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# COMMITTEE REPORT

## HOUSE

2/12/81

FURTHER: FINANCE

Date: March 12, 1981

Mr. Speaker:

The Committee on COMMUNITY & REGIONAL AFFAIRS has had SB 125am

"An Act making supplemental appropriations to the Department of Community and Regional Affairs and the Department of Revenue for programs which provide state financial assistance to municipalities and other recipients; and providing for an effective date."

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**

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**MEMBERS HAVING  
OTHER RECOMMENDATIONS:**

Do not recommend *PKD*  
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CHAIRMAN

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29.88.010(c)(1)(E), the full and true assessed property value shall include the computed assessed value of the utility, determined by dividing the amount of the payment in place of taxes made by the utility by the millage rate which would apply to the utility if the utility were subject to levy and collection of taxes under AS 29.53.

(e) In addition to the computation for municipalities which levy and collect a property tax, the department shall determine an estimated full and true assessed property value under (d) of this section for

(1) each municipality which is a school district and which does not levy and collect a property tax;

(2) each second class city with a population of 750 or more persons; however, a computation is not required under this paragraph more often than once during a period of three successive calendar years; and

(3) all other second class cities, by determining the average per capita full and true assessed property value of all cities having a population of less than 750 persons in which an assessment has been completed by a municipality or for which a determination is not made under (1) or (2) of this subsection.

(f) The department shall annually compute a statewide average per capita full and true assessed property value. (§ 2 ch 155 SLA 1980)

**Sec. 29.88.025. Reports.** A payment of an equalization entitlement may not be made to a municipality under this chapter until the municipality has submitted its certificate of estimated revenue and its financial report to the department for the fiscal year preceding the year for which the equalization entitlement is sought, together with a budget for the municipality's current fiscal year. The financial report shall include a listing of general revenue collected from taxes levied and assessed by the municipality and any other revenue which, in the opinion of the municipal officials, is eligible for inclusion in computations of the locally generated revenue of the taxing unit (§ 2 ch 155 SLA 1980)

**Sec. 29.88.030. Limitation on computation and use of payments.** (a) An equalization entitlement generated by the general tax levy of a taxing unit may be used only for authorized expenditures of that taxing unit, but up to 15 percent of the payment of an equalization entitlement generated by areawide revenue of a municipality may be used by the municipality for areawide or nonareawide purposes at the discretion of its assembly or council.

(b) An equalization entitlement determined with reference to revenue other than revenue obtained from the levy and collection of taxes may be used for areawide or nonareawide purposes, at the discretion of the assembly or council. (§ 2 ch 155 SLA 1980)

**Sec. 29.88.035. Tax equalization account.** The tax equalization account is established. Money to carry out the provisions of this chapter shall be allocated by the department to the account. The amount



allocated to the account shall be fully distributed by the department as payments to municipalities to fulfill each municipality's share authorized under AS 29.88.010. The amount allocated to the account shall be distributed by the department pro rata among eligible municipalities. (§ 2 ch 155 SLA 1980)

Sec. 29.88.040. Administration. (a) The department may adopt regulations necessary to implement this chapter. The regulations shall include, among other provisions,

(1) procedures and filing dates for submitting certification and financial reports;

(2) procedures for obtaining information required to compute and determine the municipality's millage rate equivalent; and

(3) procedures by which the department shall notify a municipality in writing of the reasons for a proposed disallowance or adjustment of any factor bearing upon the determination of the municipality's entitlement and by which the municipality will be provided reasonable time in which to respond or to challenge the department's determination.

(b) The department shall make reasonable efforts to advise and assist municipalities in collecting information and completing reports necessary for the determination of entitlements under this chapter.

(c) The department shall, by regulation, classify for inclusion or exclusion as a component of a municipality's millage rate equivalent under AS 29.88.010 any tax revenue appropriated for a utility not included in the definition set out in AS 29.88.045(4). (§ 2 ch 155 SLA 1980)

Sec 29.88.045. Definitions. In this chapter

(1) "department" means the Department of Community and Regional Affairs;

(2) "municipality" means a city, borough or unified municipality incorporated under the laws of the state;

(3) "taxing unit" means a municipality and

(A) in a borough or unified municipality, a service area or the entire area outside cities;

(B) in a city, a differential tax zone;

(4) "utilities" means electricity, water, sewer, gas, heat, or telephone services, and refuse and garbage collection services. (§ 2 ch 155 SLA 1980)

### Chapter 89. State Aid for Miscellaneous Municipal Purposes.

Section

10. Revenue sharing payable

20. State aid to municipalities for roads

Section

30. State aid to municipalities and other eligible recipients for health facilities and hospitals

Section

40. State aid to vol departments in the borough

50. State aid to Nat governments

Effective date of chapter 17, ch. 155, SLA 1980 provided that all of the act take effect on the first day of the fiscal year for which \$3,000,000 more is appropriated and all other recipients under the provisions of §§ 1 — 12 of this act or on the first day of the fiscal year whichever is earlier. A \$33,500,000 was appropriated for the fiscal year beginning July 1, 1980. The appropriation made in §§ 51 and 52, ch. 12 and § 6, ch. 165, SLA 1980.

Editor's note. — Section 29.89.010, effective on the date of this chapter, notwithstanding other provisions of this act, (1) a municipality which received less than \$25,000 of living differential during the fiscal year in which this act took effect and (2) a municipality which received less than 125 percent of the amount it received for the last fiscal year under AS 29.88, added by sections 43.18.010 — 43.18.045, repealed by this act, is, for each of the first five years during which sec. 1 —

Sec. 29.89.010. Revenue equalization entitlements. The department shall pay

(1) to a municipality to provide the service exercises the power in

(2) to a Native village. (SLA 1980)

Sec. 29.89.020. State aid for road maintenance and of road, street or highway, excluding (1) the office highways not dedicated maintained under the

**Sec. 29.89.070. Area cost-of-living differential.** (a) Payments to a municipality or other eligible recipient under AS 29.89.020 — 29.89.030 shall reflect area cost-of-living differentials. Payments shall be based upon the sum of per capita, per mile and per bed or facility grants due each municipality or other recipient multiplied by the appropriate area cost-of-living differential. The area cost-of-living differential for each recipient shall be determined annually by election district under the provisions of AS 39.27.030. Application of the area cost-of-living differential may not result in distribution of an amount less than the amount of the payment determined without application of this section.

(b) The election districts used to establish area cost-of-living differentials under (a) of this section are those designated by the proclamation of reapportionment and redistricting of December 7, 1961, and retained for the house of representatives by proclamation of the governor September 3, 1965. (§ 3 ch 155 SLA 1980)

**Sec. 29.89.080. Miscellaneous services account.** The miscellaneous services account is established. Money to carry out the provisions of this chapter shall be allocated by the department to the account in accordance with AS 29.95.010. If amounts in the account are insufficient to pay each municipality's or other recipient's share authorized under this chapter, the amounts which are available shall be distributed pro rata among eligible municipalities and other recipients. (§ 3 ch 155 SLA 1980)

**Sec. 29.89.090. Regulations.** The department shall adopt regulations necessary to carry out the purposes of this chapter. The regulations shall include minimum standards required to qualify a municipality or other recipient for payments for each service. The department may require a municipality or other recipient to submit a performance report adequate to demonstrate to the department that a service for which payment is requested under this chapter was performed by the municipality or other recipient and meets minimum standards of service prescribed by regulation. (§ 3 ch 155 SLA 1980)

**Sec. 29.89.100. Definitions.** In this chapter

(1) "department" means the Department of Community and Regional Affairs;

(2) "health facility"

(A) means a facility which is licensed, when required, by the state under AS 18.20.010 — 18.20.130 and which is owned or operated or both by a municipality or by a nonprofit corporation or other nonprofit sponsor;

(B) includes a public health center, maternity home, community mental health center, facility for the mentally or physically handicapped, nursing home or convalescent center;

(C) excludes a facility operated by the federal government;

(3) "hospital" means a facility licensed by the Department of Health and Social Services. The term excludes a facility operated by the federal government. (§ 3 ch 155 SLA 1980)

## Chapter 90. State Aid

### Section

- 10. State aid for hospital construction
- 20. Hospital construction assistance account
- 30. Definitions

**Cross reference.** — As to state aid to municipalities and other eligible recipients for health facilities and hospitals, see AS 29.89.030.

**Effective date of chapter.** — Section 17, ch. 165, SLA 1980, provides that §§ 1 — 12 of the act take effect on the first day of the fiscal year for which \$33,400,000 more is appropriated and allowed by the governor for distribution to municipalities and other recipients under the provisions of §§ 1 — 12 of this act or on July 1, whichever is earlier. A total of \$33,500,000 was appropriated for the fiscal year beginning July 1, 1980. The appropriation made in §§ 51 and 52, ch. 120, SLA 1980, and § 6, ch. 165, SLA 1980.

**Editor's note.** — Section 12, SLA 1980, effective on the same date as this chapter, provides: Notwithstanding other provisions of §§ 1 — 11 of this act, (1) a municipality shall not receive less than \$25,000 plus the cost-of-living differential during the fiscal year in which this act is effective and (2) a municipality which would have received under AS 29.86, added by sec. 2 of this act, less than 125 percent of the amount it received for the last fiscal year 43.18.010 — 43.18.045, repealed by this act, is, for each of the first three years during which secs. 1 — 10 of this act are effective, entitled to receive

(2)

**Sec. 29.90.010. State aid for hospital construction.** If construction of a hospital began after January 1, 1968, and state matching aid for construction approved for payment to the municipality or other hospital sponsor constitutes less than 25 percent of the total project cost, the department shall pay to the municipality or other hospital sponsor each fiscal year \$2,500 a bed for the maximum number of beds provided for in the construction design of the facility or five percent of the total project cost, whichever is greater. State aid provided for in this section shall continue until the municipality or other hospital sponsor has received an amount which, combined with state matching money for construction of the hospital, equals 25 percent of the total project cost. Money received for construction may not be used for any other purpose. (§ 4 ch 155 SLA 1980)

**Sec. 29.90.020. Hospital construction assistance account.** The hospital construction assistance account is established. Money to carry out the provisions of this chapter shall be allocated by the department to the account in accordance with AS 29.95.010. If amounts in the account are insufficient to pay each recipient's share authorized under this chapter, the amounts which are available shall be distributed pro rata among eligible recipients. (§ 4 ch 155 SLA 1980)

**Sec. 29.90.030. Definitions.** In this chapter

- (1) "department" means the Department of Community and Regional Affairs;
- (2) "hospital" means a licensed hospital determined by the Department of Health and Social Services to be a general hospital; the term excludes a facility operated or wholly supported by the state or the federal government;
- (3) "total project cost" means
  - (A) costs directly related to the project; and
  - (B) the total of all costs of financing and carrying out the project, including but not limited to,
    - (i) 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;
    - (ii) an allocable portion of the administrative and operating expenses of the municipality or other hospital sponsor;
    - (iii) the cost of financing the project, including interest on bonds issued to finance the project; and
    - (iv) 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. (§ 4 ch 155 SLA 1980)

**Chapter 95. Administration  
Financial Assistance**

**Section**

- 10. Allocation and distribution
- 20. Qualification for minimum payments
- 30. Proration of payments

**Effective date of chapter.** — Section 17, ch. 155, SLA 1980, provides that — 12 of the act take effect on the first of the fiscal year for which \$33,400,000 more is appropriated and allowed by governor for distribution to municipalities and other recipients under the provisions of §§ 1 — 12 of this act or on July 1, whichever is earlier. A total of \$33,500,000 was appropriated for programs for the fiscal year beginning July 1, 1980. The appropriations made in §§ 51 and 52, ch. 120, SLA and § 6, ch. 165, SLA 1980.

**Editor's note.** — Section 12, ch. 155, SLA 1980, effective on the same date as this chapter, provides: Notwithstanding other provisions of §§ 1 — 11 of this act, (1) a municipality not receive less than \$25,000 plus a cost-of-living differential during the fiscal year in which this act is effective and (2) a municipality which would receive under AS 29.88, added by sec. 2 of this act, less than 125 percent of the amount it received for the last fiscal year under AS 29.88, repealed by sec. 2 of this act, is, for each of the first five years during which secs. 1 — 10 of this act are effective, to receive the amount it would have received under AS 29.88, as amended by sec. 2 of this act, for that year.

**Sec. 29.95.010. Allocation of funds.** Department of Community and Regional Affairs shall appropriate to the account established in AS 29.90 in the amounts determined by the department. (b) Money in the miscellaneous account established in AS 29.89.080 which exceeds the amount appropriated for distributions authorized by this section shall be deposited in the equalization account established in AS 29.90 according to the provisions of AS 29.90.010. (c) Money in the miscellaneous account established in AS 29.90

**Sec. 43.20.015. Individual tax credit.**

Repealed by § 10 ch 1 SSSLA 1980 and § 9 ch 2 SSSLA 1980, effective September 25, 1980.

Editor's note. — The repealed section, derived from § 1, ch. 144, SLA 1978. For legislative findings and purpose of repealing acts, see § 1, ch. 1, SSSLA 1980, and § 1, ch. 2, SSSLA 1980, in the 1980 Temporary and Special Acts and Resolves.

**Sec. 43.20.016. Sharing of corporate income tax revenue with municipalities.** (a) There is established within the Department of Revenue the municipal assistance fund. The legislature may appropriate to the fund during each fiscal year an amount equal to or greater than 10 per cent of the income tax revenue received by the state under AS 43.20.011(e) and ch. 21 of this title for the previous fiscal year. The Department of Revenue shall distribute money from the fund to each organized borough and each city of any class on an annual basis as provided in (b) and (c) of this section.

(b) The base amount to be distributed from the fund to each borough and city for the fiscal year shall be the amount received by the borough or city during fiscal year 1978 under AS 43.70.080; however, if the amount appropriated to the fund by the legislature under (a) of this section is insufficient for distribution of the full base amount, the Department of Revenue shall prorate the amount available for distribution on the basis of amounts received during fiscal year 1978 under AS 43.70.080. A city incorporated within an organized borough after June 30, 1977 shall receive as a base amount a share of the amount distributed to the borough in which it is located based on the ratio of population in the city to the total population in the borough. A city incorporated outside an organized borough after June 30, 1977 shall receive as a base amount the amount received by the city in the state most closely approximating it in population at the time of its incorporation. A borough incorporated after June 30, 1977 shall receive as a base amount the amount received by the borough in the state most closely approximating it in population at the time of its incorporation.

(c) If the amount in the fund at the time of distribution exceeds the base amount to be distributed under (b) of this section, the excess amount shall be distributed to each borough and city on the basis of population. For the purpose of this subsection, the population of a city within an organized borough shall be deducted from the population of the borough. Population, for the purpose of this section, shall be as certified by the commissioner of community and regional affairs.

(d) The intent of (c) of this section is that local governments which levy property taxes reduce those levies in reasonable proportion to the amount of increased state aid received by a local government. The governing body of each local government shall furnish a notice with the tax statement describing its use of this increased state aid. (§ 2 ch 144 SLA 1978)



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ch 155 SLA 1980)

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nder both (a)(1) and (a)(2)

(c) Money received by a municipality under (a)(3) of this section shall be used for expenses of health services or operation and maintenance of health facilities as the municipality determines.

(d) Before money may be distributed under this section, the commissioner of health and social services shall certify to the commissioner of community and regional affairs that any accumulation of assets by nonprofit corporations or other recipients under this section is dedicated irrevocably to a public purpose. (§ 3 ch 155 SLA 1980)

Cross reference. — As to state aid for hospital construction, see AS 29.90.  
Editor's note. — As to reports by Department of Health and Social Services and Department of Community and Regional Affairs and commissioner of health and social services, see § 14, ch. 155, SLA 1980, effective July 1, 1980, in the 1980 Temporary and Special Acts and Resolves.

Sec. 29.89.040. State aid to volunteer fire departments in the unorganized borough. (a) The department shall pay to a volunteer fire department registered with the state fire marshal and serving an area not in an organized borough or city a sum for protection purposes equal to \$10 per capita for the population served by the department, as determined by the state fire marshal.

(b) A grant shall be made under (a) of this section to facilitate the organization of a volunteer fire department in an area not in an organized borough or city, upon application of the proposed fire protection group to the state fire marshal and upon approval of applications according to standards of organization and service prescribed by regulations adopted by the state fire marshal. (§ 3 ch 155 SLA 1980)

Sec. 29.89.050. State aid to Native village governments. The state shall pay \$25,000 to a Native village government for a village which is not incorporated as a city under this title. In this section, "Native village government" means

(1) a local governing body organized by authority of the Act of Congress of June 18, 1934 (25 U.S.C. § 476); or

(2) a traditional village council or, if there is no traditional village council, the paramount chief or other governing body of a Native village which meets the requirements of the Alaska Native Claims Settlement Act (43 U.S.C. §§ 1601 — 1628). (§ 3 ch 155 SLA 1980)

Sec. 29.89.060. Population determination. For purposes of this chapter, population shall be determined by the latest figures of the United States Bureau of the Census or other reliable population data, including but not limited to public school enrollment figures, public utility connection, registered voters or certified employment payrolls. (§ 3 ch 155 SLA 1980)



## Chapter 95. Administration of Municipal Financial Assistance Programs.

### Section

- 10. Allocation and distribution
- 20. Qualification for minimum payment
- 30. Proration of payments

**Effective date of chapter.** — Section 17, ch. 155, SLA 1980, provides that §§ 1 — 12 of the act take effect on the first day of the fiscal year for which \$33,400,000 or more is appropriated and allowed by the governor for distribution to municipalities and other recipients under the provisions of §§ 1 — 12 of this act or on July 1, 1983, whichever is earlier. A total of \$33,500,000 was appropriated for the programs for the fiscal year beginning July 1, 1980. The appropriations were made in §§ 51 and 52, ch. 120, SLA 1980, and § 6, ch. 165, SLA 1980.

**Editor's note.** — Section 12, ch. 155, SLA 1980, effective on the same day as this chapter, provides: "(a) Notwithstanding other provisions of secs. 1 — 11 of this act, (1) a municipality may not receive less than \$25,000 plus an area cost-of-living differential during the first fiscal year in which this act is effective; and (2) a municipality which would receive under AS 29.88, added by sec. 2 of this act, less than 125 percent of the amount which it received for the last fiscal year under AS 43.18.010 — 43.18.045, repealed by sec. 11 of this act, is, for each of the first five fiscal years during which secs. 1 — 10 of this act

are effective, entitled to receive an amount equal to 125 percent of the amount which it received for the last fiscal year under the former provisions of AS 43.18.010 — 43.18.045 in accordance with those provisions. (b) For the first five fiscal years during which secs. 1 — 10 of this act are effective, in order to pay the amounts required by (a) of this section, the allocations made by the Department of Community and Regional Affairs to the accounts established in AS 29.88.035, AS 29.89.080, and AS 29.90.020 shall be prorated by an amount which reduces the allocation to each account in equal proportion, and the prorated amounts shall be allocated to these accounts. (c) For the first five fiscal years during which secs. 1 — 10 of this act are effective, payment of an entitlement to a borough under AS 29.88 may be made to a borough only if the borough assembly agrees to allocate to each borough service area in the borough at least the amount of money that the service area received during the last fiscal year under the former provisions of AS 43.18.010 — 43.18.045, in accordance with those provisions."

**Sec. 29.95.010. Allocation and distribution.** (a) Each year, the Department of Community and Regional Affairs shall allocate money appropriated to the accounts established in AS 29.88, AS 29.89, and AS 29.90 in the amounts determined by the legislature.

(b) Money in the miscellaneous services account established in AS 29.89.080 which exceeds the amount required to fully fund distributions authorized by AS 29.89 shall be reallocated to the tax equalization account established in AS 29.88.035 and distributed according to the provisions of AS 29.88.

(c) Money in the hospital construction assistance account established in AS 29.90.020 which exceeds the amount required to fully

# Alaska MUNICIPAL League

TELEPHONES  
(907) 586-1325  
586-6526

204 N FRANKLIN ST  
JUNEAU ALASKA 99801

The Alaska Conference of Mayors met in Juneau on February 5 & 6, 1981 and adopted the following provisions:

FY 81 Supplemental (SB 125). The Alaska Conference of Mayors pledged to use any supplemental funding for tax relief.

Mobile Home Financing. The Conference of Mayors urge supplemental appropriation to the Alaska Housing Finance Corporation for mobile home loans in order to ease the serious statewide housing shortage.

High Unemployment Rate. The Conference of Mayors supports state funding for capital projects in order to alleviate the serious unemployment problem in the state by providing both construction jobs and operation and maintenance jobs when the projects are completed; urges the Legislature and Governor to approve funding early enough to get projects "on the street" this construction season.

In Lieu Of Bonds. The Conference of Mayors urges speedy passage of SB 13, making direct appropriations for projects approved by voters in lieu of selling bonds; additionally supports state interim financing for municipal bonds that have been authorized by the voters but cannot be sold because of the bond market.

Permanent Fund. The Conference of Mayors urges the Legislature to create special endowments for fundamental services, such as those provided by local governments instead of increasing the Permanent Fund, in order to lessen the risk of the federal government devising methods of taking away the state's money.

School Support. The Conference of Mayors endorses the concept of 100% state funding for schools, both operating and construction.

Communities represented at those meetings include the Municipality of Anchorage, the City of Angoon, the City of Fairbanks, Fairbanks North Star Borough, the City of Haines, Haines Borough, the City of Homer, the City of Hoonah, the City and Borough of Juneau, the City of Kenai, Kenai Peninsula Borough, Kodiak Island Borough, the City of Nenana, the City of Nome, North Slope Borough, the City of Petersburg, the City of Sand Point, the City of Seldovia and the City of Wrangell.

Bill Overstreet, President  
Leo Rasmussen, Vice President  
George Sullivan, Secretary/Treasurer

Resolution 870-R

Whereas the City Council of the City of Petersburg supports the use of unanticipated funds for tax relief, and

Whereas the City Council of the City of Petersburg is in agreement with the passage of Senate Bill 125 am, and

Whereas the City Council of the City of Petersburg promises to use the supplemental funds to cut local taxes.

Therefore Be It Resolved to endorse the House version of Senate Bill 125 as amended.

Passed and Approved by the City Council of the City of Petersburg,

Alaska, this 23<sup>rd</sup> day of February, 1981.

  
\_\_\_\_\_  
Mayor

Attest:

  
\_\_\_\_\_  
City Clerk

Presented by: The Manager  
Introduced: 02/19/81  
Drafted by: G.L.S.

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 735

A RESOLUTION URGING THE LEGISLATURE TO PASS  
SENATE BILL 125 AND STATING THE INTENT  
OF THE ASSEMBLY TO USE ITS ENTITLEMENT TO  
REDUCE PROPERTY TAXES IN THE COMING FISCAL YEAR.

WHEREAS, prior to 1978, the State of Alaska levied a business license tax and refunded to each municipality 60 percent of the revenues derived from that tax within the municipality, and

WHEREAS, in 1978 the legislature repealed the business license tax causing a loss to municipalities of this dedicated revenue, and

WHEREAS, the same legislature provided that in lieu of the business license tax revenues, the legislature would appropriate to a municipal assistance fund an amount equal to or greater than 10 percent of the corporate income tax revenue received by the State during the previous fiscal year for distribution to municipalities, and

WHEREAS, AS 43.20.016(b) and (c) provide that if sufficient funds are appropriated to the municipal assistance fund, a municipality will receive a base allocation equal to the amount it received in business license tax refunds during fiscal year 1978, and that the excess of the amount needed to make a base distribution to all municipalities would be distributed on the basis of population, and

WHEREAS, AS 43.20.016(d) sets forth the intent of the legislature that to the extent distribution to a municipality from the municipal assistance fund constitutes an increase in state aid to the municipality, the municipality will reduce property tax levies in reasonable proportion to the amount of the increase, and

WHEREAS, Senate Bill 125 which has passed the senate appropriates to the municipal assistance fund an amount which would constitute an increase in state aid, and

WHEREAS, because municipal budgets and tax levies are usually established before it is known how much state aid municipalities will receive, it is difficult or impossible for

municipalities to reduce property tax levies with any certainty that such reductions will be met by anticipated state aid;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

1. That the House of Representatives of the State of Alaska is urged to speedily consider and pass Senate Bill 125 so that the assembly may reduce real property levies for the coming fiscal year with the certainty that state aid will be available to make up the revenue loss.

2. That it is the intent of the assembly to use its distribution from the municipal assistance fund which is in excess of the amount it would have received from a business license tax refund for the purpose of providing a reduction in the real property tax levy which is in reasonable proportion to the increase.

3. That copies of this resolution be sent to The Honorable Jay Hammond, Governor of the State of Alaska and to each member of the Alaska State Legislature.

Adopted this 19<sup>th</sup> day of February, 1981.

  
\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
Clerk

ALASKA  
STATE LEGISLATURE  
**MEMORANDUM**

TO: Ben  
FROM: Linda  
RE: SB 125 am (notes)

Date: March 10, 1981

IRA Villages

I have copies of Sackett's memo to pass out to Committee.  
The \$780,000 is still a 'gravey amendment' for native village governments as they are already fully funded by the Revenue Sharing Account, however, at our last meeting our Committee amended section 3 by adding Billy Berrier's language.

It is felt by legislative Finance that legally these funds will end up going 'over the top' of the funding abilities of the program and will then be dispersed on a prorata basis in which case Anchorage, Fbks, Jnu, etc will end of getting extra funds.....legis. finance mentioned that the a.g's office would probably get involved.

On the basis of Sackett's amendment, the Municipal League will possibly offer the attached amendment which would 'add some gravey' to the second class cities to bring them up to the level of funding that the Native Village Governments are because of the section 3 amendment.

I spoke with Senator Dankworth about the Municipal League's amendment. He is opposed to it. He is not necessarily in favor of Sackett's amendment either.... but they can deal with that when the bill goes back to the Senate.

Just got a call from Dankworth's aid - she said that he will now go for the additional \$250,000 requested by Ak. Municip. League if the amendment happens. He thought it was alot more money than that additionally.

The Committee can sign off on the bill now, we can have legis. processing write the changes into the bill as a House CS for SB 125am, then when we get the final draft we can take it right to the Chief Clerk rather than waiting for another meeting for the members to sign off on it.

BY 1981 MUNICIPAL REVENUE SHARING FUNDING

PREPARED BY  
STATE RESEARCH AGENCY  
FEBRUARY 10, 1981

GROWTH BY PRODUCTION FACTOR = 2.44525730600  
MINIMUM ENT. PRODUCTION FACTOR = .0846485630216  
MID-TWENTIES PRODUCTION FACTOR = .843129970354

LOCAL CITY 1  
ENTIREMENT (1927,000,000) FY 1981  
AMOUNT OF INCREASE (133,500,000)  
PERCENTAGE INCREASE (5.918)  
ENTIREMENT (151,000,000)  
AMOUNT OF INCREASE (22,000,000)  
PERCENTAGE INCREASE (14.570)

URBANS AND SERVICE AREAS

LOCAL CITY	ENTIREMENT (1927,000,000)	FY 1981	AMOUNT OF INCREASE (133,500,000)	PERCENTAGE INCREASE (5.918)	ENTIREMENT (151,000,000)	AMOUNT OF INCREASE (22,000,000)	PERCENTAGE INCREASE (14.570)
1 ARCHWAL A.M.	204,381	\$8,022,420	\$8,294,257	4 - 5.78,162	\$12,154,581	\$1,314,581	10.75,163
2 CITY S.A.	83,179	\$319,055	\$319,055	0.002	\$319,055	\$0	0.002
3 FACI RIVER	8,737	\$56,415	\$56,415	0.002	\$78,446	\$22,031	28.052
4 CHICKAW	6,634	\$36,338	\$36,338	0.002	\$36,138	\$0	0.002
5 CHICKAW	510	\$6,088	\$6,088	0.002	\$6,088	\$0	0.002
6 CLEN ALPS	279	\$0	\$0	-	\$2,316	\$2,316	92.316
7 FIRE S.A.	185,956	\$1,275,517	\$1,275,517	0.002	\$1,006,957	\$1,006,957	101.442
8 RUMBS & BATHWAL	167,073	\$503,220	\$1,065,214	134.042	\$2,363,324	\$1,700,604	305.252
9 RICE S.A.	185,903	\$2,113,542	\$2,113,542	0.002	\$2,113,542	\$0	0.002
10 PARKS & REC.	185,000	\$874,111	\$874,111	0.002	\$874,111	\$0	0.002
11 P. & H/CHICKAW	16,110	\$62,260	\$62,260	0.002	\$62,260	\$0	0.002
12 SO ID WASTE S.A.	186,306	\$115,074	\$115,074	-	\$303,306	\$303,306	160.002
13 CHICKAW/SO ID WASTE	16,110	\$0	\$0	-	\$17,005	\$17,005	104.902
14 BUILDING S.A.	185,868	\$	\$49,357	-	\$100,000	\$100,000	53.868
15 SPECIAL AGREEMENT	83,179	\$28,185	\$28,185	0.002	\$41,730	\$13,545	16.002
16 SERVICE AREA 35	64,750	\$149,120	\$149,120	-	\$108,910	\$108,910	166.910
17 FRONT WASH.	204,378	\$133,720	\$133,720	-	\$152,451	\$152,451	94.451
18 AIRPORT S.A.	204,328	\$5,000	\$5,000	-	\$15,000	\$15,000	30.000
19 PARKS S.A.	204,381	\$0	\$0	-	\$12,211	\$12,211	5.912
TOTAL	\$14,777,251	\$14,941,581	\$764,330	5.202	\$20,400,702	\$6,413,421	44.512
20 BRISTLE BAY WAREHOUSE	1,685	\$64,744	\$185,621	\$121,077	\$48,776	\$48,776	65.482
21 SOUTH WOODS S.A.	1	\$0	\$12,054	-	\$14,254	\$14,254	142.482
TOTAL	\$64,744	\$177,075	\$177,075	270.622	\$504,022	\$429,248	678.482
22 FARMWOOD WAREHOUSE	60,227	\$1,123,451	\$1,123,451	0.002	\$1,632,450	\$1,632,450	132.227
23 FOUR LANE	1,100	\$0	\$1,503	-	\$1,503	\$1,503	136.227
24 NORTH STAR S.A.	6,500	\$56,002	\$56,002	0.002	\$56,002	\$0	0.002
25 INVESTMENT S.A.	7,777	\$1,100,000	\$1,100,000	0.002	\$1,100,000	\$0	0.002
TOTAL	\$1,123,451	\$1,267,415	\$1,044,002	92.921	\$1,757,464	\$534,049	120.002
26 WINDS WAREHOUSE	1,624	\$4,767	\$17,004	\$14,137	\$44,054	\$44,054	144.004
27 FINE DUSTRICT	1,653	\$0	\$1,204	\$1,204	\$1,143	\$1,143	150.004
TOTAL	\$4,767	\$10,971	\$15,407	\$4,636	\$14,197	\$14,197	150.004
28 BROWN HARBOR A.M.	24,211	\$554,777	\$1,013,000	\$458,223	\$1,013,000	\$1,013,000	180.000
29 S.A. 1	2,252	\$15,000	\$15,000	0.002	\$15,000	\$0	0.002
30 S.A. 2	1,000	\$1,000	\$1,000	0.002	\$1,000	\$0	0.002
31 S.A. 3	14,001	\$10,000	\$10,000	0.002	\$10,000	\$0	0.002
32 S.A. 4	1,001	\$1,000	\$1,000	0.002	\$1,000	\$0	0.002
33 S.A. 5	11,000	\$10,000	\$10,000	0.002	\$10,000	\$0	0.002
34 S.A. 6	2,000	\$2,000	\$2,000	0.002	\$2,000	\$0	0.002
35 S.A. 7	458	\$458	\$458	0.002	\$458	\$0	0.002
36 S.A. 8	458	\$458	\$458	0.002	\$458	\$0	0.002
37 S.A. 9	2,000	\$2,000	\$2,000	0.002	\$2,000	\$0	0.002
TOTAL	54,211	\$554,777	\$1,013,000	\$458,223	\$1,013,000	\$1,013,000	180.000
TOTAL	\$14,941,581	\$14,941,581	\$764,330	5.202	\$20,400,702	\$6,413,421	44.512

37 KENAI MUNICIPAL BUDGET	25,507	\$216,030	\$237,767	\$71,737	33.20%	\$631,496	\$415,406	132.23%
38 NIKISKI F.P.	3,510	\$20,299	\$20,299	0	0.00%	\$20,815	\$2,516	8.09%
39 NORTH KENAI H.C.	7,872	\$20,543	\$20,543	0	0.00%	\$20,543	0	0.00%
40 BEAR CREEK F.P.	640	\$5,321	\$5,321	0	0.00%	\$11,062	\$6,541	122.93%
TOTAL		\$270,293	\$314,131	\$71,837	26.59%	\$674,921	\$424,464	157.00%
41 KETCHIKAN BUDGET	14,406	\$34,241	\$34,777	\$130,536	202.18%	\$759,224	\$604,863	705.61%
42 SHERIDAN S.A.	752	\$5,273	\$5,273	0	0.00%	\$5,273	0	0.00%
TOTAL		\$77,514	\$230,050	\$130,536	171.46%	\$764,497	\$604,863	608.23%
43 KODIAK (2ND) BUDGET	11,378	\$196,781	\$251,552	\$54,771	27.70%	\$504,203	\$307,221	155.90%
44 FIRE DISTRICT 1	1,662	\$14,182	\$14,182	0	0.00%	\$14,182	0	0.00%
45 ROAD DISTRICT	275	\$24,187	\$35,646	\$11,459	47.38%	\$44,482	\$20,705	83.94%
TOTAL		\$275,251	\$301,380	\$66,230	24.05%	\$562,867	\$327,926	172.10%
46 MATIU BUDGET	23,177	\$459,084	\$522,724	\$739,670	85.74%	\$1,474,364	\$1,015,780	221.26%
47 WASILLA F.P.	3,879	\$30,183	\$30,183	0	0.00%	\$30,183	0	0.00%
48 BUTTE F.P.	2,508	\$19,499	\$19,499	0	0.00%	\$19,499	0	0.00%
49 GREATER PALM F.P.	7,027	\$27,818	\$27,818	0	0.00%	\$27,818	0	0.00%
50 SUTHER F.P.	818	\$6,365	\$6,365	0	0.00%	\$6,365	\$6,365	7.68%
51 NEW ANLA-WIDE	17,810	0	\$11,764	\$11,764	-	\$11,540	\$11,540	-
52 TALKHEIMA FLOOD S.A.	308	0	\$640	\$640	-	\$1,687	\$1,687	-
53 TALKHEIMA F.P.	450	0	\$508	\$508	-	\$1,711	\$1,711	-
54 GARDEN TERRACE	71	0	\$273	\$273	-	\$674	\$674	-
55 LAKES F.P.	1,800	0	\$4,154	\$4,154	-	\$10,749	\$10,749	-
TOTAL		\$542,760	\$654,129	\$411,173	75.72%	\$1,405,433	\$1,062,462	175.68%
56 NORTH STATE BUDGET	7,274	\$308,173	\$356,478	\$48,304	15.68%	\$670,230	\$362,057	117.48%
57 SIKKA BUDGET	8,787	\$424,734	\$447,895	\$22,161	5.21%	\$436,042	\$212,048	49.78%

FIRST CLASS CITIES

58 HAWTHORN	2,715	\$45,732	\$47,833	\$2,447	5.33%	\$54,943	\$11,171	24.61%
59 CHEROKEE	2,780	\$27,081	\$29,704	\$2,623	13.32%	\$31,526	\$3,445	12.92%
60 CRAIG	587	\$30,415	\$37,731	\$7,316	24.05%	\$40,763	\$10,347	165.53%
61 DILL BUDGET	1,654	\$99,019	\$111,334	\$12,315	12.40%	\$124,455	\$113,435	220.75%
62 FAIRMOUNT	26,457	\$2,317,622	\$2,364,471	\$151,849	6.53%	\$4,711,614	\$1,404,997	52.72%
63 GALLIA	757	\$50,464	\$53,185	\$2,721	5.39%	\$54,030	\$3,566	10.12%
64 HATFIELD	1,354	\$44,027	\$42,249	\$1,778	4.02%	\$46,007	\$1,980	10.27%
65 IRVING	2,527	\$101,153	\$104,644	\$3,491	3.45%	\$107,254	\$101,071	108.83%
66 JEROME	1,033	\$52,062	\$54,880	\$2,818	5.41%	\$56,875	\$12,812	24.61%
67 MARYLENE	881	\$16,747	\$17,888	\$1,141	6.82%	\$18,970	\$2,223	53.24%
68 NAMI	710	\$25,267	\$27,621	\$2,354	9.32%	\$30,000	\$4,733	248.76%
69 NIPAWI	4,421	\$221,333	\$237,267	\$15,934	7.19%	\$240,513	\$42,180	173.25%
70 N. LINDSEY	7,140	\$404,973	\$428,754	\$23,781	5.88%	\$470,237	\$1,166,314	248.73%
71 NIPAWI F.P.	713	\$39,201	\$41,044	\$1,843	4.70%	\$42,273	\$3,072	53.44%
72 NIPAWI	404	\$18,644	\$19,440	\$796	4.27%	\$20,236	\$592	11.01%
73 NIPAWI	5,724	\$217,516	\$228,227	\$10,711	4.92%	\$240,481	\$22,965	115.40%
74 NIPAWI	1,071	\$53,617	\$57,312	\$3,695	6.89%	\$60,419	\$6,792	117.66%
75 NIPAWI	2,034	\$277,754	\$292,720	\$14,966	5.39%	\$304,287	\$26,533	81.55%
76 NIPAWI	1,621	\$81,841	\$84,974	\$3,133	3.82%	\$87,431	\$5,590	65.43%
77 PALM H.	2,074	\$143,714	\$157,691	\$13,977	9.72%	\$162,421	\$18,707	72.55%
78 PELLICANI	321	\$10,707	\$11,778	\$1,071	9.99%	\$12,564	\$1,857	240.18%
79 PELLICANI	3,197	\$212,140	\$224,109	\$11,969	5.64%	\$233,581	\$21,441	140.00%
80 SANTI MARY	724	\$41,184	\$42,462	\$1,278	3.10%	\$43,630	\$2,446	178.46%
81 SANTI MARY	549	\$47,738	\$49,493	\$1,755	3.67%	\$51,117	\$3,379	108.47%
82 SANTI MARY	528	\$31,493	\$33,191	\$1,698	5.39%	\$34,815	\$3,322	59.46%
83 SANTI MARY	1,788	\$74,511	\$76,647	\$2,136	2.87%	\$78,611	\$4,100	65.67%
84 SANTI MARY	177	\$43,316	\$45,975	\$2,659	6.13%	\$48,336	\$5,020	72.67%
85 SANTI MARY	2,815	\$121,816	\$131,850	\$10,034	8.23%	\$131,850	\$10,034	122.41%
86 SANTI MARY	1,811	\$109,140	\$114,230	\$5,090	4.66%	\$119,320	\$10,180	200.43%
87 SANTI MARY	4,086	\$205,917	\$211,137	\$5,220	2.54%	\$216,357	\$10,440	24.61%

NO	NAME	1	20	30	40	50	60	70	80	90
89	ZURE II	1	80	80	80					
	TOTAL		\$215,917	\$301,337	\$15,414	5.33%	\$356,284	\$70,366	24.61%	
90	WYANGELL	3,325	\$215,382	\$165,117	\$150,265	23.33%	\$232,633	\$77,256	35.86%	
91	ZURE II	937	80	\$14,809	\$14,809	-	\$39,033	\$39,033	-	
92	ZURE IV	2,328	80	\$47,067	\$47,067	-	\$124,057	\$124,057	-	
	TOTAL		\$215,382	\$226,794	\$11,611	5.33%	\$455,723	\$240,347	111.53%	
93	YAKUTAT	442	\$19,853	\$27,776	\$7,923	39.91%	\$57,021	\$37,167	187.21%	
SECOND CLASS CITIES										
94	AKHUK	100	\$8,076	\$20,071	\$11,934	148.51%	\$25,731	\$17,704	214.26%	
95	AKIADIAK	354	\$33,311	\$35,107	\$1,795	5.33%	\$41,500	\$8,198	24.61%	
96	AKIAK	216	\$9,373	\$25,555	\$15,587	156.23%	\$31,944	\$21,970	220.23%	
97	AKH MUI	641	\$87,340	\$92,049	\$4,708	5.33%	\$110,706	\$23,355	26.75%	
98	AKUTAI	81	80	\$24,127	\$24,127	-	\$30,509	\$30,509	-	
99	ALAKNIEK	527	\$35,835	\$37,767	\$1,931	5.33%	\$51,011	\$15,175	42.34%	
100	ALLKINAGIK	227	\$7,022	\$24,913	\$17,891	254.73%	\$30,944	\$23,522	340.67%	
101	ALLAKNET	216	\$14,378	\$26,513	\$12,135	84.73%	\$33,141	\$18,762	130.47%	
102	AMELLEH	217	\$23,514	\$28,280	\$4,766	20.26%	\$34,116	\$10,602	45.08%	
103	ANAKTUPAK PAKS	173	80	\$25,971	\$25,971	-	\$32,841	\$32,841	-	
104	ANIKKIN	638	\$18,270	\$27,664	\$9,394	51.41%	\$33,776	\$15,506	84.87%	
105	ANIKSI	527	\$31,015	\$32,687	\$1,672	5.33%	\$38,648	\$7,632	24.61%	
106	ANIAK	395	\$39,854	\$77,323	\$37,468	94.01%	\$94,574	\$54,719	137.23%	
107	ANIK	102	80	\$26,479	\$26,479	-	\$33,122	\$33,122	-	
108	ATMAJILAK	200	\$29,120	\$30,639	\$1,519	5.33%	\$36,286	\$7,166	24.61%	
109	BETHLE	3,853	\$32,768	\$39,630	\$16,862	5.33%	\$42,382	\$110,114	35.20%	
110	BETHLE MISSION	147	\$8,227	\$26,513	\$17,286	106.73%	\$33,141	\$24,213	271.24%	
111	BURKLAZ	188	\$9,215	\$25,971	\$16,755	181.82%	\$37,841	\$28,626	256.78%	
112	CHU BIRAK	237	\$10,422	\$25,555	\$15,133	145.20%	\$31,944	\$21,522	206.50%	
113	CHUVAK	461	\$22,237	\$25,718	\$3,481	15.34%	\$32,034	\$3,796	42.64%	
114	CHUVAKIAK	127	\$19,080	\$29,086	\$10,006	52.44%	\$34,561	\$15,481	111.12%	
115	CLARK'S POINT	39	80	\$24,630	\$24,630	-	\$30,787	\$30,787	-	
116	DEERING	132	\$9,708	\$26,513	\$16,805	173.10%	\$33,141	\$23,433	241.37%	
117	DELTA JUNCTION	862	\$34,271	\$36,140	\$1,868	5.33%	\$42,731	\$8,460	24.61%	
118	DIPEUL	125	\$6,214	\$24,127	\$17,913	287.01%	\$30,509	\$24,275	269.73%	
119	EAGLE	164	\$4,887	\$22,270	\$17,383	355.67%	\$27,689	\$22,801	466.52%	
120	ELK	221	\$14,978	\$25,555	\$10,577	70.61%	\$31,944	\$16,966	113.20%	
121	ELMER	111	80	\$24,630	\$24,630	-	\$30,787	\$30,787	-	
122	ELM	220	\$11,293	\$26,513	\$15,221	134.78%	\$33,141	\$21,850	194.48%	
123	EMERSON	545	\$27,082	\$29,543	\$2,461	5.33%	\$38,021	\$10,939	77.32%	
124	FINE YAKUTAT	637	\$58,714	\$61,393	\$2,679	5.33%	\$71,583	\$12,869	55.70%	
125	FORTUNA ELIAK	250	\$22,879	\$27,187	\$4,308	19.03%	\$32,845	\$10,005	43.80%	
126	GARDILL	437	\$24,782	\$25,259	\$4,476	5.33%	\$32,607	\$7,825	30.53%	
127	GILWIN	118	\$8,958	\$26,513	\$17,555	195.82%	\$33,141	\$24,183	269.94%	
128	GROENK DAY	248	80	\$25,073	\$25,073	-	\$31,655	\$31,655	-	
129	GRAY PK	181	\$9,230	\$25,971	\$16,741	181.51%	\$33,141	\$23,910	230.70%	
130	HEBY CHAZZ	302	\$19,271	\$27,867	\$8,595	44.70%	\$33,888	\$14,616	76.21%	
131	HEBY DAY	595	\$19,481	\$25,073	\$5,592	28.63%	\$31,655	\$12,174	134.81%	
132	HEBY HZ	440	\$45,448	\$47,395	\$1,947	43.03%	\$58,745	\$13,346	75.33%	
133	HEBY HZ	38	\$1,680	\$77,664	\$75,984	1523.47%	\$33,776	\$32,096	1001.51%	
134	HEBY JA	212	\$45,112	\$57,883	\$12,770	28.30%	\$70,215	\$25,103	55.64%	
135	KACHUPAK	271	80	\$20,071	\$20,071	-	\$25,311	\$25,311	-	
136	KAKTUVIK	132	\$3,210	\$25,971	\$22,761	704.07%	\$33,841	\$20,631	229.11%	
137	KALTAG	257	\$9,797	\$26,640	\$17,843	186.11%	\$33,215	\$23,423	269.17%	
138	KASAWI	41	\$4,575	\$18,646	\$14,071	207.22%	\$21,579	\$16,004	415.40%	
139	KIANGA	393	\$23,601	\$25,971	\$2,370	10.04%	\$32,841	\$9,240	39.15%	
140	KIANGA	240	\$14,000	\$25,971	\$11,971	85.49%	\$33,841	\$19,841	134.54%	
141	KIANGA	61	\$15,374	\$27,325	\$11,951	77.73%	\$33,589	\$18,215	118.47%	
142	KIANGA	305	\$11,940	\$25,555	\$13,615	114.02%	\$31,944	\$20,009	167.42%	
143	KIANGA	2,525	\$148,530	\$156,581	\$8,051	5.33%	\$182,045	\$33,514	36.02%	
144	KIANGA	178	\$12,019	\$25,971	\$13,951	116.07%	\$32,841	\$20,822	173.23%	
145	KIANGA	124	\$6,593	\$27,827	\$21,234	323.73%	\$33,421	\$26,827	408.85%	
146	KIANGA	67	\$1,111	\$19,141	\$18,030	162.33%	\$24,464	\$15,434	229.17%	

147 KNEIBLUR	462	\$19,741	\$25,555	\$6,214	2.12%	\$11,944	\$12,602	65.15%
148 LARSEN BAY	158	\$1,787	\$20,071	\$18,283	1022.73%	\$25,311	\$27,593	1119.75%
149 LUNER KALOKAG	218	\$66,873	\$82,788	\$15,915	23.37%	\$17,880	\$6,462	40.46%
150 MANIKUTAK	250	\$11,875	\$24,705	\$12,829	109.24%	\$10,862	\$19,026	160.75%
151 MCKEATH	332	\$34,518	\$31,135	\$3,383	10.48%	\$46,360	\$12,449	36.06%
152 MOKUYUK	174	\$10,741	\$25,555	\$14,813	137.90%	\$11,944	\$21,202	197.37%
153 MOUNTAIN VILLAGE	543	\$51,732	\$54,504	\$2,772	5.37%	\$14,538	\$12,746	24.61%
154 NAFANITAK	277	\$30,005	\$26,365	\$3,640	31.78%	\$12,311	\$12,385	61.90%
155 NAFANITAK	240	\$13,208	\$25,555	\$12,347	93.48%	\$11,944	\$18,776	141.85%
156 NEWWALLN	105	\$0	\$24,630	\$24,630	-	\$0,787	\$0,787	-
157 NEW STUDYANOK	277	\$12,174	\$24,630	\$12,456	102.31%	\$30,787	\$18,613	152.89%
158 NIWITOK	150	\$10,104	\$25,555	\$15,450	152.90%	\$11,944	\$21,831	216.12%
159 NIGHTPETE	135	\$4,056	\$25,817	\$21,761	538.11%	\$11,124	\$28,008	692.02%
160 NIKOLAI	152	\$0	\$25,371	\$25,371	-	\$12,841	\$32,341	-
161 NINDALTON	226	\$0	\$24,693	\$24,693	-	\$10,822	\$30,822	-
162 NORVIK	483	\$23,057	\$27,258	\$4,201	18.22%	\$13,552	\$10,495	45.51%
163 NULATI	344	\$19,126	\$14,138	\$4,987	47.12%	\$14,033	\$14,912	77.94%
164 NUNYAT	182	\$0	\$25,371	\$25,371	-	\$12,841	\$32,841	-
165 OLD TUGBOH	340	\$18,858	\$21,236	\$2,377	12.60%	\$26,024	\$1,165	37.97%
166 OZINKIE	177	\$3,888	\$20,071	\$16,183	416.20%	\$25,311	\$21,492	552.70%
167 PILOT STATION	301	\$14,270	\$25,686	\$11,416	80.00%	\$32,016	\$17,746	124.35%
168 PLATHUM	58	\$27,002	\$28,458	\$1,455	5.33%	\$33,647	\$6,645	24.61%
169 POINT HOPE	486	\$0	\$25,371	\$25,371	-	\$12,841	\$32,841	-
170 PORT ALEXANDER	101	\$1,310	\$19,346	\$18,035	1376.33%	\$24,464	\$23,153	176.96%
171 PORT BELDEN	91	\$56,240	\$77,226	\$21,240	37.71%	\$32,559	\$36,277	64.44%
172 PORT LITSE	232	\$11,730	\$20,710	\$8,979	75.64%	\$25,733	\$13,943	118.25%
173 RUIHAGAG	448	\$18,334	\$25,363	\$6,369	36.63%	\$32,169	\$13,175	69.36%
174 RUBY	220	\$3,678	\$25,371	\$22,233	606.10%	\$12,841	\$22,163	732.87%
175 RUSSIAN MISSION	167	\$0	\$25,555	\$25,555	-	\$11,944	\$11,944	-
176 SAINT MICHAEL	232	\$14,181	\$26,513	\$12,331	86.95%	\$13,141	\$18,959	133.63%
177 SAINT PAUL	567	\$17,085	\$119,033	\$27,047	32.23%	\$165,088	\$75,112	83.47%
178 SAVULGA	468	\$18,227	\$25,371	\$7,744	42.48%	\$12,841	\$14,614	80.17%
179 SARMAN	272	\$8,294	\$19,351	\$11,057	133.32%	\$23,769	\$15,675	183.93%
180 SCAVERN BAY	259	\$15,629	\$25,363	\$10,333	66.11%	\$12,169	\$16,579	105.81%
181 SELANIK	505	\$13,171	\$25,371	\$12,799	97.17%	\$12,841	\$19,670	149.33%
182 SINGELUK	223	\$0	\$25,371	\$25,371	-	\$12,841	\$32,841	-
183 SINGELUK	160	\$37,557	\$47,036	\$9,479	25.24%	\$56,134	\$18,577	49.46%
184 SLEDEN POINT	117	\$0	\$25,555	\$25,555	-	\$11,944	\$11,944	-
185 SLEDENWILL	377	\$20,741	\$25,371	\$5,023	24.01%	\$12,841	\$11,830	94.52%
186 SLEDENWILL	131	\$10,341	\$26,513	\$16,171	155.81%	\$11,141	\$22,759	219.22%
187 STEPHEN	303	\$15,042	\$26,513	\$11,470	76.25%	\$13,141	\$18,039	129.31%
188 TAPVA	479	\$33,515	\$88,334	\$54,819	163.74%	\$107,759	\$74,283	221.50%
189 TELLER	258	\$16,147	\$27,424	\$11,276	69.87%	\$12,245	\$21,088	150.68%
190 THOMAS SPRINGS	141	\$5,872	\$19,850	\$13,978	231.04%	\$24,742	\$18,870	121.34%
191 TUGTAK	487	\$20,831	\$36,203	\$15,372	25.74%	\$11,646	\$10,817	51.31%
192 TUGTAK BAY	336	\$16,775	\$25,555	\$8,780	52.34%	\$11,944	\$15,168	90.47%
193 TUGTAK	258	\$40,377	\$43,103	\$2,726	56.47%	\$76,257	\$35,329	29.07%
194 TUGTAK	279	\$14,723	\$25,817	\$11,094	70.01%	\$11,655	\$16,982	114.91%
195 UPAKILLET	632	\$44,751	\$47,374	\$2,623	5.71%	\$11,773	\$16,311	37.46%
196 UPAKILLET	107	\$5,287	\$28,784	\$21,497	406.31%	\$13,240	\$21,003	59.65%
197 WATBOGON	423	\$0	\$25,371	\$25,371	-	\$12,841	\$32,841	-
198 WALLN	130	\$0	\$24,127	\$24,127	-	\$0,509	\$0,509	-
199 WASTILA	2,104	\$48,661	\$107,402	\$58,740	50.53%	\$124,557	\$55,875	81.40%
200 WHITE MOUNTAIN	115	\$0	\$24,127	\$24,127	-	\$10,509	\$30,509	-
201 WHITE MOUNTAIN	232	\$17,240	\$51,826	\$20,586	61.88%	\$18,121	\$45,611	197.16%
202 WHITE MOUNTAIN	1	\$69,446	\$62,314	\$7,132	9.40%	\$4,317	\$4,317	7.11%
203 WHITE MOUNTAIN	1	\$0	\$1,243,616	\$1,243,616	-	\$1,470,404	\$1,470,404	-
TOTAL		\$27,020,040	\$33,500,000	\$6,479,960	23.70%	\$41,000,000	\$24,879,340	60.07%

all well for May 21, 1900

### III. ANALYSIS

Only Section 1 of SB 125 effects the Department of Community and Regional Affairs and is, therefore, the only section addressed in this fiscal note.

Section 1 of this bill would make a supplemental appropriation of \$4.6 million to the Department of Community and Regional Affairs for the State Revenue Sharing program. This additional amount, which represents a 12.1% increase in the grant funding for this program, does not directly cause a great deal more expense. Some additional computer time would have to be purchased, and some additional printing and mailing costs would be incurred to handle the supplemental payments. These costs would total only about five hundred dollars.

However, other problems have been encountered in implementing the State Revenue Sharing revisions found in Chapter 155, SLA 1980. The start up administrative costs for this "new" program have been greater than originally anticipated. This is reflected in added costs for:

- 1) Computer time, to input data and run printouts, that was not required under the old program;
- 2) Long distance telephone expenses incurred to answer questions regarding the new program, and to address misconceptions and misunderstandings resulting from the new Revenue Sharing law;
- 3) New word processing and computer equipment needed to meet the increased work load resulting from this program; and
- 4) Professional fees and services to program computers to handle the new program that can only be feasibly handled in a computerized mode.

The other major factor contributing to the increased costs was the addition of Native village governments (Sec. 29.89.050) as eligible recipients of State Revenue Sharing Funds. This addition increased our number of clients by over one-third. The original idea of making Native village governments eligible for State Revenue Sharing was proposed in SB 565. This Department prepared a fiscal note for that bill, which included additional administrative costs of 77.5 to implement this concept, but when the Native village government provisions were added to the Revenue Sharing bill late last session the fiscal note was not included. The cost of serving these new entities are reflected in higher costs for:

- 1) Long distance telephone costs to assist eligible villages;
- 2) Addition printing costs for applications and regulations;
- 3) Additional postage to mail applications and payments;
- 4) Additional travel to assist Native village governments in preparing applications; and
- 5) Other miscellaneous costs that reflect the simple fact that the more communities are now eligible to participate in this program.

After six months of experience we have a better understanding of what is needed to administer this program. The following reflects additional funding that will be needed to adequately administer the State Revenue Sharing Program.

FY 81

<u>200 TRAVEL</u>		7.2
12 trips @ \$500 per trip to assist municipalities and meet with staff in field offices regarding the Revenue Sharing Program.		

<u>300 Contractual</u>		12.5
------------------------	--	------

Long Distance Telephone	1.0
Postage	1.0
Printing and Advertising	3.5
Copier	.5
Equipment rental	1.5
Professional fees and services	5.0

Total	19.7
-------	------

FY 82

<u>200 TRAVEL</u>		7.9
FY 81 + 10% inflation adjustment		

<u>300 CONTRACTUAL</u>		
FY 81 on all costs except Professional fees and services + 10% inflation	8.3	
Professional fees and services	2.0	

Total FY 82	18.2
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FY 83 and FY 84 increase 10% each year for inflation

This administrative supplemental of 19.7 for FY 81 will bring the total cost for administering SRS up to 102.7, which translates into an overhead cost of .0027.



# Alaska State Legislature

## House of Representatives

Committee on

Community & Regional Affairs

Rep. Ben Grussendorf  
Chairman  
465-3870

Pouch V  
State Capitol  
Juneau, Alaska 99811

Summary - SB 125 am

"An Act making supplemental appropriations to the Department of Community and Regional Affairs and the Department of Revenue for programs which provide state financial assistance to municipalities and other recipients; and providing for an effective date."

### Section 1.

The appropriation of \$18,400 million from the general fund to the municipality revenue sharing fund.

a) This figure was formulated by fully funding the two clauses which were included in the municipality revenue sharing program changes of last year. They are the 'hold harmless clause' and the 'minimum entitlement clause'. These clauses can be found at the beginning of Chapter 95, Title 29. The effect is that no borough or municipality will receive less than 125% of what they would have received under the old formula of FY 80. Thus the calculated figure of \$18,400 million.

### Section 2.

The appropriation of \$45,100 million from the general fund to the municipality assistance fund.

a) These additional funds are requested to fully fund the revenues collected from corporate income taxes (the 10%) which goes into the municipality assistance fund. The total FY 80 10% figure was \$6,400 million. Since FY 81 already allows for \$11,400 million, the additional \$45,100 is the difference needed to fully fund the municipality assistance program.

### Section 3.

This section was an offered amendment by Senator Sackett. There was a question as to this amendment's actual effect and the intent by the Senator. A legal opinion was requested and received. (attached)

STATE OF ALASKA  
THE LEGISLATURE

FOUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99801  
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 2, 1981

SUBJECT: Appropriation to Unincorporated  
Communities

TO: Representative Ben F. Grussendorf  
Chairman  
House Community and Regional Affairs  
Committee

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

I have read Mr. Chenoweth's memorandum to you on this subject and agree with his conclusions.

The constitutional problem could be substantially mitigated and the statutory problem eliminated if the appropriation were not through AS 29.89.050 but distributed equally to recipients of state aid under that section. If that is desired I would suggest the following language:

"Section 3. The sum of \$780,000 is appropriated from the general fund to the Department of Community and Regional Affairs for distribution in equal shares to each native village government entitled to state aid under AS 29.89.050."

This would not be free from constitutional question. An argument can be made that such a direct appropriation violates the prohibition against local or special acts if a general act can be made applicable contained in sec. 19, Article II of the constitution. It is my opinion that appropriations are by their very nature special acts; that there is no requirement that appropriations be pursuant to enabling substantive law and that the appropriation suggested would be constitutional.

BGB:blg

*The CRF Committee has adopted this language to replace Sect 3 of SB125.*

# Alaska State Legislature

HOME ADDRESS  
P.O. BOX 65  
GALENA, ALASKA 99741

WHILE IN JUNEAU  
POUCH V  
JUNEAU, ALASKA 99811  
TELEPHONE 469-3758



SENATOR

John C. Sackett

SENATE FINANCE COMMITTEE

## Senate

M E M O R A N D U M

March 10, 1981

TO: Representative Grussendorf  
FROM: Senator Sackett *JCS*

Senate Bill 125 was amended (Section 3) to provide equal assistance to sixty unincorporated villages. That list of villages, as provided by the Department of Community and Regional Affairs, is attached. The \$780,000.00 appropriation under Section 3 would provide \$13,000.00 to each of the sixty villages. That amount seems to approximate the shares to be received by incorporated cities of similar demographics under Sections 1 and 2.

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Native Village Government	1911-14 Allocated Entitlement	Final Payment					
Urtic Village	20726.93	* 21078 <sup>24</sup>					
Atka	20726.93						
Beaver	20726.93						
Burch Creek	20726.93						
Cantwell	20726.93	*					
Chalkyitsik	20726.93						
Chickaloon	20726.73						
Chignik	20726.93						
Chignik Lake	20726.93						
Chignik Lagoon	20726.93	*					
Chitina	20726.93						
Chistochina	20726.93						
Circle	20726.93						
Copper Center	20726.93						
Cracked Creek	20726.93						
Dot Lake	20726.93	*					
Eagle	20726.93						
Egegik	20726.93						
English Bay	20726.73						
Evansville	20726.75						
Gulkora	20726.93	*					
Healy Lake	20726.93						
Igiugig	20726.73						
Iliamna	20726.93						
Ikroavik	20726.93						
Kipnuk	20726.93						
Klukwan	20726.93						
Kokhanok	20726.73						
Keliganek	20726.93	*					
Kongiganak	20726.93	*					
Kwigillingok	20726.73						
Levelock	20726.73						
Little Village	20726.93						
<del>Longport Springs</del>	20726.93	*					
Melata Lake	20726.93						
Mellata Lake	20726.73	*					
Minto	20726.73	*					
Nikolski	20726.73	*					
Northway	20726.73	*					
Red Bay	20726.73						
	824077.00						

not eligible



# Alaska MUNICIPAL League

TELEPHONES  
907: 586-1325  
586-6526

204 N. FRANKLIN ST.  
JUNEAU, ALASKA 99801

March 11, 1981

to: House Community & Regional Affairs Committee  
from: Ginny Chitwood, AML Executive Director *gc.*  
re: SB 125 - Supplemental Appropriation

If the committee adopts the language suggested by Berrier for distribution of additional funds to native village governments, each would receive about \$13,000 in supplemental funds, raising the FY 81 entitlement for each to about \$34,000. In order to correct the inequity between the native village governments and the small incorporated communities that would be created by that language, please consider the following additional amendments:

Change amount in Section 1 of SB 125 from \$18,400,000 to \$18,650,000.

add a new section:

Sec. 29.95.020. Qualification for minimum payment. (a) is amended to read:

A municipality qualifying for an entitlement under AS 29.88 or AS 29.89 shall receive a minimum payment of \$34,000 [\$25,000] plus an area cost-of-living differential for each fiscal year if

(1) the municipality has conducted a regular election under AS 29.28.010 - 29.28.050 during the fiscal year preceding the year for which payment of an entitlement is authorized by AS 29.88 or AS 29.89 and has reported the results of the election to the commissioner of the Department of Community and Regional Affairs;

(2) regular council meetings are held in the municipality in accordance with the requirements of AS 29.23.210 during the fiscal year preceding the year for which payment of an entitlement is authorized by AS 29.88 or AS 29.89 and a record of the proceedings is maintained;

(3) a municipal budget has been adopted for the fiscal year during which payment of an entitlement is authorized by AS 29.88 or AS 29.89 and an audit or financial statement for the preceding fiscal year has been prepared and furnished to the Department of Community and Regional Affairs in accordance with AS 29.23.560(a); and

(4) local ordinances adopted by the governing body of the municipality have been codified in accordance with AS 29.48.180.

Communities that would benefit from this amendment are:  
Hydaburg, Klawock, Akhiok, Akiak, Akutan, Aleknagik, Allakaket, Anaktuvuk Pass, Anderson, Anvik, Brevig Mission, Chefor-nak, Chevak, Clark's Point, Deering, Diomede, Eagle, Eek, Ekwok, Elim, Fortuna Ledge, Gambell, Golovim, Goodnews Bay, Grayling, Holy Cross, Hooper Bay, Hughes, Kachemak, Kaktovik, Kaltag, Kasaan, Kiana, Kivalina, Kobuk, Kotlik, Koyuk, Koyukuk, Kupreanof, Kwethluk, Larsen Bay, Manokotak, Mekoryuk, Napakiak, Napaskiak, Newhalen, New Stuyahok, Newtok, Night-mute, Nikolai, Nondalton, Norvik, Nuiqsut, Old Harbor, Ouzinkie, Pilot Station, Platinum, Point Hope, Port Alexander, Port Lions, Quinhagak, Ruby, Russian Mission, Saint Michael, Savoonga, Saxman, Scammon Bay, Selawik, Shageluk, Sheldon Point, Shishmaref, Shungnak, Stebbins, Tenakee Springs, Togiak, Toksook Bay, Tununak, Upper Kalskag, Wainwright, Wales, and White Mountain.

cc: Senator Dankworth  
Dept. of C&RA

# Alaska State Legislature

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TELEPHONE 448-3788



SENATOR

John C. Sackett

SENATE FINANCE COMMITTEE

## Senate

M E M O R A N D U M

March 10, 1981

TO: Representative Grussendorf  
FROM: Senator Sackett *JCS*

Senate Bill 125 was amended (Section 3) to provide equal assistance to sixty unincorporated villages. That list of villages, as provided by the Department of Community and Regional Affairs, is attached. The \$780,000.00 appropriation under Section 3 would provide \$13,000.00 to each of the sixty villages. That amount seems to approximate the shares to be received by incorporated cities of similar demographics under Sections 1 and 2.





STATE OF ALASKA  
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY  
GENERAL COUNSEL  
1000 EAST 12TH AVENUE  
ANCHORAGE, ALASKA 99515

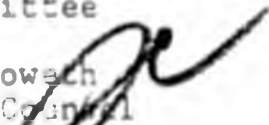
LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 19, 1981

SUBJECT: Appropriation to unincorporated communities  
Section 3, SB 125 am  
(Work Order No. 12-0750)

TO: Representative Ben F. Grussendorf  
Chairman, House Community and Regional  
Affairs Committee

FROM: John B. Chenoweth  
Legislative Counsel 

With the supplemental appropriation of \$18,400,000 to the several accounts collectively managed by the Department of Community and Regional Affairs by \* Sec. 1 of this bill, I am told that sufficient money is added to amounts appropriated by the 1980 Legislature to assure all recipients of their full share to which entitled by law during FY 1981. Native village governments would be receiving, under AS 29.89.050, the full \$25,000 to which each is entitled.

Assuming this is true, the addition of the \$780,000 by \* Sec. 3 of the bill suggests two conclusions:

(1) The "miscellaneous services account", AS 29.-89.080, to which an appropriation for miscellaneous municipal purposes would normally be made, is "over-appropriated" by \$780,000. AS 29.95.010(b) directs that any "surplus" amounts pour over into the tax equalization account, AS 29.88.035, for distribution to municipalities. Under this interpretation, municipalities -- but not unincorporated Native villages -- would share an additional \$780,000.

(2) The appropriation is invalid: it is not an appropriation made to the miscellaneous municipal service account, the source, by law, of allocations to unincorporated communities under AS 29.89.050, and direct

Representative Ben F. Grussendorf  
Page 2  
February 19, 1981

appropriations that do not pass through this account for the support for one group of recipients or another are not authorized.

Under either conclusion, the Native village governments should not expect to receive the additional \$780,000 as the amendment's sponsor intended.

JBC:ljb

STATE OF ALASKA  
THE LEGISLATURE

POUCH - STATE CAPITOL  
JUNEAU ALASKA 99801  
907-465-3611

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 2, 1981

SUBJECT: Appropriation to Unincorporated  
Communities

TO: Representative Ben F. Grussendorf  
Chairman  
House Community and Regional Affairs  
Committee

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

I have read Mr. Chenoweth's memorandum to you on this subject and agree with his conclusions.

The constitutional problem could be substantially mitigated and the statutory problem eliminated if the appropriation were not through AS 29.89.050 but distributed equally to recipients of state aid under that section. If that is desired I would suggest the following language:

"Section 3. The sum of \$780,000 is appropriated from the general fund to the Department of Community and Regional Affairs for distribution in equal shares to each native village government entitled to state aid under AS 29.89.050."

This would not be free from constitutional question. An argument can be made that such a direct appropriation violates the prohibition against local or special acts if a general act can be made applicable contained in sec. 19, Article II of the constitution. It is my opinion that appropriations are by their very nature special acts; that there is no requirement that appropriations be pursuant to enabling substantive law and that the appropriation suggested would be constitutional.

BGB:blg

*Relating to  
Sec 3  
SB 195*

I. REQUEST  
 Bill/Resolution No. SB No. 565  
 Title An Act relating to native village governments  
 Requested by State Affairs Committee

Date 4/22/80

II. FISCAL DETAIL  
 Agency Affected Community & Regional Affairs  
 Program Category Affected Development  
 BRU, Program, or Subprogram(s) Affected Local Government Assistance - Grants  
 (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		48.6	52.5	56.7	61.2	66.1
200 TRAVEL		9.0	13.0	19.5	21.0	22.7
300 CONTRACTUAL		16.1	17.5	18.3	20.4	22.1
400 COMMODITIES		.3	.4	.4	.4	.5
500 EQUIPMENT		3.5	1	0	0	0
600 LAND & STRUCTURES		0	0	0	0	0
700 GRANTS, CLAIMS, ETC.		463.3	942.3	1,570.5	1,696.1	1,831.8
<b>TOTAL</b>		<b>540.8</b>	<b>1,025.7</b>	<b>1,666.0</b>	<b>1,799.1</b>	<b>1,943.2</b>

FUNDING (Thousands of Dollars)

GENERAL FUND		540.8	1,025.7	1,666.0	1,799.1	1,943.2
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME		2	2	2	2	2
PART TIME						
TEMPORARY						

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

This fiscal note assumes that the State aid to local governments program will remain at the same operating level (i.e. no increase in rate of entitlement; no additional categories).

We talked with people from the Bethel region to get a count of the Native Villages outside an incorporated borough or city. It was agreed that the ANCSA list would be the best "guesstimate" of the number of Native Villages in Alaska outside of an incorporated area.

(continued on attached)

IV. DATE 4/22/80 PREPARED BY Hetta Crane  
 AGENCY Community & Regional Affairs  
 PHONE 465-4733  
 Original Legislative Finance  
 cc: Direct and Management  
 Prime Sponsor (First Legislator Named)

Assume 100 native villages  
 Assume 200 average population each  
 Assume 50 have public roads @ 4 miles each  
 Assume 10 have ice roads @ 10 miles each  
 Assume would be eligible for the following categories:

Police Protection	\$12.00 per capita x 20,000 pop.	=	\$240,000
Fire Protection	7.50 per capita x 20,000 pop.	=	150,000
Water Pollution Control	2.00 per capita x 20,000 pop.	=	40,000
Land Use Planning	2.00 per capita x 20,000 pop.	=	40,000
Parks & Recreation	5.00 per capita x 20,000 pop.	=	100,000
Road Maintenance			
Public Roads	1,500 per mile x 200 miles	=	300,000
Ice Roads	900 per mile x 100 miles	=	90,000
Health Facilities	4,000 per fac. x 54 facs.	=	216,000
	Total Entitlement		\$1,176,000
	times average COLA		<u>23.65%</u>
	Total Entitlement		\$1,454,124

For FY 81 we have assumed that only 30 of the eligible native villages will apply and only 15 trips will be necessary to draw up agreements between the native villages and the Department of Community & Regional Affairs.

FY 81

100 PERSONAL SERVICES

1 Administrative Assistant I - range 12 - \$1628/mo x 28% benefits x 12 = \$25,006  
 1 Clerk V - range 11 - \$1533/mo x 28% benefits x 12 = \$23,547

\$25,006  
 23,547  
\$48,553

200 TRAVEL

15 trips @ \$500 ea. plus \$100 per diem ea. = \$9,000

300 CONTRACTUAL

Long Dist. Tele	780
Basic Phone	120
Centrex	403
Postage	1,800
Prntg & Advtsg.	1,440
Repairs & Maint.	660
Copier	180
Office space 600 sq.ft. @ 1.50 mo. x 12	10,800
	<u>16,183</u>

400 COMMODITIES

\$300

500 EQUIPMENT

\$3500

600 LAND & STRUCTURES

NONE

700 GRANTS, CLAIMS, ETC.

3% of \$1,454,124 = \$436,237

FY 82

We have assumed that 60% will participate and 20 trips will be necessary. Also there would be no additional equipment and an 8% inflationary factor has been added.

20 trips @ \$500 ea. plus \$100 per diem each = \$12,000  
60% of \$1,454,124 = \$872,474

FY 83 thru FY 85

We have assumed 100% participation and 30 trips. Also all subsequent years include an 8% inflationary factor.

30 trips @ \$500 ea. plus \$100 per diem each = \$18,000  
100% participation \$1,454,124

# Alaska State Legislature

SENATOR  
M. "ED" DANKWORTH  
REPRESENTING  
SENATE DISTRICT 12-J  
COMMITTEES  
FINANCE, CO-CHAIRMAN  
RULES, VICE-CHAIRMAN  
TRANSPORTATION  
LEGISLATIVE BUDGET & AUDIT



Senate

HOME ADDRESS  
2425 HIALGAN DRIVE  
ANCHORAGE, ALASKA 99503  
HOME PHONE: (907) 277-0683

IN SESSION  
FOURTH FLOOR  
JUNEAU, ALASKA 99801  
PHONE: (907) 468-3753

*Done*

To: All Senators  
From: Senator Dankworth  
Re: SB 125 am  
Date: February 13, 1981

Please find attached an updated breakdown, by community, of municipal assistance and revenue sharing before and after the enactment of SB 125 am. The population figures used for this chart will be used by the Department of Community and Regional Affairs and the Department of Revenue in administering these funds.

The first three columns represent FY 81 revenue sharing and municipal assistance as provided by the legislature in 1980. Columns 4, 5 and 6 represent FY 81 figures including the additional funding provided by SB 125 am. The last two columns are the funding levels proposed by the governor for FY 82.

These figures do not include the \$780,000 additional revenue sharing for unincorporated communities as does the bill that passed the Senate. The \$780,000 will be added to the Native Village Government category found on page four.

LD/eb

STATE OF ALASKA  
 OFFICE OF THE GOVERNOR  
 DIVISION OF BUDGET AND MANAGEMENT

REVENUE SHARING & MUNICIPAL ASSISTANCE COMPARISONS

	FY81 RS	FY81 MA	FY 81 TOTAL	FY81 RS	FY81 MA	FY 81 REVISED	FY82 RS	FY82 MA	FY 82 TOTAL
BOROUGH, CITY, VILLAGE	\$33,500.0	\$11,400.0	\$44,900.0	\$51,900.0	\$56,500.0	108,400.0	\$51,900.0	\$80,500.0	132,400.0
(BOROUGHS) --	.0	.0	.0	.0	.0	.0	.0	.0	.0
ANCHORAGE MUN.	15,073.6	5,277.2	20,350.8	20,190.0	26,000.8	46,190.8	20,190.0	37,021.4	57,211.4
BRISTOL BAY BOR.	208.5	17.2	225.7	502.0	187.8	689.8	502.0	278.7	780.7
FAIRBANKS BOR.	1,326.3	622.7	1,949.0	2,737.1	2,934.3	5,671.4	2,737.1	4,171.9	6,909.0
UNALASKA BOR.	1,801.4	417.0	2,218.4	4,007.5	2,870.4	6,877.9	4,007.5	4,176.2	8,183.7
FAIRBANKS BOROUGH	19.4	8.4	27.8	48.1	64.8	112.9	48.1	94.9	143.0
SIKOTIA BOROUGH	451.7	148.6	600.3	623.7	1,038.2	1,661.9	623.7	1,512.1	2,135.8
WENAI BOROUGH	354.7	374.1	728.8	680.2	1,782.0	2,462.2	680.2	2,532.1	3,212.3
WETCHIKAN BOROUGH	306.5	41.6	348.1	711.5	547.8	1,259.3	711.5	817.2	1,528.7
WODIAK BOROUGH	308.9	25.0	333.9	556.5	559.0	1,115.5	556.5	840.4	1,396.9
WAT-SU BOROUGH	978.3	126.6	1,104.9	1,608.6	1,995.2	3,603.8	1,608.6	2,990.7	4,599.3
WORTH SLOPE BOR.	327.6	1,228.5	1,556.1	443.3	1,742.6	2,185.9	443.3	2,015.4	2,458.7
WEST CLASS CITY	.0	.0	.0	.0	.0	.0	.0	.0	.0
BARROW	48.3	29.3	77.6	56.5	304.1	360.6	56.5	450.5	507.0
BARDOVA	269.4	50.7	320.1	508.9	332.1	841.0	508.9	482.0	990.9
BEAVER CREEK	39.3	6.1	45.4	80.5	65.5	146.0	80.5	97.2	177.7
BELLINGHAM	116.8	30.4	147.2	265.4	198.3	463.4	265.4	287.3	552.7
BEAVER CREEK	2,994.7	1,106.7	4,101.4	4,255.6	4,809.3	9,064.9	4,255.6	6,775.6	11,031.2
BEAVER CREEK	53.7	8.7	62.4	97.0	105.6	202.6	97.0	157.2	254.2
BEAVER CREEK	75.2	22.7	97.9	155.5	161.0	316.5	155.5	234.7	390.2
BEAVER CREEK	107.5	66.3	173.8	208.5	291.7	500.2	208.5	411.8	620.3
BEAVER CREEK	55.4	9.1	64.5	64.8	119.7	184.5	64.8	178.7	243.5
BEAVER CREEK	19.1	2.6	21.7	23.5	41.2	64.7	23.5	61.7	85.2
BEAVER CREEK	41.3	3.8	45.1	84.7	75.7	160.4	84.7	114.0	198.7
BEAVER CREEK	312.1	154.5	466.6	639.9	602.1	1,242.0	639.9	840.5	1,480.4
BEAVER CREEK	594.0	225.4	819.4	1,499.9	1,151.9	2,651.8	1,499.9	1,644.9	3,144.8
BEAVER CREEK	36.4	3.2	39.6	66.2	77.4	143.6	66.2	116.9	183.1
BEAVER CREEK	19.8	2.3	22.1	24.0	43.1	67.1	24.0	64.9	88.9
BEAVER CREEK	232.3	173.6	405.9	391.9	756.1	1,148.0	391.9	1,086.5	1,458.4
BEAVER CREEK	53.3	13.5	66.8	90.2	64.3	154.5	90.2	91.5	181.7
BEAVER CREEK	295.3	58.7	354.0	502.6	351.4	854.0	502.6	507.4	1,010.0
BEAVER CREEK	41.3	32.9	74.2	64.1	116.2	180.3	64.1	160.6	224.7
BEAVER CREEK	179.4	58.0	237.4	281.7	270.1	551.8	281.7	383.1	664.8
BEAVER CREEK	21.2	3.3	24.5	37.4	25.7	63.1	37.4	37.6	75.0
BEAVER CREEK	259.8	49.8	309.6	520.9	373.4	894.3	520.9	545.8	1,066.7
BEAVER CREEK	60.5	5.9	66.4	114.3	86.3	200.6	114.3	129.1	243.4
BEAVER CREEK	88.7	1.4	90.1	161.6	57.2	218.8	161.6	86.8	248.4
BEAVER CREEK	33.5	6.5	40.0	47.9	59.9	107.8	47.9	88.4	136.3
BEAVER CREEK	258.9	49.0	307.9	396.1	230.0	626.1	396.1	326.5	722.6
BEAVER CREEK	52.4	23.3	75.7	94.5	112.0	206.5	94.5	159.3	253.8
BEAVER CREEK	138.7	107.6	246.3	268.2	347.0	615.2	268.2	474.5	742.7
BEAVER CREEK	194.0	25.8	219.8	337.0	158.5	495.5	337.0	228.7	565.7
BEAVER CREEK	304.0	376.1	680.1	356.0	787.7	1,143.7	356.0	1,007.0	1,363.0
BEAVER CREEK	229.0	45.2	274.2	452.2	381.8	834.0	452.2	561.2	1,013.4
BEAVER CREEK	28.8	13.5	42.3	61.3	58.3	119.6	61.3	82.1	143.4

DATE = 2/13/81  
 TIME = 12:15

STATE OF ALASKA  
 OFFICE OF THE GOVERNOR  
 DIVISION OF BUDGET AND MANAGEMENT

REVENUE SHARING & MUNICIPAL ASSISTANCE COMPARISONS

BOROUGH, CITY, VILLAGE	FY81 RS	FY81 MA	FY 81 TOTAL	FY81 RS	FY81 MA	FY 81 REVISED	FY82 RS	FY82 MA	FY 82 TOTAL
	\$33,500.0	\$11,400.0	\$44,900.0	\$51,900.0	\$56,500.0	108,400.0	\$51,900.0	\$80,500.0	132,400.0
<2ND CLASS CITY>	.0	.0	.0	.0	.0	.0	.0	.0	.0
AKHIOK	20.6	.6	21.2	25.1	10.7	36.8	26.1	16.1	42.2
AKIACHAK	35.4	1.1	36.5	41.5	36.9	78.4	41.5	56.0	97.5
AKIAK	26.1	.5	26.6	31.9	22.3	54.2	31.9	34.0	65.9
AKOLMIUT	92.9	1.5	94.4	110.6	66.4	177.0	110.6	101.0	211.6
AKUTAN	24.7	.4	25.1	30.4	8.5	38.9	30.4	12.9	43.3
ALAKANUK	38.1	6.3	44.4	50.9	59.6	110.5	50.9	88.0	138.9
ALEKNAGIK	25.4	.9	26.3	30.9	23.9	54.8	30.9	36.1	67.0
ALLAKAKET	27.1	.5	27.6	33.1	22.3	55.4	33.1	34.0	67.1
AMBLER	28.7	1.0	29.7	34.1	22.9	57.0	34.1	34.6	68.7
ANAKTUVUK PASS	.8	.4	.4	32.8	17.9	50.7	32.8	27.2	60.0
ANDERSON	28.1	2.3	30.4	33.7	73.4	107.1	33.7	111.0	144.7
ANGOON	33.0	4.0	37.0	38.6	57.3	95.9	38.6	85.7	124.3
ANIAK	78.1	3.9	82.0	94.5	39.8	134.3	94.5	58.9	153.4
ANVIK	27.1	.3	27.4	33.0	10.6	43.6	33.0	16.1	49.1
ATMAUTLUAK	31.0	.5	31.5	36.3	20.7	57.0	36.3	31.5	67.8
BETHEL	332.5	73.5	406.0	422.0	463.5	885.5	422.0	671.3	1,093.3
BREVIK MISSION	27.1	.5	27.6	33.1	15.3	48.4	33.1	23.2	56.3
BUCKLAND	26.6	.7	27.3	32.8	19.7	52.5	32.8	29.9	62.7
CHEFORNAK	26.1	1.0	27.1	31.9	24.9	56.8	31.9	37.6	69.5
CHEVAK	26.2	1.1	27.3	32.0	48.4	80.4	32.0	73.7	105.7
CHUATHBALUK	29.4	.6	30.0	34.3	13.4	47.7	34.3	20.2	54.5
CLARK'S POINT	25.2	.2	25.4	30.7	10.1	40.8	30.7	15.3	46.0
DEERING	27.1	.7	27.8	33.1	14.1	47.2	33.1	21.2	54.3
DELTA JUNCTION	39.2	31.0	70.2	42.7	121.3	164.0	42.7	169.4	212.1
DIOMEDE	6.6	.3	6.9	30.7	12.9	43.6	30.7	19.7	50.4
EAGLE	22.7	1.1	23.8	27.6	17.7	45.3	27.6	26.5	54.1
EEK	26.1	.9	27.0	31.9	23.1	55.0	31.9	35.0	66.9
EKWOK	25.2	.3	25.5	30.7	11.5	42.2	30.7	17.5	48.2
ELIM	27.1	.8	27.9	33.1	23.9	57.0	33.1	36.2	69.3
EMMONAK	28.8	4.1	32.9	47.8	59.3	107.1	47.8	88.7	136.5
FORT YUKON	62.6	7.9	70.5	91.4	72.4	163.8	91.4	106.7	198.1
FORTUNA LEDGE	27.6	1.0	28.6	32.8	27.3	60.1	32.8	41.3	74.1
GAMBELL	26.6	2.3	28.9	32.5	46.4	78.9	32.5	70.0	102.5
GOLOVIN	27.1	.9	28.0	32.8	12.7	45.5	32.8	19.1	51.9
GOODNEWS BAY	.0	.5	.5	31.6	25.6	57.2	31.6	39.0	70.6
GRAYLING	10.6	.8	11.4	33.4	19.0	52.4	33.4	28.8	62.2
HOLY CROSS	28.3	1.5	29.8	33.8	32.0	65.8	33.8	48.3	82.1
HOOPER BAY	25.6	3.6	29.2	31.6	64.1	95.7	31.6	96.4	128.0
HOUSTON	67.9	2.5	70.4	90.7	47.0	137.7	90.7	70.8	161.5
HUGHES	28.1	.3	28.4	33.7	10.2	43.9	33.7	15.4	49.1
HUSLIA	58.5	1.1	59.6	70.1	22.5	92.6	70.1	34.0	104.1
KACHEMAK	20.6	1.0	21.6	25.3	28.4	53.7	25.3	43.0	68.3
KAKTOVIK	26.6	1.5	28.1	32.8	20.9	53.7	32.8	31.2	64.0
KALTAG	27.2	.5	27.7	33.1	26.5	59.6	33.1	40.3	73.4
KASAAH	4.9	.1	5.0	23.7	4.7	28.4	23.7	7.2	30.9
KIANA	26.6	2.0	28.6	32.8	37.8	70.6	32.8	56.8	89.6

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
DIVISION OF BUDGET AND MANAGEMENT

REVENUE SHARING & MUNICIPAL ASSISTANCE COMPARISONS

ATE = 2/13/81  
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BOROUGH, CITY, VILLAGE	FY 81		FY 81 TOTAL	FY 81		FY 81 REVISED	FY 82		FY 82 TOTAL
	FY81 RS	FY81 MA		FY81 RS	FY81 MA		FY82 RS	FY82 MA	
	\$33,500.0	\$11,400.0	\$44,900.0	\$51,900.0	\$56,500.0	108,400.0	\$51,900.0	\$80,500.0	132,400.0
CHITINA	26.6	.7	27.3	32.8	25.9	58.7	32.8	39.4	72.2
COBUK	27.8	.2	28.0	33.5	6.2	39.7	33.5	9.5	43.0
COTLIK	26.1	1.7	27.8	31.9	32.5	64.4	31.9	49.0	80.9
COTZEBUE	157.9	38.8	196.7	199.4	294.5	493.9	199.4	430.7	630.1
COYUK	26.6	.6	27.2	32.8	18.6	51.4	32.8	28.2	61.0
COYUKUK	27.5	.7	28.2	33.1	13.1	46.2	33.1	19.8	52.9
CUPREANOF	19.8	.1	19.9	24.4	5.6	30.0	24.4	8.6	33.0
CWETHLUK	26.1	2.3	28.4	31.9	49.0	80.9	31.9	73.9	105.8
LARSEN BAY	20.6	.3	20.9	26.0	16.3	42.3	26.0	24.8	50.8
LOWER KALSKAG	83.5	.6	84.1	92.2	22.6	114.8	92.2	34.4	126.6
MANOKOTAK	25.3	.8	26.1	31.1	26.0	57.1	31.1	39.5	70.6
MCGRATH	38.5	4.0	42.5	46.9	42.7	89.6	46.9	63.3	110.2
MEKORYUK	26.1	.5	26.6	39.9	18.1	58.0	39.9	27.5	67.4
MOUNTAIN VILLAGE	55.1	3.4	58.5	64.5	58.3	122.8	64.5	87.6	152.1
NAPAKIAK	26.8	2.1	28.9	32.3	30.0	62.3	32.3	45.0	77.3
NAPASKIAK	26.1	.5	26.6	31.9	24.7	56.6	31.9	37.7	69.6
NEUHALEN	25.2	.4	25.6	30.4	11.0	41.4	30.4	16.6	47.0
NEW STUYAHOK	25.2	1.0	26.2	30.7	31.0	61.7	30.7	47.0	77.7
NEWTOK	26.1	.4	26.5	31.9	15.5	47.4	31.9	23.6	55.5
NIGHTMUTE	26.4	.3	26.7	32.1	13.9	46.0	32.1	21.2	53.3
NIKOLAI	.0	.3	.3	32.8	15.6	48.4	32.8	23.8	56.6
NONDALTON	25.2	.9	26.1	30.6	23.7	54.3	30.6	35.9	66.5
NOORVIK	27.7	2.4	30.1	33.5	51.2	84.7	33.5	77.2	110.7
NULATO	28.5	1.3	29.8	34.0	36.0	70.0	34.0	54.6	88.6
NUIQSUT	.0	.4	.4	32.8	18.7	51.5	32.8	28.5	61.3
OLD HARBOR	21.6	1.0	22.6	26.0	35.4	61.4	26.0	53.8	79.8
OUZINKIE	20.6	.7	21.3	25.3	18.5	43.8	25.3	28.1	53.4
PILOT STATION	26.2	.9	27.1	32.0	31.3	63.3	32.0	47.5	79.5
PLATINUM	28.7	.6	29.3	43.1	6.4	49.5	43.1	9.6	52.7
POINT HOPE	26.6	4.4	31.0	32.8	53.6	86.4	32.8	79.8	112.6
PORT ALEXANDER	19.8	.5	20.3	24.4	10.7	35.1	24.4	16.1	40.5
PORT HEIDEN	78.2	.4	78.6	92.5	9.5	102.0	92.5	14.4	106.9
PORT LIONS	21.1	.8	21.9	25.7	24.2	49.9	25.7	36.7	62.4
QUINHAGAK	26.5	1.6	28.1	32.1	46.9	79.0	32.1	71.0	103.1
RUBY	26.6	1.2	27.8	32.8	23.4	56.2	32.8	35.3	68.1
RUSSIAN MISSION	26.1	.4	26.5	31.6	17.2	48.8	31.6	26.2	57.8
ST. MICHAEL	27.1	4.6	31.7	33.1	33.1	66.2	33.1	48.4	81.5
ST. PAUL	120.9	1.6	122.5	164.8	59.0	223.8	164.8	89.5	254.3
SAVOONGA	26.6	3.1	29.7	32.8	50.5	83.3	32.3	75.8	108.6
SAXMAN	19.7	.5	20.2	23.9	28.0	51.9	23.9	42.7	66.6
SCAMMON BAY	26.5	1.0	27.5	32.1	27.3	59.4	32.1	41.2	73.3
SELAWIK	26.6	2.0	28.6	32.8	53.2	86.0	32.8	80.4	113.2
SHAGELUK	26.6	.6	27.2	32.8	23.2	56.0	32.8	35.2	68.0
SHAKTOOLIK	47.5	.4	47.9	56.1	16.6	72.7	56.1	25.2	81.3
SHELDON POINT	26.1	.4	26.5	31.6	12.1	43.7	31.6	18.4	50.0
SHISHMAREF	26.6	1.7	28.3	32.8	40.0	72.8	32.8	60.3	93.1
SHUNGNAK	27.1	1.6	28.7	33.1	21.6	54.7	33.1	32.3	65.4
STEBBINS	27.1	.9	28.0	33.1	32.1	65.2	33.1	48.8	81.9
TAHANA	35.6	3.2	38.8	218.1	53.6	271.7	218.1	80.5	298.6

DATE = 2/13/81  
 TIME = 12:15

STATE OF ALASKA  
 OFFICE OF THE GOVERNOR  
 DIVISION OF BUDGET AND MANAGEMENT

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REVENUE SHARING & MUNICIPAL ASSISTANCE COMPARISONS

BOROUGH, CITY, VILLAGE	FY81 RS	FY81 MA	FY 81 TOTAL	FY81 RS	FY81 MA	FY 81 REVISED	FY82 RS	FY82 MA	FY 82 TOTAL
	\$33,500.0	\$11,400.0	\$44,900.0	\$51,900.0	\$56,500.0	108,400.0	\$51,900.0	\$80,500.0	132,400.0
TELLER	27.9	.7	28.6	37.1	26.8	63.9	37.1	40.7	77.8
TENAKEE SPRINGS	20.3	1.7	22.0	24.4	15.9	40.3	24.4	23.5	47.9
TOGIAK	26.6	4.0	30.6	31.6	53.3	84.9	31.6	79.6	111.2
TOKSOOK BAY	26.1	1.5	27.6	31.9	35.5	67.4	31.9	53.6	85.5
TULUKSAK	42.9	.6	43.5	51.5	26.7	78.2	51.5	40.6	92.1
TUNUNAK	25.6	.8	26.4	31.9	31.0	62.9	31.9	47.1	79.0
UNALAKLEET	47.8	5.3	53.1	61.6	69.5	130.9	61.6	103.3	164.9
UPPER KALSKAG	27.3	1.6	28.9	33.2	17.8	51.0	33.2	26.4	59.6
WAINWRIGHT	26.6	1.2	27.8	32.8	44.6	77.4	32.8	67.8	100.6
WALES	24.7	.3	25.0	30.4	13.4	43.8	30.4	20.4	50.8
WASILLA	104.4	58.7	163.1	85.5	279.8	365.3	85.5	397.6	483.1
WHITE MOUNTAIN	24.7	.2	24.9	30.4	11.8	42.2	30.4	18.0	48.4
WHITTIER	55.5	2.2	57.7	98.6	31.7	130.3	98.6	47.4	146.0
EXT FIRE AREAS	62.8	.0	62.8	69.2	.0	69.2	69.2	.0	69.2
NATIVE VILL GVT	1,254.6	.0	1,254.6	2,490.0	.0	2,490.0	2,490.0	.0	2,490.0
***** TOTALS *****	33,500.5	11,398.9	44,899.4	51,901.1	56,500.1	108,401.2	51,901.1	80,500.1	132,401.2

ORDINANCE NO. 3935, As Amended

AN ORDINANCE TO STAY THE ENFORCEMENT OF CHAPTER 5, TAXATION, ARTICLE II, SALES TAX, OF THE FAIRBANKS CODE OF ORDINANCES, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Fairbanks presently levies a sales tax on retail goods and services in the amount of three percent (3%); and

WHEREAS, revenues from sales tax since fiscal year 1977 have been, on the average, approximately 6 million dollars per annum, and have proved a greater fiscal stability for the City of Fairbanks; and

WHEREAS, a reasonable degree of certainty exists that the Alaska State Legislature intends to share and distribute state revenues with political subdivisions of the state; and

WHEREAS, it appears that approximately, and at least, seven (7) million dollars of state revenues shall be shared with the City of Fairbanks; and

WHEREAS, it is the intent of the city council to substantially reduce the property tax at the statutory time to set the mill rate in May, and

WHEREAS, it is the sense of the council that the immediate and most direct method of infusing of said revenues into the Fairbanks economy is by suspending the municipal sales tax when the City receives state-shared revenue funds;

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF FAIRBANKS, ALASKA, AS FOLLOWS:

Section 1. That the levy of all sales taxes heretofore imposed pursuant to FGC §5.200, et seq., shall be stayed effective April 1, 1981, if the state Legislature adopts supplemental state revenue sharing and municipal assistance for the current fiscal year in an amount that would entitle the City of Fairbanks to at least \$4.5 million, and the measure has become law by April 1, 1981.

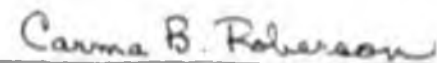
Section 2. That the duration of the stay of enforcement shall be determined by a period of time equal to that period of time during which the State of Alaska continues to share its revenue funds with the City of Fairbanks in an amount of at least \$10 million per annum, or unless sooner revoked by a vote of at least four members of the city council.

Section 3. That the effective date of this ordinance shall be the 13th day of March, 1981.

  
RUTH E. BURNETT, Mayor

ADOPTED: March 9, 1981

ATTEST:

  
CARMA B. ROBERSON, City Clerk



# Alaska State Legislature

## House of Representatives

Committee on

Community & Regional Affairs

Rep. Ben Grussendorf  
Chairman  
465-3870

Pouch V  
State Capitol  
Juneau, Alaska 99811

Summary - SB 125 am

"An Act making supplemental appropriations to the Department of Community and Regional Affairs and the Department of Revenue for programs which provide state financial assistance to municipalities and other recipients; and providing for an effective date."

### Section 1.

The appropriation of \$18,400 million from the general fund to the municipality revenue sharing fund.

a) This figure was formulated by fully funding the two clauses which were included in the municipality revenue sharing program changes of last year. They are the 'hold harmless clause' and the 'minimum entitlement clause'. These clauses can be found at the beginning of Chapter 95, Title 29. The effect is that no borough or municipality will receive less than 125% of what they would have received under the old formula of FY 80. Thus the calculated figure of \$18,400 million.

### Section 2.

The appropriation of \$45,100 million from the general fund to the municipality assistance fund.

a) These additional funds are requested to fully fund the revenues collected from corporate income taxes (the 10%) which goes into the municipality assistance fund. The total FY 80 10% figure was 56,400 million. Since FY 81 already allows for 11,400 million, the additional 45,100 is the difference needed to fully fund the municipality assistance program.

### Section 3.

This section was an offered amendment by Senator Sackett. There was a question as to this amendment's actual effect and the intent by the Senator. A legal opinion was requested and received. (attached)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill No. 125

Title An Act making supplemental appropriation for financial assistance to municipalities

Requested by Senator Darworth et al Date February 4, 1981

II. FISCAL DETAIL

Agency Affected Community and Regional Affairs

Program Category Affected Community 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 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL	7.2	7.9	8.7	9.6		
300 CONTRACTUAL	12.5	10.3	11.3	12.5		
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	<b>19.7</b>	<b>18.2</b>	<b>20.0</b>	<b>22.1</b>		

FUNDING (Thousands of Dollars)

	19.7	18.2	20.0	22.1		
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	-0-	-0-	-0-	-0-		
FULL TIME						
PART TIME						
TEMPORARY						

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

See attached narrative for ANALYSIS.

IV. DATE February 4, 1981

PREPARED BY Doug Griffin

AGENCY Community and Regional Affairs/LGAD

PHONE 465-4736

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

### III. ANALYSIS

Only Section 1 of SB 125 effects the Department of Community and Regional Affairs and is, therefore, the only section addressed in this fiscal note.

Section 1 of this bill would make a supplemental appropriation of \$4.6 million to the Department of Community and Regional Affairs for the State Revenue Sharing program. This additional amount, which represents a 12.1% increase in the grant funding for this program, does not directly cause a great deal more expense. Some additional computer time would have to be purchased, and some additional printing and mailing costs would be incurred to handle the supplemental payments. These costs would total only about five hundred dollars.

However, other problems have been encountered in implementing the State Revenue Sharing revisions found in Chapter 155, SLA 1980. The start up administrative costs for this "new" program have been greater than originally anticipated. This is reflected in added costs for:

- 1) Computer time, to input data and run printouts, that was not required under the old program;
- 2) Long distance telephone expenses incurred to answer questions regarding the new program, and to address misconceptions and misunderstandings resulting from the new Revenue Sharing law;
- 3) New word processing and computer equipment needed to meet the increased work load resulting from this program; and
- 4) Professional fees and services to program computers to handle the new program that can only be feasibly handled in a computerized mode.

The other major factor contributing to the increased costs was the addition of Native village governments (Sec. 29.89.050) as eligible recipients of State Revenue Sharing Funds. This addition increased our number of clients by over one-third. The original idea of making Native village governments eligible for State Revenue Sharing was proposed in SB 565. This Department prepared a fiscal note for that bill, which included additional administrative costs of 77.5 to implement this concept, but when the Native village government provisions were added to the Revenue Sharing bill late last session the fiscal note was not included. The cost of serving these new entities are reflected in higher costs for:

- 1) Long distance telephone costs to assist eligible villages;
- 2) Addition printing costs for applications and regulations;
- 3) Additional postage to mail applications and payments;
- 4) Additional travel to assist Native village governments in preparing applications; and
- 5) Other miscellaneous costs that reflect the simple fact that the more communities are now eligible to participate in this program.

After six months of experience we have a better understanding of what is needed to administer this program. The following reflects additional funding that will be needed to adequately administer the State Revenue Sharing Program.

FY 81

<u>200 TRAVEL</u>		7.2
12 trips @ \$500 per trip to assist municipalities and meet with staff in field offices regarding the Revenue Sharing Program.		
<u>300 Contractual</u>		12.5
Long Distance Telephone	1.0	
Postage	1.0	
Printing and Advertising	3.5	
Copier	.5	
Equipment rental	1.5	
Professional fees and services	5.0	
	Total	<u>19.7</u>

FY 82

<u>200 TRAVEL</u>		7.9
FY 81 + 10% inflation adjustment		
<u>300 CONTRACTUAL</u>		
FY 81 on all costs except Professional fees and services + 10% inflation		8.3
Professional fees and services		2.0
	Total FY 82	<u>18.2</u>

FY 83 and FY 84 increase 10% each year for inflation

This administrative supplemental of 19.7 for FY 81 will bring the total cost for administering SRS up to 102.7, which translates into an overhead cost of .0027.