

SB

287

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT EXTRACTED OUT OF
SFC 4/19/96

DATE: 3/22/96

DATE TURNED INTO OFFICE: 4/19/96

The Finance Committee considered **SENATE BILL NO. 287**

Relating to the unincorporated community capital project matching grant program.

and recommends:

- be replaced with CS SB 287 (FIN)
- adopt previous CS ()
- attached amendment(s)
- adopt Letter of Intent by Committee
- further referral to the Committee

- Senate Bill:**
 same title
 new title
House Bill:
 same title
 technical change
 new: SCR#

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>[Signature]</i>	<input checked="" type="checkbox"/>	<i>[Signature]</i>	<input checked="" type="checkbox"/>		
<i>[Signature]</i>	<input checked="" type="checkbox"/>	<i>[Signature]</i>	<input checked="" type="checkbox"/>		
<i>[Signature]</i>	<input checked="" type="checkbox"/>	<i>[Signature]</i>	<input checked="" type="checkbox"/>		
<i>[Signature]</i>	<input checked="" type="checkbox"/>	<i>[Signature]</i>		<input checked="" type="checkbox"/>	(35)
Co-Chair: <i>[Signature]</i>	<input checked="" type="checkbox"/>	Co-Chair:			
Co-Chair:		Co-Chair:			

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

Department	Date	Zero	Fiscal
C&RA / Admin.	4/19/96		42.7

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

2/26/96 #1

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO: SB 287

Revision Date: 2/20/96 Dept. Affected: Community & Regional Affairs
 Title: An Act relating to unincorporated community BRU: Administration and Support
capital project matching grant program Component: Administrative Services
 Sponsor: Sen. Torgerson
 Requestor: Senate C&RA COMPONENT SERIAL NO. 684

EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	42.7	43.9	45.3	46.6	48.1	49.6
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	42.7	43.9	45.3	46.6	48.1	49.6

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

Revenue Fund Source	0.0	0.0	0.0	0.0	0.0	0.0
---------------------	-----	-----	-----	-----	-----	-----

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	42.7	43.9	45.3	46.6	48.1	49.6
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	42.7	43.9	45.3	46.6	48.1	49.6

SB 287

Estimate of current year (FY 96) impact: \$ none

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary.)

Based on the definition of communities eligible for program participation under this legislation, the Department assumes approximately 60 additional unincorporated communities could participate. The program provides for a \$25,000 match for each unincorporated participant. Therefore, an additional \$1,500,000 would be needed to fully fund the unincorporated element of the amended Capital Match Program administered by the Department. However, it is our understanding that either the additional required funds would be re-allocated to the Department from the municipal element of the program administered by the Department of Administration or the unincorporated program funding level would be held at the level required (continued next page)

Prepared By: Remond Henderson *Remond Henderson* Phone: 465-4708
 Division: Director, Administrative Services Division Date: 2/20/96
 Approved by Commissioner: Mike Irwin *Mike Irwin* Date: 2/20/96
 Agency: Mike Irwin, Dept. of Community & Reg. Affairs

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information call the Governor's Legislative Office

Revision Date: 2/20/96

Dept. Affected: Community & Regional Affairs

ANALYSIS CONTINUED:

before the addition of the 60 new communities (\$1.7 million). The later case would result in a pro-rating of each unincorporated community's share from \$25,000 down to \$13,281. In either case, there would be zero net fiscal impact to the general fund with regard to funding the Capital Match Program under the proposed amendment.

The addition of 60 new participants to the unincorporated community Capital Match Program administered by the Department will translate into increased burdens of grant tracking and community assistance for the agency. Existing staff would not be able to absorb the increased work load. The Department feels these additional duties could only be absorbed by a new grant administration position. Therefore, a Grants Administrator I (range 13) with full-time funding is included in this fiscal note. It is important that full funding be attached due to the imminent general fund reductions to the component'

FISCAL NOTE

No. 1

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO: ~~BB 287~~

Bill Version: CS SB 287(CRA)
(S) Publish Date: 3-22-96

Revision Date: 2/20/96 Dept. Affected: Community & Regional Affairs
 Title: An Act relating to unincorporated community BRU: Administration and Support
capital project matching grant program Component: Administrative Services
 Sponsor: Sen. Torgerson
 Requestor: Senate C&RA COMPONENT SERIAL NO. 684

EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	42.7	43.9	45.3	46.6	48.1	49.6
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	42.7	43.9	45.3	46.6	48.1	49.6

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

Revenue Fund Source	0.0	0.0	0.0	0.0	0.0	0.0
---------------------	-----	-----	-----	-----	-----	-----

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	42.7	43.9	45.3	46.6	48.1	49.6
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	42.7	43.9	45.3	46.6	48.1	49.6

Estimate of current year (FY 96) impact: \$ none

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary.)

Based on the definition of communities eligible for program participation under this legislation, the Department assumes approximately 60 additional unincorporated communities could participate. The program provides for a \$25,000 match for each unincorporated participant. Therefore, an additional \$1,500,000 would be needed to fully fund the unincorporated element of the amended Capital Match Program administered by the Department. However, it is our understanding that either the additional required funds would be re-allocated to the Department from the municipal element of the program administered by the Department of Administration or the unincorporated program funding level would be held at the level required (continued next page)

Prepared By: Remond Henderson *Remond Henderson* Phone: 465-4708
 Division: Director, Administrative Services Division Date: 2/20/96
 Approved by Commissioner: Mike Irwin *Mike Irwin* Date: 2/20/96
 Agency: Mike Irwin, Dept. of Community & Reg. Affairs

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information call the Governor's Legislative Office

Revision Date: 2/20/96

Dept. Affected: Community & Regional Affairs

ANALYSIS CONTINUED:

before the addition of the 60 new communities (\$1.7 million). The later case would result in a pro-rating of each unincorporated community's share from \$25,000 down to \$13,281. In either case, there would be zero net fiscal impact to the general fund with regard to funding the Capital Match Program under the proposed amendment.

The addition of 60 new participants to the unincorporated community Capital Match Program administered by the Department will translate into increased burdens of grant tracking and community assistance for the agency. Existing staff would not be able to absorb the increased work load. The Department feels these additional duties could only be absorbed by a new grant administration position. Therefore, a Grants Administrator I (range 13) with full-time funding is included in this fiscal note. It is important that full funding be attached due to the imminent general fund reductions to the component'

FISCAL NOTE

Revision Date: April 19, 1996 Dept. Affected: Community & Regional Affairs
 Title: An Act relating to the unincorporated com- BRU: Administration & Support
munity capital project matching grant program Component Administrative Services
 Sponsor: Sen. Torgerson
 Requestor: Sen. Finance Committee COMPONENT SERIAL NO. 684

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	42.7	43.9	45.3	46.6	48.1	49.6
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	42.7	43.9	45.3	46.6	48.1	49.6
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0

REVENUE FUND SOURCE:						
----------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	42.7	43.9	45.3	46.6	48.1	49.6
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	42.7	43.9	45.3	46.6	48.1	49.6

POSITIONS:

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

Estimate of current (FY94) impact \$ none

ANALYSIS: (Attach a separate page if necessary)
 Based on the definition of communities eligible for program participation under this legislation, the department has determined an additional 60 unincorporated communities could participate. The program provides for a possible \$25,000 for each unincorporated participant. Therefore, an additional \$1,500,000 would be needed to fully fund the unincorporated element of the amended Capital Match Program administered by the department. Appropriations for this program are provided at the discretion of the Legislature.
 (continued on separate page)

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708
 Division: Division of Administrative Services Date: 4/19/96
 Approved by Commissioner: *[Signature]* Date: 4/19/96
 Agency: Community & Regional Affairs

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information call the Governor's Legislative Office

Fiscal Note Analysis Continued

The addition of 60 new participants in the unincorporated Capital Match Program administered by the department will translate into increased burdens of grant tracking and community assistance for department staff. Existing staff would not be able to absorb the increased work load. The department feels these additional duties could only be absorbed by a new grant administration position. Therefore, a Grants Administrator I (range 13) with full-time funding is included in the fiscal note. It is important that full funding be attached due to the imminent general fund reductions to the component.

Sen. Sharp moved
Sen. Zhardff objection
adopted as
WORK DRAFT

9-LS1642\K ✓
Cook
4/19/96

Sen. Sharp moved
r/o with F/M & ind. recs.
4/19/96

Phoned legal
10:55am

CS FOR SENATE BILL NO. 287(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): **SENATORS TORGERSON, Hoffman**

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the unincorporated community capital project matching
2 grant program; and providing for an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** AS 37.06.020(b) is amended to read:

5 (b) The unincorporated community capital project matching grant fund is
6 established in the department and consists of appropriations to the fund. Appropriations
7 to the fund do not lapse except as provided in (h) of this section. The money in the fund
8 is held by the department in custody under this subsection for each unincorporated
9 community eligible for an allocation under this subsection. The department shall
10 establish an individual grant account within the fund for each eligible unincorporated
11 community [THAT WAS ENTITLED TO RECEIVE STATE AID UNDER
12 AS 29.60.140 DURING THE PRECEDING FISCAL YEAR]. As provided in this
13 subsection, each fiscal year the department shall allocate, to the individual grant
14 accounts, appropriations to the fund. An unincorporated community is eligible for an

1 allocation in a fiscal year if the requirements of (d) are met and the community was
2 a place in the state in which 25 or more individuals resided as a social unit
3 [ELIGIBLE TO RECEIVE STATE AID UNDER AS 29.60.140] during the preceding
4 fiscal year. The department shall credit interest earned on money in an individual grant
5 account to that account. Except as provided in (c) of this section, the amount allocated
6 under this subsection to an individual grant account in a fiscal year is the amount
7 needed to fund the projects presented to the legislature under (e) of this section
8 [DETERMINED BY DIVIDING THE TOTAL AMOUNT APPROPRIATED TO THE
9 FUND DURING THAT FISCAL YEAR BY THE NUMBER OF UNINCORPORATED
10 COMMUNITIES ELIGIBLE FOR AN ALLOCATION DURING THAT FISCAL
11 YEAR].

12 * Sec. 2. AS 37.06.020(c) is amended to read:

13 (c) A maximum [MINIMUM] of \$25,000 may [SHALL] be allocated to each
14 eligible unincorporated community's grant account each fiscal year under (b) of this
15 section. If appropriations are not sufficient to fully fund the [MINIMUM] amount for
16 each eligible unincorporated community, the amount appropriated shall be allocated on
17 a pro rata basis [EQUALLY] among the eligible unincorporated communities. If
18 appropriations exceed the amount necessary to fully fund the amount for each
19 eligible unincorporated community, the excess amount lapses into the general fund.

20 * Sec. 3. AS 37.06.020(d) is amended to read:

21 (d) The department shall designate, in each eligible unincorporated community,
22 a [AN INCORPORATED] nonprofit corporation [ENTITY OR A NATIVE VILLAGE
23 COUNCIL] that agrees to receive and spend grant money allocated to the unincorporated
24 community's individual grant account under (b) of this section. If the community is
25 located in a borough or a unified municipality, the department may only designate
26 the corporation that has been approved by the assembly and the department must
27 have written evidence of that approval. If there is more than one qualified
28 corporation [ENTITY] in a community in the unorganized borough, the department
29 shall designate the corporation [ENTITY] that the department finds most qualified to
30 make draws from that unincorporated community's individual grant account and spend
31 the money. If there is no qualified [INCORPORATED] nonprofit corporation [ENTITY
32 OR NATIVE VILLAGE COUNCIL] in an unincorporated community that will agree to

1 receive and spend money allocated to the community under (b) of this section, draws
2 may not be made from the unincorporated community's individual grant account and the
3 amount allocated to the account lapses into the general fund. A corporation qualifies
4 for designation under this subsection only if it

5 (1) was formed to serve a public or civic purpose;

6 (2) is registered and in good standing with the Department of
7 Commerce and Economic Development;

8 (3) agrees to use the grant money for a public purpose;

9 (4) provides the residents of the community with a public facility or
10 service;

11 (5) has held a public meeting to give residents of the community the
12 opportunity to express their preferences and ideas for use of the grant money; and

13 (6) agrees to make a facility provided with grant money available to
14 every person in the community.

15 * Sec. 4. AS 37.06.020(e) is amended to read:

16 (e) By October 1 of each fiscal year, the [INCORPORATED] nonprofit
17 corporation [ENTITY OR NATIVE VILLAGE COUNCIL] designated by the
18 department under (d) of this section shall submit to the governor a prioritized list of
19 capital projects and estimated costs to be financed with money from the community's
20 individual grant account established under (b) of this section. The list must include the
21 amount and source of the local share required by AS 37.06.030. If the community is
22 located in a borough or unified municipality, the list is subject to approval of the
23 assembly and must be accompanied by written evidence of that approval. The
24 governor shall include in the capital improvements program presented to the legislature
25 under AS 37.07.060 the projects submitted by designated corporations [ENTITIES]
26 under this subsection that the governor recommends for funding. If, in the capital
27 improvements program, the governor includes projects in other than the priority order
28 submitted by a designated corporation [ENTITY], the governor shall provide the
29 legislature with a written statement of the reasons for that action.

30 * Sec. 5. AS 37.06.020(h) is amended to read:

31 (h) A corporation [AN ENTITY] designated by the department under (d) of this
32 section shall repay to the department money it has drawn from an unincorporated

1 community's individual grant account if substantial, ongoing work on the project is not
2 started within four [FIVE] years after the effective date of the appropriation from which
3 the draw is funded. Money repaid shall be deposited into the general fund. Money from
4 an allocation to an unincorporated community's individual grant account that has not
5 been drawn out by a designated corporation [ENTITY] within four [FIVE] years after
6 the effective date of the appropriation from which the allocation is funded lapses into the
7 general fund.

8 * Sec. 6. AS 37.06.030(b) is amended to read:

9 (b) For each draw made by a corporation [AN ENTITY OR COUNCIL] under
10 AS 37.06.020, the nonprofit corporation [INCORPORATED ENTITY OR NATIVE
11 VILLAGE COUNCIL] that makes the draw shall contribute a local share of the cost of
12 the capital project for which the draw is made. The amount of the local share for an
13 unincorporated community in a borough or unified municipality is the amount of
14 the local share for that borough or unified municipality as calculated under (a) of
15 this section. The amount of the local share for an unincorporated community in the
16 unorganized borough equals the local share percentage as calculated under (1) of this
17 subsection, divided by the state share percentage as calculated under (2) of this
18 subsection, multiplied by the amount of the draw. For purposes of this subsection,

19 (1) the local share percentage is five percent;

20 (2) the state share percentage equals one minus the local share
21 percentage;

22 (3) the local share may be satisfied from (A) federal or local money; (B)
23 labor, materials, or equipment used directly in the construction of the project, or land,
24 including land transferred by the state; the department shall determine the value of a
25 contribution under this subparagraph; (C) money from another nonstate source; (D)
26 money received by the unincorporated community under AS 29.60.010 - 29.60.375; or
27 (E) money obtained from the sale or lease of land or other assets transferred by the state;
28 except as provided in this paragraph, the local share may not be satisfied with money
29 from, or with the portion of an asset that was obtained with money from, an
30 appropriation, allocation, entitlement, grant, or other payment from the state.

31 * Sec. 7. TRANSITION. A Native village council that has made a draw before the effective
32 date of this Act from an unincorporated community's individual grant account for a capital

1 project that has not been completed by the effective date of this Act may continue to make
2 draws for that project. For purposes of this section, AS 37.06.020(b) - (e) and (g) and
3 37.06.030(b) apply as they read immediately before the effective date of this Act.

4 * Sec. 8. AS 37.06.020(g) is repealed.

5 * Sec. 9. This Act takes effect immediately under AS 01.10.070(c).

Participating Communities in the Unorganized Borough		Participating Communities in the Unorganized Borough	
28 Non Profits		40 Village, IRA or Traditional Councils	
Akiachak	IRA Council	Lime Village	Traditional Council
Arctic Village	Traditional Council	Manley Hot Springs	Nonprofit
Beaver	Tribal Village Council	Mentasta Lake	Village Council
Birch Creek	Village Council	Metlakatla	Indian Village
Central	Nonprofit	Minto	IRA Council
Chalkyitsik	Village Council	Naukati Bay	Nonprofit
Chenega Bay	IRA Council	Neichina/Mendaltna	Nonprofit
Chistochina	Village Council	Nikolski	IRA Council
Chitina	Village Council	Northway	Village Council
Circle	Nonprofit	Oscarville	Village Council
Copper Center	Village Kluti-Kaah	Paxson	Nonprofit
Crooked Creek	Traditional Council	Pitka's Point	Village Council
Deltana	Nonprofit	Point Baker	Nonprofit
Dot Lake Services	Nonprofit	Port Protection	Nonprofit
Dot Lake Village	Village Council	Rampart	Village Council
Eagle Village	Village Council	Red Devil	Nonprofit
Edna Bay	Nonprofit	Silver Springs	Nonprofit
Elfin Cove	Nonprofit	Slana Community	Nonprofit
Evansville	Village Council	Slana League	Nonprofit
Four Mile Rd Comm.	Nonprofit	Sleetmute	Village Council
Gakona	Village Council	Stevens Village	IRA Council
Glennallen	Nonprofit	Stony River	Traditional Council
Gulkana	Village Council	Takotna	Nonprofit
Gustavus	Nonprofit	Tanacross	Village Council
Healy Lake	Traditional Council	Tatitlek	IRA Council
Hollis	Nonprofit	Tazlina	Nonprofit
Hyder	Nonprofit	Tetlin	Village Council
Kenny Lake	Nonprofit	Tox	Nonprofit
Kipnuk	Village Council	Tolsona	Nonprofit
Klukwan	Village Council	Tuntutuliak	Village Council
Koliganek	Village Council	Twin Hills	Village Council
Kongiganak	Traditional Council	Venetie	Village Council
Kwigillingok	IRA Council	Whale Pass	Nonprofit
Lake Minchumina	Traditional Council	Wiseman	Nonprofit

7 IRA Councils
 7 Traditional Councils
 1 Indian Village

1 Village Tribal Council
 24 Village Councils

Alaska State Legislature

District Address

145 Main St. Loop; Suite 226
Kenai, Alaska 99611
(907) 283-2690 • Fax 283-9267



Session Address

State Capitol; Room 427
Juneau, AK 99801-1182
(907) 465-2828; fax 465-4779

Senator John Torgerson

April 13, 1996

TO: Larry Stevens

FROM: Deb Davidson *DD*

RE: CS SB 287(CRA)

Attached are additional materials for the packets to CS SB 287(CRA) scheduled for Senate Finance at 9:00 a.m. Monday April 15.

I discovered an error in the Sectional Analysis and the Comparison of the Current program with this legislation and have included updated versions of both. Please discard the versions of these I gave you previously.

I apologize for the inconvenience and thank you for your cooperation

Alaska State Legislature

District Address

145 Main St. Loop; Suite 226
Kenai, Alaska 99611
(907) 283-2690 • Fax 283-9267



Session Address

State Capitol; Room 427
Juneau, AK 99901-1182
(907) 465-2828; fax 465-4779

Senator John Torgerson

MEMORANDUM

March 28, 1996

TO: Senator Rick Halford, Co-Chair
Senate Finance Committee

FROM: Senator John Torgerson 

RE: Schedule Request for CSSB 287(CRA)

Please schedule CSSB 287(CRA), "an Act relating to the unincorporated community capital project matching grant; and providing for an effective date," for a hearing in Senate Finance at your convenience.

Attached for your information are the following:

- CSSB 287(CRA)
- Sponsor Statement
- Sectional Analysis
- Comparison of the existing program with CSSB 287
- List of grant recipients and the approved projects, FY 94 - FY 97 request

Thank you for your time and consideration in this matter.

Attachments

Alaska State Legislature

Committee Chair
Community & Regional Affairs

Committee Vice-Chair
Labor & Commerce

Committee Membership
Legislative Council



District Address:
145 Main St. Loop; Suite 226
Ketchikan, AK 99901
(907) 283-2690; fax 283-9267

Session Address:
State Capitol, Room 427
Juneau, AK 99801-1182
(907) 465-2828; fax 465-4779

Senator John Torgerson

SENATE BILL 287 SPONSOR STATEMENT

The purpose of the capital project matching grant programs is to "(1) provide a capital project funding system that is equitable to municipalities and unincorporated communities throughout the state; (2) enhance the role of communities in initiating and prioritizing the construction of capital projects; (3) encourage a sense of local ownership in capital projects by requiring local participation . . . ; and (4) improve the process for making grants for capital projects by providing a more orderly and thoughtful planning process that involves the local community, the executive branch, and the legislature." There are two programs within the capital matching grant program: The Municipal Capital Project Matching Grant Program, and the Unincorporated Community Matching Grant Program.

Senate Bill 287 revises the Unincorporated Community Capital Project Matching Grant Program to include unincorporated communities located within organized boroughs.

Currently when these communities want a capital project, they must first convince their borough that the project is of higher priority than those which may benefit the entire borough, and are of higher priority than projects for other communities within that borough. Once the project is placed on the borough's list of priority projects, it must then survive the State process.

This legislation allows unincorporated communities to directly apply for a capital projects matching grant provided that the project and the administering agency qualify on the same terms as unincorporated communities in the unorganized borough, obtain the approval of their borough assembly, and are able to provide the local share requirement.

IT: Maj: SB287-2/26/96

Representing the Communities of: Lowell Point * Seward * Bear Creek * Crown Point * Moose Pass * Hope * Cooper Landing * Sterling * Soldotna *
Kasilof * Clam Gulch * Ninilchik * Happy Valley * Starisky * Nikolaevsk * Anchor Point * Homer * Kachemak City * Fritz Creek * Kachemak Selo *
* Halibut Cove * Seldovia * Port Graham * Nanwalek *

COMMITTEE SUBSTITUTE FOR SENATE BILL 287 SECTIONAL ANALYSIS

Section 1: Amends AS 37.06.020(b) to include any unincorporated community which meets the requirements of AS 37.06.020(d) and was a place in which 25 or more individuals resided as a social unit; deletes reference to revenue sharing statute.

States that funds will be allocated to community accounts based on the cost of projects requested.

Section 2: Amends AS 37.06.020(c) to read that a maximum of \$25,000 may be allocated to each eligible unincorporated community's account in a fiscal year. If the appropriation to the fund is not sufficient to fully fund the amount for each account, allocations will be pro rated. If the appropriation is more than what is necessary to fully fund the individual allocations, the excess lapses into the general fund.

Section 3: Amends AS 37.06.020(d) to require that a nonprofit corporation or Native village council must meet the following qualifications to administer the grant funds received:

- was formed to serve a public or civic purpose
- is registered and in good standing with the Department of Commerce & Economic Development if it is a nonprofit corporation;
- agrees to use the grant money for a public purpose
- provides the residents of a community with a public facility or service
- has held a public meeting to give residents the opportunity to express their preferences and ideas for use of the grant money; and
- agrees to make the facility provided with grant money available to every person in the community.

Requires a borough assembly's written approval of the administering nonprofit corporation for unincorporated communities located within its boundaries.

Section 4: Amends AS 37.06.020(e) to require that written assembly approval must accompany an unincorporated community's list of requested projects for communities within its boundaries.

Section 5: Amends AS 37.06.020(h) to change the lapse date from five years to four for projects that do not have substantial, ongoing work being done.

Section 6: Amends AS 37.06.030(b) to state that the local share for an unincorporated community located within a borough is calculated the same as for that borough.

Section 7: Provides a transition period so that funds currently in communities' accounts must be repaid or lapse under the five year provision.

**Comparison of the Unincorporated Community Project Matching Grant Program
with Changes made by CS SB 287**

CURRENT PROGRAM

CSSB 287

Participants

Unincorporated communities in the unorganized borough who were eligible to participate in the revenue sharing program the preceding year

Any unincorporated community in the state that meets the definition of a social ~~unit~~ **unit of 25** or more and have a qualifying ~~entity~~ **entity** to administer the funds

Funding

One appropriation divided evenly among all eligible participants regardless of whether they have requested a project. Minimum allocation is \$25,000.

One appropriation allocated to individual communities based upon the amount of the project requested, up to a maximum of \$25,000 per year

Entity Qualifications

Nonprofit entity or Native village council that meets the standards currently in regulation for the revenue sharing program.

Same qualifications except that the basic qualifications are in statute. The DCRA has the ability to adopt regulations to further clarify and define them.

DCRA determines the entity's eligibility. The department determines the most qualified if there is more than one in a community

DCRA determines the entity's eligibility. Entities for communities within boroughs must also obtain their assembly's written designation and approval

Grant Request Procedure

Unincorporated community submits prioritized list of projects including estimated costs and source of local share.

Procedure is the same, however communities within boroughs must obtain written assembly approval of the list of projects

Grant Approval

Governor places list in capital budget request, with appropriations from the individual accounts. If project is approved, the appropriation stands, if not approved, it is deleted by the legislature in the appropriation process.

This process does not change.

Allocation of Funds

Money is allocated to a community account regardless of whether there is a project requested or if the requested project requires less funding than the allocation. Communities may keep the excess funds in their accounts for up to five years.

Money is allocated to a community account based on the amount of the project requested, up to a maximum of \$25,000 each year. Only the amount of the project requested may go into the account. If a project is not requested, the community receives no funds.

Lapse of Funds

Communities have five years in which to start substantial, ongoing work on an approved project. If this is not done, or if a project is not requested in that time, the funds in the community's account lapses into the general fund

Communities have four years in which to start substantial, ongoing work.

Local Contribution Required

The percentage used for calculating the required local contribution is 5 percent

The percentage used for calculating the required local contribution for communities in the unorganized borough is 5 percent. Local share requirements for communities within boroughs are calculated using the borough's percentage (normally 30 percent)

1997 Capital Matching Grants

<u>Community</u>	<u>Entity (Do not included in legislation)</u>	<u>Project</u>	<u>State Funds</u>	<u>E.D.</u>
Akiachak	Akiachak IRA Council	Repair Akiachak Townsite (water, sewer, roads)	\$25,000	39
Arctic Village	Arctic Village Traditional Council	Bulk Fuel Tank Farm-Phase II	\$25,000	36
Beaver	Beaver Tribal Village Council	Construction Mgmt for Multi-Purpose Bldg.	\$25,000	36
Birch Creek	Birch Creek Village Council	Community Health Center Improvements	\$25,000	36
Central	Circle District Historical Society	Finish Interior of Addition to Museum	\$8,000	36
		Computer w/Visual Access for use by Public	\$10,000	
		Landscaping of Museum Road & Parking Lot	\$7,000	
Chalkyitsik	Chalkyitsik Village Council	New Council Office Building	\$25,000	36
Chenega Bay	Chenega Bay IRA Council	Water Room/Holding Tank Upgrade	\$25,000	35
		Municipal Public Safety Garage	\$25,000	
Chistochina	Chistochina Village Council	Water Building Repairs/EMS Shed	\$25,000	36
Chitina	Chitina Village Council	Pedestrian Pathway	\$25,000	36
Circle	Circle Civic Community Assoc.		\$79,441	36
Copper Center	Native Village Kluti-Kaah		\$52,711	36
Crooked Creek	Crooked Creek Traditional Council	Equipment Repair	\$25,000	36
Deltana	Deltana Community Corporation		\$24,996	35
Dot Lake Services	Dot Lake Services, Inc.	Community Building	\$27,710	36
Dot Lake Village	Dot Lake Village Council	Village Recreational Facilities Upgrade	\$19,950	36
Eagle Village	Eagle Village Council	Renovation of Community Hall	\$15,000	36
		Purchase Hauling Vehicle (Garbage)	\$9,996	
Edna Bay	Edna Bay Community Association	Road Construction, Access & Maintenance	\$13,750	5
		Dock/Harbor Maintenance & Improvement	\$10,000	
Elfin Cove	Elfin Cove Community Council		\$25,000	5
Evansville	Evansville Village Council	Multi-use Community Center	\$25,000	36
Four Mile Road	Four Mile Road Community Council	Road Stabilization	\$25,000	36
Gakona	Gakona Village Council		\$79,441	35
Glennallen	Glennallen-Copper Valley Library Assoc.	Building Expansion and Renovation	\$25,589	35
Gulkana	Gulkana Village Council	Village Council Office Building	\$25,000	36
Gustavus	Gustavus Community Council	On-going Projects	\$25,000	5
Healy Lake	Healy Lake Traditional Council		\$25,000	36
Hollis	Hollis Community Council	Clark Bay Dr. & Island View Dr. Completion	\$25,000	5
		Canoe Pass Road - Pioneer 1500 linear feet	\$25,000	
		Peninsula Dr & Island View Dr. Road work	\$25,000	
Hyder	Hyder Community Association, Inc.		\$25,000	1
Kenny Lake	Kenny Lake Community League	Fire Department Building Repair	\$14,000	35
		Library Repair	\$11,000	
Kipnuk	Kipnuk Village Council	House Moving Trailer	\$25,000	39
Klukwan	Klukwan Chilkat Indian Village Council	Expansion of ANS Hall	\$25,000	5
Koliganek	New Koliganek Village Council	New Powerhouse Upgrading Distribution	\$25,000	39
Kongiganak	Kongiganak Traditional Council	Office Upgrade	\$11,000	39
		Washeteria	\$14,000	
Kwigillingok	Kwigillingok IRA Council	Relocation Project	\$25,000	39
Lake Minchumina	Lake Minchumina Traditional Council		\$79,441	36
Lime Village	Lime Village Traditional Council	Electrification	\$50,000	36
Manley Hot Springs	Manley Hot Springs Community Assoc.	Multi-Purpose Community Facility	\$25,000	36
Mentasta	Mentasta Lake Village Council	Equipment Lease Payments	\$24,985	36
Metlakatla	Metlakatla Indian Village	Smoked Salmon Development Project	\$26,358	1
Minto	Minto IRA Council	Multi-purpose Building	\$50,000	36
Nelchina/Mendeltna	Nelchina/Mendeltna Corporation	Solid Waste Transfer Station	\$25,000	35

FY97 Capital Matching Grants

Nikolski	Nikolski IRA Council	Building Purchase/Repair	\$79,441	40
Northway	Northway Village Council		\$25,000	36
Oscarville	Oscarville Village Council		\$79,441	39
Paxson	Paxson Community Affairs	Residential Telephone Service	\$50,000	35
		Snowmachine/Four Wheel Trail	\$10,000	
		TV Station	\$10,000	
Pitka's Point	Pitka's Point Village Council	Village Office/Hall Upgrade	\$25,000	38
		Clinic Water/Sewer Hook-up	\$25,000	
Point Baker	Point Baker Community		\$25,000	5
Port Protection	Port Protection Community Association	Boardwalk Repair/Upgrade/Water Tank Extensi	\$25,000	5
Rampart	Rampart Village Council	Washeteria/Laundromat/Watering Point	\$25,000	36
Red Devil	Red Devil Corporation	Community Health Clinic Building	\$25,000	36
Silver Springs	Silver Springs Residents Association	Road Improvements	\$25,000	35
Slana Community	Slana Community Corporation		\$25,346	36
Slana League	Slana League	Distance Learning/Medical Link	\$25,000	36
Sleetmute	Sleetmute Village Council	Multi-purpose Building	\$10,000	36
		Roads	\$10,000	
Stevens Village	Stevens Village IRA Council	Renovation Upgrade	\$25,000	36
Stony River	Stony River TVC	Roads	\$79,441	36
Takotna	Takotna Community Assoc.	TCA Utility Office/Lodge	\$23,684	36
Tanacross	Tanacross Village Council		\$54,027	36
Tatitlek	Tatitlek Village IRA Council		\$54,441	35
Tazlina	Assoc. of Tazlina Residents	Hockey Rink	\$10,000	35
		Road Improvements	\$25,000	
Tetlin	Tetlin Village Council	Community Kitchen Elders Upgrade	\$25,000	36
Tok	Tok Community Umbrella Corp.	Rescue Truck	\$25,000	36
Tolsona	Tolsona Community Corporation	Firehall Enhancements	\$12,000	35
		Solid Waste Site Improvements	\$12,000	
Tuntutuliak	Tuntutuliak Village Council		\$25,000	39
Twin Hills	Twin Hills Village Council	Tribal Office Completion	\$25,000	39
		Pumphouse Building Repair	\$25,000	
Venetie	Venetie Village Council	Multi-Purpose Building	\$26,793	36
Whale Pass	Whale Pass Homeowners Association	Resurface existing Roads 1/2 - 1 Mile	\$26,250	5
Wiseman	Wiseman Community Association	Purchases for Community Center (land/equip)	\$12,500	36
		Flood Dike/Levy Repair - Wiseman Creek	\$12,500	
Naukati Bay	Naukati West, Inc.	Road Construction/Pit Development	\$25,000	5

* These communities were over-funded during FY 95. Therefore the amount available to them for FY97 is slightly less than \$25,000

Community	Entity	FY 84 Project	FY 84 Award	FY 85 Project	FY 85 Award	FY 86 Project	FY 86 Award
Aldschak	IRA Council	Road Improvements	\$25,000.00	Public Safety Building	\$15,000.00	Replet Townsite for Water/Sewer/Road Paving Projects	\$25,917.00
Arctic Village	Traditional Council	Power Generation Upgrade	\$25,000.00	Equipment Repairs	\$10,000.00	Power Line System Upgrade	\$25,917.00
Beaver	Village Council	Design & Construction Multi - Purpose	\$25,000.00	Bulk Fuel Tank	\$25,000.00	Multi-Purpose Building Phase III	\$25,000.00
Borch Creek	Village Council	Clinic Equipment	\$25,000.00	Multipurpose Building Design/Construction	\$25,000.00	Clinic Water and Sewer Installation	\$25,000.00
Central	Circle Dist. Hist. Soc.	Undesignated	\$0.00	Safe Water Treatment Plant Upgrade	\$25,000.00	Addition to Museum/Library/Archives	\$25,000.00
Chashyalk	Village Council	Washeteria	\$25,000.00	Community Facilities & Equipment	\$25,000.00	Water/Sewer Project Continuation	\$25,000.00
Chenega Bay	IRA Council	Undesignated	\$0.00	Construct Community Washeteria Building/Offices	\$25,000.00	Road Maintenance Equipment	\$50,000.00
Chitochina	Village Council	Offices Renovation and Repairs	\$25,000.00	Community Facilities & Equipment	\$0.00	Recreational Building Addition	\$25,000.00
Chitina	Village Council	Freezer Purchase	\$25,000.00	Community Hall Upgrade	\$25,000.00	Incinerator Project	\$25,000.00
Circle	Community Assn.	Undesignated	\$0.00	Washeteria	\$25,000.00	Community Facilities and Equipment	\$25,000.00
Copper Center	Nat. Vill. Kluai - Kash	Undesignated	\$0.00	Community Facilities & Equipment	\$0.00	Community Facilities and Equipment	\$25,000.00
Crescent Creek	Traditional Council	Upgrade Office Equipment/Purchase	\$10,000.00	Remove Vehicle/Equipment Purchase	\$25,000.00	Community Facilities and Equipment	\$25,000.00
		Repair Council Equipment	\$10,000.00	Clinic Improvements	\$15,000.00	Road Repairs	\$25,000.00
		Processing Plant Phase I	\$23,790.00	Preschool Facility	\$15,000.00		
Deltana	Community Corp.	Undesignated	\$0.00	Processing Plant Construction	\$28,300.00	Processing Plant Phase III	\$25,080.00
Dot Lake Service	Same	Undesignated	\$0.00	Community Facilities & Equipment	\$25,000.00	Community Building Construction	\$50,000.00
Dot Lake Village	Village Council	Washeteria Site Preparations	\$10,000.00	Community Hall Upgrade	\$23,800.00	ATCO Trailer Renovation	\$28,200.00
		Washeteria Project Design	\$15,000.00				
Fagle Village	Council	Village Safe Water Project	\$23,790.00	Safe Water and Sewer Project	\$28,300.00	Community Facilities and Equipment	\$25,000.00
Edeh Bay	Community Assn.	Construction/Tapping of Davidson Ave.	\$12,380.00	Construction of Breakwater	\$27,700.00	Harbor Maintenance and Improvements	\$13,750.00
		Marine Facilities Repair and Expansion	\$9,825.00			Road Construction and Access	\$10,000.00
Elin Cove	Community Council	Boardwalk Repairs/Repair Grant	\$25,000.00	Hydroelectric Project	\$25,000.00	Community and Facilities	\$25,000.00
Evanville	Village Council	Utility Truck	\$25,000.00	Bulk Fuel Storage Facility	\$25,000.00	Ambulance Purchase	\$25,000.00
Four Mile Road Comm.	Same	Road Stabilization Project	\$25,000.00	Road Stabilization Project	\$25,000.00	Road Stabilization Project	\$25,000.00
Galena	Village Council	Undesignated	\$0.00	Community Facilities & Equipment	\$0.00	Community Facilities and Equipment	\$25,000.00
Gornallan	Copper Valley Comm.	Distance Learning /Medical Link	\$25,000.00	Library Building Expansion	\$40,000.00	Library Expansion/Renovation	\$25,000.00
Gulkana	Village Council	Site Preparation Work for Health Clinic	\$25,000.00	Health Clinic Construction	\$25,000.00	Community Recreation Park	\$15,000.00
						Clinic Site Completion	\$10,000.00
Guatavus	Community Council	Landfill Compliance Grant	\$25,000.00	Public Library Replacement	\$25,000.00	Landfill Activities	\$10,000.00
						Completion of New Library	\$7,000.00
						Medical/Office Equipment	\$6,000.00
Healy Lake	Traditional Council	Teacher Housing/Generator	\$25,000.00	Health Clinic Construction	\$25,000.00	Health Clinic Construction Phase I	\$25,091.00
Holla	Community Council	Roads Upgrade	\$25,000.00	Pioneer Road Upgrade	\$25,000.00	Upgrade Lower Harris River Subdivision Road	\$25,000.00
Hyder	Community Assn.	Design/Development of RV/Tenting Campground	\$25,000.00	Campground Design and Development	\$25,000.00	Community Facilities and Equipment	\$25,000.00
Kenny Lias	Community League	Athletic Storage Building	\$11,115.00	Track and Baseball Field	\$11,100.00	Land Acquisition for Community Center	\$25,000.00
		Track and Baseball Field	\$12,838.00	Hockey Rink	\$13,900.00		
Kipnuk	Village Council	Boardwalk	\$25,000.00	Boardwalk Renovation	\$25,000.00	House Moving Trailer	\$25,000.00
Klukwan	Chilist Indian Vill. Cnl	Building Repairs	\$25,000.00	Community Center Design and Construction	\$25,000.00	Community Facilities and Equipment	\$25,000.00
Koliganak	Village Council	Design and Construction of New Health Clinic	\$25,000.00	Health Clinic Design and Construction	\$25,000.00	Health Clinic Construction Phase III	\$25,000.00
Kongiganak	Traditional Council	Facilities & Equipment Project	\$25,000.00	Community Facilities & Equipment	\$25,000.00	Community Hall/Office	\$25,000.00
Kwigillingot	IRA Council	Public Facilities	\$25,000.00	Community Facilities & Equipment	\$25,000.00	Community Facilities and Equipment Phase III	\$25,000.00
Lake Minchumina	Traditional Council	Undesignated	\$0.00	Community Facilities & Equipment	\$0.00	Community Facilities and Equipment	\$25,000.00
Lime Village	Traditional Council	Undesignated	\$0.00	Community Facilities & Equipment	\$0.00	Bulk Fuel Storage	\$12,500.00
						Village Electrification	\$25,000.00
						Road Improvements	\$12,500.00
Manley Hot Springs	Community Assn.	Phase 1 - Multi-Purpose Facility	\$25,000.00	Multipurpose Community Facility	\$25,000.00	Multipurpose Community Facility	\$25,000.00
Mentasta	Village Council	Clinic Expansion Project	\$25,000.00	Village Store Renovation	\$25,700.00	Day Care/Elder Center	\$25,878.00
Metalakta	Indian Village	LRT Station	\$23,775.00	Hatchery Site Preparation	\$25,000.00	Cold Storage Facility Repairs	\$18,000.00
						Replace Cannery Building Wall	\$7,000.00
Minto	IRA Council	Undesignated	\$0.00	Search and Rescue Supplies/Equipment/Training	\$25,000.00	Emergency Rescue Truck	\$25,000.00
Neulodi Bay	Neulodi West Inc.	Undesignated	\$0.00	Road Construction/Rock Pit Development	\$25,800.00	Road Construction/Pit Development	\$25,000.00
Neziriwatsine	Corporation	Undesignated	\$0.00	Mandelina Community Hall	\$25,800.00	Community Facilities and Equipment	\$25,000.00
Nikefield	IRA Council	Undesignated	\$0.00	Community Facilities & Equipment	\$0.00	Community Facilities and Equipment	\$25,000.00

Northway	Village Council	Clinic Renovation	\$15,000.00	Community Hall Water/Sewer Hook-Up	\$25,000.00	Water/Sewer Hook-up for Community Hall/Council Office	\$25,000.00
		Youth Recreation - Cement Basketball Court	\$10,000.00				
Oscarville	Village Council	Undesignated	\$0.00	Community Facilities & Equipment	\$0.00	Community Facilities and Equipment	\$25,000.00
Paxon	Community Affairs	Undesignated	\$0.00	Community Facilities & Equipment	\$0.00	Community Facilities and Equipment	\$22,000.00
Pike's Point	Village Council	Safewater Treatment Plant	\$25,000.00	Community Facilities & Equipment	\$0.00	Community Facilities and Equipment	\$25,000.00
Point Baker	Community	Safe Drinking Water Project	\$25,000.00	Community Drinking Water System Development	\$25,000.00	Community Facilities and Equipment	\$25,000.00
Port Protection	Community Assn.	Rebuilding of Rotting Boardwalk	\$25,000.00	Rebuild Boardwalk	\$25,000.00	Rebuild Boardwalk	\$25,000.00
Rampart	Village Council	Undesignated	\$0.00	Water Plant Building	\$25,000.00	Washeteria/Laundromat/Watering Point Construction	\$50,000.00
Red Devil	Corporation	Undesignated	\$0.00	Community Facilities & Equipment	\$25,000.00	Community Facilities and Equipment	\$50,000.00
River Springs	Area Residents Assn.	Undesignated	22,598,000	Road Improvements	\$27,400.00	Road Improvements	\$25,000.00
Siens Community	Corporation	Road Maintenance	\$10,000.00	Community Road Construction	\$20,000.00	Building Construction	\$30,000.00
		Road Construction	\$15,000.00				
Siens League	Same	Distance Learning/Medical Link	\$25,000.00	Distance Learning/Medical Link	\$25,000.00	Community Facilities and Equipment	\$25,000.00
Sheetmule	Traditional Council	Undesignated	\$0.00	Road Improvements	\$25,000.00	Community Facilities and Equipment	\$25,000.00
Stevens Village	IRA Council	Multi-Purpose Community Building	\$25,000.00	New Community Hall	\$25,000.00	Multi-Purpose Building Construction	\$25,000.00
Stormy River	Traditional Council	Undesignated	\$0.00	Community Facilities & Equipment	\$0.00	Community Facilities and Equipment	\$25,000.00
Talotna	Community Assn.	Undesignated	73,682,000	Utility Office and Lodge Materials Purchase	\$25,000.00	Utility Office and Lodge Construction	\$25,000.00
Tanacross	Village Council	Undesignated	\$0.00	Washeteria Renovation	\$25,000.00	Community Hall and Fire Hall Rehabilitation Project	\$23,884.00
Tasidak	IRA Council	Undesignated	\$0.00	Community Facilities & Equipment	\$0.00	Teacher Housing Construction	\$80,000.00
Tastine	Assn. Tastine Res.	Distance Learning/Medical Link	\$10,000.00	Distance Learning/Medical Link	\$20,000.00	Distance Learning/Medical Link	\$10,000.00
		Hockey Rink Building	\$10,000.00			Hockey Rink Construction	\$10,000.00
						School Bus Stop Shelters	\$5,000.00
Tedin	Village Council	Road Improvements/Equipment Purchase	\$25,000.00	Repair Village Wash house/Replacement Equipment	\$25,000.00	Washeteria Phase II	\$25,817.00
Tok	Comm. Umbrella Corp	Water/Sewer Installation and Reconstruction	\$25,000.00	Community Center/Library/Yard Maintenance and Upgrade	\$25,000.00	Community Facilities and Equipment	\$25,000.00
Tolsona	Community Corp.	Undesignated	\$0.00	Firehall Wall	\$25,000.00	Firehall Improvements	\$23,000.00
Tuntulalik	Village Council	JAILHOUSE Construction	\$25,000.00	Bulk Fuel Tank/Farm Dike	\$25,000.00	Tractor	\$25,817.00
Twin Hills	Village Council	Undesignated	\$0.00	Community Facilities & Equipment	\$0.00	Tribal Office Building	\$50,000.00
Venetie	Village Council	Undesignated	\$0.00	Back-Up Generator Purchase	\$25,000.00	Youth Center Building Purchase	\$25,000.00
Whale Pass	Homeowners Assn.	Firehall	\$10,300.00	Dock Upgrade and Improvements	\$25,000.00	Firehall Renovation Project	\$23,750.00
		Dock	\$18,000.00				
Wiseman	Community Assn.	Phase 1 Land Purchase	\$25,000.00	Community Center Land Acquisition and Design	\$25,000.00	Community Center Electrical Generation Co-op	\$25,000.00

68 COMMUNITIES

1-1-2001

(f) A municipality shall repay to the department money drawn from its individual grant account if substantial, ongoing work on the capital project is not started within five years after the effective date of the appropriation from which the draw is funded. Money repaid shall be deposited into the general fund. Money from an allocation to a municipality's individual grant account that has not been drawn out by the municipality within five years after the effective date of the appropriation from which the allocation is funded lapses into the general fund.

(g) For purposes of this section, in calculating the population of a borough the population of each city in the borough is excluded. The determination of population shall be based upon data used by the Department of Community and Regional Affairs under AS 29.60.020.

(h) The provisions of AS 37.05.321 apply to a grant and draws made under this section, and to earnings from the grant and draws.

(i) In this section, unless specified otherwise, "department" means the Department of Administration. (§ 3 ch 80 SLA 1993)

Sec. 37.06.020. Unincorporated community capital project matching grant program. (a) The unincorporated community capital project matching grant program is established in the department. Grants to unincorporated communities under the program shall be administered as provided in this section.

(b) The unincorporated community capital project matching grant fund is established in the department and consists of appropriations to the fund. Appropriations to the fund do not lapse except as provided in (h) of this section. The money in the fund is held by the department in custody under this subsection for each unincorporated community eligible for an allocation under this subsection. The department shall establish an individual grant account within the fund for each unincorporated community that was entitled to receive state aid under AS 29.60.140 during the preceding fiscal year. As provided in this subsection, each fiscal year the department shall allocate, to the individual grant accounts, appropriations to the fund. An unincorporated community is eligible for an allocation in a fiscal year if the community was eligible to receive state aid under AS 29.60.140 during the preceding fiscal year. The department shall credit interest earned on money in an individual grant account to that account. Except as provided in (c) of this section, the amount allocated under this subsection to an individual grant account in a fiscal year is determined by dividing the total amount appropriated to the fund during that fiscal year by the number of unincorporated communities eligible for an allocation during that fiscal year.

(c) A minimum of \$25,000 shall be allocated to each eligible unincorporated community's grant account each fiscal year under (b) of this section. If appropriations are not sufficient to fully fund the mini-

rom
api-
e of
hall
to a
out
the
gen-

of a
The
the
.020.
nade
i.
eans

ject
capi-
nent.
ll be

grant
ms to
ed in
nt in
y eli-
shall
unin-
er AS
ibsec-
idual
com-
unity
reced-
money
ded in
to an
g the
y the
1 dur-

unin-
(b) of
mini-

mum amount for each eligible unincorporated community, the amount appropriated shall be allocated equally among the eligible unincorporated communities.

(d) The department shall designate, in each eligible unincorporated community, an incorporated nonprofit entity or a Native village council that agrees to receive and spend grant money allocated to the unincorporated community's individual grant account under (b) of this section. If there is more than one qualified entity in a community, the department shall designate the entity that the department finds most qualified to make draws from that unincorporated community's individual grant account and spend the money. If there is no qualified incorporated nonprofit entity or Native village council in an unincorporated community that will agree to receive and spend money allocated to the community under (b) of this section, draws may not be made from the unincorporated community's individual grant account and the amount allocated to the account lapses into the general fund.

(e) By October 1 of each fiscal year, the incorporated nonprofit entity or Native village council designated by the department under (d) of this section shall submit to the governor a prioritized list of capital projects and estimated costs to be financed with money from the community's individual grant account established under (b) of this section. The list must include the amount and source of the local share required by AS 37.06.030. The governor shall include in the capital improvements program presented to the legislature under AS 37.07.060 the projects submitted by designated entities under this subsection that the governor recommends for funding. If, in the capital improvements program, the governor includes projects in other than the priority order submitted by a designated entity, the governor shall provide the legislature with a written statement of the reasons for that action.

(f) The legislature may make appropriations, from an unincorporated community's individual grant account established under (b) of this section, for the unincorporated community for capital projects under this section. Subject to appropriations under this subsection and to the local share requirements of AS 37.06.030, an entity designated by the department under (d) of this section may draw, on behalf of the unincorporated community, amounts from that community's individual grant account for a capital project in accordance with an appropriation for that project. In accepting a draw, an entity designated by the department under (d) of this section acknowledges that the state is not responsible for operating or maintaining a capital project for which the draw is used, or for paying for its operation or maintenance. The acknowledgment does not apply to use of money from a draw for repair or improvement of an existing facility that is operated or maintained by the state at the time that the draw is made if the repair or improvement for which the draw is used will not substantially increase the

operating or maintenance costs to the state. No more than 10 percent of the total amount of money from a draw for land acquisition, or planning, design, construction, or repair of a facility may be used for administrative expenses. No more than five percent of the total amount of money from a draw for equipment or equipment repairs may be used for administrative expenses. The designated entity and its agents, contractors, and subcontractors shall comply with the hiring preferences under AS 36.10 in hiring employees to be paid wholly or in part with money from a draw.

(g) An entity designated by the department under (d) of this section that is a Native village council may not draw ~~money~~ from an unincorporated community's individual grant account unless the council waives immunity from suit for claims arising out of activities of the council related to the draw. A waiver of immunity from suit under this subsection must be on a form provided by the Department of Law. Neither this subsection nor any action taken under it enlarges or diminishes the governmental authority or jurisdiction of a Native village council.

(h) An entity designated by the department under (d) of this section shall repay to the department money it has drawn from an unincorporated community's individual grant account if substantial, ongoing work on the project is not started within five years after the effective date of the appropriation from which the draw is funded. Money repaid shall be deposited into the general fund. Money from an allocation to an unincorporated community's individual grant account that has not been drawn out by a designated entity within five years after the effective date of the appropriation from which the allocation is funded lapses into the general fund.

(i) The limitations of AS 44.47.140 do not apply to a grant made under this section.

(j) The provisions of AS 37.05.321 apply to a grant and draws made under this section, and to earnings from the grant and draws.

(k) In this section, unless specified otherwise, "department" means the Department of Community and Regional Affairs. (§ 3 ch 80 SLA 1993)

Sec. 37.06.030. Local share requirements. (a) For each draw made by a municipality under AS 37.06.010, the municipality shall contribute a local share to the cost of the capital project for which the draw is made. The amount of the local share equals the local share percentage as calculated under (1) of this subsection, divided by the state share percentage as calculated under (2) of this subsection, multiplied by the amount of the draw. For purposes of this subsection,

(1) the local share percentage is

(A) 30 percent for a municipality with a population of 5,000 or more;

ercent
on, or
ed for
total
pairs
y and
e hir-
holly

action
ncor-
uncil
of the
r this
Law.
es or
ative

ction
orpo-
going
ctive
y re-
loca-
that
after
on is

nade
nade
eans
SLA

draw
shall
the
hare
the
nul-
tion,

) or

(B) for a municipality with a population of 1,000 — 4,999, the greater of

- (i) 15 percent; or
- (ii) the percentage obtained by dividing the amount that would be received by the municipality from a property tax levy of 1/1000th of a mill per \$1,000 of grant funds received by the sum of that first amount plus the amount of the grant or draw, but not more than 30 percent;

(C) for a municipality with a population of under 1,000, the greater of

- (i) five percent; or
- (ii) the percentage obtained by dividing the amount that would be received by the municipality from a property tax levy of 1/1000th of a mill per \$1,000 of grant funds received by the sum of that first amount plus the amount of the grant or draw, but not more than 30 percent;

(2) the state share percentage equals one minus the local share percentage;

(3) the local share to be contributed by a municipality may be satisfied with (A) federal, municipal, or local money; (B) labor, materials, or equipment used directly in the construction of the project, or land, including land transferred by the state to the municipality; the department shall determine the value of a contribution under this subparagraph; (C) money from another nonstate source; (D) money received by the municipality under AS 29.60.010 — 29.60.375; (E) state taxes refunded or reimbursed to the municipality whose use for the purposes of this subsection is not prohibited; (F) allocations of state aid for the costs of school construction debt under AS 14.11.100; and (G) money obtained from the sale or lease of land or other assets transferred by the state to the municipality; except as provided in this paragraph, the local share may not be satisfied with money from, or with the portion of an asset that was obtained with money from, an appropriation, allocation, entitlement, grant, or other payment from the state.

(b) For each draw made by an entity or council under AS 37.06.020, the incorporated entity or Native village council that makes the draw shall contribute a local share of the cost of the capital project for which the draw is made. The amount of the local share equals the local share percentage as calculated under (1) of this subsection, divided by the state share percentage as calculated under (2) of this subsection, multiplied by the amount of the draw. For purposes of this subsection,

- (1) the local share percentage is five percent;
- (2) the state share percentage equals one minus the local share percentage;

(3) the local share may be satisfied from (A) federal or local money; (B) labor, materials, or equipment used directly in the construction of the project, or land, including land transferred by the state; the department shall determine the value of a contribution under this sub-

paragraph: (C) money from another nonstate source; (D) money received by the unincorporated community under AS 29.60.010 — 29.60.375; or (E) money obtained from the sale or lease of land or other assets transferred by the state; except as provided in this paragraph, the local share may not be satisfied with money from, or with the portion of an asset that was obtained with money from, an appropriation, allocation, entitlement, grant, or other payment from the state.

(c) For purposes of (a) of this section, in calculating the population of a borough the population of each city in the borough is excluded. The determination of population shall be based upon data used by the Department of Community and Regional Affairs under AS 29.20.060. (§ 3 ch 80 SLA 1993)

Sec. 37.06.080. Adoption of regulations. The Department of Administration for grants under AS 37.06.010 and the Department of Community and Regional Affairs for grants under AS 37.06.020

(1) may adopt regulations that impose additional requirements or procedures to implement, interpret, make specific, or otherwise carry out the applicable provisions of this chapter for grants administered by the department;

(2) shall adopt regulations providing for periodic audits of the use of money for grants administered by the department under this chapter, including audit of the department's determination of the value of, and adequacy of the verification of the actual use of, locally funded or contributed labor on projects funded by a grant under this chapter. (§ 3 ch 80 SLA 1993)

Sec. 37.06.090. Definition of "capital project." In this chapter, "capital project" means a project with a cost exceeding \$10,000 to acquire or improve an asset with an anticipated life exceeding one year and includes land acquisition, construction, repair or structural improvement of a facility, engineering and design for a facility, and acquisition or repair of equipment. (§ 3 ch 80 SLA 1993)

Chapter 07. Executive Budget Act.

Section

- 10. Statement of policy
- 20. Responsibilities of the governor
- 30. Responsibilities of the legislature
- 40. Office of management and budget
- 50. Agency program and financial plans
- 60. Governor's recommendation
- 62. Capital budget
- 70. Legislative review

Section

- 80. Program execution
- 90. Performance reporting
- 100. Proposed supplemental or special appropriations
- 110. Interpretation of chapter
- 120. Definitions
- 130. Short title

DETERMINATION OF COMMUNITY.

(a) In determining whether a population comprises a community or social unit, the commission will, in its discretion, consider relevant factors, including whether the people

(1) reside permanently in a close geographical proximity that allows frequent personal contacts and has a population density that is characteristic of neighborhood living;

(2) residing permanently at a location are a discrete and identifiable unit, as indicated by such factors as school enrollment, number of sources of employment, voter registration, precinct boundaries, permanency of dwelling units, and the number of commercial establishments and other service centers.

(b) Absent a specific and persuasive showing to the contrary, the commission will presume that a population does not constitute a community or social unit if

(1) public access to or the right to reside at, the location of the population is restricted;

(2) the population is contiguous or closely adjacent to a community or social unit and is dependent upon that community or social unit for its existence; or

(3) the location of the population is provided by an employer and is occupied as a condition of employment primarily by persons who do not consider the place to be their permanent residence.

History -

Eff. 7/31/92, Register 123

Authority -

Alaska Const. art. X, sec. 12

AS 44.47.567

AS 44.47.980

19 AAC 030.0055

STANDARDS FOR PAYMENTS OF STATE AID TO INCORPORATED COMMUNITIES.

An applicant that is an entity qualified to receive an entitlement under AS 29.60.140 must meet the following standards to receive payment:

(1) the applicant must agree to irrevocably dedicate for a public purpose the payment that the applicant receives under AS 29.60.140;

(2) the applicant must be providing the residents of the unincorporated community with a public facility or service as of October 1 of the computation year;

(3) the applicant must have held a public meeting to give residents the opportunity to express their ideas and preferences for the use of money received under AS 29.60.140 and must have posted notice of the meeting in three public and prominent places in the community for at least 15 days before the meeting; and

(4) the applicant must agree to make a service or facility provided with the money received under AS 29.60.140 available to every person in the community regardless of race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy, parenthood, or political affiliation.

History -

Eff. 10/18/87, Register 104; am 8/19/88, Register 107

Authority -

AS 29.60.130

AS 29.60.180

AS 44.47.050

AS 44.47.980

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 2/9/96

FURTHER: Finance

Date of 5-Day Notice: 2/22/96
 (in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 3-21-96

The Community & Regional Affairs Committee considered SB 287

Relating to the unincorporated community capital project matching grant program.

FN

and recommends:

- be replaced with _____ CS SB 287 (CRA)
- adopt previous _____ CS _____
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:**
 same title
 new title
- House Bill:**
 same title
 technical title
 new: SCR# _____

SIGNING DO-PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>[Signature]</i>	<input checked="" type="checkbox"/>	<i>[Signature]</i>	<input checked="" type="checkbox"/>		
<i>[Signature]</i>		<i>[Signature]</i>	<input checked="" type="checkbox"/>		
<i>[Signature]</i>		<i>[Signature]</i>	<input checked="" type="checkbox"/>		
<i>[Signature]</i>					
<i>[Signature]</i>					
CHAIR: <i>[Signature]</i>	<input checked="" type="checkbox"/>	CHAIR:			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
<i>Comm & Reg'l Affairs</i>	<i>2/22/96</i>		<i>42.7</i>

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

*SB
&
CS*