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WALTER J. HICKEL
GOVERNOR



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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 3, 1993

The Honorable Ramona L. Barnes
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Speaker Barnes:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill making appropriations totaling \$67,000,000 for capital project matching grant programs in the Department of Administration and the Department of Community and Regional Affairs.

Today I am also transmitting a companion bill that establishes those programs in statute, to provide funding for essential capital projects in municipalities and unincorporated communities and to establish local share requirements for these projects.

As provided in the companion bill establishing the two capital project matching grant programs, the appropriations to the two funds will be allocated under two formulas to individual grant accounts for municipalities and unincorporated communities. My office of management and budget will provide information that shows the allocation amounts that would result from these appropriations under those formulas. Subsequent project-specific appropriations will be necessary for municipalities and unincorporated communities to draw project grant money from their individual grant accounts. The appropriations requested in the attached bill assume that municipalities and unincorporated communities will contribute a local share toward each capital project, which will maximize limited state money for those projects.

These appropriations will help improve Alaska's health centers, senior centers, women's shelters, youth centers, and other structures essential to providing quality social and health programs in local areas of our state. Also, these appropriations may improve our energy systems, provide weatherization to save energy in funded projects, and make other improvements for more efficient program administration in funded projects. Finally, these appropriations will be available to provide essential infrastructure to encourage economic development.

Capital Project Matching Grant Program
Office of the Governor

HB 125 / SB 89 - SECTIONAL ANALYSIS

Section One

This section of the bill appropriates \$65.3 million in general funds to the Municipal Capital Project Matching Grant Fund, a fund which would be created within the Department of Administration upon the passage of accompanying legislation (HB 124/SB 88). Under the provisions of the latter bill, the \$65.3 million appropriated in this section would be allocated by formula to individual accounts within the fund for all municipalities in Alaska.

Section Two

This section of the bill appropriates \$1.7 million in general funds to the Unincorporated Community Capital Project Matching Grant Fund, a fund which would be created within the Department of Community and Regional Affairs upon the passage of accompanying legislation (HB 124/SB 88). Under the provisions of the latter bill, the \$1.7 million appropriated in this section would be allocated in equal amounts to individual accounts within the fund for all unincorporated communities in Alaska which are eligible for the State's FY 1993 revenue sharing program.

Section Three

This section stipulates that the bill will take effect on July 1, 1994, only if the companion enabling legislation (HB 124/SB 88) also is enacted.

TABLE 1 - MUNICIPALITIES

TOTAL FUNDING: \$67,000,000 MINIMUM GRANT: \$25,000

Municipal CPMG Fund Appropriation:	\$65,300,000	<u>Population:</u>				
Minimum State Share:	\$25,000	Under 1,000	1,000-4,999	5,000-10,000	Over 10,000	
		Allocation Factor:	1.5	1.4	1.2	1.0
		Local Share %:	5%	15%	30%	30%

(A) Municipality	(B) Population	(C) Grant Allocation Factor	(D) LOCAL SHARE %	(E) \$	(F) STATE SHARE %	(G) \$	(H) Leverage Ratio
Soldotna (KPB)	3,652	1.4	15%	94,724	85.0%	536,768	1.18
St. George	287	1.5	5%	2,379	95.0%	45,205	1.05
St. Mary's	477	1.5	5%	3,954	95.0%	75,132	1.05
St. Michael	324	1.5	5%	2,688	95.0%	51,033	1.05
St. Paul	771	1.5	5%	6,392	95.0%	121,439	1.05
Stebbins	442	1.5	5%	3,664	95.0%	69,619	1.05
Tanana	407	1.5	5%	3,374	95.0%	64,106	1.05
Teller	254	1.5	5%	2,108	95.0%	40,007	1.05
Tenakee Springs	106	1.5	5%	1,318	95.0%	25,000	1.05
Thome Bay	637	1.5	5%	5,281	95.0%	100,333	1.05
Togiak	738	1.5	5%	6,118	95.0%	116,242	1.05
Toksook Bay	449	1.5	5%	3,722	95.0%	70,722	1.05
Tuluksak	371	1.5	5%	3,078	95.0%	58,436	1.05
Tununak	333	1.5	5%	2,781	95.0%	52,450	1.05
Unalakleet	732	1.5	5%	6,068	95.0%	115,297	1.05
Unalaska	3,825	1.4	15%	90,211	85.0%	562,195	1.18
Upper Kalskag	173	1.5	5%	1,434	95.0%	27,249	1.05
Valdez	4,360	1.4	15%	113,087	85.0%	640,829	1.18
Wainwright (NSB)	538	1.5	5%	4,443	95.0%	84,425	1.05
Wales	147	1.5	5%	1,318	95.0%	25,000	1.05
Wasilla	4,124	1.4	15%	108,988	85.0%	606,742	1.18
White Mountain	182	1.5	5%	1,509	95.0%	28,667	1.05
Whittier	279	1.5	5%	2,313	95.0%	43,945	1.05
Wrangell	2,539	1.4	15%	65,855	85.0%	373,180	1.18
Yakutat	729	1.5	5%	6,043	95.0%	114,824	1.05
TOTAL:	166		20%	22,894,473	74%	85,300,000	1.35

NOTES:

- Col. A - Municipalities as of 7/1/92, as certified by DCRA on 12/15/92 for the FY 94 State revenue sharing and municipal assistance programs. Changes may occur prior to program implementation.
- Col. B - Population figures as of 7/1/92, as certified by DCRA on 12/15/92 for the FY 94 State revenue sharing and municipal assistance programs. Changes may occur prior to program implementation.
- Col. D - Equals percentage of total project cost; i.e., Col. E divided by (Col. E + Col. G).
- Col. E - Equals local share percentage (Col. D) divided by state share percentage (Col. F), multiplied by State Share amount (Col. G).
- Col. H - Equals sum of Local Share amount (Col. E) and State Share amount (Col. G), divided by State Share amount (Col. G).

Source: Office of the Governor, OMB/JF

File: 93MATCH.XLS

TABLE 1 - MUNICIPALITIES

TOTAL FUNDING: \$67,000,000 MINIMUM GRANT: \$25,000

Municipal CPMG Fund Appropriation:	\$65,300,000	<i>Population:</i>				
Minimum State Share:	\$25,000	Under 1,000	1,000-4,999	5,000-10,000	Over 10,000	
		Allocation Factor:	1.5	1.4	1.2	1.0
		Local Share %:	5%	15%	30%	30%

(A) Municipality	(B) Population	(C) Grant Allocation Factor	(D) LOCAL SHARE %	(E) \$	(F) STATE SHARE %	(G) \$	(H) Leverage Ratio
Mountain Village	727	1.5	5%	6,027	95.0%	114,500	1.05
Napakuk	323	1.5	5%	2,678	95.0%	50,875	1.05
Napaskuk	362	1.5	5%	3,001	95.0%	57,018	1.05
Nenana	504	1.5	5%	4,178	95.0%	79,385	1.05
New Stuyahok	396	1.5	5%	3,283	95.0%	62,374	1.05
Newhalen (LPB)	161	1.5	5%	1,335	95.0%	25,359	1.05
Newtok	213	1.5	5%	1,766	95.0%	33,549	1.05
Nightmute	178	1.5	5%	1,476	95.0%	28,037	1.05
Nikolai	107	1.5	5%	1,316	95.0%	25,000	1.05
Nome	4,559	1.4	15%	118,240	85.0%	670,078	1.18
Nondalton (LPB)	212	1.5	5%	1,757	95.0%	33,382	1.05
Noorvik (NAB)	520	1.5	5%	4,311	95.0%	81,905	1.05
North Pole (FNSE)	1,671	1.4	15%	43,342	85.0%	245,802	1.18
North Slope Borough (NSB):	2,582	1.4	15%	68,971	85.0%	379,500	1.18
Northwest Arctic Borough (NAB):	250	1.5	5%	2,072	95.0%	39,377	1.05
Nulqsut (NSB)	361	1.5	5%	3,241	95.0%	61,586	1.05
Nulato	364	1.5	5%	3,018	95.0%	57,333	1.05
Nunapitchook (Akolmiut)	475	1.5	5%	3,938	95.0%	74,817	1.05
Old Harbor (KIB)	289	1.5	5%	2,470	95.0%	46,936	1.05
Ouzinkie (KIB)	216	1.5	5%	1,791	95.0%	34,022	1.05
Palmer	3,039	1.4	15%	78,824	85.0%	446,669	1.18
Pelican	266	1.5	5%	2,197	95.0%	41,740	1.05
Petersburg	3,680	1.4	15%	95,450	85.0%	540,683	1.18
Pilot Point (LPB)	97	1.5	5%	1,316	95.0%	25,000	1.05
Pilot Station	470	1.5	5%	3,898	95.0%	74,029	1.05
Platinum	54	1.5	5%	1,316	95.0%	25,000	1.05
Point Hope (NSB)	690	1.5	5%	5,637	95.0%	107,106	1.05
Port Alexander	119	1.5	5%	1,316	95.0%	25,000	1.05
Port Heiden (LPB)	128	1.5	5%	1,316	95.0%	25,000	1.05
Port Lions (KIB)	239	1.5	5%	1,973	95.0%	37,487	1.05
Quinhagak	501	1.5	5%	4,153	95.0%	78,912	1.05
Ruby	207	1.5	5%	1,716	95.0%	32,804	1.05
Russian Mission	268	1.5	5%	2,205	95.0%	41,897	1.05
Sand Point (AESB)	1,073	1.4	15%	27,831	85.0%	157,709	1.18
Savoonga	545	1.5	5%	4,518	95.0%	85,842	1.05
Saxman (KGE)	379	1.5	5%	3,142	95.0%	59,698	1.05
Scammon Bay	380	1.5	5%	2,994	95.0%	56,700	1.05
Selawik (NAB)	597	1.5	5%	4,949	95.0%	94,033	1.05
Seldovia (KPB)	302	1.5	5%	2,504	95.0%	47,568	1.05
Seward (KPB)	2,806	1.4	15%	72,781	85.0%	412,423	1.18
Shageluk	144	1.5	5%	1,316	95.0%	25,000	1.05
Shaktolik	212	1.5	5%	1,757	95.0%	33,382	1.05
Sheldon Point	103	1.5	5%	1,316	95.0%	25,000	1.05
Shishmaref	488	1.5	5%	3,883	95.0%	73,369	1.05
Shungnak (NAB)	224	1.5	5%	1,857	95.0%	35,282	1.05
Sitka, City and Borough of (SCB)	8,815	1.2	30%	475,705	70.0%	1,109,979	1.43
Skagway	735	1.5	5%	6,093	95.0%	115,789	1.05

TABLE 1 - MUNICIPALITIES

TOTAL FUNDING \$67,000,000 MINIMUM GRANT: \$25,000

Municipal CPMG Fund Appropriation:	\$65,300,000	<u>Population:</u>				
Minimum State Share:	\$25,000	Under 1,000	1,000- 4,999	5,000- 10,000	Over 10,000	
		Allocation Factor:	1.5	1.4	1.2	1.0
		Local Share %:	5%	15%	30%	30%

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Municipality	Population	Grant Allocation Factor	LOCAL SHARE		STATE SHARE		Leverage Ratio
			%	\$	%	\$	
Gambell	546	1.5	5%	4,526	95.0%	86,000	1.35
Golovin	146	1.5	5%	1,316	95.0%	25,000	1.35
Goodnews Bay	236	1.5	5%	1,956	95.0%	37,172	1.05
Grayling	203	1.5	5%	1,683	95.0%	31,974	1.35
Haines (HB)	1,265	1.4	15%	32,811	85.0%	185,929	1.18
Haines Borough (HB):	947	1.5	5%	7,851	95.0%	149,161	1.05
Holy Cross	273	1.5	5%	2,263	95.0%	43,000	1.05
Homer (KPB)	3,937	1.4	15%	102,116	85.0%	578,657	1.18
Hoonah	793	1.5	5%	6,574	95.0%	124,905	1.35
Hoopo Bay	890	1.5	5%	7,378	95.0%	140,183	1.05
Houston (MSB)	815	1.5	5%	6,756	95.0%	128,370	1.05
Hughes	66	1.5	5%	1,316	95.0%	25,000	1.05
Huala	224	1.5	5%	1,857	95.0%	35,282	1.05
Hydaburg	406	1.5	5%	3,357	95.0%	63,791	1.35
Juneau, City and Borough of (JCB)	29,251	1.0	30%	1,314,535	70.0%	3,067,248	1.43
Kachemak (KPB)	372	1.5	5%	3,084	95.0%	58,593	1.35
Kake	725	1.5	5%	6,010	95.0%	114,194	1.35
Kaktovik (NSB)	224	1.5	5%	1,857	95.0%	35,282	1.35
Kaitag	257	1.5	5%	2,131	95.0%	40,480	1.35
Kasaan	52	1.5	5%	1,316	95.0%	25,000	1.35
Kasigluk	459	1.5	5%	3,805	95.0%	72,297	1.35
Kenai (KPB)	6,535	1.2	30%	352,664	70.0%	822,883	1.43
Kenai Peninsula Borough (KPB):	24,638	1.0	30%	1,107,228	70.0%	2,583,531	1.43
Ketchikan (KGB)	8,478	1.2	30%	457,518	70.0%	1,087,544	1.43
Ketchikan Gateway Borough (KGB):	5,253	1.2	30%	283,480	70.0%	661,454	1.43
Kiana (NAB)	401	1.5	5%	3,324	95.0%	63,161	1.35
King Cove (AEB)	871	1.5	5%	7,221	95.0%	137,190	1.05
Kivalina (NAB)	327	1.5	5%	2,711	95.0%	51,505	1.35
Klawock	758	1.5	5%	6,284	95.0%	119,392	1.35
Kobuk (NAB)	110	1.5	5%	1,316	95.0%	25,000	1.35
Kodiak (KIB)	7,229	1.2	30%	390,118	70.0%	910,271	1.43
Kodiak Island Borough (KIB):	7,324	1.2	30%	395,243	70.0%	922,233	1.43
Kotlik	503	1.5	5%	4,170	95.0%	79,227	1.35
Kotzebue (NAB)	3,075	1.4	15%	79,758	85.0%	451,961	1.18
Koyuk	277	1.5	5%	2,298	95.0%	43,630	1.35
Koyukuk	127	1.5	5%	1,316	95.0%	25,000	1.35
Kupreanof	24	1.5	5%	1,316	95.0%	25,000	1.35
Kwethluk	559	1.5	5%	4,634	95.0%	88,048	1.35
Lake and Peninsula Borough (LPB):	949	1.5	5%	7,887	95.0%	149,476	1.35
Larsen Bay (KIB)	149	1.5	5%	1,316	95.0%	25,000	1.35
Lower Kalskag	299	1.5	5%	2,479	95.0%	47,095	1.35
Manokotak	404	1.5	5%	3,349	95.0%	63,634	1.35
Marshall (Fortuna Ledge)	318	1.5	5%	2,636	95.0%	50,088	1.35
Matanuska-Susitna Borough:	33,819	1.0	30%	1,519,820	70.0%	3,546,247	1.43
McGrath	531	1.5	5%	4,402	95.0%	83,637	1.35
Mekoryuk	206	1.5	5%	1,708	95.0%	32,447	1.35
Mellakalla	1,564	1.4	15%	40,566	85.0%	229,875	1.18

TABLE 1 - MUNICIPALITIES

TOTAL FUNDING \$87,000,000 MINIMUM GRANT: \$25,000

Municipal CPMG Fund Appropriation: \$65,300,000
Minimum State Share: \$25,000

	Population:			
	Under 1,000	1,000-4,999	5,000-10,000	Over 10,000
Allocation Factor:	1.5	1.4	1.2	1.0
Local Share %:	5%	15%	30%	30%

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Municipality	Population	Grant Allocation Factor	LOCAL SHARE		STATE SHARE		Leverage Ratio
			%	\$	%	\$	
Akniook (KIB)	81	1.5	5%	1,316	95.0%	25,000	1.05
Akiak	287	1.5	5%	2,379	95.0%	45,205	1.05
Akutan (AEB)	487	1.5	5%	4,037	95.0%	76,707	1.05
Alakanuk	559	1.5	5%	4,634	95.0%	80,048	1.05
Aleknagik	200	1.5	5%	1,658	95.0%	31,502	1.05
Aleutians East Borough (AEB):	93	1.5	5%	1,316	95.0%	25,000	1.05
Allakaket	172	1.5	5%	1,426	95.0%	27,092	1.05
Ambler (NAB)	301	1.5	5%	2,495	95.0%	47,410	1.05
Anaktuvuk Pass (NSB)	248	1.5	5%	2,039	95.0%	38,747	1.05
Anchorage, Municipality of	240,258	1.0	30%	10,797,153	70.0%	25,193,358	1.43
Anderson (DB)	649	1.5	5%	5,380	95.0%	102,223	1.05
Angoon	705	1.5	5%	5,844	95.0%	111,044	1.05
Aniak	529	1.5	5%	4,385	95.0%	83,322	1.05
Anvik	104	1.5	5%	1,316	95.0%	25,000	1.05
Atka	87	1.5	5%	1,316	95.0%	25,000	1.05
Atmautluak	267	1.5	5%	2,213	95.0%	42,055	1.05
Atkasuk (NSB)	217	1.5	5%	1,799	95.0%	34,179	1.05
Barrow (NSB)	3,702	1.4	15%	96,021	85.0%	544,117	1.18
Bethel	4,668	1.4	15%	128,254	85.0%	715,494	1.19
Bettles	33	1.5	5%	1,316	95.0%	25,000	1.05
Brevig Mission	234	1.5	5%	1,940	95.0%	36,857	1.05
Bristol Bay Borough:	1,415	1.4	15%	36,702	85.0%	207,975	1.19
Buckland (NAB)	318	1.5	5%	2,636	95.0%	50,088	1.05
Chelomek	330	1.5	5%	2,736	95.0%	51,978	1.05
Chevak	619	1.5	5%	5,131	95.0%	97,498	1.05
Chignik (LPB)	177	1.5	5%	1,487	95.0%	27,879	1.05
Chuathbaluk	129	1.5	5%	1,316	95.0%	25,000	1.05
Clark's point	58	1.5	5%	1,316	95.0%	25,000	1.05
Coffman cove	198	1.5	5%	1,641	95.0%	31,187	1.05
Cold bay (AEB)	137	1.5	5%	1,316	95.0%	25,000	1.05
Cordova	2,504	1.4	15%	64,947	85.0%	368,036	1.19
Craig	1,637	1.4	15%	42,460	85.0%	240,605	1.19
Deering (NAB)	158	1.5	5%	1,316	95.0%	25,000	1.05
Delta Junction	736	1.5	5%	6,101	95.0%	115,927	1.05
Denai Borough (DB):	1,183	1.4	15%	30,684	85.0%	173,876	1.19
Dillingham	2,110	1.4	15%	54,728	85.0%	310,126	1.19
Diomedea	180	1.5	5%	1,482	95.0%	28,352	1.05
Eagle	161	1.5	5%	1,335	95.0%	25,359	1.05
Eek	284	1.5	5%	2,354	95.0%	44,733	1.05
Ekwok	78	1.5	5%	1,316	95.0%	25,000	1.05
Elim	267	1.5	5%	2,213	95.0%	42,055	1.05
Emmonak	692	1.5	5%	5,737	95.0%	108,986	1.05
Fairbanks (FNSB)	32,156	1.0	30%	1,445,085	70.0%	3,371,865	1.43
Fairbanks North Star Borough (FNSB):	45,903	1.0	30%	2,062,873	70.0%	4,813,370	1.43
False Pass (AEB)	84	1.5	5%	1,316	95.0%	25,000	1.05
Fort Yukon	718	1.5	5%	5,952	95.0%	113,091	1.05
Galena	829	1.5	5%	6,872	95.0%	130,575	1.05

HB 124 / SB 68
Capital Project Matching Grant Program

TABLE 2 - UNINCORPORATED COMMUNITIES

TOTAL FUNDING: \$47,000,000 MINIMUM GRANT: \$25,000

Unincorporated Community CPMG Fund Appropriation: \$1,700,000
Minimum State Share: \$25,000
Local Share Percentage: 5%

(A)	(B)	(C)		(D)
		State Share	Local Share	
Red Devil.....	25,000	1,318		5.0%
Silver Springs.....	25,000	1,318		5.0%
Slana Community Corporation.....	25,000	1,318		5.0%
Slana Leagus.....	25,000	1,318		5.0%
Sleetmute.....	25,000	1,318		5.0%
Stevens Village.....	25,000	1,318		5.0%
Stony River.....	25,000	1,318		5.0%
Takotna.....	25,000	1,318		5.0%
Tanacross.....	25,000	1,318		5.0%
Tazitlek.....	25,000	1,318		5.0%
Tazina.....	25,000	1,318		5.0%
Tetlin.....	25,000	1,318		5.0%
Tok.....	25,000	1,318		5.0%
Tolsona.....	25,000	1,318		5.0%
Tuntutuliak.....	25,000	1,318		5.0%
Twin Hills.....	25,000	1,318		5.0%
Venetie.....	25,000	1,318		5.0%
Whale Pass.....	25,000	1,318		5.0%
Wiseman.....	25,000	1,318		5.0%
Total:	68	\$1,700,000	\$89,474	5.0%

NOTES:

- Col. A - Unincorporated communities eligible for FY 94 State revenue sharing as of 7/1/92, as certified by DCRA on 12/15/92. Changes may occur prior to program implementation.
- Col. C - Equals local share percentage (Col. D) divided by State share percentage (1 minus local share percentage), multiplied by State share amount (Col. B).
- Col. D - Equals percentage of total project cost; i.e., Col. C divided by (Col. B + Col. C).

Office of the Governor, OMB/JF

File: 93MATCH.XLS

HB 124 / SB 88
Capital Project Matching Grant Program

TABLE 2 - UNINCORPORATED COMMUNITIES

TOTAL FUNDING: \$87,000,000

MINIMUM GRANT: \$25,000

Unincorporated Community CPMJ Fund Appropriation: \$1,700,000

Minimum State Share: \$25,000

Local Share Percentage: 9%

(A)	(B)	(C)	(D)
	State Share	Local Share	Local Match %
Akiachak.....	\$25,000	\$1,318	5.0%
Arctic Village.....	25,000	1,318	5.0%
Beaver.....	25,000	1,318	5.0%
Birch Creek.....	25,000	1,318	5.0%
Chalkyitsik.....	25,000	1,318	5.0%
Chenega Bay.....	25,000	1,318	5.0%
Chukot.....	25,000	1,318	5.0%
Chistochina.....	25,000	1,318	5.0%
Chitina.....	25,000	1,318	5.0%
Circle Civic Community.....	25,000	1,318	5.0%
Circle District.....	25,000	1,318	5.0%
Copper Center.....	25,000	1,318	5.0%
Copper Valley Community.....	25,000	1,318	5.0%
Council.....	25,000	1,318	5.0%
Crooked Creek.....	25,000	1,318	5.0%
Deltana.....	25,000	1,318	5.0%
Dot Lake Services.....	25,000	1,318	5.0%
Dot Lake Village.....	25,000	1,318	5.0%
Eagle Village.....	25,000	1,318	5.0%
Edna Bay.....	25,000	1,318	5.0%
Ellin Cove.....	25,000	1,318	5.0%
Evansville.....	25,000	1,318	5.0%
Four Mile Road Community.....	25,000	1,318	5.0%
Gakona.....	25,000	1,318	5.0%
Gulkana.....	25,000	1,318	5.0%
Gustavus.....	25,000	1,318	5.0%
Healy Lake.....	25,000	1,318	5.0%
Holla.....	25,000	1,318	5.0%
Hyder.....	25,000	1,318	5.0%
Kenny Lake.....	25,000	1,318	5.0%
Kipnuk.....	25,000	1,318	5.0%
Kout-Kash.....	25,000	1,318	5.0%
Koiganak.....	25,000	1,318	5.0%
Kongiganak.....	25,000	1,318	5.0%
Kwigillingok.....	25,000	1,318	5.0%
Lime Village.....	25,000	1,318	5.0%
Manley Hot Springs.....	25,000	1,318	5.0%
Mentasta.....	25,000	1,318	5.0%
Mentakata Indian Village.....	25,000	1,318	5.0%
Minto.....	25,000	1,318	5.0%
Nelchina/Mendallna.....	25,000	1,318	5.0%
Nikolski.....	25,000	1,318	5.0%
Northway.....	25,000	1,318	5.0%
Oscarville.....	25,000	1,318	5.0%
Parson.....	25,000	1,318	5.0%
Pitka's Point.....	25,000	1,318	5.0%
Point Baker.....	25,000	1,318	5.0%
Port Protection.....	25,000	1,318	5.0%
Rampart.....	25,000	1,318	5.0%

Senate Bill No. 88
Capital Project Matching Grant Program

SUPPORT FOR LEGISLATION

Please note that communities, organizations and other entities have not had time to develop positions on SB 88, as the proposed legislation differs somewhat from the version discussed during the preceding two legislative sessions as Senate Bill 141.

To indicate potential sources of support and opposition for SB 88, however, the major supporters and opponents of SB 141 (1991-1992 legislative sessions) are summarized below:

SUPPORTED SB 141

AK Municipal League	Supported SB 141, and supports the general concept of SB 88, but no position taken yet on SB 88.
Municipality of Anchorage	Conceptual support for SB 141, but no position taken yet on SB 88.
Fairbanks North Star Borough	Strong support for SB 141, but no position taken yet on SB 88.
Matanuska-Susitna Borough	Expressed wish to cooperate with Legislature and Governor on a matching grant program such as SB 141 (albeit concerned that a distinction should be made between communities which tax themselves and communities which do not), but no position taken yet on SB 88.
Palmer	Conceptual support for SB 141, but no position taken yet on SB 88.
Soldotna	Supported SB 141, but no position taken yet on SB 88.

OPPOSED SB 141

Ouzinkie	Concerned that local revenue base is too limited to support local match requirements.
Port Lions	Concerned that local revenue base is too limited to support local match requirements.

INTRODUCTION OF BILLS (Senate)

SB 88 (cont'd)

HB:24

The focus of this bill is the proposed new capital project matching grant programs in AS 37.06. Much like a block grant program, these programs would establish two funds (one with individual accounts for all municipalities and one with individual accounts for all unincorporated communities participating in the state's revenue-sharing program) from which small-scale capital projects can be funded by project-specific appropriations. (I am also transmitting a companion bill making appropriations to the two funds, as the first step in this funding process.) The projects would be selected and prioritized at the local level, well before each year's legislative session, and a prioritized project list would be submitted to the governor for inclusion in the capital improvements program. The governor would provide the legislature with reasons for any differences between the local list and the capital improvements program submitted to the legislature. In each case, the projects funded by the appropriations would be subject to local financial match requirements, including allowances for in-kind matching contributions. In addition, under the bill the same local match requirements and in-kind allowances would be extended to all grants currently made to municipalities, named recipients, and unincorporated communities under AS 37.05.315 - 37.05.317.

My Office of Management and Budget has prepared a section-by-section description of the bill which is available for your review.

The net effect of the bill is that all capital project grants to municipalities, named recipients, and unincorporated communities would be subject to local financial match requirements, regardless of whether they are funded through the capital project matching grant programs established by this bill or under the existing provisions of AS 37.05.315 - 37.05.317 as amended by this bill.

This bill is important because it expands the role of local communities in determining the capital improvements and capital projects that will best suit their local needs. It is also important because of the precedent it sets in requiring a local stake in capital projects and because it allows limited state financial resources to support a greater number of needed capital projects than otherwise would be possible. For all of these reasons, I seek and encourage your support for this bill.

Appropriations
(capital project matching grant programs)

HB 125

SENATE BILL NO. 89, by the SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR. Makes appropriations in the amount of \$67,000,000 for the capital project matching grant programs (see accompanying letter from the Governor).

Introduced February 3, 1993 and referred to the Senate Community and Regional Affairs Committee, and the Senate Finance Committee.

INTRODUCTION OF BILLS (Senate)

HB 125

SB 89 (cont'd)

In his message accompanying the bill, Governor Hickel stated:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill making appropriations totaling \$67,000,000 for capital project matching grant programs in the Department of Administration and the Department of Community and Regional Affairs.

Today I am also transmitting a companion bill that establishes those programs in statute, to provide funding for essential capital projects in municipalities and unincorporated communities and to establish local share requirements for these projects.

As provided in the companion bill establishing the two capital project matching grant programs, the appropriations to the two funds will be allocated under two formulas to individual grant accounts for municipalities and unincorporated communities. My office of management and budget will provide information that shows the allocation amounts that would result from these appropriations under those formulas. Subsequent project-specific appropriations will be necessary for municipalities and unincorporated communities to draw project grant money from their individual grant accounts. The appropriations requested in the attached bill assume that municipalities and unincorporated communities will contribute a local share toward each capital project, which will maximize limited state money for those projects.

These appropriations will help improve Alaska's health centers, senior centers, women's shelters, youth centers, and other structures essential to providing quality social and health programs in local areas of our state. Also, these appropriations may improve our energy systems, provide weatherization to save energy in funded projects, and make other improvements for more efficient program administration in funded projects. Finally, these appropriations will be available to provide essential infrastructure to encourage economic development, especially in the rural areas of our state. Alaska must have up-to-date capital structure and technology in order to successfully compete in today's rapidly changing markets.



HOUSE COMMUNITY AND REGIONAL AFFAIRS

DATE: 3/4/93

PLACE: Rm. 124

SUBJECT OF MEETING:

HB 124

HB 125

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?	WHAT SUBJECT/ WHICH BILL?
Shelby STASINY	OMB					(Y) N	
Jim KOHWE	SEC CONFERENCE	124 W. 5TH/ALASKA	99501		403-3445	(Y) N	
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	



HOUSE COMMUNITY AND REGIONAL AFFAIRS

SUBJECT OF MEETING:

DATE:

PLACE:

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?
Jack Fargnoli	Governor	OMB		6-6090 3568	3568	<input checked="" type="radio"/> Y	<input type="radio"/> N	HB 124 / 125
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	