

HPB

111

File 2

Alaska State Legislature

Senate Transportation Committee



Sen. John B. (Jack) Coghill, Chairman
Sen. Paul Fischer, Vice-chairman
Sen. Mitch Abood
Sen. Jan Fairs
Sen. Joe Josephson

Douch V
Juneau, Alaska 99811

February 5, 1986

TO: All Committee Members
FROM: Committee Staff
RE: LSR&T packets

Today you will find in your packets new information requested at the previous hearing on CS HB 111 (tran) am.

Enclosed are the following:

1. A draft Committee Substitute for CS HB 111 (tran) am.
2. A memorandum on the funding formula.
3. An explanatory letter from Dep. Comm. Warren Sparks.
4. A listings of cities effected under the different scenarios.
5. A breakdown of LSR&T allocations reflecting different scenarios.

Please bring this packet and the original packet from the January 29 meeting. Thank you.

February 5, 1986

TO: All Members of the Transportation Committee

FROM: Committee Staff

RE: LSR&T Funding formula

Sec. 19.30.131. Allocation of Funds.

Subsection (a) Commissioner allocates local service roads monies among the five allocation districts. The funds allotted are based on the ratio formula; one half of the funds are based on allocation district population (ADP) compared to the total state population (TPS); one half is based on a comparison of the allocation district area (ADA) and the total area of the state (TAS).

$$\frac{1}{2} \times \frac{ADP}{TPS} + \frac{1}{2} \times \frac{ADA}{TAS}$$

Subsection (b) Commissioner further allocates the above amounts in each allocation district (5) to each borough within each district.

The funds appropriated to the boroughs are based on a formula derived from; a ratio of one half of the organized borough's area (OBA) compared with the total allocation district area (ADA); and one half based on a ratio of the organized borough population (OBP) to the allocation district population (ADP).

$$\frac{1}{2} \times \frac{OBA}{ADA} + \frac{1}{2} \times \frac{OBP}{ADP}$$

Subsection (c) Commissioner further allocates the above amounts funds to any organized borough and to any home rule city within the organized borough. The funds appropriated to home rule cities in an organized borough is similar to the above ratios. One half of the home rule area (HRA) compared with organized borough's area (OBA); one half of the home rule population (HRP) to the organized borough's population (OBP).

Memo on Funding Formula/Cities Effected

$\frac{1}{2}$ $\frac{\text{HRA}}{\text{OBA}}$ $\frac{1}{2}$ $\frac{\text{HRP}}{\text{OBP}}$

Subsection (d) The sums not allocated to the organized boroughs in (b) and (c) are allocated in the unorganized boroughs on a competitive basis between all communities, organized or unorganized.

February 5, 1986

TO: All Transportation Committee members

FROM: Committee Staff

RE: Cities effected by restructuring of formula

A. Removing First Class & Home Rule Cities in the
Unorganized boroughs

Unorganized Borough 1 V (S)

Dillingham
King Cove
St. Mary's
Sand Point
Unalaska

Kenai Borough

Homer
Soldotna
Seldovia

Unorganized Borough V

City of Cordova

North Slope Borough

Barrow

Unorganized Borough 2

Nenana
Tanana

Haines Borough

Haines

Unorganized Borough IV (N)

Nome
Galena

Unorganized Borough V (N)

City of Valdez

Unorganized Borough III

Hoonah
Hydaburg
Kake
Klawack
Pelican
Skagway
Craig
Yakutat

February 5, 1986

TO: All Committee Members
FROM: Committee Staff
RE: Cities effected by restructuring of formula
C. Removing All First Class Cities

Kenai Borough

Homer
Soldotna
Seldovia

Unorganized Borough IV S

Dillingham
King Cove
St. Mary's
Sand Point
Unalaska

Unorganized Borough II

Tanana

North Slope Borough

Barrow

Unorganized Borough IV N

Nome
Galena

Haines Borough

Haines

Unorganized Borough III

Hoonah
Kake
Pelican
Craig

Hydaburg
Klawack
Skagway
Yakutat

STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

POUCH Z
JUNEAU, ALASKA 99811
PHONE: (907) 465-3900

January 31, 1986

The Honorable Jack Coghill
Senator
Alaska State Legislature
P.O. Box V
Juneau, Alaska 99811

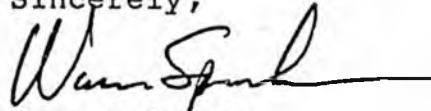
Dear Senator Coghill:

In order to view the ramifications of the proposed changes to the funds distribution formulae in the LSR&T Act, I have prepared the following comparisons based on a one million dollar appropriation.

- A. Distribution reflecting your proposal at the Senate Transportation Committee hearing January 29, 1986, which deletes the direct allocation to all first-class cities and the home-rule cities which are not within the boundaries of an organized borough. Projects for these local governments will have to compete with all cities and villages within their respective unorganized borough.
- B. This distribution reflects CSHB 111 version which deletes only the first-class cities, returning the distribution method to pre-1981.
- C. Distribution of funds by deleting direct allocations to any city, whereby all cities and villages within their respective allocation district would compete for funds.

I am also enclosing the distribution of LSR&T funds presently in use and a map reflecting the allocation districts for your use.

Sincerely,



Warren Sparks
Deputy Commissioner

Enclosure

cc: Charles Karella, Chief, Plans and Programs
Susan Fleischhauer, Legislative Liaison