty Wood	Spruce Cape	2063
Debbie Carter	Spruce Cape	2715
Alta L. Post	Spruce Cape	2715
Thomas R. Rye	SPRUCE CAPE	1802
Lois R. Quinn	Spruce Cape	60
George Strantz	Spruce Cape	2482
BOB CORBET	SPRUCE CAPE	2941
Veronica Abelhart	CAROL ST.	785
H. N. L. Lawson	Spruce Cape	—
Rayford Ball	SPRUCE CAPE	2642
John R. Brown	SPRUCE CAPE	2642
Penny Perkins	Spruce Cape	2642
Edna Davis	Spruce Cape	2883
Martin & Eaton	Island Lake	Box 2609
George W. Duff	Spruce Cape Rd	Box 627
James O. Salinger	Mill Bay Rd	Box 1462
Arnold L. Shaul	Spruce Cape Rd.	BOX 2081
John R. Johnson	SPRUCE CAPE RD.	BOX 686
Georgia McCrany	Island Lake	Box 235
Paul C. Robinson	Island Lake	Box 1712
Kate B. Green	Cliff Side Road	2683
John M. Strickland	<sup>1833</sup> Mission Rd.	Box 531
Ben Ballenger	Island Lake	Box 126
Sharon Ledwith	New Way, Island Lake	Box 2043
Karen LeDoux	Island Lake	Box 2043
Lori Canell	Spruce Cape Rd	Box 2485
Donna M. White	Spruce Cape Rd	Box 22 Kodiak
Lori Doyle	Spruce Cape	Box 1233
Karen White	Island Lake	Box 1132
William M. Parra	Christman	Box 191
Wyneth Tucker	Huttons Subd.	Box 162
Tom Ure	Pan site	Box 2743
Wanda L. Bowling	Spruce Cape Rd	Gen. Del. Kodiak
Wanda L. Bowling	Mill Bay Rd	Box 1077 Kodiak

The undersigned residents of borough service district #1 hereby petition the legislature of the state of Alaska to fund 90% of the non federal portion of the cost of water and sewer service to this district based on the fact that the health and environmental protection of all citizens is involved.

Name	Address	Box #
Beverly L. Horn	Spruce Cape Rd	Box 15
Charles Johnson	Spruce Cape Rd.	Box 1336
Louise Hall	Spruce Cape Rd.	Box 1122
Beryl M. Lassen	Spruce Cape Rd	P.O. Box 2864
James R. Lassen	Spruce Cape Rd.	P.O. Box 2864
Gene Boyer	spruce cape	P.O. Box 771
Janis Tatt	Spruce Cape	P.O. Box 1807
Donald E. Foster	Spruce Cape	P.O. Box 804
Ernie M. Naumoff	Spruce Cape	Gen. Del.
M. K. Nelson	Spruce Cape	Box 143
Britta Fierichinger	Spruce Cape	Box 143
Leif & E. Peterson	Spruce Cape	Box 2066
Vern L. Mack	Spruce Cape Rd	Box 2108
Mary E. Mack	Spruce Cape Rd.	Box 2108
Russell Q. Mack	Spruce Cape Rd	Box 2108
Mr. John Gilbert	Spruce Cape Rd	Box 2608
Agnes Kammeroff	Spruce Cape Rd	Box 1878
Clayton Engler	Spruce Cape Rd	Box 2854
Pat Salt	Spruce Cape Rd	Box 1324
Pat Cunningham	Spruce Cape Rd.	Box 2948
Pat Salt	Spruce Cape Rd	Box 2606
Shirley A. Kuiper	Spruce Cape Rd	P.O. Box 2878
Donald D. Kuiper	Spruce Cape Rd	P.O. Box 2878
John Wiedmann	Spruce Cape Rd	Box 2878
Juliah D. M. Faalder	Spruce Cape Rd.	Box 2072
Hinda L. Kelner	Spruce Cape Rd.	Box 2672
Chuck Nelson	Spruce Cape Rd	Box 2672
Mr. Dallas Rain	Spruce Cape Rd	Box 2674
Nellie L. Liden	Spruce Cape Rd.	Box 2674
Ruth P. McLean	Spruce Cape Rd	Box 1788
W. Buntz		
Pat Johnson	Mill Bay Rd.	Box 454
Beverly M. Jones	Cutoff Rd	Box 624

6 For an Act entitled: "An Act providing for the issuance of general obliga-  
7 tion bonds in the amount of <sup>\$35,520,000</sup> \$25,520,000 for the  
8 purpose of paying the cost of capital improvements  
9 for water and sewer <sup>sys</sup> systems; <sup>and Solid Waste Facilities</sup> and providing for an  
10 effective date."

Introduced: 2/12/79  
Referred: Community &  
Regional Affairs and  
Finance

1 IN THE SENATE

BY KERTTULA

2 *SCS* SENATE BILL NO. 131

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing for the issuance of general obliga-  
7 tion bonds in the amount of ~~\$8,000,000~~ <sup>#3,520,000</sup> for the purpose  
8 of paying the cost of <sup>cap. exp. for water and</sup> sewerage systems construction;  
9 and providing for an effective date."

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

11 \* Section 1. For the purpose of paying the cost of capital improvements  
12 for water <sup>and</sup> sewer systems, <sup>and solid waste facilities</sup> general obligation bonds of the state in the  
13 principal amount of not more than ~~\$8,000,000~~ <sup>#3,520,000</sup> shall be issued and sold.

14 The full faith, credit and resources of the state are pledged to the payment  
15 of the principal of and interest and redemption premium, if any, on these  
16 bonds. These bonds shall be issued under the provisions of AS 37.15 as  
17 those provisions read at the time of issuance.

18 \* Sec. 2. If the issuance of these bonds is authorized by the qualified  
19 voters of the state, a special fund of the state to be known as the "1980  
20 Water Supply, and Sewerage Systems <sup>and solid waste facilities fund</sup>" shall be established, to which  
21 shall be credited the proceeds of the sale of bonds described in sec. 1 of  
22 this Act except for accrued interest and premiums. There is appropriated  
23 from the "1980 Water Supply, ~~and~~ Sewerage Systems ~~Fund~~ <sup>and solid waste facilities fund</sup>" to the Department of  
24 Environmental Conservation the amount of ~~\$8,000,000~~ <sup>#3,520,000</sup>, allocated in accordance  
25 with the followin, projects and estimates:

27	<u>Project</u>	<u>Location</u>	<u>Amount</u>
28	(1) Village safe water con-		
29	struction grants	Statewide	\$ 2,520,000



Add'l # 6-8 ml  
AML Inc. 50-75%

IN THE SENATE

BY KERTTULA

CS SENATE BILL NO. 131

IN THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act providing for the issuance of general obligation bonds in the amount of \$35,520,000 for the purpose of paying the cost of capital improvements for water and sewerage systems and solid waste facilities; and providing for an effective date."

\*Section 1. For the purpose of paying the cost of capital improvements for water, sewerage systems and solid waste facilities, general obligation bonds of the state in the principal amount of not more than \$35,520,000 shall be issued and sold. The full faith, credit and resources of the state are pledged to the payment of the principal of and interest and redemption premium, if any, on these bonds. These bonds shall be issued under the provisions of AS 37.15 as those provisions read at the time of issuance.

\* Sec. 2. If the issuance of these bonds is authorized by the qualified voters of the state, a special fund of the state to be known as the "1980 Water Supply, Sewerage Systems and Solid Waste Facilities Fund" shall be established, to which shall be credited the proceeds of the sale of bonds described in sec. 1 of this Act except for accrued interest and premiums. There is appropriated from the "1980 Water Supply, Sewerage Systems and Solid Waste Facilities Fund" to the Department of Environmental Conservation the amount of \$35,520,000, allocated in accordance with the following projects and estimates:

<u>Project</u>	<u>Location</u>	<u>Amount</u>
(1) Village safe water construction grants	Statewide	\$ 2,520,000

(2) Municipal water, sewerage and solid waste facilities construction grants Statewide 33,000,000

\*Sec. 3. If the issuance of these bonds is authorized by the qualified voters of the state, the amount of ~~\$89,400~~ <sup>#124,320</sup>, or as much of that amount as is found necessary is appropriated from the general fund of the state to the state bond committee to carry out the provisions of this Act and to pay expenses incident to the sale and issuance of the bonds authorized in this Act. The amounts expended from the appropriation authorized by this section shall be reimbursed to the general fund from the proceeds of the sale of the bonds authorized by this Act.

\* Sec. 4. The amount withdrawn from the public facility planning fund for the purpose of advance planning for the improvements financed under this Act shall be reimbursed from the proceeds of the sale of bonds authorized by this Act.

\*Sec. 5. The question whether the bonds authorized in this Act are to be issued shall be submitted to the qualified voters of the state at the next general election and shall read substantially as follows:

Proposition

State General Obligation Water Supply, Sewerage and Solid Waste Facilities

Bonds 35,520,000

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$35,520,000 for the purpose of paying the cost of village and municipal capital improvements for water, sewerage and solid waste facilities?

Bonds yes ( )

Bonds ( )

\* Sec. 6. This Act takes effect immediately in accordance with AS 01.-10.070(c).