

**HB**

**137**



## Analysis of CS HB 137 (STA) Alaska Permanent Fund Corporation

*Based on February 2000 APFC Financial Projections  
(\$ in millions)*

*from Kevin  
4/4/00*

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	TOTALS
Payout per CS HB 137	1,237	1,267	1,279	1,242	1,221	1,251	1,305	1,362	1,422	1,485	1,550	14,620
Municipal Dividend	72	73	73	74	75	76	77	78	78	79	80	835
Dividend Fund	1,165	1,195	1,206	1,167	1,146	1,175	1,228	1,284	1,343	1,405	1,470	13,785
Payout Status Quo (all Dividend)	1,165	1,195	1,207	1,170	1,150	1,183	1,239	1,298	1,361	1,428	1,497	13,893
Difference in annual payout	72	72	72	72	70	69	66	63	60	57	53	727
Retain for Inflation - CS HB 137	423	650	679	709	741	773	806	841	876	913	950	7,938
Retain for Inflation - Status Quo	423	650	679	709	741	773	806	841	876	913	950	7,938
Fund value in 2010 - CS HB 137											41,661	
Principal											30,185	
Earnings Reserve											11,477	
Fund value in 2010 - Status Quo											42,800	
Principal											30,182	
Earnings Reserve											12,618	
Per Person Dividend Status Quo	\$1,360.00	\$1,980.00	\$1,980.00	\$1,900.00	\$1,840.00	\$1,680.00	\$1,950.00	\$2,020.00	\$2,100.00	\$2,188.00	\$2,260.00	\$22,050.00
Per Person Dividend CS HB 137	\$1,960.00	\$1,980.00	\$1,980.00	\$1,890.00	\$1,840.00	\$1,860.00	\$1,930.00	\$2,000.00	\$2,070.00	\$2,140.00	\$2,220.00	\$21,670.00

These projections represent only our best estimate of the median case rate of return; actual annual performance will vary with market volatility. Contributions shown for the Dividend Fund and the Municipal Dividend are calculated and booked as payables at fiscal year end and actually paid out the following fiscal year. All differences due to rounding.

In five years, 2004, the PF Corporation estimates the Individual Permanent Fund Dividend to be:

- ◆ \$1,840 without a \$125 annual Municipal Dividend, and
- ◆ \$1,840 with a \$125 annual Municipal Dividend

In eleven years, 2010, the PF Corporation estimates the Individual Permanent Fund Dividend to be:

- ◆ \$2,260 without a \$125 annual Municipal Dividend, and
- ◆ \$2,220 with a \$125 annual Municipal Dividend.

\*Above explanatory note added by Alaska Municipal League 4/3/00

*Prepared by the APFC 03/31/2000*

APR-03-00 MON 02:03 PM ALASKA PERMANENT FUND CORP FAX NO. 19075862051 P. 02



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(\$ in millions)

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Payout per CS HB 137	1,237	1,267	1,279	1,242	1,221	1,251	1,305	1,362	1,422	1,485	1,550	14,620
Municipal Dividend	72	73	73	74	75	76	77	78	78	79	80	835
Dividend Fund	1,165	1,195	1,206	1,167	1,146	1,175	1,228	1,284	1,343	1,405	1,470	13,785
Payout Status Quo (all Dividend)	1,165	1,195	1,207	1,170	1,150	1,183	1,239	1,298	1,361	1,428	1,497	13,893
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Per Person Dividend Status Quo	\$1,960.00	\$1,980.00	\$1,980.00	\$1,900.00	\$1,840.00	\$1,880.00	\$1,950.00	\$2,020.00	\$2,100.00	\$2,180.00	\$2,260.00	\$22,050.00
Per Person Dividend CS HB 137	\$1,960.00	\$1,980.00	\$1,980.00	\$1,890.00	\$1,840.00	\$1,860.00	\$1,930.00	\$2,000.00	\$2,070.00	\$2,140.00	\$2,220.00	\$21,870.00

These projections represent only our best estimate of the median case rate of return; actual annual performance will vary with market volatility. Distributions shown for the Dividend Fund and the Municipal Dividend are calculated and booked as payables at fiscal year end and actually paid out the following fiscal year. All differences due to rounding.

(7)

# HOUSE COMMITTEE REPORT

Date Referred to Committee: February 4, 2000

FURTHER REFERRALS:

Finance

Date of Committee Action: 3/28/00

The STATE AFFAIRS Committee considered:

HB 137

HOUSE BILL NO. 137

MUNICIPAL DIVIDEND PROGRAM

"An Act relating to the municipal dividend program; and providing for an effective date."

recommends it be replaced with the following committee substitute CS HB 137 (STA)  the same title  a new title

additional referral to \_\_\_\_\_ Committee

attached amendment(s)

ADOPTS: \_\_\_\_\_ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) \_\_\_\_\_

APPROVES PREVIOUS: (Dept/Date) \_\_\_\_\_

fiscal note(s) \_\_\_\_\_

fiscal note(s) \_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

zero fiscal note(s) REV, CED

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Jeanette James</i>	✓			
<i>Debra Schalley</i>	✓			
<i>Beth Bertula</i>	✓			
<i>Chuck [unclear]</i>			✓	
<i>[unclear]</i>			✓	
<i>Sue [unclear]</i>		✓		
<i>Bill Hud</i>	✓			

CHAIR'S SIGNATURE Jeanette James

AMENDMENT #2

OFFERED IN THE HOUSE

BY REPRESENTATIVE JAMES

TO: CSHB 137( ), Draft Version "K"

1 Page 7, line 8:

2 Delete "to be used for road maintenance"

3 Page 7, line 16, following "Facilities.":

4 Insert "Money from an entitlement under this subsection shall be used by the  
5 municipality for road maintenance, except that the municipality may use up to 50 percent of  
6 the entitlement for education."

7 Page 8, lines 6 and 7:

8 Delete "to be used for fire or emergency medical services"

9 Page 8, line 10, following "services.":

10 Insert "Money from an entitlement under this subsection shall be used by the  
11 municipality for fire or emergency medical services, except that the municipality may use up  
12 to 50 percent of the entitlement for education."

*Jeannette doesn't  
want to offer  
this one.*

A M E N D M E N T # 1

OFFERED IN THE HOUSE

BY REPRESENTATIVE JAMES

TO: CSHB 137( ), Draft Version "K"

- 1 Page 5, line 12, following "dividends":
- 2       Insert "appropriated and"
  
- 3 Page 13, line 26, following "section":
- 4       Insert "and subject to appropriation"
  
- 5 Page 13, lines 30 and 31:
- 6       Delete all material and insert:
- 7       "permanent fund dividends paid by the Department of Revenue for the calendar year
- 8 immediately preceding the year the transfer is made under this subsection; or"
  
- 9 Page 14, line 1, following "account":
- 10       Insert "on the date of the transfer under this subsection"

1-LS0591VK  
Cook  
3/15/00

**CS FOR HOUSE BILL NO. 137( )**

**IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-FIRST LEGISLATURE - SECOND SESSION**

**BY**

**Offered:  
Referred:**

**Sponsor(s): REPRESENTATIVE MOSES**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to state aid to municipalities and certain other recipients;**  
2 **relating to municipal dividends; relating to the public safety foundation program;**  
3 **and providing for an effective date."**

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

5 **\* Section 1.** The uncodified law of the State of Alaska is amended by adding a new  
6 section to read:

7 **FINDINGS.** The legislature finds that

8 (1) roads, police, fire protection, emergency medical services, and health  
9 services are top priorities of the citizens of the state;

10 (2) the public safety foundation program is a return to the historically  
11 successful original "revenue sharing for services" concept used from 1969 to 1980 to promote  
12 more effective local governments and stable or reduced local taxes;

13 (3) municipalities should be held accountable for providing specific public  
14 safety services with state shared revenues;

1 (4) the public safety foundation program is a positive incentive to incorporate  
2 or for a municipality to accept more responsibility for roads and other high priority public  
3 services;

4 (5) fully funding the municipal dividend from a portion of the excess earnings  
5 of the permanent fund, after funding permanent fund dividends and inflation-proofing, will not  
6 change the current calculation for the permanent fund dividend, but will save the local  
7 taxpayers an average of \$150 a year that would otherwise be required to support local public  
8 services.

9 \* Sec. 2. AS 18.70.075(a) is amended to read:

10 (a) A fire officer of a municipal fire department or a fire department registered  
11 under AS 29.60.730 [AS 29.60.130], while providing fire protection or other  
12 emergency services, has the authority to

13 (1) control and direct activities at the scene of a fire or emergency;

14 (2) order a person to leave a building or place in the vicinity of a fire  
15 or emergency [.] for the purpose of protecting the person from injury;

16 (3) blockade a public highway, street, or private right-of-way  
17 temporarily while at the scene of a fire or emergency;

18 (4) trespass upon property at or near the scene of a fire or emergency  
19 at any time of the day or night;

20 (5) enter a building, including a private dwelling, or premises where  
21 a fire is in progress, or where there is reasonable cause to believe a fire is in progress,  
22 to extinguish the fire;

23 (6) enter a building, including a private dwelling, or premises near the  
24 scene of a fire for the purpose of protecting the building or premises or for the purpose  
25 of extinguishing the fire that is in progress in another building or premises;

26 (7) upon 24-hour notice to the owner or occupant, conduct a prefire  
27 planning survey in all buildings, structures, or other places within the municipality or  
28 the registered fire department's district, except the interior of a private dwelling, where  
29 combustible material is or may become dangerous as a fire menace to the building;

30 (8) direct the removal or destruction of a fence, house, motor vehicle,  
31 or other thing judged necessary to prevent the further spread of a fire.

1 \* Sec. 3. AS 29.10.200 is amended by adding a new paragraph to read:  
 2 (60) AS 29.60.700 - 29.60.750 (public safety foundation program).

3 \* Sec. 4. AS 29.20.640(b) is amended to read:  
 4 (b) Compliance with the provisions of this section is a prerequisite to receipt  
 5 of entitlements under the public safety foundation program (AS 29.60.700 -  
 6 29.60.770) [MUNICIPAL TAX RESOURCE EQUALIZATION ASSISTANCE  
 7 UNDER AS 29.60.010 - 29.60.080 AND PRIORITY REVENUE SHARING FOR  
 8 MUNICIPAL SERVICES UNDER AS 29.60.100 - 29.60.180]. If a municipality does  
 9 not comply with this section, the department shall withhold the entitlements  
 10 [ALLOCATIONS] until the required reports are filed.

11 \* Sec. 5. AS 29.45.020 is amended to read:  
 12 **Sec. 29.45.020. Taxpayer notice.** (a) If a municipality levies and collects  
 13 property taxes, the governing body shall provide the following notice:  
 14 "NOTICE TO TAXPAYER  
 15 For the current fiscal year the (city)(borough) has been allocated the following  
 16 amount of state aid for school and municipal purposes under the applicable  
 17 financial assistance Acts:  
 18 PUBLIC SCHOOL FUNDING PROGRAM (AS 14.17) \$  
 19 STATE AID FOR RETIREMENT OF SCHOOL  
 20 CONSTRUCTION DEBT (AS 14.11.100) \$  
 21 PUBLIC SAFETY FOUNDATION PROGRAM  
 22 (AS 29.60.700 - 29.60.770) \$  
 23 [MUNICIPAL TAX RESOURCE EQUALIZATION  
 24 (AS 29.60.010 - 29.60.080) \$  
 25 PRIORITY REVENUE SHARING FOR  
 26 MUNICIPAL SERVICES (AS 29.60.100 - 29.60.180) \$  
 27 REVENUE SHARING FOR SAFE COMMUNITIES  
 28 (AS 29.60.350 - 29.60.375) \$]  
 29 TOTAL AID \$  
 30 The millage equivalent of this state aid, based on the dollar value of a mill in  
 31 the municipality during the current assessment year and for the preceding

1 assessment year, is:

2 MILLAGE EQUIVALENT

3 PREVIOUS YEAR THIS YEAR

4 PUBLIC SCHOOL FUNDING

5 PROGRAM ASSISTANCE . . . .MILLS . . . .MILLS

6 STATE AID FOR RETIREMENT

7 OF SCHOOL CONSTRUCTION

8 DEBT . . . .MILLS . . . .MILLS

9 PUBLIC SAFETY FOUNDATION

10 PROGRAM . . . .MILLS . . . .MILLS

11 [MUNICIPAL TAX RESOURCE

12 EQUALIZATION . . . .MILLS . . . .MILLS

13 PRIORITY REVENUE SHARING

14 FOR MUNICIPAL SERVICES . . . .MILLS . . . .MILLS

15 REVENUE SHARING FOR SAFE

16 COMMUNITIES . . . .MILLS . . . .MILLS]

17 TOTAL MILLAGE EQUIVALENT . . . .MILLS . . . .MILLS"

18 Notice shall be provided by

19 (1) furnishing a copy of the notice with tax statements mailed for the  
20 fiscal year for which aid is received; or

21 (2) publishing in a newspaper of general circulation in the municipality  
22 a copy of the notice once each week for a period of three successive weeks, with  
23 publication to occur not later than 45 days after the final adoption of the municipality's  
24 budget.

25 (b) Compliance with the provisions of this section is a prerequisite to receipt  
26 of entitlements under the public safety program (AS 29.60.700 - 29.60.770)

27 [MUNICIPAL TAX RESOURCE EQUALIZATION UNDER AS 29.60.010 -  
28 29.60.080 AND PRIORITY REVENUE SHARING FOR MUNICIPAL SERVICES

29 UNDER AS 29.60.100 - 29.60.180]. The department shall withhold annual

30 entitlements [ALLOCATIONS] under those sections until municipal officials

31 demonstrate that the requirements of this section have been met.

*had choice of title*

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\* **Sec. 6.** AS 29.45.660(b) is amended to read:

(b) Compliance with the provisions of this section is a prerequisite to receipt of entitlements under the public safety foundation program (AS 29.60.700 - 29.60.770) [MUNICIPAL TAX RESOURCE EQUALIZATION UNDER AS 29.60.010 - 29.60.080 AND PRIORITY REVENUE SHARING FOR MUNICIPAL SERVICES UNDER AS 29.60.100 - 29.60.180]. The department shall withhold annual entitlements [ALLOCATIONS] under those sections until municipal officials demonstrate that the requirements of this section have been met.

\* **Sec. 7.** AS 29.60 is amended by adding new sections to read:

**Article 9. Public Safety Foundation Program.**

**Sec. 29.60.660. Municipal dividend fund.** There is established in the department the municipal dividend fund consisting of municipal dividends transferred to the fund under AS 37.13.145(e). Each fiscal year, the legislature may appropriate money in the municipal dividend fund for the public safety foundation program (AS 29.60.700 - 29.60.770). Any balance in the fund may be appropriated for capital project matching grants (AS 37.06.010 - 37.06.090).

*Look this up.*

**Sec. 29.60.700. Administration.** (a) The public safety foundation program is established in the department. Each fiscal year, the department shall distribute public safety foundation entitlements to eligible municipalities and other recipients under AS 29.60.710 - 29.60.770 from appropriations for the purpose from the municipal dividend fund. A municipality qualifies for a public safety foundation entitlement for a fiscal year if the municipality meets any eligibility requirements for the specific entitlement and

(1) the municipality has conducted a regular election during the preceding state fiscal year or when last required to do so by ordinance or charter and has reported the results of the election to the commissioner;

(2) regular meetings of the governing body were held in the municipality during the preceding state fiscal year and a record of the proceedings was maintained;

(3) a municipal budget has been adopted for the municipal fiscal year during which payment of the entitlement is authorized, and an audit or financial

1 statement for the preceding municipal fiscal year has been furnished to the department;  
2 and

3 (4) all ordinances adopted by the municipality have been codified in  
4 accordance with AS 29.25.050.

5 (b) The department shall adopt regulations necessary to implement the public  
6 safety foundation program, which must include

7 (1) procedures and filing dates for submitting entitlement applications  
8 and information relating to those applications;

9 (2) procedures by which the department shall notify a municipality or  
10 other applicant in writing of the reasons for a proposed disallowance or adjustment of  
11 any factor bearing on the determination of the applicant's eligibility for and amount  
12 of entitlement.

13 (c) For purposes of the public safety foundation program, population shall be  
14 determined by the latest figures of the United States Bureau of the Census or other  
15 population data that in the judgment of the department is reliable.

16 (d) The department shall make payments under the public safety foundation  
17 program no later than July 31, based on entitlement calculations made during the  
18 preceding fiscal year.

19 **Sec. 29.60.710. Municipal minimum entitlements and supplemental**  
20 **minimum entitlements.** (a) Each fiscal year, the department shall distribute  
21 municipal minimum entitlements to each municipality. The amount of an entitlement  
22 under this subsection is \$25,000.

23 (b) A municipality is eligible for a supplemental minimum entitlement if the  
24 total amount of money the municipality receives for a fiscal year under the public  
25 safety foundation program, excluding the entitlement under this subsection, is less than  
26 \$45,000. The amount of an entitlement under this subsection is the amount necessary  
27 to equal \$45,000 when added to other amounts received under the public safety  
28 foundation program.

29 (c) A municipality is eligible for a supplemental minimum entitlement if the  
30 total amount of money the municipality receives for the fiscal year under the public  
31 safety foundation program, excluding the entitlement under this subsection, is less than

1 the total amount the municipality received for fiscal year 2000 under former  
2 AS 29.60.010 - 29.60.375. The amount of an entitlement under this subsection is the  
3 amount necessary to equal, when added to other amounts received under the public  
4 safety foundation program, the amount the municipality received for fiscal year 2000  
5 under former AS 29.60.010 - 29.60.375.

6 **Sec. 29.60.720. Road maintenance and driver usage entitlements.** (a) Each  
7 fiscal year, the department shall distribute road maintenance entitlements to  
8 municipalities to be used for road maintenance. A municipality is eligible for a road  
9 maintenance entitlement under this section only if it has power to provide for road  
10 maintenance and exercises that power. The road maintenance entitlement is equal to  
11 \$2,000 for each mile of road, street, or highway maintained by the municipality and  
12 used by automotive equipment, excluding (1) the official state highway system, (2)  
13 roads, streets, or highways not dedicated to public use, (3) roads, streets, or highways  
14 maintained under AS 19.30.111 - 19.30.251 (local service road program), and (4)  
15 alleyways, as defined by regulations of the Department of Transportation and Public  
16 Facilities.

17 (b) In addition to an entitlement under (a) of this section, a municipality may  
18 receive an entitlement equal to \$1,000 for each mile of a frozen waterway and a  
19 connection from an inhabited area to a frozen waterway that may be safely used for  
20 public transportation by automotive equipment and is so used during a portion of the  
21 year if the waterway and connection are maintained during the period of use by the  
22 municipality. The Department of Community and Economic Development, after  
23 consultation with the Department of Transportation and Public Facilities, shall  
24 determine which waterways and connections qualify and, where the waterways or  
25 connections lie outside the corporate limits of a municipality and are maintained by  
26 a combination of municipalities, which municipalities shall receive the payments under  
27 this subsection, unless the municipalities involved have agreed in writing to a  
28 particular distribution.

29 (c) Each fiscal year, the department shall distribute a driver usage entitlement  
30 to each municipality equal to \$10 for each person residing in the municipality. The  
31 population of a municipality shall be as certified by the commissioner. In determining

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the population of a borough, the populations of all cities in the borough shall be subtracted from the total population of the borough.

**Sec. 29.60.730. Fire and emergency medical services entitlements.** (a)

Each fiscal year, the department shall pay to a municipality that has a fire department registered with the state fire marshal or an organization certified by the state to provide emergency medical services an entitlement to be used for fire or emergency medical services. The amount of the entitlement is based on the number of individuals served as determined by the department. The entitlement equals \$17 for each individual who receives fire protection services and \$17 for each individual who receives emergency medical services.

(b) Each fiscal year, the department shall pay to a fire department registered with the state fire marshal or to an organization certified by the state to provide emergency medical services an entitlement to be used for fire or emergency medical services if the area served by the fire department or organization is not also served by a municipality. The amount of the entitlement is based on the number of individuals served as determined by the department. The entitlement equals \$17 for each individual who receives fire protection services and \$17 for each individual who receives emergency medical services.

**Sec. 29.60.740. Police protection services entitlements.** Each fiscal year, the department shall pay to a municipality that provides police protection services an entitlement to be used for police protection services. The amount of the entitlement is based on the number of individuals served as determined by the department. The entitlement equals \$17 for each individual who receives police protection services.

**Sec. 29.60.750. State aid to municipalities and other eligible recipients for health facilities and hospitals.** (a) The department shall pay

(1) to a municipality that has the power to provide hospital facilities and services and that exercises that power, \$167 a bed for each bed actually used for patient care, limited to the number of beds provided for in the construction design of the hospital, or \$45,000 a hospital for those hospitals with 10 or more beds, or \$9,000 a hospital for those hospitals with less than 10 beds, as the municipality may elect; money received under this paragraph may be used only for hospitals and shall be

1 apportioned among qualifying hospitals as the municipality determines;

2 (2) on the basis set out in (1) of this subsection to a municipality for  
3 a nonprofit hospital not operated by a municipality if the municipality first certifies to  
4 the department that the nonprofit hospital is in compliance with all standards for  
5 hospitals that have been adopted by the municipality; money may not be paid on  
6 behalf of a nonprofit hospital without this certification; payments to the municipality  
7 shall be transferred to the nonprofit hospital in accordance with the basis by which the  
8 payment was generated by the hospital, and shall be applied to the annual cost of  
9 operation and maintenance of the hospital or for the provision of health care service  
10 at the hospital as the directors of the hospital determine;

11 (3) to a municipality in which a health facility is operated, \$360 a bed  
12 for each bed actually used for patient care, limited to the number of beds provided for  
13 in the construction design of the health facility, or \$1,600 a health facility as the  
14 municipality determines.

15 (b) A hospital may not receive payment under both (a)(1) and (a)(2) of this  
16 section.

17 (c) Money received by a municipality under (a)(3) of this section shall be used  
18 for expenses of health services or operation and maintenance of health facilities as the  
19 municipality determines.

20 (d) Before money may be distributed under this section, the commissioner of  
21 health and social services shall certify to the commissioner of community and  
22 economic development that any accumulation of assets by nonprofit corporations or  
23 other recipients under this section is dedicated irrevocably to a public purpose.

24 (e) In this section,

25 (1) "health facility" means a health facility that is licensed or certified  
26 by the state or approved under regulations adopted by the department and that is  
27 owned or operated or both by a municipality or by a nonprofit corporation or other  
28 nonprofit sponsor; in this paragraph, "facility"

29 (A) includes a public health center, maternity home, community  
30 mental health center, facility for the mentally or physically handicapped,  
31 nursing home, convalescent center, domestic violence or sexual assault shelter

1 qualified to receive a grant or contract under AS 18.66, or alcohol or drug  
2 abuse facility that meets standards established under AS 47.37; but

3 (B) excludes a facility operated or wholly supported by the state  
4 or the federal government;

5 (2) "hospital" means a licensed hospital determined by the Department  
6 of Health and Social Services to be a general or special hospital; the term excludes a  
7 facility operated or wholly supported by the state or the federal government, or both.

8 **Sec. 29.60.760. State aid to unincorporated communities.** (a) The  
9 department shall pay to each unincorporated community \$5,000 as an entitlement each  
10 fiscal year to be used for a public purpose. The department with advice from the  
11 Department of Law shall determine whether there is in each unincorporated community  
12 an incorporated nonprofit entity or a Native village council that will agree to receive  
13 and spend the entitlement. If there is more than one qualified entity in an  
14 unincorporated community, the department shall pay the money under the entitlement  
15 to the entity that the department finds most qualified to receive and spend the money.  
16 The department may not pay money under an entitlement to a Native village council  
17 unless the council waives immunity from suit for claims arising out of activities of the  
18 council related to the entitlement. A waiver of immunity from suit under this  
19 subsection must be on a form provided by the Department of Law. If there is no  
20 qualified incorporated nonprofit entity or Native village council in an unincorporated  
21 community that is willing to receive money under an entitlement, the entitlement for  
22 that unincorporated community may not be paid. Neither this subsection nor any  
23 action taken under it enlarges or diminishes the governmental authority or jurisdiction  
24 of a Native village council.

25 (b) In this section "unincorporated community" means a place in the  
26 unorganized borough that is not incorporated as a city and in which 25 or more  
27 persons reside as a social unit.

28 **Sec. 29.60.770. Applicability.** AS 29.60.700 - 29.60.750 apply to home rule  
29 and general law municipalities.

30 \* Sec. 8. AS 37.06.010(g) is amended to read:

31 (g) For purposes of this section, in calculating the population of a borough, the

1 population of each city in the borough is excluded. The determination of population  
2 shall be based upon data used by the Department of Community and Economic  
3 Development under AS 29.60.700(c) [AS 29.60.020].

4 \* **Sec. 9.** 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.  
7 Appropriations to the fund do not lapse except as provided in (h) of this section. The  
8 money in the fund is held by the department in custody under this subsection for each  
9 unincorporated community eligible for an allocation under this subsection. The  
10 department shall establish an individual grant account within the fund for each  
11 unincorporated community that was entitled to receive state aid under AS 29.60.760  
12 [AS 29.60.140] during the preceding fiscal year. As provided in this subsection, each  
13 fiscal year the department shall allocate, to the individual grant accounts,  
14 appropriations to the fund. An unincorporated community is eligible for an allocation  
15 in a fiscal year if the community was eligible to receive state aid under AS 29.60.760  
16 [AS 29.60.140] during the preceding fiscal year. The department shall credit interest  
17 earned on money in an individual grant account to that account. Except as provided  
18 in (c) of this section, the amount allocated under this subsection to an individual grant  
19 account in a fiscal year is determined by dividing the total amount appropriated to the  
20 fund during that fiscal year by the number of unincorporated communities eligible for  
21 an allocation during that fiscal year.

22 \* **Sec. 10.** AS 37.06.030 is amended to read:

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

29 (1) the local share percentage is

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

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(B) for a municipality with a population of 1,000 to and including [-] 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 1/1000 [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 1/1000 [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 29.60.660 - 29.60.770 [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.

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(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 subparagraph; (C) money from another nonstate source; (D) money received by the unincorporated community under AS 29.60.660 - 29.60.770 [AS 29.60.010 - 29.60.275]; 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 Economic Development under AS 29.60.700(c) [AS 29.60.020].

\* Sec. 11. AS 37.13.145 is amended by adding a new subsection to read:

(e) At the end of the fiscal year, after the transfers under (b) and (c) of this section, the corporation shall transfer a municipal dividend from the earnings reserve account to the municipal dividend fund established under AS 29.60.660. The municipal dividend equals the lesser of

(1) the amount calculated by multiplying \$125 by the number of permanent fund dividends for the preceding calendar year paid by the Department of Revenue before the transfer under this subsection; or

*For the calendar year preceding the year 1983 during the calculation of the place*

*out to date of the transfer.*

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(2) the balance of the earnings reserve account

\* Sec. 12. AS 41.15.180(d) is amended to read:

(d) From the percentage of the unorganized borough national forest receipts fund allocated to public roads under (b) of this section, the commissioner shall pay to each

(1) home rule city, first class city, or second class city that exercises road powers, that is located within the unorganized borough and within a national forest or within 20 miles of a national forest, a share of the income from the roads allocation of the fund: a home rule city, first class city, or second class city's share shall be calculated as the proportion of the number of road miles within municipal boundaries over which the community exercises road powers plus the number of state road miles maintained by the municipality under agreement with the state compared to the total number of road miles maintained by state or local governments in the unorganized borough and within the national forest or within 20 miles of the national forest;

(2) municipality organized under federal law as an Indian reserve that existed before the enactment of 43 U.S.C. 1618(a) and is continued in existence under that subsection and that has formed a community development corporation under former AS 29.60.365, that exercises road powers, and that is located within the unorganized borough and within the national forest or within 20 miles of the national forest a share of the income from the roads allocation of the fund; the share due a municipality organized under federal law that exercises road powers shall be calculated as the proportion of the number of road miles within municipal boundaries over which the community exercises road powers plus the number of state road miles maintained by the municipality under agreement with the state compared to the total number of road miles maintained by state or local governments in the unorganized borough and within the national forest or within 20 miles of the national forest; however, the commissioner may pay income from national forest receipts under this paragraph only after the corporation has delivered a written waiver of sovereign immunity from legal action by the state to recover all or a portion of the money distributed under this section.

1 \* **Sec. 13.** AS 42.45.110(b) is amended to read:

2 (b) An eligible electric utility is entitled to receive power cost equalization

3 (1) for sales of power to local community facilities, calculated in the  
4 aggregate for each community served by the electric utility, for actual consumption of  
5 not more than 70 kilowatt-hours per month for each resident of the community; the  
6 number of community residents shall be determined under AS 29.60.700(c)  
7 [AS 29.60.020]; and

8 (2) for actual consumption of not more than 500 kilowatt-hours per  
9 month sold to each residential customer.

10 \* **Sec. 14.** AS 29.10.200(55), 29.10.200(56); AS 29.60.010, 29.60.020, 29.60.030,  
11 29.60.040, 29.60.050, 29.60.060, 29.60.070, 29.60.080, 29.60.100, 29.60.110, 29.60.120,  
12 29.60.130, 29.60.140, 29.60.150, 29.60.160, 29.60.170, 29.60.180, 29.60.280, 29.60.290,  
13 29.60.300, 29.60.310, 29.60.350, 29.60.360, 29.60.365, 29.60.370, 29.60.372, 29.60.373, and  
14 29.60.375 are repealed.

15 \* **Sec. 15.** The uncodified law of the State of Alaska is amended by adding a new section  
16 to read:

17 **TRANSITION.** Notwithstanding AS 37.06.020(b), as amended in sec. 9 of this Act,  
18 an unincorporated community that was entitled to receive state aid for fiscal year 2000 under  
19 former AS 29.60.140 is eligible for an allocation for fiscal year 2001 under AS 37.06.020(b).

20 \* **Sec. 16.** This Act takes effect June 30, 2000.

# ALASKA STATE LEGISLATURE

REPRESENTATIVE  
JEANNETTE JAMES

PO Box 56622  
North Pole, Alaska 99705  
(907) 488-1546  
FAX (907) 488-4271



While in Juneau  
State Capitol  
Juneau, Alaska  
99801-1182  
(907) 465-3743  
FAX (907) 465-2381

House of Representatives  
House District 34

DATE: March 22, 2000

RE: HB 137,  
Municipal Dividend Program,  
by Representative Carl Moses

Attached are:

1. "Short Version" CS merely establishing the fund.
2. "Long Version" CS allocating the fund.
3. Sectional Analysis for long version.
4. Spread Sheet Projections for long version.

1-LS0591NH ✓  
Cook  
3/1/00

**CS FOR HOUSE BILL NO. 137( )**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTY-FIRST LEGISLATURE - SECOND SESSION**

**BY**

**Offered:**

**Referred:**

**Sponsor(s): REPRESENTATIVE MOSES**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to municipal dividends; and providing for an effective date."**

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

3 **\* Section 1.** AS 29.60 is amended by adding a new section to read:

4 **Article 9. Municipal Dividends.**

5 **Sec. 29.60.660. Municipal dividend fund.** There is established in the  
6 department the municipal dividend fund consisting of municipal dividends transferred  
7 to the fund under AS 37.13.145(e). The legislature may appropriate money in the  
8 municipal dividend fund for the following programs that provide state assistance to  
9 municipalities and communities:

10 (1) municipal tax resource equalization (AS 29.60.010 - 29.60.080);

11 (2) priority revenue sharing for municipal services (AS 29.60.100 -  
12 29.60.180);

13 (3) revenue sharing for safe communities (AS 29.60.350 - 29.60.375);

14 and

15 (4) capital project matching grants (AS 37.06.010 - 37.06.090).

1 \* Sec. 2. AS 37.13.145 is amended by adding a new subsection to read:

2 (e) At the end of the fiscal year, after the transfers under (b) and (c) of this  
3 section, the corporation shall transfer a municipal dividend from the earnings reserve  
4 account to the municipal dividend fund established under AS 29.60.660. The  
5 municipal dividend equals the lesser of

6 (1) the amount calculated by multiplying \$125 by the number of  
7 permanent fund dividends for the preceding calendar year paid by the Department of  
8 Revenue before the transfer under this subsection; or

9 (2) the balance of the earnings reserve account.

10 \* Sec. 3. This Act takes effect June 30, 2000.

**Section Analysis**  
**HB 137 Municipal Dividend**

- Section 1: Findings
- Sections 2-6: Adjust references in other code sections
- Section 7: Create Public Safety Foundation Program
- .660 Creates the Municipal Dividend Fund. The Municipal Dividend Fund first fully funds the Public Safety Foundation Program, then the Municipal Capital Matching Grant Program.
  - .700 Eligibility criteria to receive funding and administration
  - .710(a) Base funding of \$25,000 for each municipality as an incentive to encourage small municipalities to provide more services.
  - .710(b) Create \$45,000 minimum entitlement for small municipalities to provide minimum municipal services.
  - .710(c) Create hold harmless at FY 2000 funding level (effects only 2 municipalities)
  - .720 Road maintenance entitlement that must be used for road maintenance  
@\$2000 per mile for regular roads/1000 per mile for ice roads  
and \$10 per capita for driver use factor.
  - .730 Universal Fire and Emergency Medical Services entitlement that must be used for fire and EMS services:  
@ \$17 per person served by fire department  
@ \$17 per person served by EMS squad  
The same entitlement goes to municipalities or non-municipal State recognized departments or squads in municipalities or in the unorganized borough.
  - .740 Police entitlement @ \$17 per person served that must be used for police services.
  - .750 Existing Hospital and health facility per bed and per facility at the FY 2000 level.
  - .760 Existing entitlement for each unincorporated community @ \$5000 each.
- Section 8 - 10 Adjust references in other code sections
- Section 11 Amend Permanent Fund statutes to transfer an amount of excess earnings to the Municipal Dividend Fund calculated at \$125 times the number of PFD's distributed in the previous year. (approximately \$71 million for FY 01)
- Section 12-13 Adjust references in other code sections
- Section 14 Repeal current Revenue Sharing and Safe Communities Programs
- Section 15 Technical transition provision
- Section 16 Effective date June 30, 2000.

**Municipal Dividend Program HB 137**  
**Municipal Revenue Sharing/Municipal Capital Matching Grants**

- ◆ If this plan is adopted, the State reduces GF expenditures by \$46.9 million.
- ◆ The funding source is the excess earnings of the PF, after full dividends and inflation-proofing. The Municipal Dividend will not change the existing calculations of the amount of the PFD.
- ◆ Creates an incentive for municipalities to adopt police, fire, EMS, and road powers, and makes all municipalities accountable for providing public safety services with State shared revenues.
- ◆ Provides a long-term funding base to maintain and develop local public infrastructure.

**Funding Source**

The Municipal Dividend uses the excess earnings of the PF, after full dividends and inflation proofing. The amount of the Municipal Dividend is calculated by multiplying \$125 X the number of PFD's paid in the previous fiscal year (570,000) = **\$71.25 million** for FY 2001

**\*\*Note:** The Municipal Dividend will not change the existing calculated amounts of the PFD.

**Program Accountability**

Revenue Sharing required to be used for:	\$50.25 million
◆ Police @ \$17 per person served	
◆ Fire @ \$17 per person served	
◆ EMS @ \$17 per person served + support for health clinics and hospitals	
◆ Roads @ \$2000/mile maintained & \$10 per capita for use volume	
◆ \$45,000 minimum entitlement for basic government functions	
Municipal Capital Matching Grant Program	\$21.00 million
<b>Total</b>	<b>\$71.25 million</b>

**Recent Funding of Revenue Sharing/Capital Matching Grants**

	In millions of dollars			
	<u>FY 98</u>	<u>FY 99</u>	<u>FY 00</u>	<u>Proposed</u>
Municipal Revenue Sharing	\$50.4	\$47.8	\$31.9	\$50.25
Capital Matching Grants	\$20.0	\$15.0	\$15.0	\$21.0
<b>Total</b>	<b>\$70.4</b>	<b>\$67.8</b>	<b>\$46.9</b>	<b>\$71.25*</b>

\*In the future, increases or decreases in revenue will be self adjusting based on the number of persons receiving PFD's.

**State General Fund Reduction if plan adopted**

Municipal Revenue Sharing GF saved	+\$31.9
Capital Matching Grants GF saved	+\$15.0
<b>Total State General Fund Reduction Impact</b>	<b>+\$46.9 million</b>

## AML/ACoM Proposed Public Safety Foundation Formula Program

Municipality	Road Per Capita \$10.00	Road \$2,000 per mile	Ice Road \$500.00 per mile	Fire Dept. \$17 pop served	EMS served \$17	Police pop served \$17	Health RS FY 00 existing	Gross Bus. Receipt Hold Harm.	Total New PS Found. Formula	FY00 Current Rev Shar.	Compare FY00/ New	% change
Akhiok	\$1,090	\$6,200	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$23,385	21,615	192%
Akiak	\$3,160	\$0	\$0	\$0	\$0	\$5,372	\$1,792	\$0	\$45,000	\$32,840	12,160	137%
Akutan	\$4,080	\$0	\$0	\$0	\$0	\$0	\$1,727	\$0	\$45,000	\$33,619	11,381	134%
Alakanuk	\$6,710	\$8,000	\$11,250	\$11,407	\$0	\$11,407	\$1,791	\$0	\$75,565	\$44,495	31,070	170%
Aleknagik	\$2,590	\$0	\$0	\$4,403	\$0	\$0	\$0	\$0	\$45,000	\$30,645	14,355	147%
Aleutians E Bor	\$970	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$32,772	12,228	137%
Allakaket	\$1,920	\$16,480	\$0	\$0	\$0	\$0	\$3,716	\$0	\$47,116	\$32,966	14,150	143%
Ambler	\$3,150	\$16,720	\$15,000	\$5,355	\$0	\$5,355	\$1,857	\$0	\$72,437	\$37,349	35,088	194%
Anaktuvuk Ps.	\$3,080	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$33,293	11,707	135%
Anchorage Bor	\$2,587,820	\$1,770,240	\$0	\$4,193,594	\$4,193,594	\$4,379,404	\$396,450	\$0	\$17,546,102	\$11,435,391	6,110,711	153%
Anderson	\$5,240	\$19,600	\$0	\$8,908	\$8,908	\$0	\$3,716	\$0	\$71,372	\$39,992	31,380	178%
Angoon	\$5,870	\$9,580	\$0	\$0	\$0	\$9,979	\$0	\$0	\$50,429	\$33,530	16,899	150%
Aniak	\$5,760	\$35,520	\$22,500	\$9,792	\$9,792	\$0	\$2,452	\$0	\$110,816	\$45,082	65,734	246%
Anvik	\$1,000	\$15,500	\$0	\$0	\$0	\$0	\$1,875	\$0	\$45,000	\$30,803	14,197	146%
Atka	\$1,150	\$37,000	\$0	\$1,955	\$0	\$0	\$0	\$0	\$65,105	\$29,884	35,221	218%
Atkasuk	\$2,590	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$42,623	2,377	106%
Barrow	\$43,970	\$0	\$0	\$0	\$74,749	\$0	\$0	\$0	\$143,719	\$123,432	20,287	116%
Bethel	\$54,630	\$33,500	\$41,150	\$92,871	\$92,871	\$92,871	\$64,487	\$0	\$497,380	\$318,776	178,604	156%
Bettles	\$250	\$6,100	\$15,000	\$0	\$0	\$0	\$0	\$0	\$46,350	\$30,903	15,447	150%
Brevig Mis.	\$2,740	\$4,000	\$0	\$4,658	\$0	\$4,658	\$1,858	\$0	\$45,000	\$33,343	11,657	135%
Bristol Bay Bor	\$12,970	\$52,020	\$0	\$0	\$22,049	\$22,049	\$1,726	\$0	\$135,814	\$61,113	74,701	222%
Buckland	\$4,080	\$5,000	\$22,250	\$0	\$0	\$6,936	\$1,875	\$0	\$65,141	\$39,272	25,869	166%
Chefornak	\$4,230	\$0	\$0	\$0	\$0	\$7,191	\$0	\$0	\$45,000	\$34,682	10,318	130%
Chevak	\$7,410	\$11,400	\$0	\$12,597	\$0	\$12,597	\$1,791	\$0	\$70,795	\$41,394	29,401	171%
Chignik	\$1,210	\$4,820	\$0	\$2,057	\$0	\$0	\$1,727	\$0	\$45,000	\$28,665	16,335	157%
Chuathbaluk	\$1,120	\$8,000	\$0	\$0	\$0	\$0	\$1,857	\$0	\$45,000	\$30,699	14,301	147%
Clark's Point	\$630	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$26,783	18,217	168%
Coffman Cove	\$2,550	\$145,480	\$0	\$4,335	\$4,335	\$0	\$0	\$0	\$181,700	\$35,756	145,944	508%
Cold Bay	\$1,030	\$58,400	\$0	\$0	\$1,751	\$0	\$2,589	\$0	\$88,770	\$33,806	54,964	263%
Cordova	\$25,710	\$25,800	\$0	\$43,707	\$43,707	\$43,707	\$54,498	\$0	\$262,129	\$203,319	58,810	129%
Craig	\$21,450	\$36,320	\$0	\$40,851	\$40,851	\$36,465	\$2,669	\$0	\$203,606	\$78,224	125,382	260%
Deering	\$1,560	\$9,300	\$28,000	\$0	\$0	\$0	\$1,856	\$0	\$65,716	\$31,187	34,529	211%
Delta Junct	\$8,840	\$58,820	\$0	\$15,028	\$15,028	\$0	\$0	\$0	\$122,716	\$59,617	63,099	206%
Denali Bor	\$13,400	\$0	\$0	\$22,780	\$22,780	\$0	\$0	\$0	\$83,960	\$60,542	23,418	139%
Dillingham	\$23,320	\$43,500	\$0	\$39,644	\$39,644	\$39,644	\$9,063	\$0	\$219,815	\$113,556	106,259	194%

Municipality	Road Per Capita	Road \$2,000	Ice Road \$500.00	Fire Dept. \$17	EMS served	Police pop served	Health RS FY 00	Gross Bus. Receipt	Total New PS Found.	FY00 Current	Compare FY00/	% change
Diomedes	\$1,760	\$0	\$0	\$0	\$0	\$2,992	\$0	\$0	\$45,000	\$30,855	14,145	146%
Eagle	\$1,680	\$10,200	\$0	\$4,454	\$4,454	\$0	\$0	\$0	\$45,788	\$27,037	18,751	169%
Eek	\$3,090	\$3,660	\$0	\$0	\$0	\$5,253	\$1,792	\$0	\$45,000	\$33,014	11,986	136%
Egegik	\$1,320	\$37,000	\$10,000	\$2,244	\$0	\$2,244	\$1,726	\$0	\$79,534	\$32,396	47,138	246%
Ekwok	\$1,200	\$0	\$0	\$2,040	\$0	\$0	\$0	\$0	\$45,000	\$27,859	17,141	162%
Elim	\$3,060	\$23,600	\$0	\$5,202	\$0	\$5,202	\$1,857	\$0	\$63,921	\$35,242	28,679	181%
Emmonak	\$8,380	\$11,840	\$3,500	\$14,246	\$14,246	\$14,246	\$6,270	\$0	\$97,728	\$84,456	13,272	116%
Fairbanks	\$316,010	\$213,440	\$0	\$537,217	\$537,217	\$537,217	\$97,787	\$0	\$2,263,888	\$1,505,570	758,318	150%
Fairbks NS Bor	\$507,080	\$860,680	\$0	\$734,315	\$862,036	\$0	\$49,859	\$0	\$3,038,970	\$2,111,834	927,136	144%
False Pass	\$580	\$6,000	\$0	\$986	\$0	\$0	\$0	\$0	\$45,000	\$27,130	17,870	166%
Fort Yukon	\$5,530	\$34,000	\$0	\$0	\$9,401	\$9,401	\$0	\$0	\$83,332	\$43,812	39,520	190%
Galena	\$5,440	\$14,200	\$0	\$0	\$9,248	\$9,248	\$7,434	\$0	\$70,570	\$44,140	26,430	160%
Gambell	\$6,700	\$17,000	\$0	\$11,390	\$0	\$11,390	\$1,857	\$0	\$73,337	\$42,174	31,163	174%
Golovin	\$1,420	\$10,440	\$7,500	\$2,414	\$0	\$0	\$1,857	\$0	\$48,631	\$31,683	16,948	153%
Goodnews Bay	\$2,560	\$0	\$0	\$0	\$0	\$0	\$1,792	\$0	\$45,000	\$31,693	13,307	142%
Grayling	\$1,950	\$14,000	\$0	\$0	\$0	\$0	\$1,858	\$0	\$45,000	\$32,639	12,361	138%
Haines	\$14,630	\$27,100	\$0	\$24,871	\$24,871	\$24,871	\$1,435	\$0	\$142,778	\$65,194	77,584	219%
Haines Bor	\$10,130	\$26,180	\$0	\$0	\$0	\$0	\$1,435	\$0	\$62,745	\$45,810	16,935	137%
Holy Cross	\$2,770	\$30,600	\$0	\$0	\$0	\$0	\$1,857	\$0	\$60,227	\$35,446	24,781	170%
Homer	\$41,550	\$47,660	\$0	\$70,635	\$70,635	\$70,635	\$11,491	\$0	\$337,606	\$175,828	161,778	192%
Hoonah	\$8,960	\$150,000	\$0	\$0	\$15,232	\$15,232	\$1,435	\$0	\$215,859	\$75,791	140,068	285%
Hooper Bay	\$10,390	\$3,480	\$0	\$0	\$0	\$17,663	\$0	\$0	\$56,533	\$47,356	9,177	119%
Houston	\$9,390	\$82,660	\$0	\$15,963	\$15,963	\$0	\$0	\$0	\$148,976	\$42,557	106,419	350%
Hughes	\$720	\$11,500	\$0	\$0	\$0	\$0	\$1,858	\$0	\$45,000	\$30,028	14,972	150%
Huslia	\$2,480	\$36,360	\$0	\$4,216	\$0	\$0	\$1,857	\$0	\$69,913	\$35,127	34,786	199%
Hydaburg	\$4,050	\$12,400	\$0	\$0	\$6,885	\$0	\$1,333	\$0	\$49,668	\$28,290	21,378	176%
Juneau City/Bor	\$302,360	\$185,060	\$0	\$518,398	\$518,398	\$520,421	\$144,770	\$0	\$2,214,407	\$1,591,731	622,676	139%
Kachemak	\$4,190	\$0	\$0	\$0	\$0	\$7,123	\$0	\$0	\$45,000	\$29,303	15,697	154%
Kake	\$7,830	\$27,780	\$0	\$0	\$13,311	\$13,311	\$1,384	\$0	\$88,616	\$21,651	66,965	409%
Kaktovik	\$2,550	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$32,900	12,100	137%
Kaltag	\$2,500	\$16,340	\$0	\$0	\$0	\$0	\$3,716	\$0	\$47,556	\$33,943	13,613	140%
Kasaan	\$410	\$16,900	\$0	\$0	\$0	\$0	\$1,334	\$0	\$45,000	\$23,812	21,188	189%
Kenai	\$70,580	\$123,620	\$0	\$119,986	\$119,986	\$119,986	\$26,928	\$0	\$606,086	\$327,883	278,203	185%
Kenai Pen Bor	\$297,280	\$1,251,420	\$0	\$471,376	\$501,976	\$0	\$89,764	\$0	\$2,636,816	\$1,696,894	937,922	155%
Ketchikan	\$84,600	\$45,020	\$0	\$143,820	\$143,820	\$143,820	\$69,717	\$0	\$655,797	\$477,115	178,682	137%
Ketch Gtwy Bor	\$53,920	\$6,580	\$0	\$91,664	\$91,664	\$0	\$0	\$0	\$268,828	\$221,878	46,950	121%

November 2, 1999

## AML/ACoM Proposed Public Safety Foundation Formula Program

3

Municipality	Road Per Capita	Road \$2,000	Ice Road \$500.00	Fire Dept. \$17	EMS served	Police pop served	Health RS FY 00	Gross Bus. Receipt	Total New PS Found.	FY00 Current	Compare FY00/	% change
Kiana	\$4,020	\$15,640	\$12,500	\$6,834	\$0	\$0	\$2,323	\$0	\$66,317	\$39,046	27,271	170%
King Cove	\$7,030	\$15,640	\$0	\$11,951	\$11,951	\$11,951	\$1,726	\$0	\$85,249	\$40,891	44,358	208%
Kivalina	\$3,490	\$2,180	\$5,000	\$0	\$0	\$5,933	\$1,858	\$0	\$45,000	\$38,455	6,545	117%
Klawock	\$6,590	\$19,400	\$0	\$0	\$13,430	\$11,203	\$0	\$0	\$75,623	\$35,401	40,222	214%
Kobuk	\$1,020	\$16,220	\$4,700	\$0	\$0	\$0	\$1,857	\$0	\$48,797	\$31,532	17,265	155%
Kodiak	\$68,590	\$50,620	\$0	\$116,603	\$116,603	\$116,603	\$0	\$0	\$494,019	\$305,191	188,828	162%
Kodiak Isl Bor	\$59,620	\$50,120	\$0	\$69,700	\$101,354	\$0	\$87,739	\$0	\$393,533	\$309,897	83,636	127%
Kotlik	\$5,520	\$0	\$0	\$9,384	\$9,384	\$9,384	\$1,792	\$0	\$60,464	\$37,753	22,711	160%
Kotzebue	\$29,640	\$56,600	\$36,500	\$50,388	\$50,388	\$50,388	\$13,473	\$0	\$312,377	\$203,371	109,006	154%
Koyuk	\$2,960	\$8,520	\$0	\$0	\$0	\$0	\$1,857	\$0	\$45,000	\$34,072	10,928	132%
Koyukuk	\$1,300	\$8,380	\$0	\$0	\$0	\$0	\$1,857	\$0	\$45,000	\$31,122	13,878	145%
Kupreanof	\$240	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$23,812	21,188	189%
Kwethluk	\$6,670	\$3,860	\$0	\$11,339	\$0	\$0	\$1,792	\$0	\$48,661	\$40,289	8,372	121%
Lake & Pen Bor	\$9,680	\$107,240	\$40,250	\$0	\$0	\$0	\$15,537	\$0	\$197,707	\$116,269	81,438	170%
Larsen Bay	\$1,270	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$23,812	21,188	189%
Lower Kalskag	\$2,860	\$7,340	\$20,000	\$0	\$0	\$0	\$1,857	\$0	\$57,057	\$36,723	20,334	155%
Manokotak	\$3,960	\$15,860	\$0	\$0	\$0	\$6,732	\$0	\$0	\$51,552	\$33,982	17,570	152%
Marshall	\$3,000	\$0	\$0	\$5,100	\$0	\$5,100	\$1,792	\$0	\$45,000	\$32,775	12,225	137%
Mat-Su Bor	\$453,560	\$2,071,940	\$0	\$234,345	\$234,345	\$0	\$33,570	\$0	\$3,052,760	\$1,765,468	1,287,292	173%
McGrath	\$4,410	\$43,700	\$0	\$7,497	\$0	\$0	\$3,716	\$0	\$84,323	\$41,124	43,199	205%
Mekoryuk	\$1,920	\$6,600	\$0	\$0	\$0	\$3,264	\$1,791	\$0	\$45,000	\$31,005	13,995	145%
MT.Village	\$7,930	\$15,000	\$0	\$0	\$0	\$13,481	\$1,791	\$0	\$63,202	\$43,796	19,406	144%
Napakiak	\$3,730	\$9,660	\$0	\$0	\$0	\$6,341	\$1,791	\$0	\$46,522	\$35,298	11,224	132%
Napaskiak	\$3,910	\$0	\$0	\$0	\$0	\$6,647	\$1,792	\$0	\$45,000	\$34,147	10,853	132%
Nenana	\$4,350	\$52,780	\$0	\$11,509	\$11,509	\$7,395	\$3,582	\$0	\$116,125	\$45,895	70,230	253%
New Stuyahok	\$4,540	\$5,000	\$0	\$7,395	\$0	\$7,718	\$0	\$0	\$49,653	\$34,469	15,184	144%
Newhalen	\$1,910	\$0	\$10,000	\$3,247	\$0	\$0	\$1,726	\$0	\$45,000	\$30,972	14,028	145%
Nightmute	\$2,220	\$0	\$0	\$0	\$0	\$3,774	\$0	\$0	\$45,000	\$30,663	14,337	147%
Nikolai	\$1,030	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$30,078	14,922	150%
Nome	\$37,060	\$35,040	\$0	\$63,002	\$63,002	\$63,002	\$83,629	\$0	\$369,735	\$260,263	109,472	142%
Nondalton	\$2,270	\$50,000	\$750	\$0	\$0	\$3,859	\$1,726	\$0	\$83,605	\$33,341	50,264	251%
Noorvik	\$5,980	\$14,400	\$20,000	\$10,166	\$10,166	\$10,166	\$1,857	\$0	\$97,735	\$67,976	29,759	144%
North Pole	\$16,190	\$30,460	\$0	\$27,523	\$27,523	\$27,523	\$0	\$0	\$154,219	\$72,922	81,297	211%
North Slope Bor	\$23,810	\$203,940	\$21,500	\$159,613	\$159,613	\$159,613	\$40,419	\$231,622	\$1,025,130	\$937,438	0	109%
NW Arctic Bor	\$5,470	\$128,180	\$71,190	\$0	\$0	\$0	\$29,732	\$0	\$259,572	\$156,449	103,123	166%
Nuiqsut	\$4,590	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$36,026	8,974	125%

## AML/ACoM Proposed Public Safety Foundation Formula Program

Municipality	Road Per Capita	Road \$2,000	Ice Road \$500.00	Fire Dept. \$17	EMS served	Police pop served	Health RS FY 00	Gross Bus. Receipt	Total New PS Found.	FY00 Current	Compare FY00/	% change
Nulato	\$3,530	\$24,420	\$0	\$0	\$0	\$0	\$1,857	\$0	\$54,807	\$36,327	18,480	151%
Nunapitchuk	\$4,790	\$0	\$33,875	\$0	\$0	\$3,143	\$1,791	\$0	\$73,599	\$40,735	32,864	181%
Old Harbor	\$2,970	\$10,040	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$27,451	17,549	164%
Ouzinkie	\$2,520	\$7,200	\$0	\$4,284	\$0	\$0	\$0	\$0	\$45,000	\$26,474	18,526	170%
Palmer	\$43,180	\$65,480	\$0	\$73,406	\$73,406	\$73,406	\$55,718	\$0	\$409,596	\$245,740	163,856	167%
Pelican	\$1,490	\$1,800	\$0	\$2,533	\$2,533	\$0	\$1,436	\$0	\$45,000	\$26,158	18,842	172%
Petersburg	\$33,980	\$43,120	\$0	\$57,766	\$57,766	\$57,766	\$47,414	\$0	\$322,812	\$214,918	107,894	150%
Pilot Point	\$1,020	\$28,000	\$0	\$1,734	\$0	\$0	\$0	\$0	\$55,754	\$27,944	27,810	200%
Pilot Station	\$5,580	\$0	\$0	\$0	\$0	\$0	\$1,792	\$0	\$45,000	\$37,375	7,625	120%
Platinum	\$410	\$18,000	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$28,689	16,311	157%
Point Hope	\$7,870	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$44,100	900	102%
Port Alexander	\$900	\$0	\$0	\$1,530	\$0	\$0	\$0	\$0	\$45,000	\$23,811	21,189	189%
Port Heiden	\$1,260	\$54,800	\$0	\$0	\$0	\$0	\$1,726	\$0	\$82,786	\$31,542	51,244	262%
Port Lions	\$2,420	\$8,580	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$26,357	18,643	171%
Quinhagak	\$6,120	\$14,660	\$0	\$10,404	\$0	\$10,404	\$0	\$0	\$66,588	\$39,104	27,484	170%
Ruby	\$2,040	\$12,000	\$500	\$3,468	\$0	\$0	\$1,858	\$0	\$45,000	\$32,970	12,030	136%
Russian Mis	\$2,950	\$3,940	\$0	\$0	\$0	\$0	\$1,792	\$0	\$45,000	\$32,632	12,368	138%
Saint George	\$1,730	\$32,560	\$0	\$2,941	\$2,941	\$0	\$1,726	\$0	\$66,898	\$31,084	35,814	215%
Saint Mary's	\$4,940	\$17,360	\$0	\$0	\$0	\$8,398	\$1,791	\$0	\$57,489	\$43,266	14,223	133%
Saint Michael	\$3,620	\$9,640	\$0	\$0	\$0	\$6,154	\$0	\$0	\$45,000	\$36,302	8,698	124%
Saint Paul	\$7,610	\$85,640	\$0	\$0	\$0	\$12,937	\$0	\$0	\$131,187	\$57,092	74,095	230%
Sand Point	\$8,300	\$23,000	\$0	\$14,110	\$0	\$14,110	\$1,726	\$0	\$86,246	\$45,194	41,052	191%
Savoonga	\$6,320	\$14,140	\$0	\$10,744	\$0	\$10,744	\$0	\$0	\$66,948	\$41,451	25,497	162%
Saxman	\$3,790	\$8,540	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$27,809	17,191	162%
Scammon Bay	\$4,500	\$4,300	\$0	\$0	\$0	\$0	\$1,792	\$0	\$45,000	\$35,805	9,195	126%
Selawik	\$7,460	\$7,060	\$27,000	\$0	\$0	\$0	\$1,581	\$0	\$68,101	\$46,552	21,549	146%
Seldovia	\$2,810	\$12,600	\$0	\$4,777	\$4,777	\$4,777	\$4,309	\$0	\$59,050	\$31,221	27,829	189%
Seward	\$30,400	\$54,540	\$0	\$51,680	\$51,680	\$51,680	\$42,368	\$0	\$307,348	\$185,535	121,813	166%
Shageluk	\$1,520	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$30,460	14,540	148%
Shaktoolik	\$2,260	\$7,000	\$0	\$0	\$0	\$3,842	\$1,857	\$0	\$45,000	\$32,603	12,397	138%
Sheldon Pt.	\$1,610	\$0	\$0	\$0	\$0	\$2,737	\$0	\$0	\$45,000	\$29,597	15,403	152%
Shishmaref	\$5,380	\$7,960	\$775	\$0	\$0	\$9,146	\$0	\$0	\$48,261	\$38,640	9,621	125%
Shungnak	\$2,570	\$10,000	\$15,000	\$0	\$0	\$0	\$1,857	\$0	\$54,427	\$36,230	18,197	150%
Sitka City/Bor	\$87,790	\$50,220	\$0	\$149,243	\$149,243	\$149,243	\$61,063	\$0	\$671,802	\$446,877	224,925	150%
Skagway	\$8,140	\$24,100	\$0	\$13,838	\$13,838	\$13,838	\$1,435	\$0	\$100,189	\$50,561	49,628	198%
Soldotna	\$41,340	\$74,580	\$0	\$0	\$70,278	\$70,278	\$17,593	\$0	\$299,069	\$210,854	88,215	142%

AML/ACoM Proposed Public Safety Foundation Formula Program

Municipality	Road Per Capita	Road \$2,000	Ice Road \$500.00	Fire Dept. \$17	EMS served	Police pop served	Health RS FY 00	Gross Bus. Receipt	Total New PS Found.	FY00 Current	Compare FY00/	% change
Stebbins	\$5,480	\$16,340	\$0	\$70,278	\$0	\$9,316	\$1,857	\$0	\$128,271	\$39,224	89,047	327%
Tanana	\$3,170	\$59,000	\$0	\$0	\$0	\$5,389	\$1,857	\$0	\$94,416	\$38,732	55,684	244%
Teller	\$2,620	\$5,380	\$0	\$0	\$0	\$4,454	\$0	\$0	\$45,000	\$32,814	12,186	137%
Tenakee Spr	\$1,010	\$0	\$0	\$1,717	\$0	\$0	\$0	\$0	\$45,000	\$23,812	21,188	189%
Thorne Bay	\$5,970	\$66,900	\$0	\$10,149	\$10,149	\$0	\$1,334	\$0	\$119,502	\$34,662	84,840	345%
Togiak	\$8,010	\$20,420	\$0	\$0	\$0	\$13,617	\$1,726	\$0	\$68,773	\$43,711	25,062	157%
Toksook Bay	\$5,150	\$0	\$0	\$0	\$0	\$0	\$1,792	\$0	\$45,000	\$36,958	8,042	122%
Unalakleet	\$7,840	\$19,240	\$0	\$13,328	\$0	\$13,328	\$1,857	\$0	\$80,593	\$45,996	34,597	175%
Unalaska	\$42,850	\$71,820	\$0	\$72,845	\$72,845	\$72,845	\$5,179	\$0	\$363,384	\$212,714	150,670	171%
Upper Kalskag	\$2,680	\$0	\$0	\$0	\$0	\$0	\$1,858	\$0	\$45,000	\$33,646	11,354	134%
Valdez	\$41,550	\$48,600	\$0	\$70,635	\$70,635	\$70,635	\$55,737	\$61,871	\$444,663	\$410,255	34,408	108%
Wainwright	\$5,430	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$37,790	7,210	119%
Wales	\$1,770	\$0	\$0	\$0	\$0	\$0	\$1,858	\$0	\$45,000	\$31,211	13,789	144%
Wasilla	\$51,340	\$118,840	\$0	\$0	\$87,278	\$87,278	\$2,768	\$0	\$372,504	\$201,665	170,839	185%
White Mt.	\$1,880	\$5,500	\$0	\$3,196	\$0	\$0	\$1,858	\$0	\$45,000	\$31,223	13,777	144%
Whittier	\$3,060	\$17,540	\$0	\$5,202	\$5,202	\$5,202	\$1,546	\$0	\$62,752	\$30,732	32,020	204%
Wrangell	\$25,890	\$21,980	\$0	\$44,013	\$44,013	\$44,013	\$46,029	\$0	\$250,938	\$187,989	62,949	133%
Yakutat City/Bo	\$8,100	\$33,080	\$0	\$0	\$13,770	\$13,770	\$1,435	\$0	\$95,155	\$46,394	48,761	205%
<b>TOTALS</b>	<b>\$6,047,590</b>	<b>\$10,088,260</b>	<b>\$496,690</b>	<b>\$8,788,796</b>	<b>\$9,069,024</b>	<b>\$7,585,417</b>	<b>\$1,821,530</b>		<b>\$48,822,508</b>	<b>\$31,546,520</b>	<b>17,275,988</b>	<b>155%</b>

**Grand Total**

Unincorporated Communities	
@ \$5,000 X 62 =	\$310,000
Unorganized Borough	
fire @ \$17 X 30,000 (est.) =	\$510,000
EMS @ \$17 X 30,000 (est.) =	\$510,000
sub total	\$1,330,000
Municipalities	\$48,800,000
<b>Total Public Safety Found.</b>	<b>\$50,130,000</b>

**Representative Eldon Mulder**  
**Co-Chair, House Finance Committee**  
**State Capitol Building, Room 507**  
**Juneau, Alaska 99801**  
**Phone 907-465-2647**  
**FAX 907-465-3518**

# Memo

**To:** Representative James  
**From:** Denny DeWitt  
Legislative Assistant  
e-mail: Denny\_DeWitt@legis.state.ak.us  
**CC:**  
**Date:** Tuesday, February 22, 2000  
**Re:** Municipal Assistance and Revenue Sharing

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You asked for a quick sketch of Revenue Sharing and Municipal Assistance. Here is my attempt at a very brief differentiation. Let me know if you need more.

Contact: Bill Ralston Community & Economic Development 456-4813

Municipal Assistance (now Safe Communities Program) AS 29.60.350 - 375

This replaces Gross Business Tax by sharing state corporate income tax. It is calculated on a per capita plus a base determined in 1997

Municipal Revenue Sharing AS 29.60.101 - 310

This is a tax equalization program. This goes to organized and unorganized communities the allocation goes for road maintenance, health facilities, hospitals, volunteer fire departments.

Formula:

local revenue/.1% of property value ( mill rate equivalent) x population = factor for each community

# **Task Force on Governmental Roles**

## **Final Report**

by

**Brad Pierce, Task Force Staff**

July 10, 1992

This document was produced jointly by the Governor's Office of Management and Budget and the Alaska Municipal League.



- Should an exemption from local taxation be mandated by the state or made a local option,
- Should the state provide rebates to individuals or reimbursement to local governments, and
- Should state funds for rebates or reimbursement be distributed on a needs basis?

The administration of Governor Steve Cowper introduced legislation to convert the program to a "needs based" approach. However, this legislation failed because it was strongly opposed by senior interest groups on the grounds that the information requirements of a needs-based program infringed on the privacy and pride of seniors, which is ironic because the program was originally needs based.

## TASK FORCE RECOMMENDATIONS

*In line with principles previously outlined, the Task Force concluded that the Senior Property Tax Exemption is a classic example of a seriously underfunded state mandate on local governments. The Task Force position is that this program should either be changed into a direct state rebate to seniors and disabled veterans or repealed and made a local option. The overriding policy goals should be to promote local choice and provide municipalities with increased capacity to generate local revenues.*

### E. Revenue Sharing and Municipal Assistance

These are the state's two major block grant type programs that provide assistance to local governments. Other shared revenue programs, such as educational funding, are either constitutionally mandated or tied to a specific tax source (i.e., Amusement and Gaming Tax, Aviation Fuel Tax, Electric and Telephone Cooperative Tax, Liquor License Tax and Fisheries Business Tax) and shared according to the geographic origin of revenues.<sup>11</sup> The Revenue Sharing and Municipal Assistance programs differ in their objectives and formulas for allocating funds. Revenue Sharing was designed to allocate funds in an equitable manner so that local services could be provided by municipalities despite inequalities in the distribution of taxable wealth in the state. Municipal Assistance was designed specifically as a property tax relief measure based on population.

Since implementation, these programs have generally been effective in their stated objectives. This is confirmed by the fact that since they were started: 1) there has been an expansion of local government services as indicated by the increase in municipal

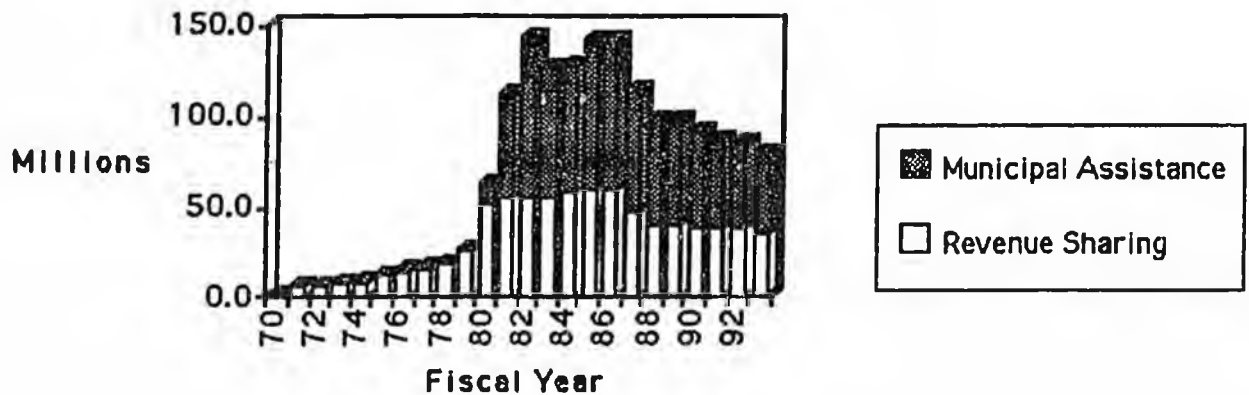
employment and borough service areas and 2) growth in municipal tax bases and increases in state aid generally resulted in a reduction of municipal property tax rates.<sup>12</sup> Development of the formulas for distributing revenue sharing and municipal assistance should be considered in the context of the politics of the late 1970s and early 1980s, when oil revenues were high and legislators came under intense pressure to bring money home to their districts in the form of capital projects and public services. At the time, communities in Alaska lagged far behind those in other states in the variety and quality of public services offered to residents (many communities still do). A rapidly expanding population placed extreme demands on local services, while infrastructure development generated increased entitlement levels (e.g., new roads and health facilities). There was also a national property tax revolt underway, typified by Proposition 13 in California, which influenced decisionmakers in Alaska to provide property tax relief.

Over the past decade there have been periodic discussions about combining the Revenue Sharing and Municipal Assistance programs. In 1984 a Governor's Task Force on State Shared Revenues was established "to assess the present and future distribution of state-shared revenues for local governments."<sup>13</sup> However, to date these efforts have failed because any modification of the entitlement formulas will result in a redistribution of funds among municipalities, i.e., there will be winners and losers.

As can be seen from the figure below, Revenue Sharing and Municipal Assistance funding has declined by about 45 percent in nominal dollars since 1986 (54 percent in inflation adjusted terms) with no increases for population, inflation or new municipalities added to the program.

*Figure 2*

**Funding History of the Revenue Sharing and  
Municipal Assistance Programs: FY 70 - FY 93**



**1. Revenue Sharing**

The Revenue Sharing program was established in 1969. Originally it was designed to accomplish the following:

- Help ease fiscal problems facing local governments,
- Stabilize or reduce local property tax rates,
- Encourage local governments to provide adequate levels of public services,
- Inject a measure of budget planning and stability into local governments, and
- Improve the allocation of state funds by sharing them with communities on the assumption that local governments are more in tune with the needs of the public and better able to provide public goods and services in accordance with voter preferences.

Under the original legislation, the legislature made annual appropriations to fund the program. Local governments applied for entitlements under each of five categories of municipal services—police, fire protection, air or water pollution, land use planning and road maintenance. Additional categorical programs (parks and recreation, transportation facilities, ice roads, hospitals, health facilities and hospital construction aid) were added until there were 12 categories of aid in 1980. The Department of Community and Regional Affairs was responsible for administering the program and determined whether a municipality met the minimum standards to qualify under any of the service categories. About 75 percent of the aid was distributed on a per capita basis, while the remainder was based on other factors (e.g., miles of road maintained, hospital beds, etc.). There were numerous restrictions on the amount of the entitlement that could be spent outside of a particular service category or service area.

As the Revenue Sharing program grew, several problems emerged. Local tax effort was ignored in the allocation formula, which meant that it could not effectively contribute to proportionally lowered rates of local taxation. The formula also ignored the ability of a municipality to pay for public services. Neither the per capita cost of providing services nor the level of service provided, which vary considerably in different areas of the state and different communities, were taken into account in the formula. In addition, municipal services with a politically active constituency (e.g., police and fire protection) were able to obtain entitlement increases from the legislature. These increases came at the expense of other service categories, for instance planning and zoning, which did not have as much popular support. Municipal officials objected to the program being so categorical, with the state mandating the services local governments had to provide to receive state aid. Finally, the service category approach was criticized for having a bias towards the wealthy and more populous cities and boroughs, i.e., those that could afford to provide services received the most funding.

After considering several different plans for revising the Revenue Sharing program, the legislature and administration came up with the goal of replacing the categorical program with a single formula that would equalize the tax resources of municipalities. In other words, they wanted a formula that would benefit those local governments that help themselves by levying local taxes, while providing relatively less to those with low tax effort. For their part of the bargain, municipalities held out for a formula that guaranteed them at least as much state

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funding as the old categorical approach. The hardest part of the political compromise was to determine exactly what kinds of locally generated revenue would be defined as local effort.

The formula that exists today has two components:

- The Tax Resources Equalization Account—allows a municipality's allocation to increase with population and/or local tax effort.
- The Miscellaneous Services Entitlement provides categorical funding for road maintenance, ice roads, hospital and health facilities and fire protection, as well as a \$25,000 minimum entitlement for all unincorporated communities of over 25 residents.

Over time, inflation eroded the purchasing power of categorical entitlements, particularly for road maintenance. During the past several years, small communities with very limited tax bases that only qualify for a minimum Revenue Sharing entitlement have also had difficulty maintaining even rudimentary local governments. In recognition of these facts, the 16th Legislature amended AS 29.60.110 by adding a provision specifying that if the total Revenue Sharing appropriation for a fiscal year exceeds \$41.472 million, the road maintenance entitlement increases from \$2,500 to \$3,000 per mile and the minimum entitlement for unincorporated and 2nd class cities increases from \$25,000 to \$40,000. As with every political compromise on shared revenue issues, municipal officials jealously guarded their share of the total Revenue Sharing appropriation and demanded that their entitlements not be reduced by any change to the existing formula. Thus the appropriation trigger mechanism was designed so that first class cities and general law boroughs would be held harmless from an increase in the minimum entitlement. The FY 93 Revenue Sharing appropriation is \$36.046 million.

## 2. Municipal Assistance

The Municipal Assistance program was established in 1979 to replace the Gross Business Receipts program, which shared 20 percent of Gross Business Tax (GBT) receipts collected within the jurisdiction of each municipality. The Municipal Assistance program uses the FY 78 GBT allocation by community as a base figure, with additional appropriations distributed on a per capita basis. When the program went into effect in FY 80, the authorizing statute used 10 percent of Corporate

Income Tax receipts as a guideline for what the appropriation level of the program should be. In 1981, the legislature repealed the separate accounting method of computing taxable income on oil companies in Alaska and replaced it with modified apportionment. This action significantly lowered corporate income tax revenues and consequently the amount available for distribution by the Municipal Assistance program.

In recognition of this situation, the legislature changed the Municipal Assistance statute to read: "The legislature may appropriate to the Municipal Assistance fund during each fiscal year an amount equal to or greater than 30 percent of the income tax revenue received by the state under AS 43.20.011(e) Corporate Income Tax." However, the old 1978 GBT base distribution figures are still retained in the formula. Municipalities that have been formed since that time have their base amount determined by matching them according to population with one of the original participating municipalities. The result is an arbitrary and confusing basis for distributing state aid. The FY 93 Municipal Assistance appropriation is \$42.9 million.

## TASK FORCE RECOMMENDATIONS

*The Task Force recommends that the state continue to maintain some form of block grant program to redistribute state-collected revenues from public resources back to municipalities. The Task Force further recommends that the legislature again consider combining the Revenue Sharing and Municipal Assistance programs, and that any combined formula maintain the Revenue Sharing program's feature of rewarding municipalities for local revenue generating effort and population increases.*

*A review of the program history of Revenue Sharing and Municipal Assistance reveals that changes to these programs could be used as leverage to reform state-local relations. Changes should include incentives to make municipalities more financially self-reliant. For example, a reasonable political solution to the public protection problem discussed previously might include adding categories for police and local prosecution to the Revenue Sharing program. This would allow the state to reward communities that are willing to provide local police and prosecution services. However, municipal Task Force members remain skeptical of the state's commitment to fully fund any new categories of aid, noting the funding history of these programs.*

Jeanette

If you're going to do work on Carl Moses bill, ~~but~~ how about just sticking in a \$100 community dividend for each check paid out. Real easy to compute and could replace both GF Revenue Sharing and Capital Matching Grants program (\$47 mil) while keeping in place the Capital Grants minimum payments to smaller communities.

↳

560,000 dividend checks (?) x \$100<sup>ea</sup> = \$56 mil

## Bill Text

### BILL ID: SB 154 (AML/ACoM **DRAFT** CONCEPTUAL AMENDMENTS 10/22/99)

00 SENATE BILL NO. 154

01 "An Act relating to establishment of a Public Safety Foundation Program to share State collected local revenues and offset State mandated local tax exemptions (state aid) to municipalities, certain unincorporated communities,

02 and certain other recipients; (relating to the municipal revenue sharing program);

03 and providing for an effective date."

#### **Findings:**

1. Roads, police, fire protection, emergency medical services, and health services are top priorities of the citizens of Alaska.
2. The Public Safety Foundation Program is a return to the historically successful original "revenue sharing for services" concept, used 1969 to 1980 to promote more effective local governments.
3. The Public Safety Foundation Program is part of a State-Local Long-range Financial Plan because it promotes equity and understanding the direct relationships between taxes and the public safety services received by the public.
4. Municipalities should be held accountable for providing specific public safety services with State shared revenues.
5. The Public Safety Foundation Program is a positive incentive to incorporate, or for a municipality to accept more responsibility for roads and other high priority public services.
6. Basing the Public Safety Foundation Program funding on sharing specific locally collected revenues and State mandated exemptions provides equity and tax stability for local citizens and taxpayers.

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

05 \* Section 1. AS 18.70.075(a) is amended to read:

06 (a) A fire officer of a municipal fire department or a fire department registered  
07 under AS 29.60.720 [AS 29.60.130], while providing fire protection or other  
08 emergency services, has the authority to

09 (1) control and direct activities at the scene of a fire or emergency;

10 (2) order a person to leave a building or place in the vicinity of a fire  
11 or emergency [,] for the purpose of protecting the person from injury;

12 (3) blockade a public highway, street, or private right-of-way  
13 temporarily while at the scene of a fire or emergency;

14 (4) trespass upon property at or near the scene of a fire or emergency  
01 at any time of the day or night;

02 (5) enter a building, including a private dwelling, or premises where  
03 a fire is in progress, or where there is reasonable cause to believe a fire is in progress,  
04 to extinguish the fire;

05 (6) enter a building, including a private dwelling, or premises near the  
06 scene of a fire for the purpose of protecting the building or premises or for the purpose  
07 of extinguishing the fire that is in progress in another building or premises;

08 (7) upon 24-hour notice to the owner or occupant, conduct a pre-fire  
09 planning survey in all buildings, structures, or other places within the municipality or  
10 the registered fire department's district, except the interior of a private dwelling, where  
11 combustible material is or may become dangerous as a fire menace to the building;

12 (8) direct the removal or destruction of a fence, house, motor vehicle,  
13 or other thing judged necessary to prevent the further spread of a fire.

14 \* Sec. 2. AS 29.20.640(b) is amended to read:

15 (b) Compliance with the provisions of this section is a prerequisite to receipt  
16 of entitlements under the municipal Public Safety Foundation Program (revenue sharing program)  
(AS 29.60.700 -

17 29.60.730) [TAX RESOURCE EQUALIZATION ASSISTANCE UNDER  
18 AS 29.60.010 - 29.60.080 AND PRIORITY REVENUE SHARING FOR MUNICIPAL  
19 SERVICES UNDER AS 29.60.100 - 29.60.180]. If a municipality does not comply  
20 with this section, the department shall withhold the entitlements [ALLOCATIONS]  
21 until the required reports are filed.

22 \* Sec. 3. AS 29.45.020 is amended to read:

23 Sec. 29.45.020. Taxpayer notice. (a) If a municipality levies and collects  
24 property taxes, the governing body shall provide the following notice:  
25 "NOTICE TO TAXPAYER

26 For the current fiscal year the (city)(borough) has been allocated the following  
27 amount of state aid for school and municipal purposes under the applicable  
28 financial assistance Acts:

29 PUBLIC SCHOOL FUNDING PROGRAM (AS 14.17) \$

30 STATE AID FOR RETIREMENT OF SCHOOL

31 CONSTRUCTION DEBT (AS 14.11.100) \$

01 PUBLIC SAFETY FOUNDATION PROGRAM (MUNICIPAL REVENUE SHARING PROGRAM )

02 (AS 29.60.700 - 29.60.730) \$

03 [MUNICIPAL TAX RESOURCE EQUALIZATION

04 (AS 29.60.010 - 29.60.080) \$

05 PRIORITY REVENUE SHARING FOR

06 MUNICIPAL SERVICES (AS 29.60.100 - 29.60.180) \$

07 REVENUE SHARING FOR SAFE COMMUNITIES

08 (AS 29.60.350 - 29.60.375) \$]

09 TOTAL AID \$

10 The millage equivalent of this state aid, based on the dollar value of a mill in  
11 the municipality during the current assessment year and for the preceding  
12 assessment year, is:

13 MILLAGE EQUIVALENT

14 PREVIOUS YEAR THIS YEAR

15 PUBLIC SCHOOL FUNDING

16 PROGRAM ASSISTANCE . . . MILLS . . . MILLS

17 STATE AID FOR RETIREMENT

18 OF SCHOOL CONSTRUCTION

19 DEBT . . . MILLS . . . MILLS

20 PUBLIC SAFETY FOUNDATION PROGRAM (MUNICIPAL REVENUE SHARING

21 PROGRAMS) . . . MILLS . . . MILLS

22 [MUNICIPAL TAX RESOURCE

23 EQUALIZATION . . . MILLS . . . MILLS

24 PRIORITY REVENUE SHARING

25 FOR MUNICIPAL SERVICES . . . MILLS . . . MILLS

26 REVENUE SHARING FOR SAFE

27 COMMUNITIES] . . . MILLS . . . MILLS

28 TOTAL MILLAGE EQUIVALENT . . . MILLS . . . MILLS"

29 Notice shall be provided by

30 (1) furnishing a copy of the notice with tax statements mailed for the

31 fiscal year for which aid is received; or

01 (2) publishing in a newspaper of general circulation in the municipality  
02 a copy of the notice once each week for a period of three successive weeks, with  
03 publication to occur not later than 45 days after the final adoption of the municipality's  
04 budget.

05 (b) Compliance with the provisions of this section is a prerequisite to receipt  
06 of entitlements under the municipal **Public Safety Foundation Program (revenue sharing program)**  
(AS 29.60.700 -

07 29.60.730) [TAX RESOURCE EQUALIZATION UNDER AS 29.60.010 - 29.60.080  
08 AND PRIORITY REVENUE SHARING FOR MUNICIPAL SERVICES UNDER  
09 AS 29.60.100 - 29.60.180]. The department shall withhold annual entitlements  
10 [ALLOCATIONS] under those sections until municipal officials demonstrate that the  
11 requirements of this section have been met.

12 \* Sec. 4. AS 29.45.660(b) is amended to read:

13 (b) Compliance with the provisions of this section is a prerequisite to receipt  
14 of entitlements under the municipal **Public Safety Foundation Program (revenue sharing program)**  
(AS 29.60.700 -

15 29.60.730) [TAX RESOURCE EQUALIZATION UNDER AS 29.60.010 - 29.60.080  
16 AND PRIORITY REVENUE SHARING FOR MUNICIPAL SERVICES UNDER  
17 AS 29.60.100 - 29.60.180]. The department shall withhold annual entitlements  
18 [ALLOCATIONS] under those sections until municipal officials demonstrate that the  
19 requirements of this section have been met.

20 \* Sec. 5. AS 29.60 is amended by adding new sections to read:

21 **Article 9. Public Safety Foundation Program**  
22 **to Equitably Share State Revenues with Local Taxpayers (Municipal Revenue Sharing Program).**

23 **Sec. 29.60.700. Municipal minimum entitlements.** (a) The municipal  
24 minimum entitlements account is established in the department and consists of money  
25 appropriated to the account or transferred to the account under AS 29.60.710 or  
26 29.60.720. Each state fiscal year, the department shall distribute money in the account  
27 to each eligible municipality. The amount of an entitlement is (\$35,000) **\$45,000**. If there is not  
28 enough money in the account to fully fund all entitlements for a fiscal year, the  
29 department shall distribute the amount available on a pro rata basis so that each  
30 entitlement is reduced by the same amount. Money in the account that exceeds the  
31 amount required to fully fund entitlements for a fiscal year lapses into the general  
fund.

01 (b) A municipality qualifies for a municipal minimum entitlement for a fiscal  
02 year if

03 (1) the municipality has conducted a regular election during the  
04 preceding state fiscal year or when last required to do so by ordinance or charter and  
05 has reported the results of the election to the commissioner;

06 (2) regular meetings of the governing body were held in the  
07 municipality during the preceding state fiscal year and a record of the proceedings was  
08 maintained;

09 (3) a municipal budget has been adopted for the municipal fiscal year  
10 during which payment of the entitlement is authorized, and an audit or financial  
11 statement for the preceding municipal fiscal year has been furnished to the department;  
12 and

13 (4) all ordinances adopted by the municipality have been codified in  
14 accordance with AS 29.25.050.

**Sec.29.60.705 Base entitlement for the purpose of determining entitlements over the  
minimum entitlement in sec.29.60.700. The minimum entitlement shall not be added to other  
entitlements under this chapter to determine a final entitlement. Each municipality qualifying to**

receive a minimum entitlement shall be credited with a base entitlement of \$25,000 to be added other entitlements in Sec 29.60.710.

15 **Sec. 29.60.710. Public Safety Foundation Funding Formula (Municipal services entitlements).** (a)

The road maintenance

16 account is established in the department. Each fiscal year, the department shall  
17 distribute money appropriated to the account to eligible municipalities to be used for  
18 road maintenance. A municipality is eligible for a municipal services entitlement  
19 under this section only if it is eligible for a municipal minimum entitlement under  
20 AS 29.60.700 for that fiscal year and if it has power to provide for road maintenance

21 and exercises that power., **except as provided in 29.60.710 (d)** If appropriations are not sufficient to fully  
fund entitlements

22 for a fiscal year under this section, entitlements shall be reduced on a pro rata basis.

23 If appropriations exceed the amount required to fully fund entitlements under this  
24 section, the department shall transfer the excess amount to the municipal minimum  
25 entitlements account.

26 (b) The **local taxpayer road maintenance entitlement is equal to the ratio of Municipal to State  
maintained road lane miles as determined by State DOT/PF and DCED; times the State fuel tax  
revenue for the previous fiscal year determined by the Department of Revenue.**

**(c) The road maintenance mileage distribution equals: the local taxpayer road  
maintenance entitlement; times 65% (the portion for lane mile distribution); divided by the sum of  
the total lane miles of municipally maintained permanent roads plus 33% of the lane miles of ice  
roads (\$1,200) for each mile of road,**

27 street, or highway maintained by a municipality and used by automotive equipment,  
28 excluding (1) the official state highway system, (2) roads, streets, or highways not  
29 dedicated to public use, (3) roads, streets, or highways maintained under AS 19.30.111  
30 - 19.30.251 (local service road program), and (4) alleyways, as defined by regulations  
31 of the Department of Transportation and Public Facilities. In addition, the municipality

01 may receive an entitlement equal to **33% of the permanent road allocation** (\$600) for each mile of a  
frozen waterway and a

02 connection from an inhabited area to a frozen waterway that may be safely used for  
03 public transportation by automotive equipment and is so used during a portion of the  
04 year if the waterway and connection are maintained during the period of use by the  
05 municipality. The department, after consultation with the Department of  
06 Transportation and Public Facilities, shall determine which waterways and connections  
07 qualify and, where the waterways or connections lie outside the corporate limits of a  
08 municipality and are maintained by a combination of municipalities, which  
09 municipalities shall receive the payments under this subsection, unless the  
10 municipalities involved have agreed in writing to a particular distribution.

**(d) The road maintenance driver usage distribution equals: the local  
taxpayer road maintenance entitlement; times 35%; divided by the population of residents of  
organized municipalities as determined by DCED. Residents of municipalities that do not exercise  
road powers shall also receive this distribution to compensate local taxpayers for fuel taxes they  
pay to the State, and shall be used by the municipality to reduce other local taxes and fees.**

11 **Sec. 29.60.720. Fire, (and) emergency medical services and police entitlements.** (a)

12 Each fiscal year, the department shall pay to a municipality that has a fire department  
13 registered with the state fire marshal or an organization certified by the state to provide  
14 emergency medical services or a police department recognized by the State Department of Public Safety with an  
entitlement to be used for fire or emergency medical

15 services or police services. The amount of the entitlement is based on the number of individuals served

16 as determined by the department. The entitlement equals **\$17** (\$5) for each individual who

17 receives fire protection services and **\$17** (\$5) for each individual who receives emergency

18 medical services and \$17 for each individual who receives police services. A municipality is eligible for  
19 an entitlement under this subsection  
20 only if it is eligible for a municipal minimum entitlement under AS 29.60.700 for that  
21 fiscal year.

22 (b) Each fiscal year, the department shall pay to a fire department registered  
23 with the state fire marshal or to an organization certified by the state to provide  
24 emergency medical services an entitlement to be used for fire or emergency medical  
25 services if the area served is not in a municipality. The amount of the entitlement is  
26 based on the number of individuals served as determined by the department. The  
27 entitlement equals \$17 (\$5) for each individual who receives fire protection services and \$17 (\$5)  
28 for each individual who receives emergency medical services.

29 (c) The fire (and )emergency medical services and police account is established in the  
30 department. The department shall pay entitlements under this section from  
31 appropriations to the account. If appropriations are not sufficient to fully fund  
32 entitlements for a fiscal year, all entitlements under this section shall be reduced on  
33 a pro rata basis. If appropriations exceed the amount required to fully fund  
34 entitlements, the department shall transfer the excess amount to the municipal  
35 minimum entitlements account.

(d) A municipality shall receive the entitlement under AS 29.60.710 for persons served in the  
municipality, or in the case of a city in a borough, to the city, unless a written agreement with  
another municipality is in effect. In the case of a dispute between two municipalities, the dispute  
shall be arbitrated by the Commissioner of the Department of Community and Economic  
Development.

(e) Gross Business Receipts Tax supplemental allocation. If a municipality was entitled to a  
"base amount account distribution" under the former Safe Communities Program AS 29.60.360  
representing the portion of the former Gross Business Receipts Tax that was distributed to  
municipalities;  
and that municipality would be entitled to less than its total under new AS 29.60.700-720 compared  
to the total amount it received under the former Priority Revenue Sharing and Safe Communities  
Programs AS 29.60.100-400 in FY 2000; \_  
then the FY 2000 "base amount account distribution" shall be added to the total entitlement under  
AS 29.60.700-720, but the resulting total allocation may not exceed the actual FY 2000 distribution  
for the former Priority Revenue Sharing and Safe Communities Programs AS 29.60.100-400 .

(f) Add Here existing AS 29.60.120. State Aid to municipalities and other eligible  
recipients for health facilities and hospitals.

04 Sec. 29.60.730. Administration. (a) The department shall adopt regulations  
05 necessary to implement AS 29.60.700 - 29.60.730, which must include

06 (1) procedures and filing dates for submitting entitlement applications  
07 and information relating to those applications;

08 (2) procedures by which the department shall notify a municipality or  
09 other applicant in writing of the reasons for a proposed disallowance or adjustment of  
10 any factor bearing on the determination of the applicant's eligibility for and amount  
11 of entitlement.

12 (b) For purposes of AS 29.60.700 - 29.60.730, population shall be determined  
13 by the latest figures of the United States Bureau of the Census or other population data  
14 that in the judgment of the department is reliable.

15 (c) The department shall make payments under AS 29.60.700 - 29.60.730 no  
16 later than July 31, based on entitlement calculations made during the preceding fiscal  
17 year.

18 \* Sec. 6. AS 37.06.010(g) is amended to read:

19 (g) For purposes of this section, in calculating the population of a borough , the  
20 population of each city in the borough is excluded. The determination of population  
21 shall be based upon data used by the Department of Community and Regional Affairs  
22 under AS 29.60.730(b) [AS 29.60.020].

23 \* Sec. 7. AS 41.15.180(d) is amended to read:

24 (d) From the percentage of the unorganized borough national forest receipts  
25 fund allocated to public roads under (b) of this section, the commissioner shall pay to  
26 each

27 (1) home rule city, first class city, or second class city that exercises  
28 road powers, that is located within the unorganized borough and within a national  
29 forest or within 20 miles of a national forest, a share of the income from the roads  
30 allocation of the fund; a home rule city, first class city, or second class city's share  
31 shall be calculated as the proportion of the number of road miles within municipal  
01 boundaries over which the community exercises road powers plus the number of state  
02 road miles maintained by the municipality under agreement with the state compared  
03 to the total number of road miles maintained by state or local governments in the  
04 unorganized borough and within the national forest or within 20 miles of the national  
05 forest;

06 (2) municipality organized under federal law as an Indian reserve that  
07 existed before the enactment of 43 U.S.C. 1618(a) and is continued in existence under  
08 that subsection and that has formed a community development corporation under  
09 former AS 29.60.365, that exercises road powers , and that is located within the  
10 unorganized borough and within the national forest or within 20 miles of the national  
11 forest a share of the income from the roads allocation of the fund; the share due a  
12 municipality organized under federal law that exercises road powers shall be calculated  
13 as the proportion of the number of road miles within municipal boundaries over which  
14 the community exercises road powers plus the number of state road miles maintained  
15 by the municipality under agreement with the state compared to the total number of  
16 road miles maintained by state or local governments in the unorganized borough and  
17 within the national forest or within 20 miles of the national forest; however, the  
18 commissioner may pay income from national forest receipts under this paragraph only  
19 after the corporation has delivered a written waiver of sovereign immunity from legal  
20 action by the state to recover all or a portion of the money distributed under this  
21 section.

22 \* Sec. 8. AS 42.45.110(b) is amended to read:

23 (b) An eligible electric utility is entitled to receive power cost equalization

24 (1) for sales of power to local community facilities, calculated in the  
25 aggregate for each community served by the electric utility, for actual consumption of  
26 not more than 70 kilowatt-hours per month for each resident of the community; the  
27 number of community residents shall be determined under AS 29.60.730(b)  
28 [AS 29.60.020]; and

29 (2) for actual consumption of not more than 700 kilowatt-hours per  
30 month sold to each customer in all classes served by the electric utility except

31 (A) customers of the utility under (1) of this subsection; and

01 (B) customers that are state or federal offices or state or federal  
02 facilities other than public schools.

03 \* Sec. 9. AS 29.10.200(54), 29.10.200(55); AS 29.60.010, 29.60.020, 29.60.030, 29.60.040,  
04 29.60.050, 29.60.060, 29.60.070, 29.60.080, 29.60.100, 29.60.110, 29.60.120, 29.60.130,  
05 29.60.150, 29.60.160, 29.60.170, 29.60.180, 29.60.280, 29.60.290, 29.60.300, 29.60.310,  
06 29.60.350, 29.60.360, 29.60.365, 29.60.370, 29.60.372, 29.60.373, and 29.60.375 are repealed.

07 \* Sec. 10. This Act takes effect July 1, 2000 (1999).

Bill Root:

Display History/Action

Clear Bill/Root

Return to BASIS Main Menu(21st Legislature)  
BASIS Last Updated 10/21/99 2:15 PM

## AML/ACoM Proposed Public Safety Foundation Formula Program

Municipality	Cert.	Base Amount	Road Per Capita \$6.00	Road Miles	Road \$1,268 per mile	Ice Road miles per mile	Ice \$418.00	Fire Served per cap.	Fire Dept. \$17 pop served	EMS Served per cap.	EMS served \$17	Police served per cap	Police pop served \$17	Health RS FY 00 existing	Gross Bus. Receipt Hold Harm.	Total New PS Found. Formula	FY00 Current Rev Shar.	Compare FY00/ New	% change
Akiok	109	\$25,000	\$654	3.10	\$3,931	0.00	\$0	0	\$0	0	\$0	0	\$0	\$0	\$0	\$45,000	\$23,385	21,615	192%
Akiak	316	\$25,000	\$1,896	0.00	\$0	0.00	\$0	0	\$0	0	\$0	316	\$5,372	\$1,792	\$0	\$45,000	\$32,840	12,160	137%
Akutan	408	\$25,000	\$2,448	0.00	\$0	0.00	\$0	0	\$0	0	\$0	0	\$0	\$1,727	\$0	\$45,000	\$33,619	11,381	134%
Alakanuk	671	\$25,000	\$4,026	4.00	\$5,072	22.50	\$9,405	671	\$11,407	0	\$0	671	\$11,407	\$1,791	\$0	\$68,108	\$44,495	23,613	153%
Aleknagik	259	\$25,000	\$1,554	0.00	\$0	0.00	\$0	259	\$4,403	0	\$0	0	\$0	\$0	\$0	\$45,000	\$30,645	14,355	147%
Alcutians E Bor	97	\$25,000	\$582	0.00	\$0	0.00	\$0	0	\$0	0	\$0	0	\$0	\$0	\$0	\$45,000	\$32,772	12,228	137%
Allakaket	192	\$25,000	\$1,152	8.24	\$10,448	0.00	\$0	0	\$0	0	\$0	0	\$0	\$3,716	\$0	\$45,000	\$32,966	12,034	137%
Ambler	315	\$25,000	\$1,890	8.36	\$10,600	30.00	\$12,540	315	\$5,355	0	\$0	315	\$5,355	\$1,857	\$0	\$62,597	\$37,349	25,248	168%
Anaktuvuk Ps.	308	\$25,000	\$1,848	0.00	\$0	0.00	\$0	0	\$0	0	\$0	0	\$0	\$0	\$0	\$45,000	\$33,293	11,707	135%
Anchorage Bor	258782	\$25,000	\$1,552,692	885.12	\$1,122,332	0.00	\$0	246,682	\$4,193,594	246,682	\$4,193,594	257,612	\$4,379,404	\$396,450	\$0	\$15,863,066	\$11,435,391	4,427,675	139%
Anderson	524	\$25,000	\$3,144	9.80	\$12,426	0.00	\$0	524	\$8,908	524	\$8,908	0	\$0	\$3,716	\$0	\$62,102	\$39,992	22,110	155%
Angoon	587	\$25,000	\$3,522	4.79	\$6,074	0.00	\$0	0	\$0	0	\$0	587	\$9,979	\$0	\$0	\$45,000	\$33,530	11,470	134%
Aniak	576	\$25,000	\$3,456	17.76	\$22,520	45.00	\$18,810	576	\$9,792	576	\$9,792	0	\$0	\$2,452	\$0	\$91,822	\$45,082	46,740	204%
Anvik	100	\$25,000	\$600	7.75	\$9,827	0.00	\$0	0	\$0	0	\$0	0	\$0	\$1,875	\$0	\$45,000	\$30,803	14,197	146%
Atka	115	\$25,000	\$690	18.50	\$23,458	0.00	\$0	115	\$1,955	0	\$0	0	\$0	\$0	\$0	\$51,103	\$29,884	21,219	171%
Atkasuk	259	\$25,000	\$1,554	0.00	\$0	0.00	\$0	0	\$0	0	\$0	0	\$0	\$0	\$0	\$45,000	\$42,623	2,377	106%
Barrow	4397	\$25,000	\$26,382	0.00	\$0	0.00	\$0	0	\$0	4,397	\$74,749	0	\$0	\$0	\$0	\$126,131	\$123,432	2,699	102%
Bethel	5463	\$25,000	\$32,778	16.75	\$21,239	82.30	\$34,401	5,463	\$92,871	5,463	\$92,871	5,463	\$92,871	\$64,487	\$0	\$456,518	\$318,776	137,742	143%
Bettles	25	\$25,000	\$150	3.05	\$3,867	30.00	\$12,540	0	\$0	0	\$0	0	\$0	\$0	\$0	\$45,000	\$30,903	14,097	146%
Brevig Mis.	274	\$25,000	\$1,644	2.00	\$2,536	0.00	\$0	274	\$4,658	0	\$0	274	\$4,658	\$1,858	\$0	\$45,000	\$33,343	11,657	135%
Bristol Bay Bor	1297	\$25,000	\$7,782	26.01	\$32,981	0.00	\$0	0	\$0	1,297	\$22,049	1,297	\$22,049	\$1,726	\$0	\$111,587	\$61,113	50,474	183%
Buckland	408	\$25,000	\$2,448	2.50	\$3,170	44.50	\$18,601	0	\$0	0	\$0	408	\$6,936	\$1,875	\$0	\$58,030	\$39,272	18,758	148%
Chefornak	423	\$25,000	\$2,538	0.00	\$0	0.00	\$0	0	\$0	0	\$0	423	\$7,191	\$0	\$0	\$45,000	\$34,682	10,318	130%
Chevak	741	\$25,000	\$4,446	5.70	\$7,228	0.00	\$0	741	\$12,597	0	\$0	741	\$12,597	\$1,791	\$0	\$63,659	\$41,394	22,265	154%
Chignik	121	\$25,000	\$726	2.41	\$3,056	0.00	\$0	121	\$2,057	0	\$0	0	\$0	\$1,727	\$0	\$45,000	\$28,665	16,335	157%
Chuathbaluk	112	\$25,000	\$672	4.00	\$5,072	0.00	\$0	0	\$0	0	\$0	0	\$0	\$1,857	\$0	\$45,000	\$30,699	14,301	147%
Clark's Point	63	\$25,000	\$378	0.00	\$0	0.00	\$0	0	\$0	0	\$0	0	\$0	\$0	\$0	\$45,000	\$26,783	18,217	168%
Coffman Cove	255	\$25,000	\$1,530	72.74	\$92,234	0.00	\$0	255	\$4,335	255	\$4,335	0	\$0	\$0	\$0	\$127,434	\$35,756	91,678	356%
Cold Bay	103	\$25,000	\$618	29.20	\$37,026	0.00	\$0	0	\$0	103	\$1,751	0	\$0	\$2,589	\$0	\$66,984	\$33,806	33,178	198%
Cordova	2571	\$25,000	\$15,426	12.90	\$16,357	0.00	\$0	2,571	\$43,707	2,571	\$43,707	2,571	\$43,707	\$54,498	\$0	\$242,402	\$203,319	39,083	119%
Craig	2145	\$25,000	\$12,870	18.16	\$23,027	0.00	\$0	2,403	\$40,851	2,403	\$40,851	2,145	\$36,465	\$2,669	\$0	\$181,733	\$78,224	103,509	232%
Deering	156	\$25,000	\$936	4.65	\$5,896	56.00	\$23,405	0	\$0	0	\$0	0	\$0	\$1,856	\$0	\$57,096	\$31,187	25,909	183%
Delta Junct	884	\$25,000	\$5,304	29.41	\$37,292	0.00	\$0	884	\$15,028	884	\$15,028	0	\$0	\$0	\$0	\$97,652	\$59,617	38,035	164%
Denali Bor	1340	\$25,000	\$8,040	0.00	\$0	0.00	\$0	1,340	\$22,780	1,340	\$22,780	0	\$0	\$0	\$0	\$78,600	\$60,542	18,058	130%
Dillingham	2332	\$25,000	\$13,992	21.75	\$27,579	0.00	\$0	2,332	\$39,644	2,332	\$39,644	2,332	\$39,644	\$9,063	\$0	\$194,566	\$113,556	81,010	171%

AML/ACoM Proposed Public Safety Foundation Formula Program

Municipality	Cert.	Base	Road	Road	Road	Ice	Ice Road	Fire	Fire Dept.	EMS	EMS	Police	Police	Health RS	Gross Bus.	Total New	FY00	Compare	%
	Popul-	Amount	Per Capita	Miles	\$1,268	Road	\$418.00	Served	\$17	Served	served	served	pop served	FY 00	Receipt	PS Found.	Current	FY00/	change
Diomede	176	\$25,000	\$1,056	0.00	\$0	0.00	\$0	0	\$0	0	\$0	176	\$2,992	\$0	\$0	\$45,000	\$30,855	14,145	146%
Eagle	168	\$25,000	\$1,008	5.10	\$6,467	0.00	\$0	262	\$4,454	262	\$4,454	0	\$0	\$0	\$0	\$45,000	\$27,037	17,963	166%
Eek	309	\$25,000	\$1,854	1.83	\$2,320	0.00	\$0	0	\$0	0	\$0	309	\$5,253	\$1,792	\$0	\$45,000	\$33,014	11,986	136%
Egegik	132	\$25,000	\$792	18.50	\$23,458	20.00	\$8,360	132	\$2,244	0	\$0	132	\$2,244	\$1,726	\$0	\$63,824	\$32,396	31,428	197%
Ekwok	120	\$25,000	\$720	0.00	\$0	0.00	\$0	120	\$2,040	0	\$0	0	\$0	\$0	\$0	\$45,000	\$27,859	17,141	162%
Elim	306	\$25,000	\$1,836	11.80	\$14,962	0.00	\$0	306	\$5,202	0	\$0	306	\$5,202	\$1,857	\$0	\$54,059	\$35,242	18,817	153%
Emmonak	838	\$25,000	\$5,028	5.92	\$7,507	7.00	\$2,926	838	\$14,246	838	\$14,246	838	\$14,246	\$6,270	\$0	\$89,469	\$84,456	5,013	106%
Fairbanks	31601	\$25,000	\$189,606	106.72	\$135,321	0.00	\$0	31,601	\$537,217	31,601	\$537,217	31,601	\$537,217	\$97,787	\$0	\$2,059,365	\$1,505,570	553,795	137%
Fairbks NS Bor	50708	\$25,000	\$304,248	430.34	\$545,671	0.00	\$0	43,195	\$734,315	50,708	\$862,036	0	\$0	\$49,859	\$0	\$2,521,129	\$2,111,834	409,295	119%
False Pass	58	\$25,000	\$348	3.00	\$3,804	0.00	\$0	58	\$986	0	\$0	0	\$0	\$0	\$0	\$45,000	\$27,130	17,870	166%
Fort Yukon	553	\$25,000	\$3,318	17.07	\$21,556	0.00	\$0	0	\$0	553	\$9,401	553	\$9,401	\$0	\$0	\$68,676	\$43,812	24,864	157%
Galena	544	\$25,000	\$3,264	7.10	\$9,003	0.00	\$0	0	\$0	544	\$9,248	544	\$9,248	\$7,434	\$0	\$63,197	\$44,140	19,057	143%
Gambell	670	\$25,000	\$4,020	8.50	\$10,778	0.00	\$0	670	\$11,390	0	\$0	670	\$11,390	\$1,857	\$0	\$64,435	\$42,174	22,261	153%
Golovin	142	\$25,000	\$852	5.22	\$6,619	15.00	\$6,270	142	\$2,414	0	\$0	0	\$0	\$1,857	\$0	\$45,000	\$31,683	13,317	142%
Goodnews Bay	256	\$25,000	\$1,536	0.00	\$0	0.00	\$0	0	\$0	0	\$0	0	\$0	\$1,792	\$0	\$45,000	\$31,693	13,307	142%
Grayling	195	\$25,000	\$1,170	7.00	\$8,876	0.00	\$0	0	\$0	0	\$0	0	\$0	\$1,858	\$0	\$45,000	\$32,639	12,361	138%
Haines	1463	\$25,000	\$8,778	13.55	\$17,181	0.00	\$0	1,463	\$24,871	1,463	\$24,871	1,463	\$24,871	\$1,435	\$0	\$127,007	\$65,194	61,813	195%
Haines Bor	1013	\$25,000	\$6,078	13.09	\$16,598	0.00	\$0	0	\$0	0	\$0	0	\$0	\$1,435	\$0	\$49,111	\$45,810	3,301	107%
Holy Cross	277	\$25,000	\$1,662	15.30	\$19,400	0.00	\$0	0	\$0	0	\$0	0	\$0	\$1,857	\$0	\$47,919	\$35,446	12,473	135%
Homer	4155	\$25,000	\$24,930	23.83	\$30,216	0.00	\$0	4,155	\$70,635	4,155	\$70,635	4,155	\$70,635	\$11,491	\$0	\$303,542	\$175,828	127,714	173%
Hoonah	896	\$25,000	\$5,376	75.00	\$95,100	0.00	\$0	0	\$0	896	\$15,232	896	\$15,232	\$1,435	\$0	\$157,375	\$75,791	81,584	208%
Hooper Bay	1039	\$25,000	\$6,234	1.74	\$2,206	0.00	\$0	0	\$0	0	\$0	1,039	\$17,663	\$0	\$0	\$51,103	\$47,356	3,747	108%
Houston	939	\$25,000	\$5,634	41.33	\$52,406	0.00	\$0	939	\$15,963	939	\$15,963	0	\$0	\$0	\$0	\$114,966	\$42,557	72,409	270%
Hughes	72	\$25,000	\$432	5.75	\$7,291	0.00	\$0	0	\$0	0	\$0	0	\$0	\$1,858	\$0	\$45,000	\$30,028	14,972	150%
Huslia	248	\$25,000	\$1,488	18.18	\$23,052	0.00	\$0	248	\$4,216	0	\$0	0	\$0	\$1,857	\$0	\$55,613	\$35,127	20,486	158%
Hydaburg	405	\$25,000	\$2,430	6.20	\$7,862	0.00	\$0	0	\$0	405	\$6,885	0	\$0	\$1,333	\$0	\$45,000	\$28,290	16,710	159%
Juneau City/Bor	30236	\$25,000	\$181,416	92.53	\$117,328	0.00	\$0	30,494	\$518,398	30,494	\$518,398	30,613	\$520,421	\$144,770	\$0	\$2,025,731	\$1,591,731	434,000	127%
Kachemak	419	\$25,000	\$2,514	0.00	\$0	0.00	\$0	0	\$0	0	\$0	419	\$7,123	\$0	\$0	\$45,000	\$29,303	15,697	154%
Kake	783	\$25,000	\$4,698	13.89	\$17,613	0.00	\$0	0	\$0	783	\$13,311	783	\$13,311	\$1,384	\$0	\$75,317	\$21,651	53,666	348%
Kaktovik	255	\$25,000	\$1,530	0.00	\$0	0.00	\$0	0	\$0	0	\$0	0	\$0	\$0	\$0	\$45,000	\$32,900	12,100	137%
Kaltag	250	\$25,000	\$1,500	8.17	\$10,360	0.00	\$0	0	\$0	0	\$0	0	\$0	\$3,716	\$0	\$45,000	\$33,943	11,057	133%
Kasaan	41	\$25,000	\$246	8.45	\$10,715	0.00	\$0	0	\$0	0	\$0	0	\$0	\$1,334	\$0	\$45,000	\$23,812	21,188	189%
Kenai	7058	\$25,000	\$42,348	61.81	\$78,375	0.00	\$0	7,058	\$119,986	7,058	\$119,986	7,058	\$119,986	\$26,928	\$0	\$532,609	\$327,883	204,726	162%
Kenai Pen Bor	29728	\$25,000	\$178,368	625.71	\$793,400	0.00	\$0	27,728	\$471,376	29,528	\$501,976	0	\$0	\$89,764	\$0	\$2,059,884	\$1,698,894	360,990	121%
Ketchikan	8460	\$25,000	\$50,760	22.51	\$28,543	0.00	\$0	8,460	\$143,820	8,460	\$143,820	8,460	\$143,820	\$69,717	\$0	\$605,480	\$477,115	128,365	127%
Ketch Gtwy Bor	5392	\$25,000	\$32,352	3.29	\$4,172	0.00	\$0	5,392	\$91,664	5,392	\$91,664	0	\$0	\$0	\$0	\$244,852	\$221,878	22,974	110%

AML/ACoM Proposed Public Safety Foundation Formula Program

Municipality	Cert.	Base	Road	Road	Road	Ice	Ice Road	Fire	Fire Dept.	EMS	EMS	Police	Police	Health RS	Gross Bus.	Total New	FY00	Compare	%
	Popul-	Amount	Per Capita	Miles	\$1,268	Road	\$418.00	Served	\$17	Served	served	served	pop served	FY 00	Receipt	PS Found.	Current	FY00/	change
Kiana	402	\$25,000	\$2,412	7.82	\$9,916	25.00	\$10,450	402	\$6,834	0	\$0	0	\$0	\$2,323	\$0	\$56,935	\$39,046	17,889	146%
King Cove	703	\$25,000	\$4,218	7.82	\$9,916	0.00	\$0	703	\$11,951	703	\$11,951	703	\$11,951	\$1,726	\$0	\$76,713	\$40,891	35,822	188%
Kivalina	349	\$25,000	\$2,094	1.09	\$1,382	12.00	\$5,016	0	\$0	0	\$0	349	\$5,933	\$1,858	\$0	\$45,000	\$38,455	6,545	117%
Klawock	659	\$25,000	\$3,954	9.70	\$12,300	0.00	\$0	0	\$0	790	\$13,430	659	\$11,203	\$0	\$0	\$65,887	\$35,401	30,486	186%
Kobuk	102	\$25,000	\$612	8.11	\$10,283	9.40	\$3,929	0	\$0	0	\$0	0	\$0	\$1,857	\$0	\$45,000	\$31,532	13,468	143%
Kodiak	6859	\$25,000	\$41,154	25.31	\$32,093	0.00	\$0	6,859	\$116,603	6,859	\$116,603	6,859	\$116,603	\$0	\$0	\$448,056	\$305,191	142,865	147%
Kodiak Isl Bor	5962	\$25,000	\$35,772	25.06	\$31,776	0.00	\$0	4,100	\$69,700	5,962	\$101,354	0	\$0	\$87,739	\$0	\$351,341	\$309,897	41,444	113%
Kotlik	552	\$25,000	\$3,312	0.00	\$0	0.00	\$0	552	\$9,384	552	\$9,384	552	\$9,384	\$1,792	\$0	\$58,256	\$37,753	20,503	154%
Kotzebue	2964	\$25,000	\$17,784	28.30	\$35,884	73.00	\$30,514	2,964	\$50,388	2,964	\$50,388	2,964	\$50,388	\$13,473	\$0	\$273,819	\$203,371	70,448	135%
Koyuk	296	\$25,000	\$1,776	4.26	\$5,402	0.00	\$0	0	\$0	0	\$0	0	\$0	\$1,857	\$0	\$45,000	\$34,072	10,928	132%
Koyukuk	130	\$25,000	\$780	4.19	\$5,313	0.00	\$0	0	\$0	0	\$0	0	\$0	\$1,857	\$0	\$45,000	\$31,122	13,878	145%
Kupreanof	24	\$25,000	\$144	0.00	\$0	0.00	\$0	0	\$0	0	\$0	0	\$0	\$0	\$0	\$45,000	\$23,812	21,188	189%
Kwethluk	667	\$25,000	\$4,002	1.93	\$2,447	0.00	\$0	667	\$11,339	0	\$0	0	\$0	\$1,792	\$0	\$45,000	\$40,289	4,711	112%
Lake & Pen Bor	968	\$25,000	\$5,808	53.62	\$67,990	80.50	\$33,649	0	\$0	0	\$0	0	\$0	\$15,537	\$0	\$147,984	\$116,269	31,715	127%
Larsen Bay	127	\$25,000	\$762	0.00	\$0	0.00	\$0	0	\$0	0	\$0	0	\$0	\$0	\$0	\$45,000	\$23,812	21,188	189%
Lower Kalskag	286	\$25,000	\$1,716	3.57	\$4,654	40.00	\$16,720	0	\$0	0	\$0	0	\$0	\$1,857	\$0	\$49,947	\$36,723	13,224	136%
Manokotak	396	\$25,000	\$2,376	7.93	\$10,055	0.00	\$0	0	\$0	0	\$0	396	\$6,732	\$0	\$0	\$45,000	\$33,982	11,018	132%
Marshall	300	\$25,000	\$1,800	0.00	\$0	0.00	\$0	300	\$5,100	0	\$0	300	\$5,100	\$1,792	\$0	\$45,000	\$32,775	12,225	137%
Mat-Su Bor	45356	\$25,000	\$272,136	1,035.97	\$1,313,610	0.00	\$0	13,785	\$234,345	13,785	\$234,345	0	\$0	\$33,570	\$0	\$2,113,006	\$1,765,468	347,538	120%
McGrath	441	\$25,000	\$2,646	21.85	\$27,706	0.00	\$0	441	\$7,497	0	\$0	0	\$0	\$3,716	\$0	\$66,565	\$41,124	25,441	162%
Mekoryuk	192	\$25,000	\$1,152	3.30	\$4,184	0.00	\$0	0	\$0	0	\$0	192	\$3,264	\$1,791	\$0	\$45,000	\$31,005	13,995	145%
MT.Village	793	\$25,000	\$4,758	7.50	\$9,510	0.00	\$0	0	\$0	0	\$0	793	\$13,481	\$1,791	\$0	\$54,540	\$43,796	10,744	125%
Napakiaak	373	\$25,000	\$2,238	4.83	\$6,124	0.00	\$0	0	\$0	0	\$0	373	\$6,341	\$1,791	\$0	\$45,000	\$35,298	9,702	127%
Napaskiak	391	\$25,000	\$2,346	0.00	\$0	0.00	\$0	0	\$0	0	\$0	391	\$6,647	\$1,792	\$0	\$45,000	\$34,147	10,853	132%
Nenana	435	\$25,000	\$2,610	26.39	\$33,463	0.00	\$0	677	\$11,509	677	\$11,509	435	\$7,395	\$3,582	\$0	\$95,068	\$45,895	49,173	207%
New Stuyahok	454	\$25,000	\$2,724	2.50	\$3,170	0.00	\$0	435	\$7,395	0	\$0	454	\$7,718	\$0	\$0	\$46,007	\$34,469	11,538	133%
Newhalen	191	\$25,000	\$1,146	0.00	\$0	20.00	\$8,360	191	\$3,247	0	\$0	0	\$0	\$1,726	\$0	\$45,000	\$30,972	14,028	145%
Nightmute	222	\$25,000	\$1,332	0.00	\$0	0.00	\$0	0	\$0	0	\$0	222	\$3,774	\$0	\$0	\$45,000	\$30,663	14,337	147%
Nikolai	103	\$25,000	\$618	5.00	\$6,340	0.00	\$0	0	\$0	0	\$0	0	\$0	\$0	\$0	\$45,000	\$30,078	14,922	150%
Nome	3706	\$25,000	\$22,236	17.52	\$22,215	0.00	\$0	3,706	\$63,002	3,706	\$63,002	3,706	\$63,002	\$83,629	\$0	\$342,086	\$260,263	81,823	131%
Nondalton	227	\$25,000	\$1,362	25.00	\$31,700	1.50	\$627	0	\$0	0	\$0	227	\$3,859	\$1,726	\$0	\$64,274	\$33,341	30,933	193%
Noorvik	598	\$25,000	\$3,588	7.20	\$9,130	40.00	\$16,720	598	\$10,166	598	\$10,166	598	\$10,166	\$1,857	\$0	\$86,793	\$67,976	18,817	128%
North Pole	1619	\$25,000	\$9,714	15.23	\$19,312	0.00	\$0	1,619	\$27,523	1,619	\$27,523	1,619	\$27,523	\$0	\$0	\$136,595	\$72,922	63,673	187%
North Slope Bor	2381	\$25,000	\$14,286	101.97	\$129,298	43.00	\$17,974	9,389	\$159,613	9,389	\$159,613	9,389	\$159,613	\$40,419	\$231,622	\$937,438	\$937,438	0	100%
NW Arctic Bor	547	\$25,000	\$3,282	64.09	\$81,266	142.38	\$59,515	0	\$0	0	\$0	0	\$0	\$29,732	\$0	\$198,795	\$156,449	42,346	127%
Nuiqsut	459	\$25,000	\$2,754	0.00	\$0	0.00	\$0	0	\$0	0	\$0	0	\$0	\$0	\$0	\$45,000	\$36,026	8,974	125%

## AML/ACoM Proposed Public Safety Foundation Formula Program

Municipality	Cert.	Base	Road	Road	Road	Ice	Ice Road	Fire	Fire Dept.	EMS	EMS	Police	Police	Health RS	Gross Bus.	Total New	FY00	Compare	%
	Popul-	Amount	Per Capita	Miles	\$1,268	Road	\$418.00	Served	\$17	Served	served	served	pop served	FY 00	Receipt	PS Found.	Current	FY00/	change
Nulato	353	\$25,000	\$2,118	12.21	\$15,482	0.00	\$0	0	\$0	0	\$0	0	\$0	\$1,857	\$0	\$45,000	\$36,327	8,673	124%
Nunapitchuk	479	\$25,000	\$2,874	0.00	\$0	67.75	\$28,320	0	\$0	0	\$0	479	\$8,143	\$1,791	\$0	\$66,128	\$40,735	25,393	162%
Old Harbor	297	\$25,000	\$1,782	5.02	\$6,365	0.00	\$0	0	\$0	0	\$0	0	\$0	\$0	\$0	\$45,000	\$27,451	17,549	164%
Ouzinkie	252	\$25,000	\$1,512	3.60	\$4,565	0.00	\$0	252	\$4,284	0	\$0	0	\$0	\$0	\$0	\$45,000	\$26,474	18,526	170%
Palmer	4318	\$25,000	\$25,908	32.74	\$41,514	0.00	\$0	4,318	\$73,406	4,318	\$73,406	4,318	\$73,406	\$55,718	\$0	\$368,358	\$245,740	122,618	150%
Pelican	149	\$25,000	\$894	0.90	\$1,141	0.00	\$0	149	\$2,533	149	\$2,533	0	\$0	\$1,436	\$0	\$45,000	\$26,158	18,842	172%
Petersburg	3398	\$25,000	\$20,388	21.56	\$27,338	0.00	\$0	3,398	\$57,766	3,398	\$57,766	3,398	\$57,766	\$47,414	\$0	\$293,438	\$214,918	78,520	137%
Pilot Point	102	\$25,000	\$612	14.00	\$17,752	0.00	\$0	102	\$1,734	0	\$0	0	\$0	\$0	\$0	\$45,000	\$27,944	17,154	161%
Pilot Station	558	\$25,000	\$3,348	0.00	\$0	0.00	\$0	0	\$0	0	\$0	0	\$0	\$1,792	\$0	\$45,000	\$37,375	7,625	120%
Platinum	41	\$25,000	\$246	9.00	\$11,412	0.00	\$0	0	\$0	0	\$0	0	\$0	\$0	\$0	\$45,000	\$28,689	16,311	157%
Point Hope	787	\$25,000	\$4,722	0.00	\$0	0.00	\$0	0	\$0	0	\$0	0	\$0	\$0	\$0	\$45,000	\$44,100	900	102%
Port Alexander	90	\$25,000	\$540	0.00	\$0	0.00	\$0	90	\$1,530	0	\$0	0	\$0	\$0	\$0	\$45,000	\$23,811	21,189	189%
Port Heiden	126	\$25,000	\$756	27.40	\$34,743	0.00	\$0	0	\$0	0	\$0	0	\$0	\$1,726	\$0	\$62,225	\$31,542	30,683	197%
Port Lions	242	\$25,000	\$1,452	4.29	\$5,440	0.00	\$0	0	\$0	0	\$0	0	\$0	\$0	\$0	\$45,000	\$26,357	18,643	171%
Quinhagak	612	\$25,000	\$3,672	7.33	\$9,294	0.00	\$0	612	\$10,404	0	\$0	612	\$10,404	\$0	\$0	\$58,774	\$39,104	19,670	150%
Ruby	204	\$25,000	\$1,224	6.00	\$7,608	1.00	\$418	204	\$3,468	0	\$0	0	\$0	\$1,858	\$0	\$45,000	\$32,970	12,030	136%
Russian Mis	295	\$25,000	\$1,770	1.97	\$2,498	0.00	\$0	0	\$0	0	\$0	0	\$0	\$1,792	\$0	\$45,000	\$32,632	12,368	138%
Saint George	173	\$25,000	\$1,038	16.28	\$20,643	0.00	\$0	173	\$2,941	173	\$2,941	0	\$0	\$1,726	\$0	\$54,289	\$31,084	23,205	175%
Saint Mary's	494	\$25,000	\$2,964	8.68	\$11,006	0.00	\$0	0	\$0	0	\$0	494	\$8,398	\$1,791	\$0	\$49,159	\$43,266	5,893	114%
Saint Michael	362	\$25,000	\$2,172	4.82	\$6,112	0.00	\$0	0	\$0	0	\$0	362	\$6,154	\$0	\$0	\$45,000	\$36,302	8,698	124%
Saint Paul	761	\$25,000	\$4,566	42.82	\$54,296	0.00	\$0	0	\$0	0	\$0	761	\$12,937	\$0	\$96,799	\$57,092	39,707	170%	
Sand Point	830	\$25,000	\$4,980	11.50	\$14,582	0.00	\$0	830	\$14,110	0	\$0	830	\$14,110	\$1,726	\$0	\$74,508	\$45,194	29,314	165%
Savoonga	632	\$25,000	\$3,792	7.07	\$8,965	0.00	\$0	632	\$10,744	0	\$0	632	\$10,744	\$0	\$0	\$59,245	\$41,451	17,794	143%
Saxman	379	\$25,000	\$2,274	4.27	\$5,414	0.00	\$0	0	\$0	0	\$0	0	\$0	\$0	\$0	\$45,000	\$27,809	17,191	162%
Scammon Bay	450	\$25,000	\$2,700	2.15	\$2,726	0.00	\$0	0	\$0	0	\$0	0	\$0	\$1,792	\$0	\$45,000	\$35,805	9,195	126%
Selawik	746	\$25,000	\$4,476	3.53	\$4,476	54.00	\$22,572	0	\$0	0	\$0	0	\$0	\$1,581	\$0	\$58,105	\$46,552	11,553	125%
Seldovia	281	\$25,000	\$1,686	6.30	\$7,988	0.00	\$0	281	\$4,777	281	\$4,777	281	\$4,777	\$4,309	\$0	\$53,314	\$31,221	22,093	171%
Seward	3040	\$25,000	\$18,240	27.27	\$34,578	0.00	\$0	3,040	\$51,680	3,040	\$51,680	3,040	\$51,680	\$42,368	\$0	\$275,226	\$185,535	89,691	148%
Shageluk	152	\$25,000	\$912	0.00	\$0	0.00	\$0	0	\$0	0	\$0	0	\$0	\$0	\$0	\$45,000	\$30,460	14,540	148%
Shaktoolik	226	\$25,000	\$1,356	3.50	\$4,438	0.00	\$0	0	\$0	0	\$0	226	\$3,842	\$1,857	\$0	\$45,000	\$32,603	12,397	138%
Sheldon Pt.	161	\$25,000	\$966	0.00	\$0	0.00	\$0	0	\$0	0	\$0	161	\$2,737	\$0	\$0	\$45,000	\$29,597	15,403	152%
Shishmaref	538	\$25,000	\$3,228	3.98	\$5,047	1.55	\$648	0	\$0	0	\$0	538	\$9,146	\$0	\$0	\$45,000	\$38,640	6,360	116%
Shungnak	257	\$25,000	\$1,542	5.00	\$6,340	30.00	\$12,540	0	\$0	0	\$0	0	\$0	\$1,857	\$0	\$47,279	\$36,230	11,049	130%
Sitka City/Bor	8779	\$25,000	\$52,674	25.11	\$31,839	0.00	\$0	8,779	\$149,243	8,779	\$149,243	8,779	\$149,243	\$61,063	\$0	\$618,305	\$446,877	171,428	138%
Skagway	814	\$25,000	\$4,884	12.05	\$15,279	0.00	\$0	814	\$13,838	814	\$13,838	814	\$13,838	\$1,435	\$0	\$88,112	\$50,561	37,551	174%
Soldotna	4134	\$25,000	\$24,804	37.29	\$47,284	0.00	\$0	0	\$0	4,134	\$70,278	4,134	\$70,278	\$17,593	\$0	\$255,237	\$210,854	44,383	121%

## AML/ACoM Proposed Public Safety Foundation Formula Program

Municipality	Cert.	Base	Road	Road	Road	Ice	Ice Road	Fire	Fire Dept.	EMS	EMS	Police	Police	Health RS	Gross Bus.	Total New	FY00	Compare	%
	Popul-	Amount	Per Capita	Miles	\$1,268	Road	\$418.00	Served	\$17	Served	served	served	pop served	FY 00	Receipt	PS Found.	Current	FY00/	change
Stebbins	548	\$25,000	\$3,288	8.17	\$10,360	0.00	\$0	4,134	\$70,278	0	\$0	548	\$9,316	\$1,857	\$0	\$120,099	\$39,224	80,875	306%
Tanana	317	\$25,000	\$1,902	29.50	\$37,406	0.00	\$0	0	\$0	0	\$0	317	\$5,389	\$1,857	\$0	\$71,554	\$38,732	32,822	185%
Teller	262	\$25,000	\$1,572	2.69	\$3,411	0.00	\$0	0	\$0	0	\$0	262	\$4,454	\$0	\$0	\$45,000	\$32,814	12,186	137%
Tenakee Spr	101	\$25,000	\$606	0.00	\$0	0.00	\$0	101	\$1,717	0	\$0	0	\$0	\$0	\$0	\$45,000	\$23,812	21,188	189%
Thorne Bay	597	\$25,000	\$3,582	33.45	\$42,415	0.00	\$0	597	\$10,149	597	\$10,149	0	\$0	\$1,334	\$0	\$92,629	\$34,662	57,967	267%
Togiak	801	\$25,000	\$4,806	10.21	\$12,946	0.00	\$0	0	\$0	0	\$0	801	\$13,617	\$1,726	\$0	\$58,095	\$43,711	14,384	133%
Toksook Bay	515	\$25,000	\$3,090	0.00	\$0	0.00	\$0	0	\$0	0	\$0	0	\$0	\$1,792	\$0	\$45,000	\$36,958	8,042	122%
Unalakleet	784	\$25,000	\$4,704	9.62	\$12,198	0.00	\$0	784	\$13,328	0	\$0	784	\$13,328	\$1,857	\$0	\$70,415	\$45,996	24,419	153%
Unalaska	4285	\$25,000	\$25,710	35.91	\$45,534	0.00	\$0	4,285	\$72,845	4,285	\$72,845	4,285	\$72,845	\$5,179	\$0	\$319,958	\$212,714	107,244	150%
Upper Kalskag	268	\$25,000	\$1,608	0.00	\$0	0.00	\$0	0	\$0	0	\$0	0	\$0	\$1,858	\$0	\$45,000	\$33,646	11,354	134%
Valdez	4155	\$25,000	\$24,930	24.30	\$30,812	0.00	\$0	4,155	\$70,635	4,155	\$70,635	4,155	\$70,635	\$55,737	\$61,871	\$410,255	\$410,255	0	100%
Wainwright	543	\$25,000	\$3,258	0.00	\$0	0.00	\$0	0	\$0	0	\$0	0	\$0	\$0	\$0	\$45,000	\$37,790	7,210	119%
Wales	177	\$25,000	\$1,062	0.00	\$0	0.00	\$0	0	\$0	0	\$0	0	\$0	\$1,858	\$0	\$45,000	\$31,211	13,789	144%
Wasilla	5134	\$25,000	\$30,804	59.42	\$75,345	0.00	\$0	0	\$0	5,134	\$87,278	5,134	\$87,278	\$2,768	\$0	\$308,473	\$201,665	106,808	153%
White Mt.	188	\$25,000	\$1,128	2.75	\$3,487	0.00	\$0	188	\$3,196	0	\$0	0	\$0	\$1,858	\$0	\$45,000	\$31,223	13,777	144%
Whittier	306	\$25,000	\$1,836	8.77	\$11,120	0.00	\$0	306	\$5,202	306	\$5,202	306	\$5,202	\$1,546	\$0	\$55,108	\$30,732	24,376	179%
Wrangell	2589	\$25,000	\$15,534	10.99	\$13,935	0.00	\$0	2,589	\$44,013	2,589	\$44,013	2,589	\$44,013	\$46,029	\$0	\$232,537	\$187,989	44,548	124%
Yakutat City/Bo	810	\$25,000	\$4,860	16.54	\$20,973	0.00	\$0	0	\$0	810	\$13,770	810	\$13,770	\$1,435	\$0	\$79,808	\$46,394	33,414	172%
<b>TOTALS</b>	<b>604759</b>	<b>N/A</b>	<b>\$3,628,554</b>	<b>5,044</b>	<b>\$6,395,957</b>	<b>993.38</b>	<b>\$415,233</b>	<b>516,988</b>	<b>\$8,788,796</b>	<b>533,472</b>	<b>\$9,069,024</b>	<b>446,201</b>	<b>\$7,585,417</b>	<b>\$1,821,530</b>		<b>\$42,803,490</b>	<b>\$31,546,520</b>	<b>11,256,970</b>	<b>136%</b>

**Subject:** HB 137 - Municipal Dividends...

**Date:** Tue, 22 Feb 2000 14:09:01 -0900

**From:** Tim Benintendi <Tim\_Benintendi@legis.state.ak.us>

**Organization:** Alaska State Legislature

**To:** Beverly Long <Beverly\_Long@legis.state.ak.us>,  
Barbara Cotting <Barbara\_Cotting@legis.state.ak.us>

A handwritten signature in cursive script that reads "Jeannette". A horizontal line is drawn across the signature, extending to the right.

Bev & Barbara:

Both Rp. James and Sn. Tim wanted me to get a bit of information regarding municipal asst. and revenue sharing programs, and that was whether or not they had a minimum amount given out each year to municipalities. The answer is yes, that under revenue sharing, each municipality gets a basic \$25,000. However, due to budget cutting by means of a proration mechanism they now use, that has whittled down to about \$20,000 each now, per year. So, even that is eroding. This info. comes from Bill Rolfzen at Division of Municipal & Regional Assistance, 465-4750.

Please pass along to your bosses. Thanks. -tim b.

To: Representative Bill Hudson

From: Kevin Ritchie, Executive Director

Date: February 14, 2000

### State and Local Long Range Fiscal Plan Principles

1. Public trust and support for a financial plan will grow as local control grows. Shared revenues with municipalities increase local control.
2. Other states share many of the revenues they collect. Currently, Alaska shares only oil revenue. It is appropriate to share new revenue with local governments to increase local control and support.
3. Local governments exist because they generate public support for local taxes and fees. Local governments can be valuable in communicating with the public on taxes.

### Suggestions

1. Declare a one-year moratorium on reducing all revenue sharing programs and look for ways to augment funding with help from municipalities. It is impossible for municipalities to support the development of a long-range plan while they are opposing State revenue sharing cuts.
2. Support **shared vehicle gas tax** with local governments. Almost all states do. Road maintenance costs are obviously related to gas use and should be shared. This source of revenue will replace the General Fund municipal revenue sharing program for roads.
3. Support **shared marine fuel tax** for municipalities that maintain public harbors
4. Consider a version of a **community or municipal dividend** to replace current General Fund money, and strengthen municipal revenue sharing. The public will have long term local control.

Wetta



# Alaska State Legislature

Please enter into the record my testimony to the House State Affairs  
committee name  
 committee on HB 137 / HB 411 . dated March 28, 2000  
bill/subject

one page of testimony

Signed: Mary Griswold  
Testifier

self  
Representing (Optional)

PO Box 1417, Homer, AK 99603  
Address

907-235-3725  
Phone No.

roads, police, ems

I am opposed to HB137 because although I support an increase to municipal assistance, it should be funded through the General Fund after evaluation against other spending priorities and available revenue. I am also opposed to this bill because it promotes the current Permanent Fund earnings distribution calculation. The General Fund should receive a portion of Permanent Fund earnings based on an annual payout of 5% of the Fund's market value similar to provisions of HB411.

---

I strongly favor HB411 as a better approach to long term financial planning than SJR33/HJR47 or SJR35/HJR49. SJR35<sup>3</sup> violates a purpose of the Permanent Fund to provide for present AND future Alaskans, causes problems for food stamp recipients and those needing housing assistance, hinders orderly economic stimulation, and results in a large federal income tax bite for buyout recipients.

SJR35 preserves the methodology of the Permanent Fund earnings distribution but not the value of the annual dividend because the undistributed income and unrealized gains in the Earnings Reserve Account remain subject to Legislative appropriation which could dramatically reduce the principal upon which the earning potential depends.

HB411 moves the distribution of Permanent Fund earnings to a percentage of market value approach which protects the Permanent Fund principal, maximizes the stability of annual distributions, promotes a long-term investment strategy allowing our equity investments to reach their full potential, maintains the value of the dividend program, and provides funding for essential government services. Combined with reasonable taxes, this bill will balance our budget and provide the framework for a successful long-term financial plan.

I strongly urge you to keep the payout at 5%. This is commonly accepted as reasonable by most of the country's large endowments. It is better to err on the side of protecting the Permanent Fund's principal than on the side of increased spending.

I also urge the Legislature to start research on tax options at the earliest moment, to come up with a reasonable combination of sales and income taxes that most fairly shares the burden for funding public services among all those who benefit, including out of state workers and tourists.

907-235-3725

Mary Griswold  
Box 1417  
Homer AK 99102

(f) Funds appropriated under (d) of this section may not be used for the retirement of municipal debt.

(g) Amounts received by the state under 42 U.S.C. 6508 and not appropriated for grants to municipalities under (d) of this section lapse at the end of each fiscal year as follows:

(1) 50 percent to the principal of the Alaska permanent fund;  
 (2) .5 percent to the public school trust fund (AS 37.14.110); and  
 (3) the remainder to the general fund for use by the state for the following facilities and services:

(A) planning;

(B) construction, maintenance, and operation of essential public facilities; and

(C) other necessary public services.

(h) Notwithstanding other provisions of law and unless expressly provided by the legislature in the appropriation item making the appropriation, an appropriation from the National Petroleum Reserve — Alaska special revenue fund shall, for the purposes of determining the funding sources for the appropriation be treated as though the appropriation takes effect in the fiscal year in which the appropriation passes the legislature. The authorization to expend funds appropriated from the fund shall take effect as otherwise provided by law. (§ 2 ch 94 SLA 1984; am §§ 2, 3 ch 53 SLA 1986; am § 2 ch 59 SLA 1992; am § 32 ch 32 SLA 1997)

**Revisor's notes.** — Formerly AS 37.25.040. Re-numbered in 1988.

**Cross references.** — For legislative findings in connection with the 1984 and 1986 Acts, see § 1, ch. 94, SLA 1984, and § 1, ch. 53, SLA 1986, respectively, in the Temporary and Special Acts; for legislative purpose in connection with the enactment of (h) of this section, see § 1, ch. 59, SLA 1992 in the Temporary and Special Acts.

**Effect of amendments.** — The 1992 amendment, effective June 12, 1992, added subsection (h).

The 1997 amendment, effective May 16, 1997, inserted "trust" in paragraph (g)(2).

**Editor's notes.** — Section 3, ch. 59, SLA 1992 provides that the addition of (h) of this section is retroactive to May 31, 1986.

**Sec. 37.05.540. Budget reserve fund; appropriation limit.** (a) There is established as a separate fund in the state treasury the budget reserve fund. The budget reserve fund consists of appropriations to the fund. Money received by the state that is subject to the appropriation limit under (b) of this section and that exceeds that limit, may be appropriated to the budget reserve fund.

(b) Except for appropriations to the permanent fund or for Alaska permanent fund dividends, appropriations to the budget reserve fund, appropriations of revenue bond proceeds, appropriations required to pay the principal and interest on general obligation bonds, and appropriations of money received from a nonstate source in trust for a specific purpose, including revenue of a public enterprise or public corporation of the state that issues revenue bonds, appropriations from the mental health trust settlement income account (AS 37.14.036), and appropriations made to the mental health trust fund (AS 37.14.031), appropriations from the treasury made in a fiscal year may not exceed appropriations made in the preceding fiscal year by more than five percent plus the change in population and inflation since the beginning of the preceding fiscal year. For purposes of applying this limit an appropriation is considered to be made in the fiscal year in which it is enacted and a reappropriation remains attributed to the fiscal year in which the original appropriation is enacted. The determination of the change in population for purposes of this subsection shall be based on an annual estimate of population by the Department of Labor. The determination of the change in inflation for purposes of this subsection shall be based on the Consumer Price Index for all urban consumers for Anchorage prepared by the United States Bureau of Labor Statistics. The amount of money received by the state that is subject to the appropriation limit includes the balance in the general fund carried forward from the preceding fiscal year.

(c) If the legislature determines that the money subject to the appropriation limit received by the state in a fiscal year is less than the maximum permitted to be appropriated under (b) of this section, up to 25 percent of the balance of the budget reserve fund may be appropriated to the general fund.

(d) The Department of Revenue shall manage and invest assets of the budget reserve fund in the manner set out for the management and investment of the assets of the general fund under AS 37.10.070. Income from investment of the budget reserve fund may be appropriated to the fund each year by law.

(e) Notwithstanding other provisions of this section, appropriations may be made from the budget reserve fund needed by the governor to meet a disaster. In this subsection, "disaster" has the meaning given in AS 26.23.900. (§ 1 ch 58 SLA 1983; am § 6 ch 66 SLA 1991)

**Revisor's notes.** — Formerly AS 37.05.156. Renumbered in 1988.

In 1996, in subsection (b) of this section, "mental health trust settlement income account" was substituted for "mental health trust income account" pursuant to sec. 17, ch. 1, SSSLA 1994.

**Effect of amendments.** — The 1991 amendment, effective December 16, 1994, inserted "appropriations from the mental health trust income account (AS 37.14.036), and appropriations made to the mental health trust fund (AS 37.14.031)," in the first sentence in subsection (b).

**Effective dates.** — Under § 58(a), ch. 66, SLA

1991, as amended by § 37, ch. 5, FSSLA 1994 and § 2, ch. 1, SSSLA 1994, this section, as set out above, took effect December 16, 1994.

**Editor's notes.** — Section 3, ch. 58, SLA 1986 provides that this section "applies to fiscal year 1988 and fiscal years thereafter".

**Opinions of attorney general.** — Article IX, section 17 of the Alaska constitution did not repeal the statutory budget reserve fund established by this section and the statutory fund continues in effect until amended or repealed by the legislature. 1992 Op. Att'y Gen. No. 1.

#### NOTES TO DECISIONS

Cited in *Hickel v. Cowper*, 874 P.2d 922 (Alaska 1994).

#### **Sec. 37.05.550. Alaska marine highway system vessel replacement fund.**

(a) There is in the general fund the Alaska marine highway system vessel replacement fund. The fund consists of money appropriated to it by the legislature. Money appropriated to the fund does not lapse. The Department of Revenue shall manage the fund. Interest received on money in the fund shall be accounted for separately and may be appropriated into the fund annually. The legislature may appropriate money from the fund for refurbishment of existing state ferry vessels, acquisition of additional state ferry vessels, or replacement of retired or outmoded state ferry vessels.

(b) The legislature may appropriate to the fund money received by the state as Alaska marine highway system program receipts or from a settlement or final judicial determination of the Dinkum Sands case (*United States v. Alaska*) and the North Slope royalty case (*State v. Amerada Hess, et al.*) and not deposited into the Alaska permanent fund under AS 37.13.010(a)(1) or (2) or into the public school trust fund under AS 37.14.150.

(c) The Department of Revenue shall prepare a written report, no later than the 10th legislative day of each regular legislative session, regarding the earnings of the Alaska marine highway system vessel replacement fund during the prior fiscal year and projected earnings of the Alaska marine highway system vessel replacement fund for the current fiscal year and the next fiscal year. The Department of Revenue shall notify the legislature that the report is available. (§ 1 ch 145 SLA 1990; am § 2 ch 62 SLA 1992; am § 59 ch 21 SLA 1995)

**Cross references.** — For Alaska Marine Highway System Fund and budget, see AS 19.65.050 — 19.65.100.

**Effect of amendments.** — The 1992 amendment, effective September 10, 1992, added subsection (c).

The 1995 amendment, effective August 8, 1995, in subsection (c), substituted "prepare a written report" for "submit a written report to the legislature" in the first sentence and added the last sentence.



# Legislative Priorities

Adopted at the 1999 AML/ACoM Local Government Conference

1. Continue development of a state long-range fiscal plan that considers the direct and indirect impacts of the plan on municipal services and local taxpayers. Also, support a biennial state budget.
2. Maintain, at a minimum for FY 2001, the same level of municipal revenue sharing funding as FY 1999 or develop a new state revenue sharing program that considers:
  - A minimum entitlement for all municipalities.
  - A per capita allocation for fire, health, emergency medical services and police.
  - Sharing of state motor vehicle gas tax revenue generated by driving on locally maintained roads, sharing of alcohol and tobacco revenues, and sharing of half of the state-wide amount of exempted local property taxes on state facilities.
3. As required by the Alaska Constitution, provide quality education to Alaska's children:
  - Fully fund the education formula adjusted annually for inflation.
  - Fully fund pupil transportation
  - Fund school construction (including the 70/30 state/local funding ratio for boroughs), and fully fund school debt reimbursement
  - Implement the "adequacy review" of Alaska's school funding formula as outlined by letter of legislative intent.
4. Fund state and local deferred maintenance projects. Consider selling state general obligation bonds.
5. Power Cost Equalization - Develop a long-term funding solution and support development of new power sources.
6. Support adequate operation and maintenance funding for existing and, especially, for new transportation infrastructure.

2000

① How Many 2nd Class Boroughs?  
Pbx, Henshaw & 3

② Funding → The 5MS Roads  
last year?

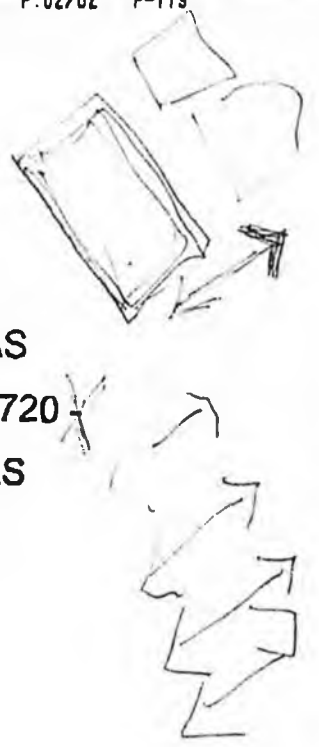
			statutory changes are made.
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Thank you, Madam Chair, for the opportunity to provide this testimony. If you have questions, please do not hesitate to contact me.

Proposed amendment to HB 137 work draft

New AS 29.60.\_\_\_\_:

A second class borough eligible for state aid under former AS  
 29.60.350 may appropriate <sup>up to 50%</sup> its entitlements under AS 29.60.720  
 .750 ~~for other services, up to the amount it received under AS~~  
~~29.60.350 for fiscal year 200<sup>n</sup>~~  
*for education.*



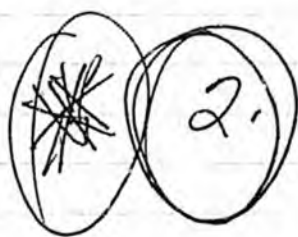
*A second class borough may  
 use up to 50% of its entitlement  
 for schools.*

~~Jul~~  
Check Court. Revenue Act!

---

Baldwin -

1. Make sure "transfers" are  
subject to legis. approp.



2. Use forward funding -  
make this clear!

3. No problem with "dedicated  
fund" designation.

(200+ Municipal govts!)

---

**BRISTOL BAY BOROUGH  
RESOLUTION 2000-03**

**A RESOLUTION OF THE BRISTOL BAY BOROUGH ASSEMBLY SUPPORTING  
THE MUNICIPAL DIVIDEND PROGRAM AS PROPOSED IN HOUSE BILL NO. 137.**

**WHEREAS**, predictable and reliable sources of revenues with which to address community needs are currently not being maintained by the State of Alaska's current financing methods; and

**WHEREAS**, there is a general unwillingness and/or inability within the State of Alaska's governing body to adequately fund mandated or critical community programs; and,

**WHEREAS**, the vast majority of municipal government services in the State of Alaska are deteriorating from repeated budget cuts to their Revenue Sharing and Safe Communities Funding leaving basic community needs such as Police and Fire protection unmet; and,

**WHEREAS**, demands for basic public services do not diminish as State Funding evaporates, and,

**WHEREAS**, numerous experienced Local and State government leaders give credence to a Municipal Dividend program using funds from the undistributed earnings reserve of the Permanent Fund after inflation proofing and accounting for annual individual dividends; and

**WHEREAS**, the Municipal Dividend Program would distribute funds fairly and equitably to all cities, Boroughs, and towns within the State of Alaska based upon strict criteria and population figures; and,

**WHEREAS**, the Municipal Dividend Program will provide funds for locally determined needs, prioritized, and requested by local government leaders,

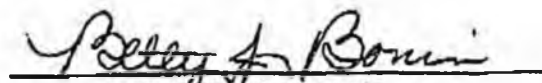
**NOW THEREFORE BE IT RESOLVED** that the Bristol Bay Borough Assembly strongly recommends to the Legislative body of the State of Alaska that it support, and pass into law, House Bill 137 establishing a Municipal Dividend Program.

**PASSED AND APPROVED BY A DULY APPROVED QUORUM** of the Bristol Bay Borough Assembly this 6<sup>th</sup> day of March, 2000.

**SIGNED:**

**ATTEST:**

  
MAYOR

  
BOROUGH CLERK

**Subject: HB137 - Municipal Dividend Program**

**Date: Mon, 20 Mar 2000 17:20:01 -0900**

**From: "Dusek, Gene A." <DusekEA@ci.anchorage.ak.us>**

**To: "barbara\_cotting@legis.state.ak.us" <Barbara\_Cotting@legis.state.ak.us>**

Barabra, I am sorry that my schedule conflict prevents me from testifying at tomorrow's committee meeting. However, maybe you can share the following with the committee.

The Municipal Dividend Program proposed by HB137 would provide Alaska municipalities with an important tool against 99PTAR, the 10-mill property tax cap initiative.

Over 70% of the property tax increase during the past decade in Anchorage for City services (excluding schools) can be directly traced to State cuts in revenue sharing and the failure of the State to keep its commitment to fund the senior citizens-disabled veterans property tax exemption. Other Alaska communities probably can give similar numbers. Local property owners have had to bear the brunt of the tax shifting from the State to local government resulting from these State actions. This has contributed to the taxpayer discontent behind the 99PTAR property tax initiative.

HB137 would go a long way in reversing this trend and provide funding to Alaska municipalities with which to reduce property taxes. This will hopefully show taxpayers that government has heard the message to reduce property taxes without having to impose the Draconian cuts in important programs and services that the 10-mill property tax cap initiative would impose.

Gene Dusek  
Director, Office of Management and Budget, Municipality of Anchorage  
Chair, Alaska Municipal League Legislative Committee Revenue & Finance  
Sub-Committee

**Subject: Fw: Municipality Dividends**

**Date:** Thu, 24 Feb 2000 14:56:13 -0900

**From:** "Paul C. Rusanowski" <prusanowski@ak.net>

**To:** <Barbara\_Cotting@legis.state.ak.us>

Here is the email I sent to your boss.

----- Original Message -----

**From:** Paul C. Rusanowski

**To:** Representative Jeannette James@legis.state.ak.us

**Cc:** Kerttula Representative Beth

**Sent:** Friday, February 18, 2000 1:00 PM

**Subject:** Municipality Dividends

You asked for input on the municipality dividend legislation proposed by Rep. Moses. I had proposed something similar at the start of the permanent fund program to cap the permanent fund dividend at \$1,000 and pay any extra earnings to the city of residence of each recipient of a permanent fund dividend. At the time it was not well received, and I could find no legislator to move the concept forward.

The present proposal may receive more interest. However, there needs to be a mechanism to equitably distribute such a municipal dividend between municipalities other than raw population numbers. I would recommend that you consider two factors in a distribution formula. The first is population. Each community gets a portion of the dividend based on population census numbers. The second factor would be the in-State cost of living index for each region and/or community within the State.

An easy way to incorporate these two factors into the program would be that a percentage, say 50%, of the dividend would be allocated based on population and the remaining percentage (50% in this example) would be distributed based on the cost of living index. In this example, Anchorage would receive the largest dividend in the first half of the formula but would receive no portion of the second half of the dividend because that community is used as the "zero" point for the cost of living index. Those communities that have a higher cost of living index than Anchorage would receive an additional portion of the dividend based on population multiplied by the cost of living index and then converted to a percentage for allocating funds.

Another way to allocate the funds would be to simply adjust the population numbers by the cost of living index and then determining each community's share by the adjusted population numbers. For example, if communities A and B each had 100 residents, but the cost of living index in each community was 1.2 and 1.5, respectively, then the new adjusted population numbers used for allocating funds would be 120 residents for community A, and 150 for community B.

I hope you find these comments constructive in moving forward with debates on adopting a community dividend program.

**Subject: HB 137 - Municipal Dividends...**

**Date:** Tue, 22 Feb 2000 14:09:01 -0900

**From:** Tim Benintendi <Tim\_Benintendi@legis.state.ak.us>

**Organization:** Alaska State Legislature

**To:** Beverly Long <Beverly\_Long@legis.state.ak.us>,  
Barbara Cotting <Barbara\_Cotting@legis.state.ak.us>

Bev & Barbara:

Both Rep. James and Sen. Tim wanted me to get a bit of information regarding municipal asst. and revenue sharing programs, and that was whether or not they had a minimum amount given out each year to municipalities. The answer is yes, that under revenue sharing, each municipality gets a basic \$25,000. However, due to budget cutting by means of a proration mechanism they now use, that has whittled down to about \$20,000 each now, per year. So, even that is eroding. This info. comes from Bill Rolfzen at Division of Municipal & Regional Assistance, 465-4750.

Please pass along to your bosses. Thanks. -tim b.

HB 137

EMERGENCY REGULATIONS

Register \_\_\_\_\_, \_\_\_\_\_ 2000 GOVERNOR'S OFFICE

(6) "disaster declaration" means the governor's declaration of disaster emergency under AS 26.23.020;

(7) "division" means the division of emergency services in the Department of Military and Veteran's Affairs;

(8) "expendable items" means items such as linens, clothes, and basic household kitchenware; "basic household kitchenware" means pots, pans, utensils, dinnerware, flatware, and small kitchen appliances;

(9) "family" means a social unit living together and composed of:

(A) legally married individuals and their dependents;

(B) individuals living together as if they were married and their dependents;

(C) a single individual and that individual's dependents or;

(D) individuals who jointly own a residence and occupy that residence with dependents;

(10) "FEMA" means the Federal Emergency Management Agency;

(11) "individual" means an individual who is not a member of a family as defined in (9) of this section;

(12) "necessary expense" means the cost of a serious need;

\* MOVE 2 Tax bills to Finance Tuesday \*

\* Jan Move Tues. 700  
NB 137

Change "Safe Comm." Statute to  
"Comm Dividend -

Put (\$100) for every PFD received  
(in pot)

(re calculated by legis each year.)  
OR "amt no less than \$100"

Dist same as before -

29.60.010 -

"Safe Communities"

310  
350

1. Repeal Min Asst + Res Sharing
2. \$100 per person
3. For roads - do it by the Mill -

Give them road powers -  
Remove from the state.

29.60

Call TAM

Monday RE revisions

4:00 today

1-LS0591\G

Change Title:

Local Gov't Transfer Act

CS FOR HOUSE BILL NO. 137(CRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered: 2/4/00

Referred: State Affairs, Finance

Sponsor(s): REPRESENTATIVE MOSES

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the municipal dividend program; and providing for an
2 effective date."

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

4 \* Section 1. AS 29.60 is amended by adding new sections to read:

5 Article 9. Municipal Dividend Program.

6 Sec. 29.60.660. Municipal dividend fund. There is established in the
7 department the municipal dividend fund consisting of money transferred to the fund
8 under AS 37.13.145(e). Subject to appropriations for the purpose, the amount
9 transferred to the fund shall be fully distributed by the department each year as
10 dividends to municipalities.

11 Sec. 29.60.670. Amount of dividends. The department shall calculate the
12 amount of a dividend for a municipality based on the population of the municipality.
13 The population of each municipality shall be determined annually by the latest figures
14 of the United States Bureau of the Census or other population data that in the

Permanent Fund rolls? - OK WJ

Carl

# Add: ~~(repeal)~~ Elimination of Man. Cost & Rev. Sharing 1-LS0591NG #

1 judgment of the department is reliable) In determining the population of a borough,  
2 the population of all cities in the borough shall be deducted from the total population  
3 of the borough.

4 \* Sec. 2. AS 37.13.145 is amended by adding a new subsection to read:

5 (c) After the transfers under (b) and (c) of this section, the corporation shall  
6 transfer [the balance] of the earnings reserve account to the municipal dividend fund  
7 established under AS 29.60.660.

8 \* Sec. 3. This Act takes effect July 1, 2000.

Carl:  
80% of the realized earnings balance

Carl:  
Add: Limit how municipalities can use the money  
for transportation infrastructure  
& transit (airports, roads, harbors)  
(2) Education facilities & operations  
(3) Community facilities

Can we Add A.F. Cuts ???  
to the bill ??

SA D.O.T. Maintenance \$  
"transferred" to local govt!

12 Commensurate cuts to agencies!

Alaska State Legislature  
Representative Carl E. Moses



**SESSION**  
State Capitol Building  
Juneau, Alaska 99801-1182  
Phone: (907) 465-4451  
800-898-4451  
Fax: (907) 465-3445

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P.O. Box 730  
Unalaska, Alaska 99685  
Phone: (907) 581-2275  
Fax: (907) 581-4949

Member  
House Finance Committee

MEMORANDUM

DATE: February 4, 2000

TO: Rp. Jeannette James, Chairman  
House State Affairs Committee

FROM: Rp. Carl E. Moses, Member *CEM*  
House Finance Committee

SUBJ: Hearing Request - HB 137 - Municipal Dividend Program

Please consider scheduling a hearing for HB 137, the measure to establish a municipal dividend program. This program would be funded from the realized income portion of the Permanent Fund's undistributed earnings in earnings reserve account. It would fill a need for adequate and reliable funding for basic community services, currently going unmet by the state.

Attached is a copy of the bill, a sponsor statement w/secional analysis, fiscal notes, and other support material. If there are any questions, please call Tim Benintendi of my office at 6591.

# Alaska State Legislature

Representative Carl E. Moses



Member  
House Finance Committee



**SESSION**  
State Capitol Building  
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## SPONSOR STATEMENT / SECTIONAL ANALYSIS

### HB 137 - Municipal Dividend Program

I recommend establishment of a Municipal Dividend Program to provide Alaskan municipalities with a predictable and reliable source of income with which to address community needs currently not being met by the state under current financing methods.

Given our inability to substantially cut the state operating budget, and given our unwillingness to raise new revenues, we need to look at using the earnings reserve of the Permanent Fund in some effective way despite these two political realities. I would propose to use the annual realized earnings part of the undistributed amount in the earnings reserve.

The current rate of withdrawal from our cash reserves will not endure for many more years. Yet public service demands do not relent. Ask any municipal official around the state, and you'll be told that basic community needs are going unmet.

The idea which several experienced leaders have given some credence is a Municipal Dividend program, which would direct funds from the undistributed earnings reserve of the Permanent Fund through a setup much like the current individual dividend program, and into cities and towns around the state. A formula for distribution would be based upon strict usage criteria and population figures, and would come into play after inflation-proofing the Permanent Fund, and accounting for annual individual dividends.

In the space of the few years we have left to rely upon cash reserves, we need to develop and put into place a program like this which will serve needs and relieve demands upon the state. The value of a predictable and reliable income stream for our state's municipalities in the face of elimination of revenue sharing and municipal assistance from General Fund appropriations, is obvious.

ADAK • AKUTAN • AMCHITKA • ATKA • ATTU • BELKOFSKI • CHERNOFSKI • CHIGNIK • CHIGNIK LAGOON • CHIGNIK LAKE • COLD BAY  
DUTCH HARBOR • EGEGIK • FALSE PASS • IGIUGIG • ILIAMNA • IVANOF BAY • KING COVE • KING SALMON • KOKHANOK • KOKHANOK BAY • LEVELOCK  
NAKNEK • NELSON LAGOON • NEWHALEN • NIKOLSKI • NONDALTON • PEDRO BAY • PERRYVILLE • PILOT POINT • PORT ALSWORTH • PORT HEIDEN  
PORT MOLLER • SAND POINT • SHEMYA • SQUAW HARBOR • SOUTH NAKNEK • ST. GEORGE ISLAND • ST. PAUL ISLAND • UGASIIK • UNALASKA • UNGA

The funds would be used for locally determined needs. Likely, most use of the funds would be for services being shorted or deferred currently by the state agencies. Local decision makers would prioritize from among transportation infrastructure, education and community facilities, and the like. In the ultimate, state programs could be cut commensurately after responsibility and funding are passed to communities.

This plan would integrate well into a scheme of operating budget cuts, new or increased taxation, or both, if given a chance. The individual dividend payout would remain intact, although it might be somewhat impacted over time. But the reality is that any plan advanced to address our budget shortfall will cost individuals in one way or another. Last fall's advisory vote told us what wasn't desired, but unfortunately, it didn't tell us what remedy to institute. I submit that the Municipal Dividend program will contribute greatly to creating a solution which can improve the future of state financing.

**BILL SECTION 1:** Adds a new section to Title 29 establishing the fund in the Department of Commerce and Community Development, and authorizes fund transfers from the earnings reserve account. It makes transfers subject to legislative appropriations, and also provides for full distribution to municipalities of the amount available.

In addition, Section 1 provides for dividend calculation based upon population figures, and cites the U.S. Census Bureau as the chief source, but not the only source, of population information. This section also states that the population of cities within a borough will be deducted from the borough's overall population base, since cities may independently apply for distribution under this program.

**BILL SECTION 2:** Calls for transferring the balance of the earnings reserve account into the municipal dividend account after inflation-proofing the permanent fund, and after transferring the appropriate amount to pay individual dividends.

**BILL SECTION 3:** Establishes an effective date of July 1, 2000.



217 Second Street, Suite 200 ■ Juneau, Alaska 99801 ■ Tel (907)586-1325, Fax (907)-463-5480

January 31, 2000

Representative Carl Moses  
Alaska State Legislature Room 500  
Juneau, AK 99811

Dear Representative Moses:

On behalf of the members of the AML and Alaska Conference of Mayors, we support **HB 137 - Municipal Dividend Program**. It is no surprise we agree with your position that many Alaskans have been hurt by state revenue sharing cuts, and communities desperately need a stable source of income. Critical public safety services have been slashed in the small communities, damage due to deferred maintenance is growing, and many communities have been forced to increase taxes just to maintain services. We believe that rising property taxes due to state cuts have strengthened support for the proposed property tax cap initiative. If the initiative passes it would add \$200 million to Alaska's budget deficit the first year.

While there is not yet broad public support use of some of the earnings of the Permanent Fund, this is an option that must be considered in any long-range fiscal planning effort. The *FY 2000 AML Policy Statement* says, "Evaluate the Community Dividend concept as part of an overall fiscal plan to help develop Alaska's communities for citizens."

The number one legislative priority of the AML and Conference of Mayors is to assist the state in developing a long-range financial plan that considers both state and local impacts, because they are interdependent. HB 137 provides a means to support government closest to the people without further increasing local taxes or adding to the state budget deficit.

Thank you for introducing HB 137 and for your continued interest in the municipalities of Alaska. If we can provide you with any assistance, please let me know.

Sincerely,

Kevin C. Ritchie  
Executive Director

cc: AML Revenue & Finance Subcommittee

c:/jk/leg00/hgb137.doc




**Alaska Permanent Fund Corporation**

P.O. Box 25500 Juneau, Alaska 99802-5500  
(907) 465-2047

**MEMORANDUM**

DATE: February 2, 2000

TO: Chris Phillips,  
Director of Finance

FROM: Jim Kelly   
Director of Communications

SUBJECT: **House Bill 137**

This is to provide commentary on the impacts of HB 137. If enacted, this bill would authorize a new, third statutory use for Fund income. Specifically, it would direct the Alaska Permanent Fund Corporation (APFC) to transfer, after the transfers required for dividends and inflation-proofing, "the balance of the earnings reserve account" to the newly created municipal dividend fund.

In terms of fiscal note, the impact would be zero. There would be no additional operational costs associated with this new transfer.

In terms of Fund balances, there are two important issues. First, it is unclear what is meant by "the balance of the earnings reserve account." In previous bills enacted by the legislature relating to the earnings reserve – such as the special appropriations to principal in 1986, 1996 and 1997 – what was transferred was only the realized portion of the earnings reserve.

Since 1998, however, the APFC has been required by a ruling of the Governmental Accounting Standards Board, (GASB 31), to expand the definition of the earnings reserve account in the financial statements to include unrealized income as well. As of June 30, 2001, the realized

portion is projected to total \$3.307 billion and the unrealized portion of the earnings reserve account is projected to total \$4.347 billion.

Second, it is important to note that drawing down the balance of the earnings reserve to zero is potentially detrimental to any and all future annual statutory transfers of Fund income. As reported to the Senate and House Finance Committees last year, in periods of poorly performing markets, the earnings reserve account acts as a reserve for future payments of dividends and inflation-proofing, and now with this legislation, the annual transfer to the municipal dividend fund.

In the view of the Corporation, it is prudent to maintain a healthy balance in the earnings reserve account in order to increase the stability and predictability of future distributions of Fund income for legislatively determined purposes.

The APFC would be pleased to provide additional analysis of the bill's impacts assuming transfer to the municipal divided fund in the first year of only the residual net income earned in that year after payment of dividends and inflation-proofing.

# Dividend plan could solve state money woes

By REP. CARL MOSES

The current state budget situation presents us with yet another chance to collectively review in detail the structure of our governmental financing customs and hopefully make some needed and beneficial changes.

Because we do not forward-fund our state budget, that is, basing next year's expenditures on this year's revenues, I see no alternative but to make substantial changes in the way we currently plan expenditures, given current low oil prices and the likelihood of continued declining production.

If we accept the fact that there is a genuine budget shortfall this year of approximately \$1.2 billion (with likely more of the same in the foreseeable future), and if we acknowledge the fact that there exist several possible recommendations to solve the problem, then we can focus on solutions.

No potential solution or combination of remedies identified to date will suit everyone. However, it is incumbent upon interested parties to participate in the public discussion and ultimate legislative action to keep Alaska on a sound, fair and practical fiscal path into the new millennium.

Recognizing a budget shortfall and yet little public enthusiasm for taxes or changes in the Permanent Fund structure, but also rec-



ognizing the difficulty in making large and substantial cuts to the state operating budget, what are we to do?

There is at least one idea with merit that has not received its due attention in the debate over the past few years, and that idea is the concept of a Municipal Dividend program. It is a proposal that can address as many or as few of the budget problems as may be desired. The key characteristics of this program are equity and fiscal responsibility, because it confines itself to passing from the state to local government units, responsibility and funding for services we in the Legislature continually hear are not being adequately met by the state.

If you are familiar with the individual Permanent Fund Dividend program, then you have an idea of how the Municipal Dividend program would work. Based upon strict criteria and local population figures, undistributed earnings from the Alaska Permanent Fund would be available for appropriation to Alaska municipalities, large and small, after providing for inflation-proofing the fund and for calculating individual Permanent Fund dividends.

There ultimately would be some impact on the size of the individual dividend. But any plan advanced to address our budget shortfall will cost individuals in one way or another.

That's why I emphasize that the time is upon us to make responsible, major changes in the way we devise our annual budget.

The focus of the idea is to provide municipalities funds with which to perform basic governmental services, some of which have been unfortunately reduced or eliminated in recent years by state government. Anyone who ever grumbled about the poor condition of local streets, lack of maintenance for schools or inadequate recreational facilities, for example, should embrace this plan as a way to address such problems with the focus of local prioritizing. Even the cynics who would frown upon the idea of giving more money to local politicians would not have to look twice to see the potential benefits of this plan for their cities and towns.

Another value of the Municipal Dividend program, and one addressing the immediate state fiscal shortfall, would be the reduction or elimination of some programs within the state operating budget funded with general fund dollars. Shifting responsibility away from state to local government, and shifting funding away from the general fund to the Permanent Fund's undistributed earnings, would reduce the fiscal gap and enhance local government objectives.

In the continual debate over what purpose to finally put earnings of the Alaska Permanent Fund to work, this proposal could give the fund a concrete objective, that of helping provide basic services to citizens of the state, through their local government.

I doubt there is a municipality in this state that would refuse a more stable and pre-

dictable stream of income such as the proposed Municipal Dividend program would provide.

The common perception of the fund was for it to eventually offset the decline of revenue from our oil resources. That time has certainly arrived. In addition, it is well known that the Internal Revenue Service will eventually look to tax the Permanent Fund directly if no clear public purpose is officially determined for the fund. With the individual PFD already being federally taxed via personal income taxes, this Municipal Dividend proposal could likely thwart any such proposal for taxation of the earnings of the fund.

Concerning the current fiscal challenge before us, a Municipal Dividend program could be part of a solution that may include some operating budget cuts, some new or increased taxation or a combination of both. It does offer the chance to reduce general fund spending, and provide a more reliable way of funding many essential local government operations in a time when assistance to local governments has been haphazardly diminished.

It will not adversely impact the economy and can be managed in such a way as to avoid dramatic infusions of funding into local governments. I believe the time has come to simultaneously address several statewide fiscal issues in great need of being brought to finality, with a plan which could be a positive component of a long-range fiscal policy.

U.S. Rep. Carl Moses, D-Unalaska, serves on the House Finance Committee.



Moses

## JOHN WINTERS *Publisher*

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SUNDAY, JAN. 16, 2000 / EMPIRE

## Ignoring budget gap is not responsible

**W** here have we heard this before? The governor wants to spend more money and the Legislature wants to cut the budget.

Gov. Tony Knowles, in his State of the State address Wednesday, called for \$100 million more for the operating budget, putting the money toward programs supporting children and education. The governor's budget totals \$2.4 billion in general funds.

As predictable as ever, the legislative leadership wants cuts to the operating budget that total \$30 million or more.

It's safe to assume, then, that the final budget will be somewhere in between. And that won't solve the problem.

All the while, the 800-million-pound gorilla needs its bananas – that is the dollar difference between state revenues and spending for the FY2001 budget. Look out, reserve accounts, here come the politicians.

While conventional wisdom says that this election year means nothing will be done to mend the fabric of the state's operating budget gap, we'd be disappointed if that turned out to be the case. We can't continue to draw down the state's reserve accounts forever. At some point, we'll have to replenish the reserves or resort to – advisory vote notwithstanding – using permanent fund earnings. We also can't continue to shuffle money from one program to another without seriously compromising the government's performance in the long run.

Let's tour recent history: Recall that in 1996, Knowles wanted \$100 million in cuts over three years to close the budget gap, as a part of his safe-landing plan. Those cuts would close the budget gap in three years, his administration predicted. That year, Republicans wanted \$180 million in cuts over the same period. Too drastic, Knowles said. Needed, the majority countered. Looking back, it's a good thing that the budget was trimmed. We need to seriously look at holding the line on spending.

With oil prices strong, it would be easy enough to ignore the gorilla, but the fact is, by doing so we'll be dipping into the state's budget-balancing reserves once again, and not solving the real problem. Every time lawmakers use the budget reserves, they draw down the well. One of these days, the well will dry up. They'll be accountable.

# FISCAL NOTE

**STATE OF ALASKA**  
**2000 LEGISLATIVE SESSION**

**BILL NO. HB 137**

Revision Date/Time (Note if correction) \_\_\_\_\_ Dept. Affected DCED  
 Title \_\_\_\_\_ BRU \_\_\_\_\_  
 An Act relating to the municipal dividend program; and ... Component \_\_\_\_\_  
 Sponsor Representative Moses  
 Requester HOUSE CRA Committee Component No. \_\_\_\_\_

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2000) cost: \_\_\_\_\_

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This Legislation would have no fiscal impact on this department.

Prepared by: Jeff Bush, Deputy Commissioner Phone 465-2500  
 Division \_\_\_\_\_ Date/Time 02/01/00  
 Approved by Commissioner *Jeff Bush* Date 2/2/00  
 Agency \_\_\_\_\_

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# FISCAL NOTE

**STATE OF ALASKA**  
**2000 LEGISLATIVE SESSION**

**BILL NO. HB 137**

Revision Date/Time (Note if correction) 02/02/00 Dept. Affected Revenue  
 Title Municipal Dividend Program BRU Revenue Operations  
 Component Alaska Permanent Fund Cor  
 Sponsor Representative Moses  
 Requester House Community and Regional Affairs Component No. \_\_\_\_\_

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services					
Travel					
Contractual					
Supplies					
Equipment					
Land & Structures					
Grants & Claims					
Miscellaneous					
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>					
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<b>CHANGE IN REVENUES ( )</b>					
-------------------------------	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts					
1003 GF Match					
1004 GF					
1005 GF/Program Receipts					
1037 GF/Mental Health					
Other (Specify Type)					
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2000) cost: 0.0

**POSITIONS**

Full-time					
Part-time					
Temporary					

**ANALYSIS:** (Attach a separate page if necessary)

See attached

Prepared by: Chris Phillips  
 Division Alaska Permanent Fund Corp.  
 Approved by Commissioner Wilson Condon  
 Agency Department of Revenue

Phone \_\_\_\_\_  
 Date/Time 2/2/00 4:32 PM  
 Date 2/2/00

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