

HB 1555

HOUSE COMMITTEE REPORT

File

(11)

Date Referred: February 13, 1992

FURTHER REFERRALS:

Date of Committee Action: 3/6/92

The FINANCE Committee considered:

HB 155

HOUSE BILL NO. 155

BARRIER-FREE REMODELING FUND

"An Act relating to the remodeling of facilities to make them accessible by the physically handicapped, aged, and infirm."

RECOMMENDATIONS:

be replaced with CS HB 155 (FIN) the same title
 a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S):

APPROVES PREVIOUS:

fiscal impact DCEP LABOR 3/17/92 fiscal note(s) DOTPF 1/24/92; LABOR 1/24/92

zero fiscal note _____ zero fiscal note(s) _____

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<u>Tay Brown</u> <small>Brown</small>	✓	<u>Tamara B Barnes</u> <small>Barnes</small>		X	
<u>Mark Boyer</u> <small>Boyer</small>	X	<u>Gen Jacko</u> <small>Jacko</small>		X	
<u>Mike Spavone</u> <small>NAVARRE</small>		<u>Bob Sharp</u> <small>Sharp</small>		X	
<u>Ed Maclean</u> <small>Maclean</small>		<u>Ronald J. Lanson</u> <small>Lanson</small>		X	
		<u>Roll E Phillips</u> <small>Phillips</small>		X	

Mike Spavone NAVARRE
 Co CHAIRMAN'S SIGNATURE
Ed Maclean
Maclean

FISCAL NOTE

BILL NO. CSHB 155 (FIN)

STATE OF ALASKA
1992 LEGISLATIVE SESSION

Revision Date: _____

Department Affected: Commerce & Econ. Dev.

Title: Barrier-Free Remodeling Fund

BRU: Investments

Component: _____

Sponsor: Brown et al.

Requestor: Finance

COMPONENT SERIAL NO.

0	3	8	4
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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL	1.3					
CONTRACTUAL	5.6					
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	6.9	*	*	*	*	*

CAPITAL						
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REVENUE FUND RESOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	6.9					
FEDERAL FUNDS						
OTHER						
FUND SOURCE:						
TOTAL	6.9					

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: 0

ANALYSIS (Attach a separate page if necessary.)

SEE ATTACHED

Prepared By: Martin J. Richard, Director  Phone: 465-2510

Division: Investments Date: 3/6/92

Approved by Commissioner: Glenn A. Olds  Date: 3.6.92

Agency: Department of Commerce & Economic Development Date: 3.6.92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legls. Ofc., and Impacted Agency(ies).

FISCAL NOTE - CSHB 155

ANALYSIS: -

The department anticipates a fiscal impact of \$6,900 in FY 93. These funds will be used to pay for the department's involvement in implementing regulations and printing brochures and application packages. We assume that the Department of Transportation and Public Facilities will be the lead agency in the promulgation of regulations and the coordination and costs associated with the Governor's Committee on Employment of People with Disabilities. The department has not included any expenses relating to this committee's activities.

- * We are unable to estimate the cost of operating the loan fund until the size and extent of the program is determined.

FISCAL NOTE

Revision Date: 02/24/92
Title: Barrier-Free Remodeling Fund

Department Affected: DOT&PF
BRU: Engineering & Operations Standards

Sponsor: Brown
Requestor:

Component: Design & Construction Stds.
Component Serial Number: 547

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY93	FY94	FY95	FY96	FY97	FY98
PERSONAL SERVICES	87.6	90.7	93.8	97.1	100.5	104.0
TRAVEL	8.0	8.0	8.3	8.6	8.9	9.2
CONTRACTUAL	51.0	42.0	34.9	36.1	37.4	38.7
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	2.5	2.5	0	0	0	0
TOTAL OPERATING:	149.1	143.2	137.0	141.8	146.8	151.9

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUNDS	75.6	53.3	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE	73.5	89.9	137.0	141.8	146.8	151.9
TOTAL FUNDING:	149.1	143.2	137.0	141.8	146.8	151.9

POSITIONS

FULL-TIME	1	1	1	1	1	1
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary)

See attached seven-page analysis.

NOTE: In response to a number of questions recently directed to this agency, an Explanatory Amendment, dated February 21, 1992, has been incorporated into the final two pages of the analysis.

Prepared by: Roger Allington, Director

Phone: 465-2951

Division: Engineering & Operations Standards

Date: February 24, 1992

Approved by Commissioner: 

Phone: 465-3900

Agency: Department of Transportation and Public Facilities

Date: February 24, 1992

Distribution By Preparer: Leg. Finance, Leg. Sponsor, Requestor, OMB/DBR, Gov. Leg. Office, Impacted Agency(ies).

ANALYSIS (cont. from page 1):

Fiscal Note Analysis

Program Description:

The proposed bill would expand the Department of Transportation and Public Facilities' responsibilities and authority for encouraging access to the disabled within all facilities covered under recent federal legislation entitled the "Americans with Disabilities Act" (ADA). The department shall facilitate compliance by promulgating regulations necessary to implement this bill, including regulations establishing minimum accessibility standards; reviewing, compiling and presenting a list of candidate facilities for which funding (from the barrier free facility fund) may later be allocated by the committee; awarding grants under AS 35.50.050(c); overseeing the remodel of state facilities as required and provide information and/or assistance to requesting entities so as to ensure compliance with the standards established under 42 U.S.C. 12101 -12213 (ADA).

Background Information Relating to the Proposed Legislation:

On July 26, 1990 president Bush signed into law the "Americans with Disabilities Act" (ADA). Under the law the federal departments of transportation and justice are mandated to promulgate regulations for implementing the law. These regulations were made available in their final form on July 26, 1991. To date this department has experienced a very large increase in the number of inquiries as to the requirements of the bill by both public and private sector representatives. So as to not impact our ongoing workloads, the department can allocate only a limited amount of time and resource to respond to these requests -- with results which are often less than optimum..

It should be understood that the following analysis is based upon our current understanding of the ADA requirements.

Program Implementation and Resulting Fiscal Impacts:

The program as proposed would effect all state agency facilities and a vast amount of privately held facilities. The impact would be seen primarily within the Capital Budget side of the ledger (via the "Barrier Free Facility Fund" proposed under HB 157) as only a small portion of the total program funding would be consumed as general fund administrative fees. The "departmental duties" noted in the introductory paragraph constitute the major costs anticipated by this agency and formulate the basis of the following analysis and Fiscal Note. It is important to note that this analysis does not include those costs associated with expenses incurred by the *Governor's Committee on Employment of People with Disabilities*. Such committee costs resulting from this bill are likely to include additional travel expenses, costs associated with the promulgation of regulations under AS 35.50.020, and general administrative costs amongst others.

Analysis and Assumptions:

The analysis will focus on the department's five specific areas of program involvement.

Area 1. Promulgation of Regulations: Under Section 35.50.120 the department will be required to promulgate regulations to augment the federal regulations developed under the ADA. At present, it appears that the state regulations effecting the standards imposed upon privately held facilities will have to be approved by the federal Department of Justice. This will require a special effort (in addition to the normal state requirements) on the part of department personnel and may extend the time frame for the state's usual regulation adoption process.

The arena of accessibility codes and standards can be confusing to the lay person. In preparing this analysis the department assumes that an additional employee will be required to formulate the regulations. The position should be programmed at a level equal to that of a registered architect. This will ensure familiarity with appropriate codes and provide the state with a reputable representative when dealing with other (federal) agencies, the design community and concerned individuals. For purposes of the following analysis a position at the range 21 has been assumed. (Range 21-A costs are as follows: \$4342/month basic salary times an overhead factor of 1.69 yielding approximately \$7,300/month total personnel costs.)

Code Promulgation (anticipate eighteen months to complete): Development

Utilize existing framework as created by DOT&PF Advisory Committee (phase 1).....Est. 4 Mo. @ \$7,300/Mo.	= \$29,200
Revision following public hearing process (phase 2).....Est. 3 Mo. @ \$7,300/Mo.	= \$21,900
Revision following federal review process (phase 3).....Est. 2 Mo. @ \$7,555/Mo.	= \$15,110
Legal Review, for reviews at all phases (lump sum)	= \$25,000
In-state review and travel, for two series of hearings (lump sum)	= \$ 5,000
Federal review and travel (lump sum)	= \$ 2,500
Publication and education	
Publication Costs (State amendments to ADA regs)	= \$ 2,500
Education costs -- manpower	Est. 3 Mo. @ \$7,555/Mo. = \$22,665
-- travel and misc. (lump sum)	= \$ 5,000
<hr/>	
Total Promulgation Costs	= \$128,875

(Note: While funding for promulgations costs needs to be provided only once, it must be made available over two fiscal years at a minimum in order to ensure sufficient time to interact with the federal review process. See specific FY 93 and FY 94 allocations on page 6 of this fiscal note.)

Area 2. Compiling, Reviewing and Presenting the Listing of Candidate Projects:

As required under proposed sections AS 35.50.030, 35.50.040(c), and 35.50.050(a) the department must assemble a statewide listing of accessibility projects for review and selection by the "committee" on an annual basis. While this work is to be accomplished in a relatively short period of time, June 1 through October 1, it will require an extensive amount of knowledge and manpower to accomplish the needed tasks. A professional level position is warranted as the individual will be responsible for dealing with other design professionals, government officials and the disabled community in general. For these reasons, it is recommended that the range 21 position noted previously be retained for this segment of the program as well. Approximate costs associated with this area of the program are as follows.

Project Listing Development (anticipate approximately 6 months of full time involvement each year)

Assembly of Projects

Pre-submittal period (provide direction/clarification) from
May 1 to June 1 1 Mo. @ \$7,300/Mo. = \$ 7,300

Official Submittal period (provide preliminary review for
submittal content and completeness) 2 Mo. @ \$7,300/Mo. = \$14,600

Compiling the Listing

Working in conjunction with the committee, compile the final
listing, ranking eligible projects and identifying possible grant
recipients. 2 Mo. @ \$7,300/Mo. = \$14,600

Associated travel expense (lump sum) = \$ 3,000

Presenting the Listing

Working in conjunction with the committee, compile a detailed
cost estimate for each project or grant appearing on the final
listing. Work may require the use of consultant cost estimators.
Time frame as shown assumes that one half of the staff position's
time will be spent on these duties.

Assuming the final listing will be provided to the commissioner
by December 15. Then:

2 months of staff work, at half time, yields 1 mo @ \$7,300 = \$7,300

Maximum 2 months of consultant costs estimating services
(assuming \$75/hour yields) 320 hours x \$75 = \$24,000

Total Project Listing Costs \$70,800

(Note: Funding to cover the cost of listing projects should be provided on an "as needed" basis. To best facilitate this process it is assumed that the funding required under this area of the program would be considered "remodeling costs" (which includes administrative fees as noted under Sec 35.50.900 (5) of the proposed legislation) and hence provided directly from the Barrier Free Remodeling Funds. These monies are designated as "other funds" on page one of this Fiscal Note.

Area 3. Grant/Loan Administration:

GRANTS: As required under the proposed section AS 35.50.070 the department is required to award the resulting grants. It is assumed that only a small amount of involvement will be required of the range 21 position as most of the intense work will be performed by the DOT&PF grant administrators in the regions. For this reason an allowance of one month of the range 21 position has been made under this area of the program. Again these costs are seen as administrative in nature and would be subject to the definition of *remodeling costs*. Funding for these services is shown as "other funds" on the Fiscal Note:

Grant Award Period (provide direction/clarification) part time from January 1 to June 30	1 Mo. @ \$7,300/Mo. = \$7,300
<hr/>	
Total Grant Award Costs	
\$7,300	

LOANS: In this analysis it is assumed that the department will utilize the expertise in the Division of Banking (DC&ED) to implement the revolving loan process. An annual RSA of \$10,000 will be allocated to cover the costs of initializing the loans. Funding for these services is shown as "other funds" on the Fiscal Note:

Total Costs Associated to Loan Awards \$10,000

Area 4. Overseeing the Remodeling Process: As required under the proposed Section 35.50.080 the department shall ensure that money from the barrier free remodeling fund is being used to effect barrier removal. The money required to finance this portion of the program will be a direct cost to the project itself through the issuance of permit and inspection fees. These use of these fees is expected to follow a format similar to that established by the state fire marshal's office. Long term, it is our desire to redelegate this function to adequately qualified municipalities. There would be no adverse fiscal note for this segment of the project.

Area 5. Information Services: As proposed Section 35.50.100 will require the department to provide information on the accessibility standards and the grants and loans available under this program.

Conservatively, this analysis proposes to utilize the remaining 4 months of the range 21 position in an attempt to provide these services. Should this information function develop into a larger than anticipated operation, additional DOT&PF regional personnel or consultants may have to be enlisted. These administrative costs, like those noted in areas 2 and 3, should be considered as *remodeling costs* as defined within the bill. Funding for these services is shown as "other funds" on the Fiscal Note:

Information Related Costs:	
allocate remaining 4 months of range 21 time @ \$7,000/Mo. =	\$29,200
Associated travel/printing expense (lump sum)	\$ 5,000
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Total Compliance Costs	
\$34,200	

Summary of Anticipated Expenditures (Thousands of Dollars)

For FY 93

Type of Expenditure	Area 1 Services	Area 2 Services	Area 3 Services	Area 4 Services	Area 5 Services	Total FY Costs
Personal Services	51.1	14.6	7.3	0.0	14.6	87.6
Travel	5.0	3.0				8.0
Contractual	17.0	24.0	10.0			51.0
Miscellaneous	2.5					2.5

For FY 94

Type of Expenditure	Area 1 Services	Area 2 Services	Area 3 Services	Area 4 Services	Area 5 Services	Total FY Costs
Personal Services	37.8	45.4	7.5	0.0	0.0	90.7
Travel	5.0	3.0				8.0
Contractual	8.0	24.0	10.0			42.0
Miscellaneous	2.5					2.5

For FY 95 and beyond. (Entries beyond FY 95 have been adjusted by 3.5% for inflation.)

Type of Expenditure	Area 1 Services	Area 2 Services	Area 3 Services	Area 4 Services	Area 5 Services	Total FY Costs
Personal Services		54.7	7.8	0.0	31.3	93.8
Travel		3.1			5.2	8.3
Contractual		24.9	10.0			34.9
Miscellaneous						

Note: Administrative costs for program areas 2, 3, 4 and 5 are assumed to be eligible remodeling costs as defined under the proposed section AS 35.50.900(5). In total these cost are anticipated to run between \$73,500 (FY93) and \$152,860 (FY98) per year or approximately 3% of the total amount set aside in the Barrier Free Remodeling Fund.

Explanatory Amendment

[Prepared February 21, 1992]

As a point of clarification to the preceding analysis...

The department's "administrative costs" -- depicted in the final sentence of the analysis as approximately 3% of the total amount of the fund -- consists of only those "overhead" costs associated with soliciting, assembling, analyzing, and prioritizing the requests submitted under this program. The 3% figure does not include "project related costs".

"Project related costs" are normally considered to be those costs associated with the financing, designing, constructing and supervising the project from conception to final acceptance. Costs of this nature should be anticipated at each and every site where barrier removal activities take place. The following "project related costs" (addressed in the analysis as Area 3 and Area 4 services) are not contained in the Fiscal Note summaries; however, they need to be considered when trying to determine the overall impact of the construction dollar.

In the case of barrier removal projects the department anticipates to see project related costs in the following ranges:

Costs associated with Project Funding (overall range of 3 to 10%)

1. If financing is provided through a private sector lending institution in the form of a zero interest loan [to private sector recipients] it is expected that financing charges could run from 3 to 5%. These charges would cover loan fees, credit checks, inspections etc.
2. If funding is provided as a direct grant [to private non-profit organizations or to local governments] the department could incur costs in the range of 3 to 10% depending on the involvement required, time period of the grant, and the dollar amount of the grant. (Presently these costs run approximately \$1,000 per grant.)
3. If funding is provided directly to the department, or a sister agency, as a Capital Improvement Project the department could incur costs in the range of 5 to 10% for the purpose of setting up the project within the department. This percentage would vary depending on the magnitude of the project.

Costs associated with Project Design (overall range of 12 to 18%)

1. Irrespective of what entity is doing the project [private sector, non-profit or government] design costs for these types of projects will run higher than normal. Typically the projects will require a small scale, labor intensive design effort involving the remodel of an existing condition. All are factors which tend to drive design costs upward. These services by and large will be provided by private sector architects and engineers.

Costs associated with Construction Oversight (overall range of 10 to 12%)

1. Initial cost will include building permit fees by local governments. Generally, the fees should be less than 5%.
2. Charges for "shop drawing reviews" and on going inspection services (in addition to those provide by the local authorities) will make up the balance of the costs in this area. Services to be provided from the private sector.

Costs associated with Project Administration (overall range of 5 to 10%)

1. Irrespective of what entity is administrating the project [private sector, non-profit or government] costs for these types of projects will run higher than normal when expressed as a percentage of the project. This again is a result of those same factors pointed out in the discussion on design costs. Typically costs covered under this category include charges related to selecting architects and contractors, administering and making payment on their contracts, and securing the necessary permits, inspections and approvals.

Balance of Funds Available for Actual Construction (ranges from 60 to 70%)

1. Typically the construction contract award will consume about 85% of the available construction funds with the additional 15% held in reserve for paying change orders or claims. All services to be provided in this segment of the project will come from the private sector.

IN SUMMARY

The department anticipates that approximately 3% of the total fund monies will be spent on providing the basic program related services required by the legislation. Additionally, charges resulting from direct project activities will consume the remaining 97% of the monies in the fund -- in which approximately:

2% could be paid to local lending institutions for financing,
15% would be paid to local architects and engineers for design work,
7% would be paid to local professionals for construction oversight,
65% would be paid to local contractors for the actual construction work, and
11% would support government related services, the bulk of which would go to local level authorities.

Another positive feature of this legislation is that the vast majority of the anticipated projects will be less than \$ 50,000. Projects of this dollar magnitude are less likely to attract out-of -state bidders, thus resulting in more jobs for Alaskans.

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO : CSHB 155(HES)

Revision Date: _____
Title: "An Act relating to facility and vehicle accessibility for persons with disabilities..."
Sponsor: Brown, et.al.
Requestor: House Finance

Department Affected: Labor
BRU: Employment Security
Component: Governor's Committee on Employment of the Disabled
COMPONENT SERIAL NO. 333

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	54.7	54.7	54.7	54.7	54.7	54.7
TRAVEL	14.5	9.0	8.0	7.0	7.0	7.0
CONTRACTUAL	23.1	15.0	7.0	2.5	2.0	2.0
SUPPLIES	3.5	2.5	2.5	2.5	2.5	2.5
EQUIPMENT	9.5	0.0	0.0	0.0	0.0	0.0
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	105.3	81.2	72.2	66.7	66.2	66.2

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
Barrier Free Remodeling Fund	105.3	81.2	72.2	66.7	66.2	66.2
TOTAL	105.3	81.2	72.2	66.7	66.2	66.2

POSITIONS:

FULL-TIME	1.0	1.0	1.0	1.0	1.0	1.0
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)

(see attached)

Prepared by: Judy Knight, Director

Phone : 465-2712

Division: Employment Security Division

Date : 2/18/92

Approved by Commissioner: John Li. Abshire, Acting Commissioner

Agency: Department of Labor

Date: 2/18/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

Fiscal Note Analysis for
"An Act relating to facility and vehicle accessibility for persons with disabilities...."

This bill would place additional responsibilities on the Governor's Committee on Employment of People with Disabilities related to the barrier free remodeling fund. The committee currently has funding that allows for three committee meetings per year and provides minimum support of its employment outreach activities. The budget appropriation for FY 93 is anticipated to be \$39.1 (a reduction of \$9.0 from FY 91). The committee does not have funding for staff support.

During the first year this legislation would require regulations to be promulgated and additional committee meetings held to organize the barrier free remodeling fund prioritization. These additional duties would require funding for an analyst to assist the committee on a half-time basis. After the first year, staff focus will change from regulatory duties to analyzing proposals in relationship to regulations, updating information, presenting seminars, and being available as a public information person.

Additional travel funds would also be required. We estimate the committee as a whole will need to meet at least two additional times to initiate advice on the facility remodeling and regulations required for the distribution of funds. A subcommittee of five members with staff support would be responsible for the majority of the drafting and planning necessary for the implementation of this bill requiring several meetings. After the first year, travel expenses would be reduced. Travel expenses for the ex-officio members of the committee have not been included in this fiscal note.

Additional contractual and commodity expenses would also be incurred for the advertising of additional meetings, promulgation of regulations, and supplies associated with the added duties. Approximately \$15,000 in the first year would be spent printing and distributing pamphlets explaining disability laws. Again, after the first year these expenses would be reduced.

Equipment needed would be a personal computer with a laser printer. This would be used by the public for accessing in-depth Americans with Disabilities Act information. The committee would need their own phone, recordophone, and fax machine for easier public access and dissemination of information.

An effective date of July 1, 1992 is assumed.

Position Title Grants Administrator			No. of Positions 1	Range/Step 17A	Harg. Unit GGU
Time Status Full Time	Staff Months 12		Location Anchorage		Election District 7
Type of Expenditure			Amount		
1			2		3
Salary			\$39,500		
Benefits			15,200		
Premium Pay					
Other					
Total Personal Services					\$54,700
Travel					2,000
Contractual					8,100
Commodities					3,500
Equipment					9,500
Other					
Total Cost					\$77,800
Funding Source for Total Cost					
Federal Receipts	1002				
G. F. Match	1003				
General Fund	1004				
GF Program Receipts	1005				
Other					
Justification					
<p>This position would provide the necessary staff support for the Governor's Committee on Employment of People with Disabilities. During the first year the position would assist in the promulgation of required regulations. The following year the position would assist in the grant review and awarding processes. Also the position will function as a public information person by presenting seminars and answering questions from the public on the aspects of this bill.</p> <p>Travel costs would cover three trips to attend committee meetings and for the regulation hearing process.</p> <p>Contractual costs would cover the cost of a phone and fax line as well as the long distance calls associated with the committee. Costs of a copy machine and other average per employee costs are also included.</p> <p>Commodities covers normal office supplies for this position.</p> <p>Equipment expense would be a one-time item and include a personal computer, laser printer, fax machine, telephone, and office furniture.</p>					

**Request For
New Position**

Agency Labor
 BRU Employment Security
 Component Committee on Employment of Disabled

Page 3 of 3
 Revised Date

FY 92

CS FOR HOUSE BILL NO. 155 (FINANCE)
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES BROWN, Ellis, Koponen, Hudson, B.Davis

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to facility and vehicle accessibility for persons with disabilities, the aged,
2 and the infirm, and to the governor's committee on the employment of people with
3 disabilities."

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

5 * Section 1. AS 23.15.220 is amended to read:

6 Sec. 23.15.220. PURPOSE. The purpose of AS 23.15.220 - 23.15.320 is to create a
7 governor's committee on employment of people with disabilities for Alaska to carry on a
8 continuing program to promote the employment of people of the state with disabilities by

9 (1) creating statewide interest in the rehabilitation and employment of people with
10 disabilities;

11 (2) [, AND BY] obtaining and maintaining cooperation with public and private
12 groups and individuals in this field; and

13 (3) eliminating physical barriers to facilities, including workplaces, that
14 hinder access and employment opportunities for persons with disabilities.

1 * Sec. 2. AS 23.15.230 is amended to read:

2 Sec. 23.15.230. COMPOSITION AND APPOINTMENT OF COMMITTEE. (a) The
3 governor's committee consists of not more than 12 members from throughout the state
4 appointed by the governor for staggered terms not exceeding three years. The committee shall
5 be composed of

6 (1) an architect;

7 (2) a representative of local government; and

8 (3) state leaders of industry, business, agriculture, labor, veterans, women,
9 religious, educational, civic, fraternal, welfare, scientific, military, medical, and other professions,
10 or as many of these and like categories as may be feasibly represented.

11 (b) At least four members of the committee must be persons with disabilities or
12 persons who have immediate family members with disabilities.

13 (c) When the committee is performing the duties of the committee under AS 35.50,
14 a representative of the Department of Transportation and Public Facilities, the
15 administrative director of the court system, the executive director of the legislative affairs
16 agency, a representative of the University of Alaska, and the chair of the Governor's
17 Council for the Handicapped and Gifted shall serve as ex-officio members of the committee.
18 The ex-officio members are in addition to the 12 members appointed by the governor, may
19 not vote, and are not considered when determining a quorum.

20 (d) A member may be reappointed and a vacancy shall be filled by the governor.

21 * Sec. 3. AS 23.15 is amended by adding a new section to read:

22 Sec. 23.15.245. DUTIES. In addition to the other duties of the committee, the committee
23 shall perform the duties of the committee established under AS 35.50.

24 * Sec. 4. AS 23.15.260 is amended to read:

25 Sec. 23.15.260. MEETINGS. The committee shall meet at least annually. The
26 committee may hold additional meetings at the call of the chair, or [, BUT] at the request
27 of the governor [SPECIAL MEETINGS MAY BE CALLED].

28 * Sec. 5. AS 35 is amended by adding a new chapter to read:

29 CHAPTER 50. BARRIER FREE FUNDS.

30 Sec. 35.50.010. BARRIER FREE REMODELING ASSISTANCE FUND
31 ESTABLISHED. (a) The barrier free assistance fund is established in the general fund. The

1 assistance fund shall be administered by the department. The assistance fund consists of money
2 appropriated to it by the legislature. Money appropriated to the fund does not lapse.

3 (b) The legislature may appropriate money from the assistance fund to

4 (1) finance the remodeling of state agency, local government, school district, and
5 private nonprofit corporation facilities open to or used by the general public in order to make the
6 facilities accessible by persons with disabilities, the aged, and the infirm;

7 (2) pay the costs of the department and the committee to implement this chapter.

8 Sec. 35.50.020. BARRIER FREE REMODELING LOAN FUND. (a) The barrier free
9 remodeling loan fund is established in the general fund and shall be administered by the
10 Department of Commerce and Economic Development. The loan fund consists of money
11 appropriated to it and the repayment of the principal of the loans made from it.

12 (b) The money in the loan fund shall be used to

13 (1) finance the remodeling of private facilities, other than facilities of private
14 nonprofit corporations, open to or used by the general public in order to make the facilities
15 accessible by persons with disabilities, the aged, and the infirm;

16 (2) pay the costs of the department, the Department of Commerce and Economic
17 Development, and the committee to implement this chapter.

18 Sec. 35.50.025. SPECIAL ACCOUNT ESTABLISHED. (a) The foreclosure expense
19 account is established as a special account in the barrier free remodeling loan fund. The account
20 is established as a reserve from fund equity.

21 (b) The commissioner of commerce and economic development may expend money
22 credited to the foreclosure expense account when necessary to protect the state's security interest
23 in collateral on loans made under this chapter or to defray expenses incurred during foreclosure
24 proceedings after a default by a recipient of a loan under this chapter.

25 Sec. 35.50.030. ADDITIONAL COMMITTEE DUTIES. The governor's committee on
26 employment of people with disabilities shall, in addition to its other duties,

27 (1) advise the department regarding the use and disposition of the money in the
28 assistance fund;

29 (2) advise the Department of Commerce and Economic Development regarding
30 the use and disposition of the money in the loan fund; and

31 (3) assist the department and the Department of Commerce and Economic

1 Development with providing information services under AS 35.50.100 and adopting regulations
2 under AS 35.50.200.

3 Sec. 35.50.040. IDENTIFICATION OF POTENTIAL STATE AGENCY PROJECTS.

4 (a) By June 1 of each year the department shall prepare a list of state agency facilities controlled
5 by the executive branch, except for the University of Alaska and the Alaska Railroad
6 Corporation, that are proposed for remodeling to make them accessible to persons with
7 disabilities, the aged, or the infirm.

8 (b) The Legislative Affairs Agency may submit to the department a list of state agency
9 facilities controlled by the legislative branch that are proposed for remodeling to make them
10 accessible to persons with disabilities, the aged, or the infirm.

11 (c) The administrative director of the Alaska court system may submit to the department
12 a list of state agency facilities controlled by the judicial branch that are proposed for remodeling
13 to make them accessible to persons with disabilities, the aged, or the infirm.

14 (d) By June 1 of each year, the University of Alaska and the Alaska Railroad Corporation
15 shall submit to the department a list of their facilities that are proposed for remodeling to make
16 them accessible to persons with disabilities, the aged, or the infirm.

17 (e) A list submitted under this section must be in the form and supply the information
18 requested by the department, including a proposed budget for the remodeling costs.

19 Sec. 35.50.050. APPLICATION FOR REMODELING GRANTS AND LOANS. (a) A
20 local government, school district, or private nonprofit corporation may apply to the department
21 for a grant under this chapter to pay the remodeling costs of a facility owned or leased by the
22 local government, school district, or private nonprofit corporation in order to make the facility
23 accessible to persons with disabilities, the aged, and the infirm.

24 (b) A person other than a state agency, local government, school district, or private
25 nonprofit corporation may apply to the Department of Commerce and Economic Development
26 for a loan under this chapter to pay the remodeling costs of a facility owned or leased by the
27 person and open to or used by the public in order to make the facility accessible to persons with
28 disabilities, the aged, and the infirm.

29 (c) An application under this section shall be submitted by June 1. The application must
30 be in the form and supply the information requested by the department or the Department of
31 Commerce and Economic Development, including a proposed budget for the remodeling costs.

1 Sec. 35.50.060. ELIGIBILITY REQUIREMENT. In order for a local government or a
2 school district to be eligible for a grant under this chapter, the local government or school district
3 must certify in its application under AS 35.50.050(c) that the invitations to bid and requests for
4 proposals that it issues for property leases include a provision requiring the leased space to
5 comply with 42 U.S.C. 12101 - 12213 (Americans with Disabilities Act of 1990) regarding
6 access to the leased space by persons with disabilities, the aged, and the infirm.

7 Sec. 35.50.070. REVIEW OF SUBMITTALS AND APPLICATIONS. (a) The
8 department shall review for accuracy and completeness the information and budgets in the lists
9 submitted under AS 35.50.040 and the applications submitted under AS 35.50.050(a). The
10 Department of Commerce and Economic Development shall review for accuracy and
11 completeness the information and budgets in the applications submitted under AS 35.50.050(b).
12 By July 15 of each year, the department and the Department of Commerce and Economic
13 Development shall submit to the committee from the lists prepared under AS 35.50.040 and the
14 applications received under AS 35.50.050 a list of the projects for which the information and
15 budgets have been determined to be complete and accurate.

16 (b) The committee shall review the lists and applications submitted under (a) of this
17 section and by November 15 of each year make a list of state agency facilities whose facilities
18 are eligible for remodeling funds under this chapter, a list of the facilities whose remodeling costs
19 are eligible for grants under AS 35.50.080(a), and a list of the facilities whose remodeling costs
20 are eligible for loans under AS 35.50.080(b).

21 (c) When making the lists under (b) of this section, the committee shall consider
22 (1) whether alternative sources of funding are available to an applicant;
23 (2) the significance of the proposed remodeling project for enhancing employment
24 opportunities for persons with disabilities, the aged, and the infirm;
25 (3) the significance of the remodeling project in terms of providing access to basic
26 services to persons with disabilities, the aged, and the infirm; and
27 (4) other criteria or factors considered appropriate by the committee.

28 (d) The lists made under (b) of this section must be written and prioritized and must
29 include the amount approved by the committee for the remodeling of each facility and a budget
30 for the remodeling costs of each facility.

31 Sec. 35.50.080. REMODELING AMOUNTS. (a) Remodeling projects approved under

1 AS 35.50.070(b) for the facilities of state agencies, local governments, school districts, and
2 private nonprofit corporations shall be for up to 100 percent of the total remodeling costs of the
3 facility.

4 (b) Remodeling loans approved under AS 35.50.070(b) for the facilities of persons other
5 than state agencies, local governments, school districts, and private nonprofit corporations shall
6 be made for up to 100 percent of the total remodeling costs of the facility. The Department of
7 Commerce and Economic Development may not require the recipient of the loan to pay interest
8 on the loan.

9 Sec. 35.50.090. AWARD AND DISBURSEMENT OF FUNDS. (a) Subject to the terms
10 of the appropriation, the department shall

11 (1) in accordance with the priority established under AS 35.50.070(b), award the
12 grants that have been funded by the appropriation for award by the department under this chapter,

13 (2) disburse to the appropriate state agency the funds appropriated to the
14 remodeling fund for a state agency other than the department.

15 (b) The Department of Commerce and Economic Development shall award the loans
16 approved under AS 35.50.070(b) for which funding is available and according to the priority
17 established under AS 35.50.070(b).

18 Sec. 35.50.100. INFORMATION SERVICES. The department and the Department of
19 Commerce and Economic Development shall, in cooperation with the committee, provide the
20 following information to state agencies, local governments, school districts, and other persons
21 who own or lease facilities that are open to or used by the general public:

22 (1) the standards established under 42 U.S.C. 12101 - 12213 (Americans with
23 Disabilities Act of 1990) for the accessibility of the facilities; and

24 (2) the availability of funds under this chapter for remodeling the facilities.

25 Sec. 35.50.110. SERVICING OF LOANS. The Department of Commerce and Economic
26 Development may contract out the servicing of loans made under this chapter.

27 Sec. 35.50.120. ADMINISTRATION OF GRANTS. The department may arrange for
28 another state agency to award, administer, or award and administer a grant made by the
29 department under this chapter.

30 Sec. 35.50.130. DISPOSAL OF PROPERTY ACQUIRED BY DEFAULT OR
31 FORECLOSURE. The Department of Commerce and Economic Development shall dispose of

1 property acquired through default or foreclosure of a loan made under this chapter. Disposal
2 shall be made in a manner that serves the best interests of the state, and may include the
3 amortization of payments over a period of years.

4 Sec. 35.50.200. REGULATIONS. In consultation with the committee, the department
5 and the Department of Commerce and Economic Development shall jointly adopt regulations
6 under the Administrative Procedure Act (AS 44.62) to implement this chapter, including
7 regulations establishing criteria including loan security requirements, for distributing the
8 remodeling funds under this chapter, minimum standards of accessibility, and reasonable fees for
9 making and servicing the loans made under this chapter.

10 Sec. 35.50.900. DEFINITIONS. In this chapter,

11 (1) "assistance fund" means the barrier free remodeling assistance fund established
12 under AS 35.50.010;

13 (2) "committee" means the governor's committee on employment of people with
14 disabilities established under AS 23.15.220 - 23.15.320;

15 (3) "facility" means a facility whose construction was completed before January 1,
16 1991, and includes vessels operated by the Alaska marine highway system, places of public
17 accommodation, and commercial facilities; in this paragraph, "public accommodation" and
18 "commercial facilities" have the meanings given in 42 U.S.C. 12181;

19 (4) "loan fund" means the barrier free remodeling loan fund established under
20 AS 35.50.020;

21 (5) "remodeling costs" mean the costs of the alterations required to meet the
22 minimum standards of accessibility established under AS 35.50.200, and includes administrative
23 costs;

24 (6) "school district" means a regional educational attendance area or a municipal
25 school district;

26 (7) "state agency" means a state department or agency in the executive, legislative,
27 or judicial branch, and includes the University of Alaska and the Alaska Railroad Corporation;

28 (8) "state agency facility" means a facility owned by the state.

29 * Sec. 6. AS 23.15.230(c), 23.15.245 and AS 35.50 are repealed July 1, 2000.

30 * Sec. 7. The composition of the governor's committee on the employment of people with disabilities
31 must comply with AS 23.15.230(a) - (b), as amended by sec. 2 of this Act, on and after July 1, 1994.

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO : CSHB 155 (Fin)

Revision Date: _____
 Title: "An Act relating to facility and vehicle accessiblity for persons with disabilities..."
 Sponsor: Representatives Brown, et.al.
 Requestor: House Rules

Department Affected: Labor
 BRU: Employment Security
 Component: Governor's Committee on Employment of the Disabled
 COMPONENT SERIAL NO. 333

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	29.3	54.7	54.7	54.7	54.7	54.7
TRAVEL	10.3	9.0	8.0	7.0	7.0	7.0
CONTRACTUAL	14.9	23.1	7.0	2.5	2.0	2.0
SUPPLIES	1.6	2.5	2.5	2.5	2.5	2.5
EQUIPMENT	9.2	0.0	0.0	0.0	0.0	0.0
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	65.3	89.3	72.2	66.7	66.2	66.2

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
Barrier Free Remodeling Fund	65.3	89.3	72.2	66.7	66.2	66.2
TOTAL	65.3	89.3	72.2	66.7	66.2	66.2

POSITIONS:

FULL-TIME		1.0	1.0	1.0	1.0	1.0
PART-TIME	1.0	(1.0)				
TEMPORARY						

Estimate of current year Impact: None

ANALYSIS: (Attach a separate page if necessary)

(see attached)

Prepared by: Judy Knight, Director Phone: 465-2712
 Division: Employment Security Division Date: 3/18/92

Approved by Commissioner: John L. Mahlen
 Agency: Department of Labor Date: 3/18/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

Fiscal Note Analysis for
"An Act relating to facility and vehicle accessibility for persons with disabilities...."

This bill would place additional responsibilities on the Governor's Committee on Employment of People with Disabilities related to the barrier free remodeling fund. The committee currently has funding that allows for three committee meetings per year and that provides minimum support of its employment outreach activities. The budget appropriation for FY 93 is anticipated to be \$39.1 (a reduction of \$9.0 from FY 91). The committee does not have funding for staff support.

During the first year, this bill would require additional committee meetings to organize the barrier free remodeling fund prioritization and to coordinate the drafting of regulations with the Departments of Transportation & Public Facilities (DOT/PF) and Commerce & Economic Development (DCED). These additional duties would necessitate staff support to assist the committee in presenting seminars, and acting as a resource for the public in conjunction with the requirements of the Americans with Disabilities Act.

Additional travel funds would also be required. We estimate the committee as a whole will need to meet at least two additional times to initiate advice on the facility remodeling and regulations required for the distribution of funds. A subcommittee of five members with staff support would coordinate with DOT/PF and DCED for the regulation drafting and planning necessary for the implementation of this bill. After the first year, travel expenses would be reduced. Travel expenses for the ex-officio members of the committee have not been included in this fiscal note.

Additional contractual and commodity expenses would also be incurred for the advertising of additional meetings and supplies associated with the added duties. Approximately \$12,500 in the first year would be spent printing and distributing pamphlets explaining disability laws.

Equipment needed would be a personal computer with a laser printer. This would be used by the public for accessing in-depth Americans with Disabilities Act information. The committee would need their own phone, recordaphone, and fax machine for easier public access and dissemination of information.

Assumption: The Barrier Free Remodeling Fund will be capitalized for FY'93.

Effective date is July 1, 1992.

Position Title Grants Administrator			No. of Positions 1	Range/Step 17A	Darg. Unit GGU
Time Status Part Time	Staff Months 6		Location Anchorage		Election District 7
Type of Expenditure			Justification		
		Amount	<p>This position will serve as staff support for the Governor's Committee on Employment of People with Disabilities. During the first year the position would also coordinate with the Departments of Transportation & Public Facilities and Commerce & Economic Development in the drafting of regulations. The following year the position would assist in the grant review and awarding processes. Also the position is responsible for providing information to the public by presenting seminars and answering questions from the public including private business on aspects of the Americans with Disabilities Act.</p> <p>Travel costs would cover the additional costs of committee meetings and seminars.</p> <p>Contractual costs would cover the cost of a phone and fax line as well as the long distance calls associated with the committee. Costs of a copy machine and other average per employee costs are also included.</p> <p>Commodities covers normal office supplies for this position.</p> <p>Equipment expense would be a one-time item and include a personal computer, laser printer, fax machine, telephone, and office furniture.</p>		
1	2	3			
Salary	\$19,500				
Benefits	7,600				
Premium Pay					
Other					
Total Personal Services		\$27,100			
Travel		1,300			
Contractual		8,100			
Commodities		1,600			
Equipment		9,200			
Other					
Total Cost		\$47,300			
Funding Source for Total Cost					
Federal Receipts	1002				
G. F. Match	1003				
General Fund	1004				
GF Program Receipts	1005				
Barrier Free Remodeling Fund		\$47,300			

**Request For
New Position**

Agency Labor
 BRU Employment Security
 Component Committee on Employment of Disabled

Page 3 of 3

Revised Date

FY 92

FISCAL NOTE

Revision Date: January 2, 1992 (Draft)
Title: Barrier-Free Remodeling Fund

Department Affected: DOT&PF
BRU: Eng. & Op. Stds.

Sponsor: Rep. Kay Brown
Requestor:

Component: Design & Const. Stds.
Component Serial Number: 547

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY93	FY94	FY95	FY96	FY97	FY98
PERSONAL SERVICES	87.6	90.7	93.8	97.1	100.5	104.0
TRAVEL	8.0	8.0	8.3	8.6	8.9	9.2
CONTRACTUAL	41.0	32.0	24.9	26.1	27.4	28.7
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	2.5	2.5	0	0	0	0
TOTAL OPERATING:	139.1	133.2	127.0	131.8	136.8	141.9

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUNDS	75.6	53.3	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE	63.5	79.9	127.0	131.8	136.8	141.9
TOTAL FUNDING:	139.1	133.2	127.0	131.8	136.8	141.9

POSITIONS

FULL-TIME	1.0	1.0	1.0	1.0	1.0	1.0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary)

See attached 7 page analysis.

Note: In response to a number of questions recently directed to this agency, an Explanatory Amendment, dated February 21, 1992, has been incorporated into the final 2 pages of the analysis.

Note: In response to the creation of a "loan fund" in the CS (Finance) version of the bill, the \$10,000 identified in Area 5 "LOANS" on page 5 of this analysis is no longer required. The above Fiscal Note has been adjusted to reflect this change.

Prepared by: Roger A. Allington, Director

Phone: 465-2951

Division: Engineering and Operations Standards

Date: March 24, 1992

Approved by Commissioner: Frank G. Turpin

Phone: 465-3900

Agency: Department of Transportation and Public Facilities

Date: March 24, 1992

ANALYSIS (cont. from page 1):

Fiscal Note Analysis for Draft CS to HB 155

Program Description:

The proposed bill would expand the Department of Transportation and Public Facilities' responsibilities and authority for encouraging access to the disabled within all facilities covered under recent federal legislation entitled the "Americans with Disabilities Act" (ADA). The department shall facilitate compliance by promulgating regulations necessary to implement this bill, including regulations establishing minimum accessibility standards; reviewing, compiling and presenting a list of candidate facilities for which funding (from the barrier free facility fund) may later be allocated by the committee; awarding grants under AS 35.50.050(c); overseeing the remodel of state facilities as required and provide information and/or assistance to requesting entities so as to ensure compliance with the standards established under 42 U.S.C. 12101 -12213 (ADA).

Background Information Relating to the Proposed Legislation:

On July 26, 1990, President Bush signed into law the "Americans with Disabilities Act" (ADA). Under the law the federal departments of transportation and justice are mandated to promulgate regulations for implementing the law. These regulations were made available in their final form on July 26, 1991. To date this department has experienced a very large increase in the number of inquiries as to the requirements of the bill by both public and private sector representatives. So as to not impact our ongoing workloads, the department can allocate only a limited amount of time and resource to respond to these requests -- with results which are often less than optimum..

It should be understood that the following analysis is based upon our current understanding of the ADA requirements.

Program Implementation and Resulting Fiscal Impacts:

The program as proposed would effect all state agency facilities and a vast amount of privately held facilities. The impact would be seen primarily within the Capital Budget side of the ledger (via the "Barrier Free Facility Fund" proposed under HB 157) as only a small portion of the total program funding would be consumed as general fund administrative fees. The "departmental duties" noted in the introductory paragraph constitute the major costs anticipated by this agency and formulate the basis of the following analysis and Fiscal Note. It is important to note that this analysis does not include those costs associated with expenses incurred by the *Governor's Committee on Employment of People with Disabilities*. Such committee costs resulting from this bill are likely to include additional travel expenses, costs associated with the promulgation of regulations under AS 35.50.020, and general administrative costs amongst others.

Analysis and Assumptions:

The analysis will focus on the department's five specific areas of program involvement.

Area 1, Promulgation of Regulations: Under Section 35.50.120 the department will be required to promulgate regulations to augment the federal regulations developed under the ADA. At present, it appears that the state regulations effecting the standards imposed upon privately held facilities will have to be approved by the federal Department of Justice. This will require a special effort (in addition to the normal state requirements) on the part of department personnel and may extend the time frame for the state's usual regulation adoption process.

The arena of accessibility codes and standards can be confusing to the lay person. In preparing this analysis the department assumes that an additional employee will be required to formulate the regulations. The position should be programmed at a level equal to that of a registered architect. This will ensure familiarity with appropriate codes and provide the state with a reputable representative when dealing with other (federal) agencies, the design community and concerned individuals. For purposes of the following analysis a position at the range 21 has been assumed. (Range 21-A costs are as follows: \$4342/month basic salary times an overhead factor of 1.69 yielding approximately \$7,300/month total personnel costs.)

Code Promulgation (anticipate eighteen months to complete): Development

Utilize existing framework as created by DOT&PF Advisory Committee (phase 1).....Est. 4 Mo. @ \$7,300/Mo.	= \$29,200
Revision following public hearing process (phase 2).....Est. 3 Mo. @ \$7,300/Mo.	= \$21,900
Revision following federal review process (phase 3).....Est. 2 Mo. @ \$7,555/Mo.	= \$15,110
Legal Review, for reviews at all phases (lump sum)	= \$25,000
In-state review and travel, for two series of hearings (lump sum)	= \$ 5,000
Federal review and travel (lump sum)	= \$ 2,500
Publication and education	
Publication Costs (State amendments to ADA regs)	= \$ 2,500
Education costs -- manpower	Est. 3 Mo. @ \$7,555/Mo. = \$22,665
-- travel and misc. (lump sum)	= \$ 3,000
<hr/>	
Total Promulgation Costs	= \$128,875

(Note: While funding for promulgations costs needs to be provided only once, it must be made available over two fiscal years at a minimum in order to ensure sufficient time to interact with the federal review process. See specific FY 93 and FY 94 allocations on page 6 of this fiscal note.)

Area 2, Compiling, Reviewing and Presenting the Listing of Candidate Projects: As required under proposed sections AS 35.50.030, 35.50.040(c), and 35.50.050(a) the

department must assemble a statewide listing of accessibility projects for review and selection by the "committee" on an annual basis. While this work is to be accomplished in a relatively short period of time, June 1 through October 1, it will require an extensive amount of knowledge and manpower to accomplish the needed tasks. A professional level position is warranted as the individual will be responsible for dealing with other design professionals, government officials and the disabled community in general. For these reasons, it is recommended that the range 21 position noted previously be retained for this segment of the program as well. Approximate costs associated with this area of the program are as follows.

Project Listing Development (anticipate approximately 6 months of full time involvement each year)

Assembly of Projects

Pre-submittal period (provide direction/clarification) from
 May 1 to June 1 1 Mo. @ \$7,300/Mo. = \$ 7,300
 Official Submittal period (provide preliminary review for
 submittal content and completeness) 2 Mo. @ \$7,300/Mo. = \$14,600

Compiling the Listing

Working in conjunction with the committee, compile the final
 listing, ranking eligible projects and identifying possible grant
 recipients. 2 Mo. @ \$7,300/Mo. = \$14,600
 Associated travel expense (lump sum) = \$ 3,000

Presenting the Listing

Working in conjunction with the committee, compile a detailed
 cost estimate for each project or grant appearing on the final
 listing. Work may require the use of consultant cost estimators.
 Time frame as shown assumes that one half of the staff position's
 time will be spent on these duties.

Assuming the final listing will be provided to the commissioner
 by December 15. Then:

2 months of staff work, at half time, yields 1 mo @ \$7,300 = \$7,300

Maximum 2 months of consultant costs estimating services
 (assuming \$75/hour yields) 320 hours x \$75 = \$24,000

Total Project Listing Costs \$70,800

(Note: Funding to cover the cost of listing projects should be provided on an "as needed" basis. To best facilitate this process it is assumed that the funding required under this area of the program would be considered "remodeling costs" (which includes administrative fees as noted under Sec 35.50.900 (5) of the proposed legislation) and hence provided directly from the Barrier Free Remodeling Funds. These monies are designated as "other funds" on page one of this Fiscal Note.

Area 3. Grant/Loan Administration:

GRANTS: As required under the proposed section AS 35.50.070 the department is required to award the resulting grants. It is assumed that only a small amount of involvement will be required of the range 21 position as most of the intense work

will be performed by the DOT&PF grant administrators in the regions. For this reason an allowance of one month of the range 21 position has been made under this area of the program. Again these costs are seen as administrative in nature and would be subject to the definition of *remodeling costs*. Funding for these services is shown as "other funds" on the Fiscal Note:

Grant Award Period (provide direction/clarification) part time	
from January 1 to June 30	1 Mo. @ \$7,300/Mo. = \$7,300
Total Grant Award Costs	\$7,300

LOANS: In this analysis it is assumed that the department will utilize the expertise in the Division of Banking (DC&ED) to implement the revolving loan process. An annual RSA of \$10,000 will be allocated to cover the costs of initializing the loans. Funding for these services is shown as "other funds" on the Fiscal Note:

Total Costs Associated to Loan Awards	\$10,000
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Area 4. Overseeing the Remodeling Process: As required under the proposed Section 35.50.080 the department shall ensure that money from the barrier free remodeling fund is being used to effect barrier removal. The money required to finance this portion of the program will be a direct cost to the project itself through the issuance of permit and inspection fees. These use of these fees is expected to follow a format similar to that established by the state fire marshal's office. Long term, it is our desire to redelegate this function to adequately qualified municipalities. There would be no adverse fiscal note for this segment of the project.

Area 5. Information Services: As proposed Section 35.50.100 will require the department to provide information on the accessibility standards and the grants and loans available under this program.

Conservatively, this analysis proposes to utilize the remaining 4 months of the range 21 position in an attempt to provide these services. Should this information function develop into a larger than anticipated operation, additional DOT&PF regional personnel or consultants may have to be enlisted. These administrative costs, like those noted in areas 2 and 3, should be considered as *remodeling costs* as defined within the bill. Funding for these services is shown as "other funds" on the Fiscal Note:

Information Related Costs:

allocate remaining 4 months of range 21 time @ \$7,000/Mo. =	\$29,200
Associated travel/printing expense (lump sum)	\$ 5,000
Total Compliance Costs	\$34,200

Summary of Anticipated Expenditures (Thousands of Dollars)

For FY 93

Type of Expenditure	Area 1 Services	Area 2 Services	Area 3 Services	Area 4 Services	Area 5 Services	Total FY Costs
Personal Services	51.1	14.6	7.3	0.0	14.6	87.6
Travel	5.0	3.0				8.0
Contractual	17.0	24.0	10.0			51.0
Miscellaneous	2.5					2.5

For FY 94

Type of Expenditure	Area 1 Services	Area 2 Services	Area 3 Services	Area 4 Services	Area 5 Services	Total FY Costs
Personal Services	37.8	45.4	7.5	0.0	0.0	90.7
Travel	5.0	3.0				8.0
Contractual	8.0	24.0	10.0			42.0
Miscellaneous	2.5					2.5

For FY 95 and beyond. (Entries beyond FY 95 have been adjusted by 3.5% for inflation.)

Type of Expenditure	Area 1 Services	Area 2 Services	Area 3 Services	Area 4 Services	Area 5 Services	Total FY Costs
Personal Services		54.7	7.8	0.0	31.3	93.8
Travel		3.1			5.2	8.3
Contractual		24.9	10.0			34.9
Miscellaneous						

Note: Administrative costs for program areas 2, 3, 4 and 5 are assumed to be eligible remodeling costs as defined under the proposed section AS 35.50.900(5). In total these cost are anticipated to run between \$73,500 (FY93) and \$152,860 (FY98) per year or approximately 3% of the total amount set aside in the Barrier Free Remodeling Fund.

Explanatory Amendment

[Prepared February 21, 1992]

As a point of clarification to the preceding analysis...

The department's "administrative costs" – depicted in the final sentence of the analysis as approximately 3% of the total amount of the fund – consists of only those "overhead" costs associated with soliciting, assembling, analyzing, and prioritizing the requests submitted under this program. The 3% figure does not include "project related costs".

"Project related costs" are normally considered to be those costs associated with the financing, designing, constructing and supervising the project from conception to final acceptance. Costs of this nature should be anticipated at each and every site where barrier removal activities take place. The following "project related costs" (addressed in the analysis as Area 3 and Area 4 services) are not contained in the Fiscal Note summaries; however, they need to be considered when trying to determine the overall impact of the construction dollar.

In the case of barrier removal projects the department anticipates to see project related costs in the following ranges:

Costs associated with Project Funding (overall range of 3 to 10%)

1. If financing is provided through a private sector lending institution in the form of a zero interest loan [to private sector recipients] it is expected that financing charges could run from 3 to 5%. These charges would cover loan fees, credit checks, inspections etc.
2. If funding is provided as a direct grant [to private non-profit organizations or to local governments] the department could incur costs in the range of 3 to 10% depending on the involvement required, time period of the grant, and the dollar amount of the grant. (Presently these costs run approximately \$1,000 per grant.)
3. If funding is provided directly to the department, or a sister agency, as a Capital Improvement Project the department could incur costs in the range of 5 to 10% for the purpose of setting up the project within the department. This percentage would vary depending on the magnitude of the project.

Costs associated with Project Design (overall range of 12 to 18%)

1. Irrespective of what entity is doing the project [private sector, non-profit or government] design costs for these types of projects will run higher than normal. Typically the projects will require a small scale, labor intensive design effort involving the remodel of an existing condition. All are factors which tend to drive design costs upward. These services by and large will be provided by private sector architects and engineers.

Costs associated with Construction Oversight (overall range of 10 to 12%)

1. Initial cost will include building permit fees by local governments. Generally, the fees should be less than 5%.

2. Charges for "shop drawing reviews" and on going inspection services (in addition to those provide by the local authorities) will make up the balance of the costs in this area. Services to be provided from the private sector.

Costs associated with Project Administration (overall range of 5 to 10%)

1. Irrespective of what entity is administrating the project [private sector, non-profit or government] costs for these types of projects will run higher than normal when expressed as a percentage of the project. This again is a result of those same factors pointed out in the discussion on design costs. Typically costs covered under this category include charges related to selecting architects and contractors, administering and making payment on their contracts, and securing the necessary permits, inspections and approvals.

Balance of Funds Available for Actual Construction (ranges from 60 to 70%)

1. Typically the construction contract award will consume about 85% of the available construction funds with the additional 15% held in reserve for paying change orders or claims. All services to be provided in this segment of the project will come from the private sector.

IN SUMMARY

The department anticipates that approximately 3% of the total fund monies will be spent on providing the basic program related services required by the legislation. Additionally, charges resulting from direct project activities will consume the remaining 97% of the monies in the fund – in which approximately:

2% could be paid to local lending institutions for financing,
15% would be paid to local architects and engineers for design work,
7% would be paid to local professionals for construction oversight,
65% would be paid to local contractors for the actual construction work, and
11% would support government related services, the bulk of which would go to local level authorities.

Another positive feature of this legislation is that the vast majority of the anticipated projects will be less than \$ 50,000. Projects of this dollar magnitude are less likely to attract out-of -state bidders, thus resulting in more jobs for Alaskans.

7-LS0472M
Bannister
3/5/92

CS FOR HOUSE BILL NO. 155 ()
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES BROWN, Ellis, Koponen, Hudson, B.Davis

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to facility and vehicle accessibility for persons with disabilities, the aged,
2 and the infirm, and to the governor's committee on the employment of people with
3 disabilities."

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

5 * Section 1. AS 23.15.220 is amended to read:

6 Sec. 23.15.220. PURPOSE. The purpose of AS 23.15.220 - 23.15.320 is to create a
7 governor's committee on employment of people with disabilities for Alaska to carry on a
8 continuing program to promote the employment of people of the state with disabilities by

9 (1) creating statewide interest in the rehabilitation and employment of people with
10 disabilities;

11 (2) [, AND BY] obtaining and maintaining cooperation with public and private
12 groups and individuals in this field; and

13 (3) eliminating physical barriers to facilities, including workplaces, that
14 hinder access and employment opportunities for persons with disabilities.

1 * Sec. 2. AS 23.15.230 is amended to read:

2 Sec. 23.15.230. COMPOSITION AND APPOINTMENT OF COMMITTEE. (a) The
3 governor's committee consists of not more than 12 members from throughout the state
4 appointed by the governor for staggered terms not exceeding three years. The committee shall
5 be composed of

6 (1) an architect;

7 (2) a representative of local government; and

8 (3) state leaders of industry, business, agriculture, labor, veterans, women,
9 religious, educational, civic, fraternal, welfare, scientific, military, medical, and other professions,
10 or as many of these and like categories as may be feasibly represented.

11 (b) At least four members of the committee must be persons with disabilities or
12 persons who have immediate family members with disabilities.

13 (c) When the committee is performing the duties of the committee under AS 35.50,
14 a representative of the Department of Transportation and Public Facilities, the
15 administrative director of the court system, the executive director of the legislative affairs
16 agency, a representative of the University of Alaska, and the chair of the Governor's
17 Council for the Handicapped and Gifted shall serve as ex-officio members of the committee.
18 The ex-officio members are in addition to the 12 members appointed by the governor, may
19 not vote, and are not considered when determining a quorum.

20 (d) A member may be reappointed and a vacancy shall be filled by the governor.

21 * Sec. 3. AS 23.15 is amended by adding a new section to read:

22 Sec. 23.15.245. DUTIES. In addition to the other duties of the committee, the committee
23 shall perform the duties of the committee established under AS 35.50.

24 * Sec. 4. AS 23.15.260 is amended to read:

25 Sec. 23.15.260. MEETINGS. The committee shall meet at least annually. The
26 committee may hold additional meetings at the call of the chair, or [, BUT] at the request
27 of the governor [SPECIAL MEETINGS MAY BE CALLED].

28 * Sec. 5. AS 35 is amended by adding a new chapter to read:

29 CHAPTER 50. BARRIER FREE FUNDS.

30 Sec. 35.50.010. BARRIER FREE REMODELING ASSISTANCE FUND
31 ESTABLISHED. (a) The barrier free assistance fund is established in the general fund. The

1 assistance fund shall be administered by the department. The assistance fund consists of money
2 appropriated to it by the legislature. Money appropriated to the fund does not lapse.

3 (b) The legislature may appropriate money from the assistance fund to

4 (1) finance the remodeling of state agency, local government, school district, and
5 private nonprofit corporation facilities open to or used by the general public in order to make the
6 facilities accessible by persons with disabilities, the aged, and the infirm;

7 (2) pay the costs of the department and the committee to implement this chapter.

8 Sec. 35.50.020. BARRIER FREE REMODELING LOAN FUND. (a) The barrier free
9 remodeling loan fund is established in the general fund and shall be administered by the
10 Department of Commerce and Economic Development. The loan fund consists of money
11 appropriated to it and the repayment of the principal of the loans made from it.

12 (b) The money in the loan fund shall be used to

13 (1) finance the remodeling of private facilities, other than facilities of private
14 nonprofit corporations, open to or used by the general public in order to make the facilities
15 accessible by persons with disabilities, the aged, and the infirm;

16 (2) pay the costs of the Department of Commerce and Economic Development
17 and the committee to implement this chapter.

18 Sec. 35.50.030. ADDITIONAL COMMITTEE DUTIES. The governor's committee on
19 employment of people with disabilities shall, in addition to its other duties,

20 (1) advise the department regarding the use and disposition of the money in the
21 assistance fund;

22 (2) advise the Department of Commerce and Economic Development regarding
23 the use and disposition of the money in the loan fund; and

24 (3) assist the department and the Department of Commerce and Economic
25 Development with providing information services under AS 35.50.100 and adopting regulations
26 under AS 35.50.200.

27 Sec. 35.50.040. IDENTIFICATION OF POTENTIAL STATE AGENCY PROJECTS.

28 (a) By June 1 of each year the department shall prepare a list of state agency facilities controlled
29 by the executive branch, except for the University of Alaska and the Alaska Railroad
30 Corporation, that are proposed for remodeling to make them accessible to persons with
31 disabilities, the aged, or the infirm.

1 (b) The Legislative Affairs Agency may submit to the department a list of state agency
2 facilities controlled by the legislative branch that are proposed for remodeling to make them
3 accessible to persons with disabilities, the aged, or the infirm.

4 (c) The administrative director of the Alaska court system may submit to the department
5 a list of state agency facilities controlled by the judicial branch that are proposed for remodeling
6 to make them accessible to persons with disabilities, the aged, or the infirm.

7 (d) By June 1 of each year, the University of Alaska and the Alaska Railroad Corporation
8 shall submit to the department a list of their facilities that are proposed for remodeling to make
9 them accessible to persons with disabilities, the aged, or the infirm.

10 (e) A list submitted under this section must be in the form and supply the information
11 requested by the department, including a proposed budget for the remodeling costs.

12 Sec. 35.50.050. APPLICATION FOR REMODELING GRANTS AND LOANS. (a) A
13 local government, school district, or private nonprofit corporation may apply to the department
14 for a grant under this chapter to pay the remodeling costs of a facility owned or leased by the
15 local government, school district, or private nonprofit corporation in order to make the facility
16 accessible to persons with disabilities, the aged, and the infirm.

17 (b) A person other than a state agency, local government, school district, or private
18 nonprofit corporation may apply to the Department of Commerce and Economic Development
19 for a loan under this chapter to pay the remodeling costs of a facility owned or leased by the
20 person and open to or used by the public in order to make the facility accessible to persons with
21 disabilities, the aged, and the infirm.

22 (c) An application under this section shall be submitted by June 1 of the year preceding
23 the fiscal year for which the grant or loan is sought. The application must be in the form and
24 supply the information requested by the department or the Department of Commerce and
25 Economic Development, including a proposed budget for the remodeling costs.

26 Sec. 35.50.060. ELIGIBILITY REQUIREMENT. In order for a local government or a
27 school district to be eligible for a grant under this chapter, the local government or school district
28 must certify in its application under AS 35.50.050(c) that the invitations to bid and requests for
29 proposals that it issues for property leases include a provision requiring the leased space to
30 comply with 42 U.S.C. 12101 - 12213 (Americans with Disabilities Act of 1990) regarding
31 access to the leased space by persons with disabilities, the aged, and the infirm.

1 Sec. 35.50.070. REVIEW OF SUBMITTALS AND APPLICATIONS. (a) The
2 department shall review for accuracy and completeness the information and budgets in the lists
3 submitted under AS 35.50.040 and the applications submitted under AS 35.50.050(a). The
4 Department of Commerce and Economic Development shall review for accuracy and
5 completeness the information and budgets in the applications submitted under AS 35.50.050(b).
6 By July 15 of each year, the department and the Department of Commerce and Economic
7 Development shall submit to the committee from the lists prepared under AS 35.50.040 and the
8 applications received under AS 35.50.050 a list of the projects for which the information and
9 budgets have been determined to be complete and accurate.

10 (b) The committee shall review the lists and applications submitted under (a) of this
11 section and by November 15 of each year make a list of state agency facilities whose facilities
12 are eligible for remodeling funds under this chapter, a list of the facilities whose remodeling costs
13 are eligible for grants under AS 35.50.080(a), and a list of the facilities whose remodeling costs
14 are eligible for loans under AS 35.50.080(b).

15 (c) When making the lists under (b) of this section, the committee shall consider

- 16 (1) whether alternative sources of funding are available to an applicant;
17 (2) the significance of the proposed remodeling project for enhancing employment
18 opportunities for persons with disabilities, the aged, and the infirm;
19 (3) the significance of the remodeling project in terms of providing access to basic
20 services to persons with disabilities, the aged, and the infirm; and
21 (4) other criteria or factors considered appropriate by the committee.

22 (d) The lists made under (b) of this section must be written and prioritized and must
23 include the amount approved by the committee for the remodeling of each facility and a budget
24 for the remodeling costs of each facility.

25 Sec. 35.50.080. REMODELING AMOUNTS. (a) Remodeling projects approved under
26 AS-35.50.070(b) for the facilities of state agencies, local governments, school districts, and
27 private nonprofit corporations shall be for up to 100 percent of the total remodeling costs of the
28 facility.

29 (b) Remodeling loans approved under AS 35.50.070(b) for the facilities of persons other
30 than state agencies, local governments, school districts, and private nonprofit corporations shall
31 be made for up to 100 percent of the total remodeling costs of the facility. The Department of

1 Commerce and Economic Development may not require the recipient of the loan to pay interest
2 on the loan.

3 Sec. 35.50.090. AWARD AND DISBURSEMENT OF FUNDS. (a) Subject to the terms
4 of the appropriation, the department shall

5 (1) in accordance with the priority established under AS 35.50.070(b), award the
6 grants that have been funded by the appropriation for award by the department under this chapter,

7 (2) disburse to the appropriate state agency the funds appropriated to the
8 remodeling fund for a state agency other than the department.

9 (b) The Department of Commerce and Economic Development shall award the loans
10 approved under AS 35.50.070(b) for which funding is available and according to the priority
11 established under AS 35.50.070(b).

12 Sec. 35.50.100. INFORMATION SERVICES. The department and the Department of
13 Commerce and Economic Development shall, in cooperation with the committee, provide the
14 following information to state agencies, local governments, school districts, and other persons
15 who own or lease facilities that are open to or used by the general public:

16 (1) the standards established under 42 U.S.C. 12101 - 12213 (Americans with
17 Disabilities Act of 1990) for the accessibility of the facilities; and

18 (2) the availability of funds under this chapter for remodeling the facilities.

19 Sec. 35.50.110. SERVICING OF LOANS. The Department of Commerce and Economic
20 Development may contract out the servicing of loans made under this chapter.

21 Sec. 35.50.120. ADMINISTRATION OF GRANTS. The department may arrange for
22 another state agency to award, administer, or award and administer a grant made by the
23 department under this chapter.

24 Sec. 35.50.200. REGULATIONS. In consultation with the committee, the department
25 and the Department of Commerce and Economic Development shall jointly adopt regulations
26 under the Administrative Procedure Act (AS 44.62) to implement this chapter, including
27 regulations establishing criteria for distributing the remodeling funds under this chapter, minimum
28 standards of accessibility, and reasonable fees for making and servicing the loans made under this
29 chapter.

30 Sec. 35.50.900. DEFINITIONS. In this chapter,

31 (1) "assistance fund" means the barrier free remodeling assistance fund established

1 under AS 35.50.010;

2 (2) "committee" means the governor's committee on employment of people with
3 disabilities established under AS 23.15.220 - 23.15.320;

4 (3) "facility" means a facility whose construction was completed before January 1,
5 1991, and includes vessels operated by the Alaska marine highway system, places of public
6 accommodation, and commercial facilities; in this paragraph, "public accommodation" and
7 "commercial facilities" have the meanings given in 42 U.S.C. 12181;

8 (4) "loan fund" means the barrier free remodeling loan fund established under
9 AS 35.50.020;

10 (5) "remodeling costs" mean the costs of the alterations required to meet the
11 minimum standards of accessibility established under AS 35.50.200, and includes administrative
12 costs;

13 (6) "school district" means a regional educational attendance area or a municipal
14 school district;

15 (7) "state agency" means a state department or agency in the executive, legislative,
16 or judicial branch, and includes the University of Alaska and the Alaska Railroad Corporation;

17 (8) "state agency facility" means a facility owned by the state.

18 * Sec. 6. AS 23.15.230(c), 23.15.245 and AS 35.50 are repealed July 1, 2000.

19 * Sec. 7. The composition of the governor's committee on the employment of people with disabilities
20 must comply with AS 23.15.230(a) - (b), as amended by sec. 2 of this Act, on and after July 1, 1994.

JAN 21 1992



Department of Transportation
and Public Facilities

POSITION PAPER

BILL NO: HB 155

APPROVED: W.P. Gaud

TITLE: An Act relating to facility and vehicle
accessibility for persons with disabilities,
the aged, and infirm.

DATE: 1/21/92

The department supports the bill. It is a reasonable and appropriate response to recent federal legislation and to the needs of the disabled community within the State of Alaska. It is the department's belief that the sponsor intends to more fully develop the bill during the session. Therefore, the department would like to reserve the opportunity to provide additional input as the federal requirements become more fully established.


Representative Kay Brown

ALASKA STATE LEGISLATURE

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During Session
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TO: Representative Mike Navarre, Co-Chair
Representative Eileen MacLean, Co-Chair
House Finance Committee

FROM: Representative Kay Brown 

DATE: March 6, 1992

SUBJ: CS HB 155/Draft Finance CS — Barrier Free Remodeling

Since the last time CS HB 155 (HES) was heard in the House Finance Committee, I have been working to develop a revised committee substitute to address a number of technical concerns identified by the House Finance Committee staff and the Department of Transportation and Public Facilities.

The changes between CS HB 155 (HES) and the proposed work draft are summarized below. A copy of a work draft CS dated 3/5/92 has been included in the committee packets.

CS HB 155/Draft Finance CS dated 3/5/92

1. Two Funds - DOTPF/Public Facility Grants & DCED/Private Facility Loans

The proposed Finance CS, in recognition that DOTPF is not the most appropriate agency to administer a loan program, reflects the creation of two distinct remodeling funds: 1) a "Barrier Free Remodeling Fund" to be administered by DOTPF (for remodeling of public facilities); and 2) a "Barrier Free Remodeling Loan Fund" to be administered by DCED (for remodeling of private places of public accommodation).

See page 2, line 28 through page 3, line 17.

2. Legislative Appropriation from the Barrier Free Remodeling Fund

Additional language was added to provide clarify that the legislature would appropriate money *from* the DOTPF Barrier Free Remodeling Fund, based

DISTRICT 12

Downtown • Fairview • City View • Bootleggers Cove • Inlet View • South Addition • Thunderbird Terrace
Eastridge • Penland Park • Airport Heights • Government Hill

upon available funding and the recommendations of the Governor's Committee on Employment of People with Disabilities. This would establish a process similar to the way in which funding for projects is appropriated annually by the legislature from the Oil and Hazardous Substance Release Response Fund ie, 470 Fund. This would mean that the Commissioner of DOTPF would not make the final decision on the award of project funding, rather, the legislature would.

See page 3, line 3.

3. Regulation Development

The proposed draft CS provides that one comprehensive set of regulations should be developed by DOTPF and DCED, in consultation with the Governor's Committee on Employment of People with Disabilities. This should be clearly stated in the bill.

See page 6, lines 24-29.

4. Grant/Loan Evaluation Criteria

The proposed draft CS expands the criteria that the Governor's Committee on Employment of People with Disabilities will use to develop its project priority lists. The Committee is directed to consider (1) alternative funding sources available to an applicant; (2) the significance of the proposed remodeling project in terms of enhancing employment opportunities for persons with disabilities; (3) significance of the project in terms of providing access to basic services to persons with disabilities; and (4) other criteria or factors considered appropriate by the committee.

See page 5, lines 15-24.

5. Timing — Identification of Projects, Development of Lists, Project Awards

The timetable for project reviews and priority ranking should be changed to reflect that the Committee shall prepare its priority lists by November 15th. (That is, the Commissioner of DOTPF would not make a final determination regarding projects.) These lists would be used by the Governor and the legislature as the basis for developing annual funding levels for the grant and loan program.

In summary, between June 1 and July 15, DOTPF and DCED would compile proposed project applications, verify documentation and then submit these project applications to the Governor's Committee on Employment of People with Disabilities. Between July 15 and November 15, the Governor's

Committee on Employment of People with Disabilities would prioritize the lists.

See page 3, line 27 through page 5, line 24.

Subject to legislative authorization through a separate appropriation, award of grants would be made by DOTPF to public agencies, local governments, school districts, and non-profits. (As a revolving loan fund, once capitalized, the DCED Barrier Free Remodeling Loan Fund would not require annual appropriations for expenditure.)

Attachment # 8
3/6/92

TO: Representative Kay Brown
FROM: Eric F. Myers
DATE: 3/6/92
SUBJ: Further Amendments to the Finance CS for HB 155

Please find attached:

- 1) a fiscal note from Department of Commerce and Economic Development (DECD); and
- 2) a further amendment to the proposed Finance CS

DCED Fiscal Note

DCED anticipates a fiscal impact of \$6,900 to *develop the regulations* required for the program.

This simply reflects regulation development — not servicing of a loan portfolio. A larger fiscal impact would be reflected if the program were capitalized and loans were actually made.

Further Clean Up Amendment

After we got the draft CS yesterday afternoon, I circulated it to the Department of Transportation and Public Facilities, and the Department of Commerce and Economic Development.

The amendment — proposing clarifications to the draft CS — includes the following changes:

1. DOTPF Allowed to be Funded for Inspections from Loan Fund

Page 3, line 16: adds the "department" (ie, DOTPF) to the agencies that may, subject to legislative budgeting, be funded from the DCED Barrier Free revolving loan fund. This is order to allow for the follow up

inspection by DOTPF of projects that are developed through loans. That is, DOTPF has the expertise regarding architectural improvements and the ADA; they are the ones that should do the follow up checking.

2. Adding language to provide for Loan Security

Three different parts of the amendment all relate to providing additional authority for the Department of Commerce and Economic Development to ensure that loans made by the department are secured with collateral and to provide a mechanism to dispose of property acquired through default.

3. Clarification Regarding Timing of Loan Applications

By eliminating this phrase, it will not require that applications be resubmitted each year for consideration during the following fiscal year.

SECTIONAL ANALYSIS

Barrier Free Remodeling Fund CS HB 155 (HES)

Section 1

Amends purposes of the Governor's Committee on Employment of People with Disabilities to include the elimination of physical barriers to facilities, including work places, that hinder access and employment opportunities for persons with disabilities.

Section 2

Amends composition of the Governor's Committee on Employment of People with Disabilities to provide that membership be from throughout the state and include an architect and a representative of local government. Adds requirement that at least four members of the Committee be persons experiencing a disability or be persons who have immediate family members with disabilities.

Provides that a representative of the Department of Transportation and Public Facilities (DOTPF), the administrative director of the Court System, the executive director of the Legislative Affairs Agency, a representative of the University of Alaska and the Chair of the Governor's Council for the Handicapped and Gifted serve as ex-officio members of the Governor's Committee on Employment of People with Disabilities when the Committee meets pertaining to the Barrier Free Remodeling Fund.

Section 3

Amends the duties of the Governor's Committee on Employment of People with Disabilities to include serving as the advisory committee to DOTPF on expenditure of money from the Barrier Free Remodeling Fund.

Section 4

Amends statutes of the Governor's Committee on Employment of People with Disabilities to allow the Committee to hold additional meetings.

Section 5

Establishes a Barrier Free Remodeling Fund within DOTPF. The Fund consists of money appropriated to the Fund by the legislature and repayment of principal of loans made from the fund. Money in the Fund will be used to finance the remodeling of public and private facilities completed by January 1, 1991 that are open to or used by the general public in order to make them accessible by the disabled, aged, or infirm.

By June 1 of each year, DOTPF shall prepare a list of state agency facilities controlled by the executive branch that are not accessible, together with a proposed budget for remodeling costs. The University of Alaska and the Alaska Railroad Corporation are also required to submit lists of their facilities that are in need of access improvements. The Legislative Affairs Agency and the Alaska Court System may submit remodeling requests. State agencies, local governments, school districts and private non-profits may apply for grants while private businesses may apply to the department for zero interest loans to make accessibility improvements.

In order for a local government or a school district to be eligible for a grant, the local government or school district must certify in its application that the invitations to bid and requests for proposals that it issues for property leases include a provision requiring the leased space to comply with the ADA.

By July 15 of each year, DOTPF shall submit to the Governor's Committee on Employment of People with Disabilities a list of requests and applications for remodeling grants. The committee shall recommend to the Commissioner a prioritized listing of the state agency facilities to be remodeled under this chapter and the grants and loans to be made for remodeling. The Committee may consider whether alternative sources of funds are available to an applicant.

The Commissioner shall, by December 15, make a final written determination of facilities whose remodeling costs are to be paid through grants or loans from the Fund. Using money from the fund that has been approved for state agency projects, the department shall remodel state facilities to provide access except that the Legislative Affairs Agency, the Alaska Court System, the University of Alaska or the Alaska Railroad Corporation may request the disbursement of funds awarded by the Commissioner in order to undertake their own remodeling efforts.

In cooperation with the Governor's Committee on Employment of People with Disabilities, the department shall provide information and technical assistance to state agencies, local governments, school districts and other persons who own or lease facilities open to or used by the public.

DOTPF shall adopt regulations to implement the program. The department may contract out for the servicing of loans.

Section 6

The Barrier Free Remodeling Fund and the advisory duties of the Governor's Committee on Employment of People with Disabilities pertaining to the Barrier Free Remodeling Fund are repealed effective July 1, 2000.

Section 7

The composition of the Governor's Committee on Employment of People with Disabilities must comply with the amended requirements of section 2 by July 1, 1994.

· S P O N S O R S T A T E M E N T

Barrier Free Remodeling Fund
CS HB 155 (HESS) & CS HB 157 (State Affairs)

Background

The Americans with Disabilities Act (ADA) was signed into law by President George Bush on July 26, 1990. This landmark legislation, called by some the "Emancipation Proclamation for the Disabled," provides civil rights protection to individuals who experience disabilities.

The ADA will have broad impact in Alaska. The ADA prohibits discrimination against individuals with disabilities and requires that buildings be made accessible. In particular, the ADA will significantly impact a great number of public agencies and private businesses challenged by the need to ensure that public accommodations such as state and local government agency buildings, museums, libraries, schools, restaurants, hotels, theaters and day care centers are accessible.

As of January 26, 1992, most public and private facilities throughout the state became legally liable to provide barrier free access. Under the ADA, building and facility owners that fail to meet the ADA accessibility requirements can be sued in federal court.

43 Million Americans

During a recent ADA seminar sponsored by the Governor's Committee on Employment of People with Disabilities, it was noted that some 43 million Americans experience a disability. A national survey of disabled individuals (including many senior citizens) determined that the disabled are routinely discouraged from full participation in our society.

The survey findings included that:

- some 40% of disabled persons do not often leave their homes due to accessibility problems;
- people experiencing disabilities are far less likely to patronize restaurants; and

— about 65% of disabled people do not work.

The survey also found that disabled Americans are a large untapped resource both as consumers of goods and services as well as potential contributors to the nation's work force.

Most importantly, the survey confirmed that the lack of access to public and private facilities and services was discriminatory and violates the right that individuals with disabilities have to full and equal participation in society.

Barrier Free Remodeling Fund

In anticipation of the ADA requirements, House Bills 155/157 were introduced to provide financial assistance to state agencies, local governments, school districts and private businesses to help offset the cost of needed remodeling to make public facilities and accommodations accessible.

CS HB 155 (HESS) would:

- Establish a Barrier Free Remodeling Fund within the Department of Transportation and Public Facilities (DOT/PF) to provide funding assistance to businesses, state agencies, local governments and school districts finance barrier free access remodeling projects;
- Designate the Governor's Committee on Employment of People with Disabilities as the agency responsible for the evaluation of financial assistance awards:
 - State, municipal, school districts and private non-profits could apply for grants to pay for up to one hundred percent of the incremental costs of barrier free access improvements;
 - Private businesses could apply for zero interest loans.
- Direct DOT/PF, in cooperation with the Governor's Committee on the Employment of People, to provide information services to agencies and businesses affected by the ADA.

CS HB 157 (State Affairs), a companion appropriation measure, would appropriate \$20 million to capitalize the Barrier Free Remodeling Fund.

Assistance for Barrier Free Investments

The essential purpose of CS HB 155 (HES) and CS HB 157 (State Affairs) is to provide a pro-active incentive to businesses and government agencies to

meet the requirements of the ADA, make public accommodations accessible and avoid unnecessary litigation.

While the full scope of the problem of limited accessibility is not yet well defined in Alaska, it is evident that making Alaska's buildings barrier free will be an expensive undertaking. The magnitude of the challenge is evident from a survey of state-owned facility needs prepared by the state Department of Transportation and Public Facilities. A few years ago, DOT/PF compiled a list of barrier free project needs for state owned facilities indicating a total remodeling cost exceeding \$60 million. More recently, the Department has estimated that public and private remodeling work to comply with the ADA might cost upwards of \$200 million.

The enforcement remedies provided by the ADA essentially involve use of the federal court system to compel accessibility. Reliance on the court system as an enforcement mechanism is, at a minimum, cumbersome. Lawsuits often yield little more than bitter confrontation and needless legal expenses. Future ADA lawsuits may also have the unintended effect of diverting limited financial resources that would be better utilized making facilities barrier free. Many small businesses lack adequate financial resources to comply with the ADA while State and local government agencies also have budget constraints.

A Barrier Free Remodeling Fund as proposed by CS HB 155 (HES) and CS HB 157 (State Affairs) would help overcome these problems, speed compliance with the law, stimulate private sector investment in access improvements, reduce state liability for non-compliance and help eliminate unnecessary lawsuits.

Establishment of a Barrier Free Remodeling Fund would not only help businesses comply with the federal requirements of the ADA, it would also stimulate private sector employment by funding a wide range of remodeling projects.

Broad Support

In addition to having the backing of the Department of Transportation and Public Facilities, the Department of Labor and the Governor's Committee on the Employment of People with Disabilities, this legislation is strongly supported by a broad range of local governments, private business interests, and private non-profits.

There is no known opposition to the legislation.

Americans with Disabilities Act Fact Sheet

Accessiblilty Requrements	Effective Date	Regulations and Enforcement
<p><u>Title I - Employment</u></p> <p>Employers with 15 or more employees may not discriminate against qualified individuals with disabilities.</p> <p>Employers must reasonably accommodate the disabilities of qualified applicants or employees, including modifying work stations and equipment, unless undue hardship would result.</p>	<p>July 26, 1992 - for employers with 25 or more employees.</p> <p>July 26, 1994 - for employers with 15 to 24 employees.</p>	<p>EEOC to issue regulations by July 26, 1991.</p> <p>Individuals may file complaints with EEOC. Individuals may also file a private lawsuit after exhausting administrative remedies.</p> <p>Remedies are the same as available under Title VII of the Civil Rights Act of 1964. Court may order employer to hire or promote qualified individuals, reasonably accommodate their disabilities, and pay back wages and attorney's fees.</p>

Abbreviations used in this chart:

ADA Americans with Disabilities Act	EEOC Equal Employment Opportunity Commission
ATBCB Architectural and Transportation Barriers Compliance Board	FCC Federal Communications Commission
DOJ Department of Justice	MGRAD Minimum Guidelines and Requirements for Accessible Design
DOT Department of Transportation	UFAS Uniform Federal Accessibility Standards

U.S. Archltectural and Transportation Barriers Compliance Board
Suite 501, 1111 18th Street, NW
Washington, DC 20036-3894

TELEPHONE: 1-800-USA-ABLE (voice or TDD)

The Access Board will provide an Information package on the Americans with Disabilities Act.

**Accessibility
Requirements**

**Effective
Date**

**Regulations and
Enforcement**

Title II - Public Services

State and local governments may not discriminate against qualified individuals with disabilities.

Newly constructed state and local government buildings, including transit facilities, must be accessible.

Alterations to existing state and local government buildings must be done in an accessible manner.

When alterations could affect accessibility to "primary function" areas of a transit facility, an accessible path of travel must be provided to the altered areas and the restrooms, drinking fountains, and telephones serving the altered areas must also be accessible, to the extent that the additional accessibility costs are not disproportionate to the overall alterations costs.

New buses and rail vehicles for fixed route systems must be accessible.

New vehicles for demand responsive systems must be accessible unless the system provides individuals with disabilities a level of service equivalent to that provided to the general public.

One car per train must be accessible.

Existing "key stations" in rapid rail, commuter rail, and light rail systems must be accessible.

January 26, 1992 - unless otherwise noted below. (Recipients of Federal financial assistance are presently required to comply with similar requirements under Section 504 of the Rehabilitation Act of 1973.)

Ordered after August 25, 1990.

Ordered after August 25, 1990.

By July 26, 1995.

By July 26, 1993. Extensions may be granted up to July 26, 2010 (commuter rail) and July 26, 2020 (rapid and light rail) for stations needing extraordinarily expensive structural changes.

DOJ to issue regulations except for public transportation by July 26, 1991.

DOT to issue regulations for public transportation by July 26, 1991.

ATBCB to supplement MGRAD by April 26, 1991. DOJ and DOT regulations must be consistent with supplemental MGRAD and may incorporate the supplemental MGRAD.

UFAS to be used as interim accessibility standard for transit facilities if final regulations have not been issued and if a building permit has been obtained prior to issuance of final regulations, work begins within one year of receipt of permit, and is completed under the terms of the permit. If final regulations have not been issued one year after MGRAD has been supplemented, MGRAD to be used as interim accessibility standard.

(Most facilities constructed or altered with Federal funds are presently required to comply with UFAS under the Architectural Barriers Act of 1968. Facilities constructed or altered by recipients of Federal financial assistance are presently required to comply with UFAS under Section 504 of the Rehabilitation Act of 1973.)

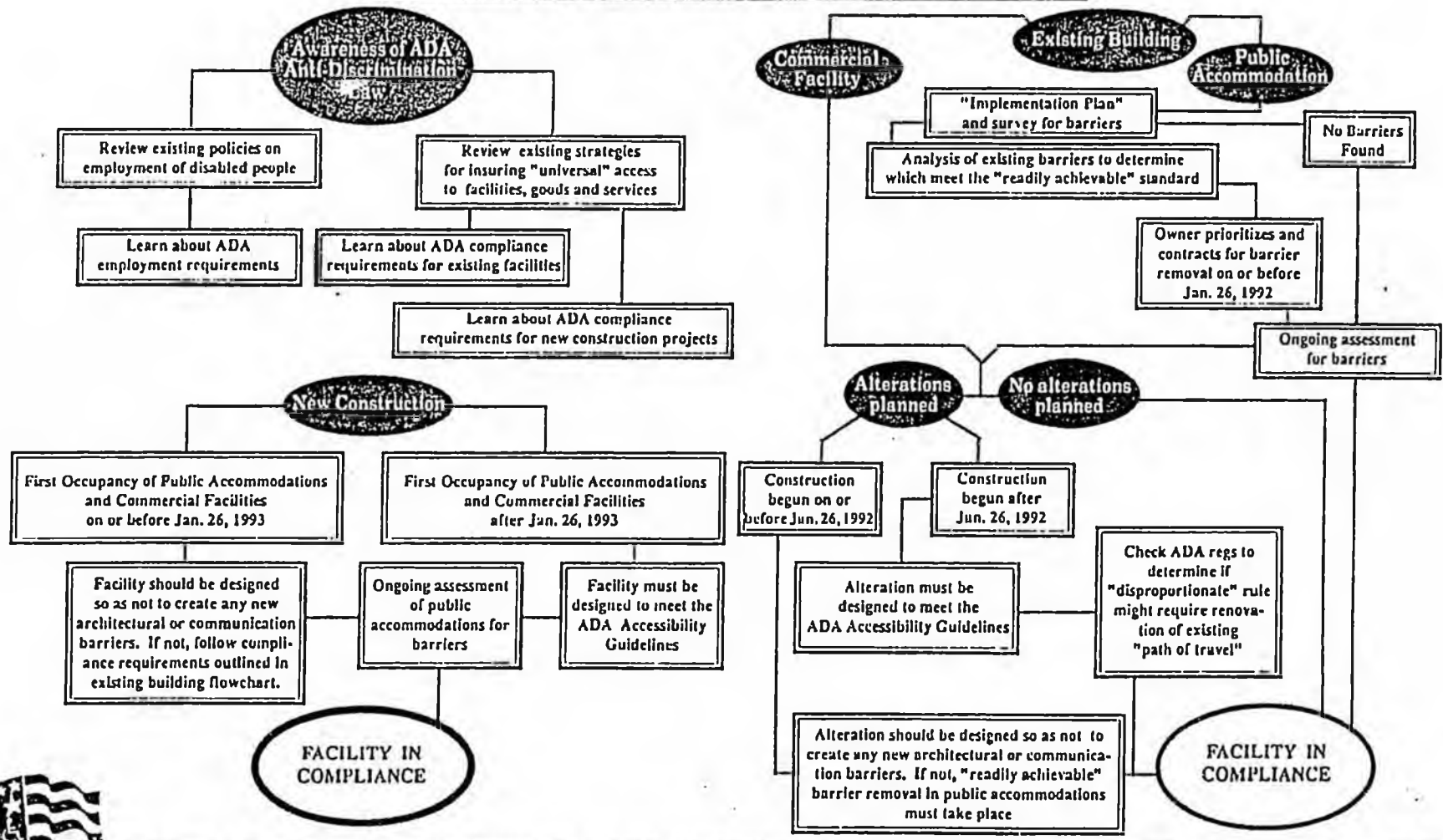
Amtrak and commuter rail passenger cars must comply with MGRAD provisions for rail cars to the extent that they are in effect at the time the design of the cars is substantially completed, if final regulations have not been issued.

Accessibility Requirements	Effective Date	Regulations and Enforcement
<p>Comparable paratransit must be provided to individuals who cannot use fixed route bus service to the extent that an undue financial burden is not imposed.</p> <p>All existing Amtrak stations must be accessible.</p> <p>Amtrak trains must have same number of seating spaces for individuals who use wheelchairs as would available if every car in the train were accessible to such individuals.</p>	<p>By January 26, 1992.</p> <p>By July 26, 2010.</p> <p>By July 26, 2000. Half of these seats must be available by July 26, 1995.</p>	<p>Individuals may file complaints with DOT concerning public transportation and with other designated Federal agencies concerning matters other than public transportation. Individuals may also file a private lawsuit.</p> <p>Remedies are the same as available under Section 505 of the Rehabilitation Act of 1973. Court may order entity to make facilities accessible, provide auxiliary aids or services, modify policies, and pay attorneys' fees.</p>
<p><u>Title III - Public Accommodations</u></p> <p>Restaurants, hotels, theaters, shopping centers and malls, retail stores, museums, libraries, parks, private schools, day care centers, and other similar places of public accommodation may not discriminate on the basis of disability.</p> <p>Physical barriers in existing public accommodations must be removed if readily achievable (i.e., easily accomplishable and able to be carried out without much difficulty or expense). If not, alternative methods of providing services must be offered, if those methods are readily achievable.</p> <p>New construction in public accommodations and commercial facilities (non-residential facilities affecting commerce) must be accessible.</p>	<p>January 26, 1992 - unless otherwise noted below.</p> <p>Facilities designed and constructed for first occupancy after January 26, 1993.</p>	<p>DOJ to issue regulations except for privately operated transportation by July 26, 1991.</p> <p>DOT to issue regulations for privately operated transportation by July 26, 1991.</p> <p>ATBCB to supplement MGRAD by April 26, 1991. DOJ and DOT regulations must be consistent with supplemental MGRAD and may incorporate the supplemental MGRAD.</p> <p>UFAS to be used as interim accessibility standard if final regulations have not been issued and if a building permit has been obtained prior to issuance of final regulations, work begins within one year of receipt of permit, and is completed under the terms of the permit. If final regulations have not been issued one year after MGRAD has been supplemented, MGRAD to be used as Interim accessibility standard.</p>

Accessibility Requirements	Effective Date	Regulations and Enforcement
<p>Alterations to existing public accommodations and commercial facilities must be done in an accessible manner. When alterations could affect accessibility to "primary function" areas of a facility, an accessible path of travel must be provided to the altered areas and the rest rooms, telephones, and drinking fountains serving the altered areas must also be accessible, to the extent that the additional accessibility costs are not disproportionate to the overall alterations costs.</p> <p>Elevators are not required in newly constructed or altered buildings under three stories or with less than 3,000 square feet per floor, unless the building is a shopping center, mall or health providers office. The Attorney General may determine that additional categories of such buildings require elevators.</p> <p>New buses and other vehicles (except automobiles) operated by private entities must be accessible or system in which vehicles are used must provide individuals with disabilities a level of service equivalent to that provided to the general public depending on whether entity is primarily engaged in business of transporting people; whether system is fixed route or demand responsive; and vehicle seating capacity.</p> <p>New over-the-road buses (buses with an elevated passenger deck located over a baggage compartment) must be accessible.</p>	<p>Ordered after August 25, 1990 (February 25, 1992 for rail passenger cars and vans with a capacity of less than 8 persons when operated by an entity primarily engaged in the business of transporting people).</p> <p>Ordered after July 26, 1996 (July 26, 1997, for small companies). Date may be extended by one year after completion of a study.</p>	<p>On application by State or local government, Attorney General, in consultation with ATBCB, may certify that State or local building codes meet or exceed ADA accessibility requirements.</p> <p>Individuals may file complaints with the Attorney General. Individuals may also file a private lawsuit.</p> <p>Remedies are the same as available under Title II of the Civil Rights Act of 1964. Court may order an entity to make facilities accessible, provide auxiliary aides or services, modify policies, and pay attorneys' fees.</p> <p>Court may award money damages and impose civil penalties in lawsuit filed by Attorney General but not in private lawsuit by individuals.</p> <p>Small businesses with 25 or fewer employees and gross receipts of \$1 million or less may not be sued for violations occurring before July 26, 1992; and small businesses with 10 or fewer employees and gross receipts of \$.5 million or less may not be sued for violations occurring before January 26, 1993. However, such small businesses may be sued for violations relating to new construction and alterations to facilities occurring after the effective date.</p>
<p><u>Title IV - Telecommunications</u></p> <p>Telephone companies must provide telecommunications relay services for hearing-impaired and speech-impaired individuals 24 hours per day.</p>	<p>By July 26, 1993.</p>	<p>FCC to issue regulations by July 26, 1991.</p> <p>Individuals may file complaints with the FCC.</p>

November 1990

Americans with Disabilities Act Facilities Compliance Flowchart Title III - Public Accommodations



What is ADA?

PLEASE MICROFILM TOP PAGE ONLY

