

SB

309

Alaska MUNICIPAL League

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May 1, 1980

To: Senator Ziegler, Chairman, Senate Judiciary Committee
and all members of the Committee

From: Ginny Chitwood, Executive Director
Alaska Municipal League

Re: SB 309 and CSSB 309

State mandates tend to impose state priorities on local governments. Many mandates require local governments to make organizational changes, provide more services, tell them how to relate to other local governments, or to their own personnel. While they sometimes create a benefit for the local government, more often mandates impose additional costs, especially when they are not accompanied by adequate state financial assistance.

Therefore, the Alaska Municipal League supports SB 309 and CS for SB 309, local government fiscal impact statements. Such statements would estimate the effect on the expenditures or revenues of a local government of implementing or complying with a proposed state regulation. They can provide information for both legislators and local representatives on the effect of state regulation on localities.

The Advisory Commission on Intergovernmental Relations, recognizing some of the difficulties inherent in state mandating of local expenditures, has recommended that states define and catalog state-initiated mandates, and that they provide reimbursement for mandates which require local governments to provide additional services, exempt property from the tax base, or impose unnecessarily costly personnel requirements. In addition, the Commission has recommended that state legislation and proposed administrative regulations contain an explicit "fiscal note" setting out any financial cost impact on local governments.

We urge the Committee to look favorably on this piece of legislation and thank you for your courteous consideration.

We also wish to call to your attention SB 292 am which has passed both houses and is now Chapter 16, SLA 1980. This law calls for fiscal notes on the impact of proposed regulations on the state. You may wish to amend SB 309 or CSSB 309 in order that the provisions of SB 292 am will not be abrogated.

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSSB 309

Title An Act requiring the preparation of a local government impact statement.

Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Community & Regional Affairs

Program Category Affected Development

BRU, Program, or Subprogram(s) Affected Local Government Assistance

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES		95.5	103.2	111.4	120.3	129.9
200 TRAVEL		2.0	2.2	2.3	2.5	2.7
300 CONTRACTUAL		4.9	5.3	5.7	6.2	6.7
400 COMMODITIES						
500 EQUIPMENT		1.5	0	0	0	0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		103.9	110.7	119.4	129.0	139.3

FUNDING (Thousands of Dollars)

GENERAL FUND		103.9	110.7	119.4	129.0	139.3
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME		3	3	3	3	3
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

- The personal services cost is based on the addition of three staff members (a Local Government Specialist IV - Range 19, a Local Government Specialist III - Range 17 and a Clerk Typist III - Range 8) to handle the additional work.
- Benefits are included in the personal services cost. These are figured at 28% of salary per year.
- Travel costs are figured at \$2,000 a year. Preparation of the required fiscal notes would require dealing with agencies throughout the state and phone calls would not always be adequate to resolve the issues.
- Contractual costs are to cover long distance telephone tolls and telephone base rate for 3 persons (1.5), typewriter rental (2.7), and rent for an additional 450 sq. ft. of floor space (.7).

- Continued

IV. DATE 3-25-80 PREPARED BY McKie Campbell

AGENCY Community & Regional Affairs

Original: Legislative Finance

PHONE 465-4735

cc: Budget and Management

Prime Sponsor (First Legislator Named)

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5. All the above costs are increased at 8% a year for inflation.
6. The one time equipment cost is for desks, office equipment, etc. for three persons.