

**HB**

**137**

## Why HB 137 Municipal Dividend is Worth Consideration?

- ◆ **Why would Alaskans support HB 137?** Most Alaskans want a long-range fiscal plan. HB 137 is a first step that doesn't decrease the existing calculated amounts of the PFD\*, while it yields a long range annual benefit to a family of three an average of approximately \$450 per year\*\*, and ensures that all Alaskans get basic public safety services\*\*\*.
- ◆ **HB 137 takes revenue sharing and capital matching grants (\$46 million) "off budget",** thereby reducing the State General Fund expenditures by \$46 million and allows the State legislature to:
  1. meet its \$30 million cut target; and
  2. increase funding to the UA, education, PCE, and/or other critical statewide needs; and
  3. get credit for direct, specific, and accountable state support of roads, police, fire, EMS, and health.
- ◆ **Who would support HB 137:**
  1. those interested in taking a first step toward a comprehensive long range fiscal plan
  2. local taxpayers
  3. rural communities
  4. fire departments, EMS organizations and police organizations
  5. road service area boards and members
  6. Schools, PTA's, School Boards
  7. labor
  8. seniors

\* While the Municipal Dividend uses a small portion of the excess earnings of the Permanent Fund, **it does not reduce the calculated PFD amounts.** In the long run, the Municipal Dividend would only slow the growth of the PFD slightly if all of the PF excess earnings were added to the corpus of the PF.

\*\*Passage of HB 137 may not result in a local tax cut in the near term due to the fact that many municipalities were forced to use one time funds to balance their budget last year, and there are serious unmet local needs such as deferred maintenance. However, **the long run impact of HB 137 is to make direct state payments to support necessary local public safety services that would otherwise be paid for by local taxes.** Considering that HB 137 by-passes the federal income tax to directly fund public safety services, the average family of three would save personal earnings of  $3 \times \$125 \times 1.2$  (average federal income tax factor) = \$450 that would otherwise be required to pay local taxes.

\*\*\*Unlike the September 14<sup>th</sup> "No" vote, **HB 137 is not, in any way, a "blank check".** It is a very limited amount of money that goes to very specific critical public safety services demanded by nearly every citizen in Alaska.

November 2, 1999

## AML/ACoM Proposed Public Safety Foundation Formula Program

1

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%
Atqasuk	\$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%

## 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
Diomedea	\$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	\$1,698,894	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%

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	\$6,000	\$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	\$3,950	\$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%

November 2, 1999

## AML/ACoM Proposed Public Safety Foundation Formula Program

4

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. Receiv'	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	\$8,143	\$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%

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	\$48,500	\$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

**Total Public Safety Found. \$50,130,000**

**Budget Request Unit: Village Public Safety Officer Program**

**Manager: Col. Glenn Godfrey, Director**

Tel: (907) 269-5641 Fax: (907) 337-2059 E-mail: glenn\_godfrey@dps.state.ak.us

**BRU Mission**

To increase public safety in rural Alaska through unique partnerships with regional nonprofit corporations and village governments by providing Village Public Safety Officers (VPSOs).

**BRU Services Provided**

Throughout rural Alaska, the Village Public Safety Officer is often the only person responsible for a broad range of public safety needs. These include law enforcement support duties, emergency medical services, search and rescue missions, fire prevention activities, etc. Currently eighty-four VPSOs present an ongoing positive public safety presence in eighty-two rural communities. VPSOs also often assist Troopers in alcohol and drug enforcement efforts.

VPSO oversight troopers and detachment troopers travel regularly to all villages under their direction. During these visits troopers provide training through special VPSO training modules on specific subjects such as report writing, search and rescue coordination, etc. The close working relationship developed between VPSOs and Troopers helps VPSOs in carrying out their duties, as well as ensuring the VPSOs that the state troopers will be there during crisis situations.

VPSOs are employees of native regional non-profit corporations that share in direction of VPSOs' daily activities with village leaders and troopers. VPSOs prevent child abuse, prevent domestic violence, reduce aggravated assaults, prevent injuries, save lives and protect property in rural Alaska.

**BRU Goals and Strategies for FY2001**

The main goal of the Division is to protect and serve the public. As related to the VPSO Program, this will be accomplished by:

- Handling more than 8,400 non-criminal incidents.
- Investigating over 300 cases concerning illegal alcohol.
- Investigating over 590 cases involving misdemeanor assaults.
- Handling over 1,100 other investigations.

**Key BRU Issues for FY2000 – 2001**

**UNFUNDED VPSOs**

Several villages are authorized VPSOs which cannot be afforded at current levels of funding. The number of funded VPSOs has been declining in recent years.

**Major BRU Accomplishments for FY1999**

- **VPSO CONTRACTORS INDIRECT RATES DOWN** - Through aggressive contract negotiations the average indirect rate has been lowered from 27.37% in FY98 to 25.57% in FY99.
- **REDUCED NUMBER OF VPSO POSITIONS ASSIGNED TO LOCATIONS WHERE OTHER LAW ENFORCEMENT EXISTS** - During FY99, three VPSO positions were moved from locations where alternative law enforcement services exist and four additional positions have been designated to be moved in the future as position turnover occurs.

- NINE CONTRACTS NEGOTIATED.

**Key Performance Measures**

**Measure: Reduction in the number of Village Public Safety Officer positions in communities with a local police department.**  
*(Developed jointly with Legislature in FY2000.)*

**Benchmark:**

Number of positions in locations where other law enforcement services are available.

**Background and Strategies:**

As positions turnover in locations where other law enforcement services exist, shift the authorized position location to another village that does not have any law enforcement resources.

**Measure: Increase in the percentage of VPSO-investigated alcohol bootlegging and importation offenses that are closed by arrest.**

*(Developed jointly with Legislature in FY2000.)*

**Benchmark:**

Percentage of offenses.

**Background and Strategies:**

Decrease the amount of alcohol reaching 'dry' and 'damp' villages through bootlegging activities.

**Status of FY2000 Performance Measures**

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
• Reduction in the number of Village Public Safety Officer positions in communities with a local police department.		X			
• Increase in the percentage of VPSO-investigated alcohol bootlegging and importation offenses that are closed by arrest.			X		

## Component Summary - FY01 Operating Budget

**Numbers & Language**

Agency: Department of Public Safety

Page	Budget Component	FY99 Act	00MgtPln	House	SenSC	House to SenSC	
<b>Fish and Wildlife Protection</b>							
1	Enforcement/Investigative Svcs	11,074.8	11,143.1	11,140.5	11,140.5	0.0	0.0%
2	Director's Office	253.3	247.8	253.4	253.4	0.0	0.0%
3	Aircraft Section	2,028.3	1,629.8	1,813.4	1,665.1	-148.3	-8.2%
4	Marine Enforcement	2,859.4	2,928.0	3,058.2	3,050.0	-8.2	-0.3%
5	AK Fish & Wildlife Safeguard		15.0	0.0	15.0	15.0	%
	* BRU Total	16,215.8	15,963.7	16,265.5	16,124.0	-141.5	-0.9%
<b>Dalton Highway Protection</b>							
6	Dalton Highway Protection	90.0	90.2	90.2	90.2	0.0	0.0%
	* BRU Total	90.0	90.2	90.2	90.2	0.0	0.0%
<b>Fire Prevention</b>							
7	Fire Prevention Operations	1,450.5	1,442.7	1,567.7	1,567.7	0.0	0.0%
8	Fire Service Training	568.1	643.3	823.3	823.3	0.0	0.0%
	* BRU Total	2,018.6	2,086.0	2,391.0	2,391.0	0.0	0.0%
<b>Alaska Fire Standards Council</b>							
9	AK Fire Standards Council			100.0	220.0	120.0	120.0%
	* BRU Total	0.0	0.0	100.0	220.0	120.0	120.0%
<b>Highway Safety Planning Agency</b>							
10	Hwy Safety Planning Operations	139.5	142.3	0.0	0.0	0.0	0.0%
11	Federal Grants	1,251.9	1,457.7	0.0	0.0	0.0	0.0%
	* BRU Total	1,391.4	1,600.0	0.0	0.0	0.0	0.0%
<b>Alaska State Troopers</b>							
12	Special Projects	1,308.3	1,385.3	2,039.5	2,039.5	0.0	0.0%
13	Criminal Investigations Bureau	3,047.8	3,136.3	3,061.1	3,061.1	0.0	0.0%
14	Director's Office	684.5	651.8	651.8	651.8	0.0	0.0%
15	Judicial Services-Anchorage	1,904.5	1,913.4	1,913.4	1,913.4	0.0	0.0%
16	Prisoner Transportation	1,423.0	1,476.7	1,476.7	1,476.7	0.0	0.0%
17	Search and Rescue	239.3	283.1	283.1	283.1	0.0	0.0%
18	Rural Trooper Housing	611.7	625.2	663.3	687.3	24.0	3.6%
19	Narcotics Task Force	2,950.3	3,224.9	3,224.9	3,224.9	0.0	0.0%

## Component Summary - FY01 Operating Budget

**Numbers & Language**

Agency: Department of Public Safety

Page	Budget Component	FY99 Act	00MgtPln	House	SenSC	House to SenSC	
	<b>Alaska State Troopers</b>						
20	Commercial Vehicle Enforcement	105.3	89.9	89.9	89.9	0.0	0.0%
	* BRU Total	12,274.7	12,786.6	13,403.7	13,427.7	24.0	0.2%
	<b>Alaska State Trooper Detachments</b>						
21	AST Detachments	32,400.3	34,289.7	33,248.2	0.0	-33,248.2	-100.0%
	* BRU Total	32,400.3	34,289.7	33,248.2	0.0	-33,248.2	-100.0%
	<b>Alaska State Trooper Detachments Payroll &amp; Benefits</b>						
	AST Detach Payroll & Benefits				25,194.1	25,194.1	%
	* BRU Total	0.0	0.0	0.0	25,194.1	25,194.1	%
	<b>Alaska State Trooper Detachments Operations</b>						
	AST Detach Operations				8,142.6	8,142.6	%
	* BRU Total	0.0	0.0	0.0	8,142.6	8,142.6	%
	<b>Alaska State Troopers Detachments - Petersburg</b>						
	AST Detach Petersburg				136.5	136.5	%
	* BRU Total	0.0	0.0	0.0	136.5	136.5	%
	<b>Village Public Safety Officer Program</b>						
22	Contracts	5,273.0	5,523.5	5,523.5	5,523.5	0.0	0.0%
23	Support	1,645.2	1,721.0	1,771.0	1,771.0	0.0	0.0%
24	Administration	229.7	253.5	253.5	253.5	0.0	0.0%
	* BRU Total	7,147.9	7,498.0	7,548.0	7,548.0	0.0	0.0%
	<b>Alaska Police Standards Council</b>						
25	Ak Police Standards Council	840.3	718.0	718.0	718.0	0.0	0.0%
	* BRU Total	840.3	718.0	718.0	718.0	0.0	0.0%
	<b>Violent Crimes Compensation Board</b>						
26	Violent Crimes Comp Board	1,341.0	1,356.9	1,454.8	1,754.8	300.0	20.6%
	* BRU Total	1,341.0	1,356.9	1,454.8	1,754.8	300.0	20.6%
	<b>Council on Domestic Violence and Sexual Assault</b>						
27	CDVSA	8,625.1	8,957.8	8,957.8	8,957.8	0.0	0.0%

## Component Summary - FY01 Operating Budget

**Numbers & Language**

Agency: Department of Public Safety

Page	Budget Component	FY99 Act	00MgtPln	House	SenSC	House to SenSC	
<b>Council on Domestic Violence and Sexual Assault</b>							
	* BRU Total	8,625.1	8,957.8	8,957.8	8,957.8	0.0	0.0%
<b>Batterer's Intervention Program</b>							
28	Batterers Intervention Program	316.0	320.0	320.0	320.0	0.0	0.0%
	* BRU Total	316.0	320.0	320.0	320.0	0.0	0.0%
<b>Statewide Support</b>							
29	Commissioner's Office	640.7	632.6	632.6	632.6	0.0	0.0%
30	Training Academy	1,471.8	1,374.4	1,449.4	1,449.4	0.0	0.0%
31	Administrative Services	1,790.9	1,815.1	1,815.1	1,815.1	0.0	0.0%
32	Alaska Wing Civil Air Patrol	503.1	503.1	503.1	503.1	0.0	0.0%
34	APSIN	1,678.4	1,920.7	1,920.7	1,920.7	-0.0	-0.0%
35	Alaska Criminal Records and ID	2,721.5	2,760.9	2,821.6	2,821.6	0.0	0.0%
36	Unallocated Reduction		0.0	0.0	0.0	0.0	0.0%
	* BRU Total	8,806.4	9,006.8	9,142.5	9,142.5	-0.0	-0.0%
<b>Laboratory Services</b>							
33	Laboratory Services	2,168.6	2,103.0	2,249.5	2,347.1	97.6	4.3%
	* BRU Total	2,168.6	2,103.0	2,249.5	2,347.1	97.6	4.3%
<b>Facility Maintenance</b>							
37	Facility Maintenance		608.8	608.8	608.8	0.0	0.0%
	* BRU Total	0.0	608.8	608.8	608.8	0.0	0.0%
<b>Victims for Justice</b>							
38	Victims for Justice	100.0	150.0	150.0	200.0	50.0	33.3%
	* BRU Total	100.0	150.0	150.0	200.0	50.0	33.3%
	<b>*** Total Agency Expenditure</b>	<b>93,736.1</b>	<b>97,535.5</b>	<b>96,648.0</b>	<b>97,323.1</b>	<b>675.1</b>	<b>0.7%</b>
	Federal Restricted Funds	8,737.2	10,237.3	9,016.2	8,875.3	-140.9	-1.6%
	General Purpose Funds	77,216.0	77,918.9	77,092.1	77,622.6	530.5	0.7%
	Other Funds	7,782.9	9,379.3	10,539.7	10,825.2	285.5	2.7%

# 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

## INTERIM

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

Member  
House Finance Committee

## SPONSOR STATEMENT / SECTIONAL ANALYSIS

### CSHB 137 (STA) - Municipal Dividend Program

I support establishing a Municipal Dividend Program to provide Alaskan municipalities with a predictable and reliable source of income with which to address basic community needs currently going unmet, in part, by the state. HB 137 would allow an option to delete \$46.9 million from the current General Fund budget. It would provide \$71.2 million to municipalities in the next fiscal year (FY01). It clearly defines the uses for which funding may be applied, and provides minimum amounts for small municipalities (\$45,000) and unincorporated communities (\$5,000). It does not require a constitutional amendment, nor does it greatly impact the individual PFD over time.

The House State Affairs Committee fleshed out provisions of the program by identifying basic, local government-provided services upon which everyone relies, then it defined the monetary opportunities for municipalities in terms of police and fire protection, emergency medical and health services, and road maintenance. Strict program guidelines ensure that funds will be used as intended, and incentives are contained for municipalities to improve or upgrade their services.

**BILL SECTION 1:** Sets out findings which provide guidelines for the bill, including identifying services, recognizing the public safety foundation, recognizing municipal accountability, and protecting the integrity of the Permanent Fund's inflation-proofing and individual dividend payment program.

**BILL SECTION 2:** Adjusts the reference to the authority of fire control officers to AS 29.60.730.

**BILL SECTION 3:** A compatibility amendment to support the reinstatement of the public safety foundation.

**BILL SECTION 4:** Adds the public safety foundation to the compliance language necessary for municipalities to receive program funds.

**BILL SECTION 5:** Adds the public safety foundation to the list of entities through which funds are spent, that a municipality must report to taxpayers.

**BILL SECTION 6:** Declares that compliance with AS 29.45.660(b) is necessary for receipt of funds under the public safety foundation.

ADAK • AKUTAN • AMCHITKA • ATKA • ATTU • BELKOF'SKI • CHERNOFSKI • CHIGNIK • CHIGNIK LAGOON • CHIGNIK LAKE • COLD BAY  
DUTCH HARBOR • EGEKIK • 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 • UGASHIK • UNALASKA • UNGA

**BILL SECTION 7:** Reestablishes the Public Safety Foundation Program; establishes the Municipal Dividend Fund in the Department of Community and Economic Development; **retains legislative powers of annual appropriation**; sets out the qualifications of municipalities for eligibility and minimum entitlements; creates the road maintenance entitlement and per capita supplement; sets out the formula for the fire and emergency medical services entitlement; establishes the entitlement for police protection services; creates the hospital and health services entitlement; and establishes the minimum entitlement for unincorporated communities.

**BILL SECTION 8:** Sets out the authority for determining municipal population figures.

**BILL SECTION 9:** Amends AS 37.06.020(b) to complete provisions for the minimum entitlement for unincorporated communities.

**BILL SECTION 10:** Provides for local match funding for eligible projects under the capital project matching grant program.

**BILL SECTION 11:** Adds new subsection to AS 37.13.145 to provide for the transfer of surplus earnings of the Permanent Fund, to the new Municipal Dividend Fund, calculated and limited to \$125 per each individual PFD distributed the previous year.

**BILL SECTION 12:** Technical language adjustment.

**BILL SECTION 13:** Technical reference adjustment only. Power Cost Equalization funding is **NOT** an option under HB 137.

**BILL SECTION 14:** Repeals currently-established Revenue Sharing and Safe Communities programs.

**BILL SECTION 15:** Technical transition language for unincorporated communities.

**BILL SECTION 16:** Establishes an effective date of June 30, 2000.

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

This plan would integrate well into a scheme of operating budget cuts, new or increased taxation, or both. The annual individual dividend would only slightly be impacted, and only after the first few years of this program.

## 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	<u>\$21.00 million</u>
<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	<u>\$20.0</u>	<u>\$15.0</u>	<u>\$15.0</u>	<u>\$21.0</u>
<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	<u>+\$15.0</u>
<b>Total State General Fund Reduction Impact</b>	<b>+\$46.9 million</b>



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

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

	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	1,557	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	1,477	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	\$1,960.00	\$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.  
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.  
Slight differences due to rounding.

# 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 Date 2/2/00  
 Agency \_\_\_\_\_

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

For further distribution information, call the Governor's Legislative Office

# 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>					
-----------------------------	--	--	--	--	--

<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

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

**LEGAL SERVICES**

**DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA**

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101

**COPY**

State Capitol  
Juneau, Alaska 99801-1182  
Deliveries to: 129 6th St., Rm. 329

**MEMORANDUM**

April 1, 2000

**SUBJECT:** Comparison of work draft with CSHB 137(STA) (Work Order No. 21-LS1597A)

**TO:** Senator Tim Kelly, Chair  
Senate Community and Regional Affairs Committee

**FROM:** Tamara Brandt Cook  
Director

Here is a comparison of the work draft you requested and CSHB 137(STA) upon which the draft is based. The section numbers that follow are those of the draft bill.

**Sec. 1 - 3:** These sections are identical in both bills.

**Sec. 4 - 6:** The statutory references to the new public safety foundation program established in these bills is changed in the draft from AS 29.60.700 - 29.60.770 to AS 29.60.700-29.60.780 to accommodate the addition of a new program section.

**Sec. 7:** The Public Safety Foundation Program is added in both bills consisting of several sections.

**Sec. 29.60.660 and 29.60.700:** The spanned reference to the program is changed in the draft to accommodate the addition of a new program section.

**Sec. 29.60.710:** Identical in each bill.

**Sec. 29.60.720:** A reference is added in subsection (a) to a new subsection (d) that appears in the draft. Subsection (d) permits the governing body by ordinance to use a portion of the road maintenance entitlement, not to exceed 55 percent, for education.

**Sec. 29.60.730:** The \$17 amounts in subsections (a) and (b) have been increased in the draft to \$18. A reference is added in subsection (a) to a new subsection (c) that appears in the draft. Subsection (c) permits the governing body by ordinance to use a portion of the fire and emergency medical services entitlement, not to exceed 55 percent, for education.

**Sec. 29.60.740:** The \$17 amount is increased in the draft to \$18.

**Sec. 29.60.750:** Identical in both draft and House Bill.

**Sec. 29.60.760:** Aid to unincorporated communities is increased in the draft from \$5,000 to \$25,000.

**Sec. 29.60.770:** This is new in the draft and does not appear in the House Bill. It establishes an entitlement for the village public safety officer program.

**Sec. 29.60.780:** This appears as program sec. 29.60.770 in the House Bill.

Senator Tim Kelly, Chair  
Senate Community and Regional Affairs  
April 1, 2000  
Page 2

**Sec. 8.** This is identical to sec. 9 of the House Bill. Sec. 8 of the House Bill does not appear in this draft because the revisor is directed to make this technical change.

**Sec. 9.** In the draft, subsection (a) of AS 37.06.030 is corrected. The House Bill contains this change in sec. 10 except that the spanned reference does not include AS 29.60.780.

**Sec. 10:** In the draft, subsection (b) of AS 37.06.030 is corrected in a separate bill section. The House Bill also includes a correction to subsection (c), but the draft directs the revisor of statutes to make that change.

**Sec. 11:** The amount used to calculate the municipal dividend is increase in the draft from \$125 to \$150.

**Sec. 12:** Identical. The technical correction in sec. 13 of the House Bill is deleted from the draft because the revisor of statutes is directed to make the change.

**Sec. 13:** Identical, except that the House Bill repealer is found in sec. 14.

**Sec. 14:** The section reference is different in the draft because of additional material added to the program. In the House Bill this transition appears as sec. 15.

**Sec. 15:** A revisor's instruction has been added in the draft directing her to correct cross-references in three other statutes.

**Sec. 16:** Identical.

TBC:glc  
00-153.glc

# LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101

State Capitol  
Juneau, Alaska 99801-1182  
Deliveries to: 129 6th St., Rm. 329

## MEMORANDUM

April 3, 2000

**SUBJECT:** Comparison of work draft with CSHB 137(STA) (Work Order No. 21-LS1597AD)

**TO:** Senator Tim Kelly, Chair  
Senate Community and Regional Affairs Committee

**FROM:** Tamara Brandt Cook  
Director *TBC*

Here is a comparison of the work draft you requested and CSHB 137(STA) upon which the draft is based. The section numbers that follow are those of the draft bill.

**Sec. 1.** Adds a new finding in paragraph (5) relating to the village public safety program in paragraph (1). Moves "roads" from line 8 to line 9.

**Secs. 2 and 3.** These sections are identical in both bills.

**Sec. 4 - 6.** The statutory references to the new public safety foundation program established in these bills is changed in the draft from AS 29.60.700 - 29.60.770 to AS 29.60.700-29.60.780 to accommodate the addition of a new program section.

**Sec. 7.** The Public Safety Foundation Program is added in both bills consisting of several sections.

Sec. 29.60.660 and 29.60.700: The spanned reference to the program is changed in the draft to accommodate the addition of a new program section.

Sec. 29.60.710: Identical in each bill.

Sec. 29.60.720: A reference is added in subsection (a) to a new subsection (d) that appears in the draft. Subsection (d) permits the governing body by ordinance to use a portion of the road maintenance entitlement, not to exceed 55 percent, for education.

Sec. 29.60.730: The \$17 amounts in subsections (a) and (b) have been increased in the draft to \$20. A reference is added in subsection (a) to a new subsection (c) that appears in the draft. Subsection (c) permits the governing body by ordinance to use a portion of the fire and emergency medical services entitlement, not to exceed 55 percent, for education.

Sec. 29.60.740: The \$17 amount is increased in the draft to \$20.

Sec. 29.60.750: Identical in both draft and House Bill.

Sec. 29.60.760: Aid to unincorporated communities is increased in the draft from \$5,000 to \$10,000.

Senator Tim Kelly

April 3, 2000

Page 2

Sec. 29.60.770: This is new in the draft and does not appear in the House Bill. It establishes an entitlement for the village public safety officer program.

Sec. 29.60.780: This appears as program sec. 29.60.770 in the House Bill.

Sec. 8. This is identical to sec. 9 of the House Bill. Sec. 8 of the House Bill does not appear in the draft because the revisor is directed to make this technical change.

Sec. 9. In the draft, subsection (a) of AS 37.06.030 is corrected. The House Bill contains this change in sec. 10 except that the spanned reference does not include AS 29.60.780.

Sec. 10. In the draft, subsection (b) of AS 37.06.030 is corrected in a separate bill section. The House Bill also includes a correction to subsection (c), but the draft directs the revisor of statutes to make that change.

Sec. 11. The amount used to calculate the municipal dividend is increased in the draft from \$125 to \$150 and is based on the number of permanent fund dividends paid during the preceding calendar year regardless of the years the dividends are for.

Sec. 12. Identical. The technical correction in sec. 13 of the House Bill is deleted from the draft because the revisor of statutes is directed to make the change.

Sec. 13. Identical, except that the House Bill repealer is found in sec. 14.

Sec. 14. The section reference is different in the draft because of additional material added to the program. In the House Bill this transition appears as sec. 15.

Sec. 15. A revisor's instruction has been added in the draft directing her to correct cross-references in three other statutes.

Lastly, the House bill contains an effective date that is deleted in the draft.

TBC:jdr  
00-136.jdr

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA

(907) 465-3667 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101

State Capitol  
Juneau, Alaska 99801-1182  
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

April 1, 2000

**SUBJECT:** Waiver of notice requirements for committee hearing (Uniform Rule 23(a))

**TO:** Senator Tim Kelly, Chair  
Senate Community and Regional Affairs Committee

**FROM:** Tamara Brandt Cook  
Director *TBC*

You have asked how a committee may hear a bill on Wednesday that is introduced on Monday or Tuesday of that same week. Uniform Rule 23(a) contains two entirely distinct requirements: (1) the preceding Thursday requirement ("Written notice of the time, place and subject matter of all meetings of standing, special, and joint committee during a week shall be provided by the person who chairs the committee to the chief clerk or secretary by 4:00 p.m. on the preceding Thursday."); (2) the five-day notice requirement ("The person who chairs the committee to which a bill or resolution is first referred shall provide to the chief clerk or secretary written notice of the time and place of the first public hearing on the bill or resolution at least five days before the hearing.")

While the House has consistently permitted waiver of the five-day notice requirement and not of the preceding Thursday requirement, the Senate has frequently permitted waiver of both these requirements upon motion by the committee chair. The following is typical sample language that has been used in the Senate as a motion to waive both the five-day notice and preceding Thursday requirements for a hearing on a bill:

I move and ask unanimous consent that the publication and five-day notice requirements under Uniform Rule 23(a) be waived so that the Community and Regional Affairs Committee may hear SB \_\_\_\_\_ at \_\_\_\_\_ a.m. on Wednesday, April 5.

TBC:glc  
00-152.glc



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

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

	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	\$1,960.00	\$1,980.00	\$1,980.00	\$1,900.00	\$1,840.00	\$1,860.00	\$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	\$21,670.00

projections represent only our best estimate of the median case rate of return; actual annual performance will vary with market volatility.  
 Projections 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.  
 Differences due to rounding.

SB 304 - Proposed Public Safety Foundation Program

Municipality	Road Per Capita \$10.00	Road \$2,000 per mile	Ice Road \$500.00 per mile	Fire Dept. pop served \$20	EMS pop served \$20	Police pop served \$20	Health RS FY 00 existing	Total New PS Foundation Formula	FY00 Current Rev Shar.	Increase FY01 New
Akhiok	\$1,090	\$6,200	\$0	\$0	\$0	\$0	\$0	\$ 45,000	\$ 23,385	\$ 21,615
Akiak	\$3,160	\$0	\$0	\$0	\$0	\$6,320	\$1,792	\$ 45,000	\$ 32,840	\$ 12,160
Akutan	\$4,080	\$0	\$0	\$0	\$0	\$0	\$1,727	\$ 45,000	\$ 33,619	\$ 11,381
Alakanuk	\$6,710	\$8,000	\$11,250	\$13,420	\$0	\$13,420	\$1,791	\$ 79,591	\$ 44,495	\$ 35,096
Aleknagik	\$2,590	\$0	\$0	\$5,180	\$0	\$0	\$0	\$ 45,000	\$ 30,645	\$ 14,355
Aleutians E Boro	\$970	\$0	\$0	\$0	\$0	\$0	\$0	\$ 45,000	\$ 32,772	\$ 12,228
Allakaket	\$1,920	\$16,480	\$0	\$0	\$0	\$0	\$3,716	\$ 47,116	\$ 32,966	\$ 14,150
Ambler	\$3,150	\$16,720	\$15,000	\$6,300	\$0	\$6,300	\$1,857	\$ 74,327	\$ 37,349	\$ 36,978
Anaktuvuk Ps.	\$3,080	\$0	\$0	\$0	\$0	\$0	\$0	\$ 45,000	\$ 33,293	\$ 11,707
Anchorage	\$2,587,820	\$1,770,240	\$0	\$4,933,640	\$4,933,640	\$5,152,240	\$396,450	\$ 19,799,030	\$ 11,435,391	\$ 8,363,639
Anderson	\$5,240	\$19,600	\$0	\$10,480	\$10,480	\$0	\$3,716	\$ 74,516	\$ 39,992	\$ 34,524
Angoon	\$5,870	\$9,580	\$0	\$0	\$0	\$11,740	\$0	\$ 52,190	\$ 33,530	\$ 18,660
Aniak	\$5,760	\$35,520	\$22,500	\$11,520	\$11,520	\$0	\$2,452	\$ 114,272	\$ 45,082	\$ 69,190
Anvik	\$1,000	\$15,500	\$0	\$0	\$0	\$0	\$1,875	\$ 45,000	\$ 30,803	\$ 14,197
Atka	\$1,150	\$37,000	\$0	\$2,300	\$0	\$0	\$0	\$ 65,450	\$ 29,884	\$ 35,566
Atkasuk	\$2,590	\$0	\$0	\$0	\$0	\$0	\$0	\$ 45,000	\$ 42,623	\$ 2,377
Barrow	\$43,970	\$0	\$0	\$0	\$87,940	\$0	\$0	\$ 156,910	\$ 123,432	\$ 33,478
Bethel	\$54,630	\$33,500	\$41,150	\$109,260	\$109,260	\$109,260	\$64,487	\$ 546,547	\$ 318,776	\$ 227,771
Bettles	\$250	\$6,100	\$15,000	\$0	\$0	\$0	\$0	\$ 46,350	\$ 30,903	\$ 15,447
Brevig Mis.	\$2,740	\$4,000	\$0	\$5,480	\$0	\$5,480	\$1,858	\$ 45,000	\$ 33,343	\$ 11,657
Bristol Bay Boro	\$12,970	\$52,020	\$0	\$0	\$25,940	\$25,940	\$1,726	\$ 143,596	\$ 61,113	\$ 82,483
Buckland	\$4,080	\$5,000	\$22,250	\$0	\$0	\$8,160	\$1,875	\$ 66,365	\$ 39,272	\$ 27,093
Cheformak	\$4,230	\$0	\$0	\$0	\$0	\$8,460	\$0	\$ 45,000	\$ 34,682	\$ 10,318
Chevak	\$7,410	\$11,400	\$0	\$14,820	\$0	\$14,820	\$1,791	\$ 75,241	\$ 41,394	\$ 33,847
Chignik	\$1,210	\$4,820	\$0	\$2,420	\$0	\$0	\$1,727	\$ 45,000	\$ 28,665	\$ 16,335
Chuathbaluk	\$1,120	\$8,000	\$0	\$0	\$0	\$0	\$1,857	\$ 45,000	\$ 30,699	\$ 14,301
Clark's Point	\$630	\$0	\$0	\$0	\$0	\$0	\$0	\$ 45,000	\$ 26,783	\$ 18,217
Coffman Cove	\$2,550	\$145,480	\$0	\$5,100	\$5,100	\$0	\$0	\$ 183,230	\$ 35,756	\$ 147,474
Cold Bay	\$1,030	\$58,400	\$0	\$0	\$2,060	\$0	\$2,589	\$ 89,079	\$ 33,806	\$ 55,273
Cordova	\$25,710	\$25,800	\$0	\$51,420	\$51,420	\$51,420	\$54,498	\$ 285,268	\$ 203,319	\$ 81,949
Craig	\$21,450	\$36,320	\$0	\$48,060	\$48,060	\$42,900	\$2,669	\$ 224,459	\$ 78,224	\$ 146,235
Deering	\$1,560	\$9,300	\$28,000	\$0	\$0	\$0	\$1,856	\$ 65,716	\$ 31,187	\$ 34,529
Delta Junct	\$8,840	\$58,820	\$0	\$17,680	\$17,680	\$0	\$0	\$ 128,020	\$ 59,617	\$ 68,403
Denali Boro	\$13,400	\$0	\$0	\$26,800	\$26,800	\$0	\$0	\$ 92,000	\$ 60,542	\$ 31,458
Dillingham	\$23,320	\$43,500	\$0	\$46,640	\$46,640	\$46,640	\$9,063	\$ 240,803	\$ 113,556	\$ 127,247
Diomedes	\$1,760	\$0	\$0	\$0	\$0	\$3,520	\$0	\$ 45,000	\$ 30,855	\$ 14,145
Eagle	\$1,680	\$10,200	\$0	\$5,240	\$5,240	\$0	\$0	\$ 47,360	\$ 27,037	\$ 20,323
Eek	\$3,090	\$3,660	\$0	\$0	\$0	\$6,180	\$1,792	\$ 45,000	\$ 33,014	\$ 11,986

## Why A Vote on the Municipal Dividend is not good for Alaskans

- ◆ The Municipal Dividend **does not change the amount of the Permanent Fund Dividend one penny** for at least the first three years (according to the PF Corporation), and is insignificant in the long term. The new tax relief Municipal Dividend **provides an additional dividend averaging \$150 of tax relief every year.**
- ◆ The long-term tax relief in the Municipal Dividend is a **strong defense against the Tax Cap. Next year is too late.** If the Tax Cap passes, the State's and Local Government **fiscal gap will increase by \$150 million** and the State will have to find another way to fund schools.
- ◆ **Alaskans may die** during the one-year delay that could be saved by the additional Village Public Safety Officers and better Emergency Medical Services equipment and training funded by increases in the Municipal Dividend.
- ◆ If the public decides it doesn't want to receive an additional dividend, the State has **three full years to repeal the new tax relief dividend before the PFD changes even one penny.**
- ◆ The Municipal Dividend reduces the State General Fund \$55 million that will **allow funding for critical education and other priorities this year.**
- ◆ The public did not demand a vote on the creation of the original PFD, and the Legislature has historically adopted bills to increase the PF, without a vote of the people. **The Municipal Dividend is a new dividend that increases overall direct financial benefit to Alaskans.**

7C-18

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52

CLERK'S OFFICE

APPROVED

Date: 4-18-00

Submitted by: Assemblymembers Abney,  
Clementson, Fairclough, Kendall, Meyer,  
Sullivan, Taylor, Tesche, Tremaine,  
Von Gemmingen, and Wuerch  
Prepared by: Assembly Office  
For reading:

ANCHORAGE, ALASKA

AR NO. 2000-108

**A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY SUPPORTING  
SENATE BILL NO. 304, "RELATING TO STATE AID FOR MUNICIPALITIES IN THE  
FORM OF MUNICIPAL DIVIDENDS FOR PLACEMENT IN A PUBLIC SAFETY  
FOUNDATION ACCOUNT"**

WHEREAS, at the request of the Alaska Municipal League, the Senate Community and Regional Affairs Committee introduced SB 304 which would provide for a new dividend payment that would go to communities to help pay for police, fire, emergency medical services, roads, local contribution to schools, and municipal capital matching grants; and

WHEREAS, this dividend payment would be placed into a Public Safety Foundation account and distributed to local communities to help lower property taxes and assist both urban and rural areas in paying for critical education and public safety services; and

WHEREAS, passage of this bill will place municipal dividends within communities to assist in stabilizing, or reducing local taxes, and would be paid out of the excess earnings of the Permanent fund after full inflation proofing; and

WHEREAS, the implementation of a Municipal Dividend Program would replace the existing State revenue sharing programs.

NOW, THEREFORE, the Anchorage Assembly resolves:

**Section 1:** That this body supports and encourages passage of Senate Bill No. 304 which would provide State aid for municipalities in the form of Municipal Dividends for placement in a public safety foundation account.

**Section 2:** That immediately upon passage and approval, copies of this resolution be forwarded to the Governor and the Alaska State Legislature.

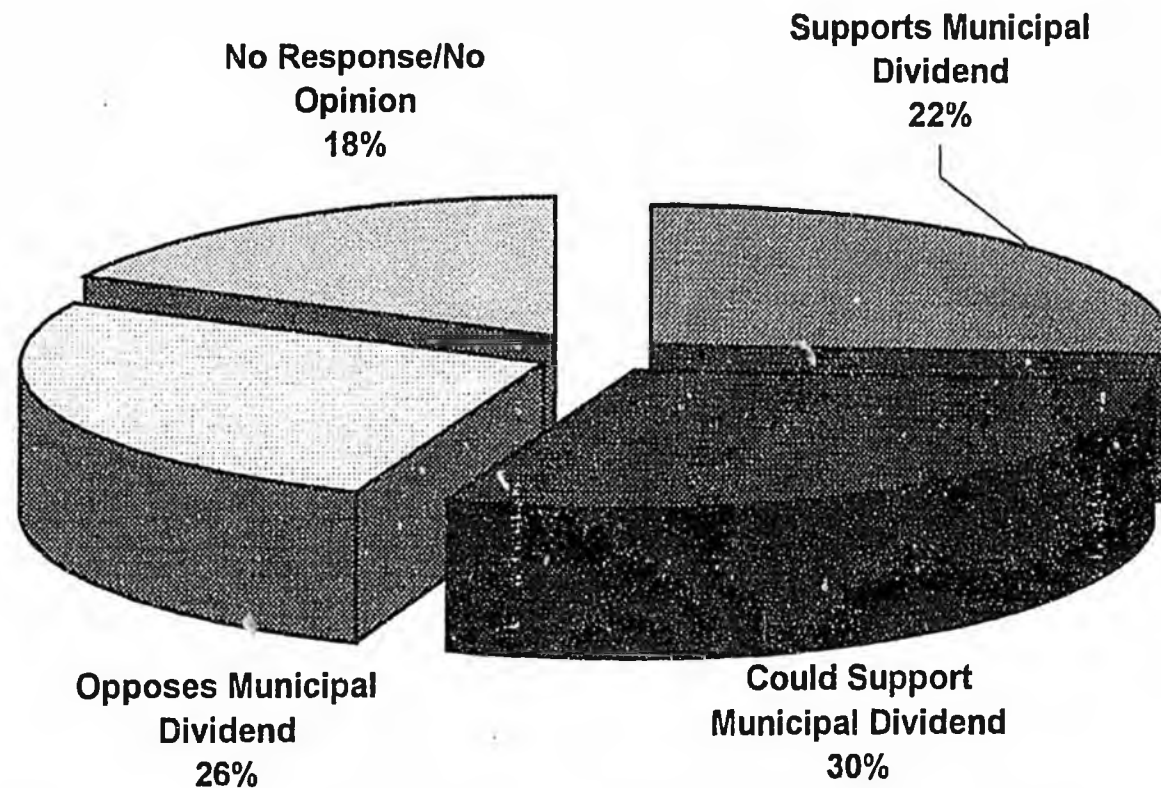
PASSED AND APPROVED by the Anchorage Municipal Assembly this \_\_\_\_ day  
of \_\_\_\_\_, 2000.

\_\_\_\_\_  
Chair

ATTEST:

\_\_\_\_\_  
Municipal Clerk  
EG./2000RESOLUTIONS/AR19

## April 2000 Survey / Municipal Dividend



Representative James' Survey of her Legislative district (North Pole, Salcha, Healy, ect.)

**Results: 2 out of 3 respondents with an opinion "Support" or "Could Support" the Municipal Dividend**

The Municipal Dividend Question  
that appeared in the April, 2000 edition of "Jeanette's Gazette"

April, 2000

### Is 'Municipal Dividend' a Plan worth Considering?

I am very interested in a proposal made by Rep. Moses, and I'd like your opinion on it. Rep. Moses calls his proposal a "municipal dividend." Instead of using some of the surplus earnings of Permanent Fund for general fund spending, a portion of these funds would go to local governments — boroughs, cities, villages — based on a dollar amount for each dividend mailed out.

The money does not come out of the dividend - but from the surplus earnings left over after all dividends are paid. What I like about the plan is that it would provide funds for local needs as determined by local voters.

The result would be lower state spending (this dividend would replace municipal assistance and revenue sharing) while giving local government some surplus earnings to use as local voters see fit — paving roads, aiding schools or lowering property taxes, for example. Currently

Please turn to Page 6

Continued from Page 2

there is \$2.82 billion in surplus earnings — after dividends and inflation-proofing. At \$125 for each dividend, there would be approximately \$71 million available for local governments under this plan. This will not affect the current calculation of the dividend. Under this plan Anderson would get 55 percent more than what it got in revenue sharing last year (\$62,102). The Denali Borough would get a 30 percent increase (\$78,600). And North Pole would receive an 87 percent increase (\$136,595) while the Fairbanks North Star Borough would receive \$2.581 million, a 19-percent increase.

*Please use the space on the enclosed survey form to share your thoughts on this plan with me.*

INTERNET ADDRESS:  
acoa@admin.state.ak.us

P.O. BOX 110209  
JUNEAU, AK 99811-0209



(907) 465-3250 ph.  
(907) 465-4716 fax

---

## Alaska Commission on Aging

---

Resolution No. 00-05

*In support of HB137/SB 304 – Municipal Dividend Program*

Whereas HB 137/SB 304 establishes a Municipal Dividend Program that stabilizes and revitalizes state assistance to local governments for essential services such as police, fire protection, emergency medical services, road maintenance and education, and government operations; and

Whereas these essential services are necessary for Alaskans of *all* ages to live safe, healthy, and productive lives, and without these services Alaskans across the generations who are affected by disabilities and who now live independently in their communities are particularly vulnerable to the impacts of losing these essential services, and

Whereas SB 304/HB 137 assists *all* Alaskans by providing a second dividend to their community of residence for life, safety and other essential services based on the number of community residents enrolled in the Permanent Fund dividend,

Now therefore the Alaska Commission on Aging strongly endorses HB 137/SB 304 as an appropriate first step toward constructing a reasoned long term State financial plan that has, as its foundation, a direct commitment to the safety, health and well-being of all Alaskans.

Signed this 18th day of April 2000.

---

Marjorie Hays, Chair