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COMMITTEE REPORT

HOUSE

FURTHER: TTW 5

Date: 5/27/81

Mr. Speaker:

The Committee on COMMERCE AND CONSUMER AFFAIRS has had TTW 5

[Faint text: The committee has had the opportunity to review the bill and has concluded that it is in the best interests of the State of Tennessee to pass it for a five...]

under consideration and reports it back as follows:

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

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

Article 4. Rural Development.

Section

- 130. Powers and duties
- 140. Limitations
- 145. Bulk fuel storage facilities grant fund

Section

- 150. Village land conveyed in trust
- 155. Loan information officers

Sec. 44.47.130. Powers and duties. To promote development of rural areas of the state, the department is authorized to

(1) investigate social and economic conditions of rural areas to determine the need to expand economic opportunities and improve living conditions;

(2) formulate a coordinated program to broaden and diversify the economic base of rural areas;

(3) coordinate administration of emergency relief, surplus food distribution, or other public assistance programs, except the regular relief and assistance programs of the federal government in rural areas;

(4) formulate and conduct a program of construction of bulk facilities to improve health, welfare and economic security and provide employment and income in the rural areas;

(5) promote training and educational programs designed to expand employment opportunities for residents of rural areas;

(6) enter into agreements with other state agencies and departments to provide for the distribution in rural communities of surplus electrical power from state-owned power sources located in those communities and to expend funds for this purpose.

(7) make grants to communities for bulk fuel storage facilities;

(8) cooperate with the Department of Environmental Conservation and other agencies to provide technical assistance to communities in the installation, operation and management of bulk fuel storage facilities. (§ 2 ch 200 SLA 1972; am § 1 ch 183 SLA 1972; am § 38 ch 83 SLA 1980)

Reviser's note. — In ch. 183, SLA 1972, AS 44.47.130(8) appeared as AS 44.19.610(12). Chapter 200, SLA 1972, repealed the sections on the Rural Development Agency, including AS 44.18.610, and replaced them with provisions in AS 44.47. The history of ch.

183 and 200 SLA 1972 suggest that the legislative intent of ch. 200 was to repeal the amendments made in ch. 183, and AS 44.19.610(12) has been appropriately renumbered.

Effect of amendment. — The 1980 amendment added paragraphs (7) and (8).

Sec. 44.47.140. Limitations. A program of the department under AS 44.47.130 in a rural area may not exceed \$40,000 in a cost a year, except that a grant of not more than \$60,000 may be made under AS 44.47.145 for a bulk fuel storage facility. (§ 1 ch 165 SLA 1972; am § 3 ch 200 SLA 1972; am § 1 ch 114 SLA 1978; am § 39 ch 83 SLA 1980)

Reviser's note. — In ch. 165, SLA 1972, AS 44.47.140 appeared as AS 44.19.620

Chapter 200, SLA 1972, repealed the sections on the Rural Development

Title 43
Revenue and Taxation

Title 44
State Government

Title 45
Public Utilities
and Commerce

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 made in ch. 165, and AS 44.19.620 has
 been appropriately renumbered.

Effect of amendments. — The 1978
 amendment substituted "\$40,000" for
 "\$20,000" in paragraph (1).
 The 1980 amendment rewrote the sec-
 tion.

Sec. 44.47.145. Bulk fuel storage facilities grant fund. (a) There
 is established in the Department of Community and Regional Affairs
 the bulk fuel storage facilities grant fund. Grants may be made by the
 department from this fund to a community to acquire and install
 community bulk storage facilities.

(b) Grants made under this section for the acquisition and
 installation of a bulk fuel storage facility may not exceed \$60,000 per
 community.

(c) If the governing body of two or more communities determine that
 their fuel requirements may be served by a single bulk fuel storage
 facility, the communities may jointly apply for grants to acquire and
 install a single bulk fuel storage facility. When communities apply
 jointly under this subsection, the limitation in (b) of this section is
 multiplied by the number of communities which submit the joint appli-
 cation.

(d) Before a grant is made under this section, the city council or, if
 the community is not incorporated, a responsible representative body
 in the community shall agree in writing to maintain and operate the
 bulk storage facility to be constructed with the proceeds of the grant.
 (§ 40 ch 83 SLA 1980)

Sec. 44.47.150. Village land conveyed in trust. (a) The commis-
 sioner of the Department of Community and Regional Affairs is
 designated to accept, administer, and dispose of land conveyed to the
 state in trust by village corporations under § 14(c)(3) of the Alaska
 Native Claims Settlement Act (P.L. 92-203, 85 Stat. 703) for the
 purposes specified in that section.

(b) Transfer of land by sale, lease, right-of-way, easement, or permit,
 including transfer of surface resources, may be made by the commis-
 sioner only after approval of an appropriate village entity such as the
 traditional council, a village meeting, or a village referendum. Such
 approval shall be by resolution filed with the department.

(c) Within one complete state fiscal year after the incorporation of a
 municipality in the village or of a municipality which includes all or
 part of the village, land acquired under this section shall be conveyed
 without cost to the municipality, and the municipality shall succeed to
 all the entrusted interest in the land.

(d) Separate accounts shall be maintained in the name of each
 village for the land, including the revenues from the land, acquired
 under each village corporation under this section, and within 90 days of
 the close of each state fiscal year a statement of the account for each

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 422
 Title An Act amending grant limits for certain programs of the Department of Community
 Requested by Senator Sackett Date April 23, 1981

II. FISCAL DETAIL

Agency Affected Department of Community and 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 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		0	0	0		

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND		0	0	0		
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME		0	0	0		
PART TIME						
TEMPORARY						

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

This bill would raise the maximum amount for grants that are made under the Rural Development Assistance (RDA) and Bulk Fuel Storage (BFS) grant programs. It should be noted that the Governor's FY 1982 budget requests \$3 million for RDA grants, a threefold increase in funding for this program. If the Governor's request is enacted, along with this bill, the number of grants to rural communities will still increase even though each grant could be substantially more than the present \$40,000 maximum. Irrespective of the number of grants available, this bill would make the RDA and BFS programs

more meaningful and useful to rural communities. To accomplish anything in rural Alaska for \$40,000 the community must either provide a very large local match, phase the project over more than one building season, or settle for a renovation project versus new construction.

IV. DATE April 23, 1981 PREPARED BY Doug Griffin (continue)
 AGENCY Community & Regional Affairs
 PHONE 465-4736

Original: Legislative Finance
 cc: Budget and Management

With the anticipated reductions in CETA and other federal funding, the resources available to a community are reduced. Phasing projects generally makes the project more expensive and more difficult to manage. Renovation is often simply a "patch-up" job and is less desirable in many cases because of additional costs associated with maintaining and operating an older facility.

The Governor is not proposing the same massive increases in BFS funding, but some of the same problems mentioned earlier apply to this new program. The reduction in Federal grant funds to match State money, the probable loss of CETA labor, and the rising costs of labor and material make construction of safe bulk fuel storage facilities for under \$60,000 a questionable proposition. Raising the ceiling should improve the quality of bulk fuel storage projects and will address the inflating costs of these projects.

OVERVIEW OF RURAL DEVELOPMENT
GRANT AWARDS IN THE STATE OF
ALASKA, F. Y. 1977 TO PRESENT.

PREPARED BY:

Department of Community and
Regional Affairs

Division of Local Government
Assistance

FEBRUARY 1981
JUNEAU, ALASKA

FISCAL YEAR 1981

RDA GRANT AWARDS FY '81

(July, 1980 Review)

<u>Community</u>	<u>Description</u>	<u>RDA Grant Award</u>	<u>Total Proj. Cost</u>
Angoon	Renovation of Town Hall	\$38,900	N/A
Rampart	Teen Center	11,400	
Stebbins	Build Headstart/Day Care Facility	40,000	
Chuathbaluk	Electrical Generators	40,000	
Aniak	Fire Station	40,000	
Bethel	Library Expansion	26,000	
Dillingham	Water Improvement/Dock Area	40,000	
Akhiok	Renovate Community Bldg.	32,100	
Kachemak	City Hall	40,000	
Houston	City Hall	15,000	
Tok	Fire Truck	40,000	
Mentasta	Community Hall	31,000	
Copper Center	Community Hall	40,000	
King Cove	Diesel Fuel Service Line	33,700	

(January, 1981 Review)

Hoonah	Renovate City Hall/Jail	\$40,000	N/A
Metlakatla	Senior Citizen's Center	40,000	
Minto	Fire Hall	40,000	
Chalkyitsik	Generator Purchase	40,000	
Kivalina	Rehab. Community Center	21,000	
Nulato	City/Fire Hall	40,000	
Kwigillingok	Electrification	40,000	
Atka	Boat Repair Shop	31,100	
Levelock	Public Dock Repair	40,000	
Kachemak	Municipal Bldg.	40,000	
Chickaloon	Community Center	25,000	

FISCAL YEAR 1980

Addendum to RDA Grant Awards FY '80

(January, 1980 update)

<u>Community</u>	<u>Description</u>	<u>RDA Grant Award</u>	<u>Total Project Cost</u>
Pelican	Rewire Small Boat Harbor	\$40,000	\$84,755
Chalkyitsik	Health Clinic	25,500	35,315
Circle	Health Clinic	24,000	35,315
Evansville	Health Clinic	27,500	35,815
Russian Mission	Comprehensive Electrification Study	13,000	18,030
Saint Mary's	Health Clinic Repair	7,000	9,330
Newtok	City Office Building	22,300	23,304
Chefornak	Electrical Distribution System	17,250	40,169
Akutan	Hydroelectric Power	5,000	494,950
Ekwok	Construct a Powerhouse	10,250	19,703
Nelson Lagoon	(Diesel) Electric Generator	40,000	38,996
Twin Hills	Electrical Distribution System	31,850	40,973
Seldovia	Repair City Dock/Expand City Offices	40,000	41,190
Kenny Lake	Community Well	22,000	29,910

RDA GRANT AWARDS FY '80 (through October, 1979)

<u>COMMUNITY</u>	<u>DESCRIPTION</u>	<u>RDA GRANT AWARD</u>	<u>TOTAL PROJECT COST</u>
Angoon	Rehabilitate Community Building: Joint Venture CETA	\$ 18,990.00	\$ 52,152.00
Atka	Health Clinic	40,000.00	78,723.00
Chevak	Youth and Senior Citizen Facility	29,350.00	53,964.00
Craig	Phase II: Public Works Building	40,000.00	60,825.00
Haines	Rehabilitate Building for Preschool Programs: Joint Venture HUD/CDBG	10,000.00	58,250.00
Kaltag	Health Clinic	29,700.00	36,285.00
Kasilof	Rehabilitate for Day Care/Community Center	40,000.00	67,744.00
Koliganek	Health Clinic	29,200.00	44,092.00
Kotzebue	Rehabilitate Building for Day Care: Joint Venture CETA & IRA Council	35,610.00	42,137.00
Ninilchik	Ambulance/Training Building	22,000.00	38,613.00
Saint Michaels	Rehabilitation for City Office/Jail	9,650.00	15,938.00
Senior Citizens of Interior Alaska (Spruce Grove)	Arts and Crafts Learning Center and Workshop: Joint Venture Fairbanks North Star Borough	40,000.00	127,803.00
Sutton	Rehabilitate old Fire Hall for Community Building	25,600.00	33,796.00
Tatitlek	Phase II: Bulk Fuel Storage	22,500.00	50,000.00
Teller	Purchase land and building for City Office/Library	40,000.00	45,000.00
Unalakleet	Phase II: Municipal Building	38,650.00	82,586.00
Yakutat	Dock Repair	40,000.00	88,750.00

FISCAL YEAR 1979

RDA GRANT AWARDS FY '79

<u>COMMUNITY</u>	<u>DESCRIPTION</u>	<u>RDA GRANT AWARD</u>	<u>TOTAL PROJECT COST (\$)</u>
Akolmiut	City office and jail	\$23,200.00	\$27,000.00
Andreafski	Community Hall	40,000.00	55,400.00
Atka	Reindeer station and fencing	40,000.00	134,000.00
Cantwell	Joint venture with CETA: Community Hall	37,600.00	108,900.00
False Pass	Upgrade airfield for commercial use: Joint venture with DOT/PF & APIA.	6,000.00	55,200.00
Haines	Harbor water extension: joint venture with Dept. of Environmental Conservation	11,200.00	34,000.00
Kasaan	To purchase sanitary facilities equipment in coordination with USPHS, IHS	40,000.00	362,200.00
Kimuk	Community building with offices	20,000.00	26,400.00
Kwigillingok	Joint venture with CETA: Phase II, Electrification	38,000.00	52,900.00
Manokotak	Electrification, Phase IV	20,000.00	24,800.00
Mountain Village	Joint venture: City, Traditional Council, Azachorak Village Corporation, and LPW/EDA for a fish processing plant.	39,500.00	275,700.00
Nenana	Nenana Meeting Hall (city the applicant on behalf of Nenana Native Council) Joint venture with CETA	24,250.00	79,500.00
Newhalen	Health Clinic	21,150.00	23,600.00
Nightmute	Health Clinic	34,000.00	49,700.00
Ouzinkie	Health Clinic, joint venture with CETA & KANA	38,000.00	69,700.00
Port Graham	Rehab building for fire hall. Joint venture HUD (\$70,000 for fire engine).	17,000.00	39,200.00

<u>COMMUNITY</u>	<u>DESCRIPTION</u>	<u>RDA GRANT AWARD</u>	<u>TOTAL PROJECT COST (\$)</u>
Port Lions	Heavy equipment garage and fire hall	40,000.00	59,400.00
Sand Point	Emergency Vehicle/Fire Truck	38,000.00	<i>54,930.00</i>
Savoonga	Municipal office building	25,377.00	42,700.00
Saxman	Phase II of water project, joint venture with US PHS	27,000.00	467,410.00
Scammon Bay	Joint venture with the City, HUD/CDBG, CETA and Traditional Council: Recreation Facility	40,000.00	244,100.00
Shishmaref	Community machine shop: joint venture with CETA	29,000.00	48,000.00
Thor e Bay	To complete Phase II of the food cooperative store	38,000.00	61,600.00
Tok Voluntary Fire Department	Fire equipment, Phase I; joint venture U.S. Forest Service	40,000.00	65,000.00
Tuluksak	Joint venture with CETA Health Clinic	23,800.00	40,900.00
Tyonek	Air field upgrading, Phase II	20,000.00	40,000.00
Twin Hills	Electrical feasibility & design study	11,000.00	11,100.00
Unalakleet	Municipal office building, Phase I	20,000.00	20,500.00
Unalaska	Electrical feasibility & design study	40,000.00	50,000.00

FISCAL YEAR 1978

<u>COMMUNITY</u>	<u>DESCRIPTION</u>	<u>AWARD AMOUNTS</u>
Akiachak	City office and mini jail facility.	\$15,951.54
Akiak	Upgrade health clinic.	\$ 4,000.00
Allakaket	Health Clinic	\$20,000.00
Anderson	Phase I: Community Center	\$20,000.00
Angoon	Water Project	\$19,826.00
Atmoutluak	City offices and mini jail	\$15,952.00
Bethel	Day Care Nursery facility	\$20,000.00
Cooper Landing	Joint venture with U. S. Forest Service: renovation of community center and recreation facility.	\$18,700.00
Craig	Municipal vehicle storage and repair yard.	\$20,000.00
Deering	Front end loader	\$ 9,200.00
Dillingham	Remodeling of firehall and addition of training center	\$20,000.00
English Bay	Community Building with tribal office	\$20,000.00
Fortuna Ledge/ Marshall	Joint venture with CETA: Headstart Building	\$20,000.00
Goodnews Bay	Health Clinic	\$19,954.00
Haines	Joint venture with EDA: Municipal Building	\$20,000.00
Homer	Joint venture with City and Homer Museum: Marine room and research library.	\$19,770.00
Hughes	Joint venture with HUD: Washateria and health clinic	\$20,000.00
Kasaan	Community Building: Health clinic, city offices, IRA office, and meeting room.	\$20,000.00

<u>COMMUNITY</u>	<u>DESCRIPTION</u>	<u>AWARD AMOUNTS</u>
King Cove	Harbor Master House	\$20,000.00
Kipnuk	Public Casualty: Supercharger to keep community electricity until the EDA project is finished.	\$ 2,000.00
	Supplement	\$ 277.06
Kivalina	Renovation of Health clinic.	\$18,504.89
Klawock	Phase II, Camper Park	\$20,000.00
Koliganek	Electrification	\$20,000.00
Koyukuk	Electrification Study	\$ 3,500.00
Manokotak	Phase II: Electrification	\$20,000.00
Mat-Su Borough (for Butte)	Joint venture with EDA: Fire Station for Butte.	\$20,000.00
Nikolai	Phase III: Electrification	\$20,000.00
Ninilchik	Health Clinic	\$20,000.00
Old Harbor	Renovation of old school building into Head Start Center	\$20,000.00
Ouzinkie	Powerhouse and generator	\$16,755.00
Palmer	Sidewalk/curb projects for City Hall and Transportation Museum	\$20,000.00
Pedro Bay	Health Clinic	\$11,568.75
Perryville	Generator Housing	\$11,521.00
Portage Creek	Clinic/Post Office	\$13,647.91
Rampart	Health Clinic	\$15,471.83
Savoonga	Renovation of Head Start Center	\$ 2,086.00
Saxman	Phase I: Water project	\$20,000.00

COMMUNITYDESCRIPTIONAWARD AMOUNTS

St. George	Supplement to RDA #1: Pay employers share of FICA	\$ 265.79
Seldovia	Phase I: Water system: Joint venture with EDA, HUD, EC	\$20,000.00
Shungnak	Health Clinic (remodel)	\$19,008.00
Talkeetna	Volunteer Fire Department: Finish firehall.	\$20,000.00
Tanacross	Joint venture with CETA and PL 94-638: Community complex with health clinic, city office, and space for rent.	\$20,000.00
Tatitlek	Phase I: Bulk storage (fuel)	\$19,100.00
Thorne Bay	Coop Store	\$20,000.00
Togiak	Health Clinic	\$18,953.77
Toksook Bay	Joint venture with CETA: Head Start Building	\$20,000.00
Tyonek	Airfield expansion	\$17,500.00
Wasilla	Phase II, Library: Joint venture with State Library?	\$20,000.00

FISCAL YEAR 1977

RDA GRANT AWARDS FY '77

<u>COMMUNITY</u>	<u>DESCRIPTION</u>	<u>AWARD AMOUNT</u>
New Stuyahok	Health Clinic	\$20,000.00
Noatak	Joint venture with E.D.A.: machine repair shop	\$18,000.00
Palmer	Joint venture with Alaska State Fair: Foundation and reassembling Transportation museum	\$20,000.00
Pelican	Joint venture with Division of Waters and Harbors: dock warehouse	\$20,000.00
Port Lions	Joint venture with Divison of Waters and Harbors: dock renovation and repairs	\$20,000.00
Ruby	Phase 3 - electrification	\$20,000.00
Saint Paul	Renovation of city complex for office rentals	\$20,000.00
Sand Point	Harbor master house	\$20,000.00
Selawik	Joint venture with E. D. A.: machine repair shop	\$18,000.00
Tenakee Springs	Joint venture with Divison of Waters and Harbors: dock warehouse	\$20,000.00
Wainwright	Joint venture with HUD Block Grant and North Slope Borough: community complex, including mini-hotel	\$20,000.00
Wasilla	Joint venture with State Libraries: Phase I foundation for public library and offices	\$20,000.00
Yakutat	Demolition of cold storage facility damaged by fire	\$20,000.00