

SB

109



ALASKA STATE LEGISLATURE

SENATOR JOHN TORGERSON

- ◆ CHAIR, SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
- ◆ CHAIR, SENATE RESOURCES COMMITTEE

Session:

State Capitol, Room 427, Juneau, AK 99801
Telephone 907/465-2828 Fax 907/465-4779

District:

45457 Kenai Spur Hwy.; Suite 101B, Soldotna, AK 99669
Telephone 907/260-3042 Fax 907/260-3044

SB 109 – Unincorporated Community Matching Grants **Sponsor Statement**

SB 109 revises the Unincorporated Community Capital Project Matching Grant Program by expanding the program to include unincorporated communities within boroughs and unified municipalities.

The communities that would be eligible are those with a population of 25 or more. They must also have received approval by the assembly for the respective borough or unified municipality for the "entity" that will administer the project for the community. Further, the project must receive the approval of the assembly.

The administering entity will be required to provide a local share that is the same as that required of the borough (under the Municipal Matching Grants Program) in which they are located.

Finally, the legislation changes the time line for which the funds are available from the current five years to four years for project start up.

SB 109 S(CRA) 2/24/01: mj

REPRESENTING THE KENAI PENINSULA

*Anchor Point Bear Creek Clam Gulch Cooper Landing Crown Point Fritz Creek Happy Valley Halibut Cove Homer Hope Kachemak City Kachemak Selo
Kusilof Lowell Point Moose Pass Nunwaluk Nikolaeusk Ninilchik Port Graham Ruzdolna Seward Seldovia Soldotna Stariski Sterling Voznesenka*



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SB 109 - Unincorporated Community Matching Grants **Sectional Analysis**

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

Section 2: Amends AS 37.06.020(c) to read that a maximum of \$25,000 may be allocated to each eligible unincorporated community's account in a fiscal year. Adds clarifying language that if the appropriation is more than what is necessary to fully fund the individual allocations, the excess lapses into the general fund.

Section 3: Amends AS 37.06.020(d) to require the borough assembly's written approval of the administering entity for the unincorporated communities located within its boundaries.

Section 4: Amends AS 37.06.020(e) by inserting language that requires communities in a borough or unified municipality to receive approval of the respective assembly for projects under this program.

Section 5: Amends AS 37.06.020(h) to require start-up of the projects within four years, replacing the current five year time frame.

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

Section 7: Effective date of the bill.



Lake and Peninsula Borough

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King Salmon, Alaska 99613

Telephone: (907) 246-3421
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POSITION PAPER

SENATE BILL 109

The Lake and Peninsula Borough strongly supports Senate Bill 109 which addresses inequities contained in the State Capital Matching Grant Program. This program, as presently structured and administered, discriminates against unorganized communities that are located in organized boroughs. This was not the intent of either the Hickel Administration or the Legislature when this program was originally adopted. However, the unfortunate result is that many unorganized communities are prevented from participating in this program in a meaningful way. This situation constitutes a powerful disincentive for new borough formation.

Unorganized communities located in the unorganized borough are presently guaranteed \$25,000 per year in capital matching funds under this program similar to that provided for municipalities. Unorganized communities located within organized boroughs are offered no such guarantee. In this case, the Borough receives a single grant for all of the unorganized communities within its boundaries. The grant amount is based upon the total population of all unincorporated communities combined. The borough itself receives the \$25,000 guarantee. The communities may or may not receive any of this money directly and if they do, it is likely to be significantly less than \$25,000. Many communities around the state are affected by this problem.

The Lake and Peninsula Borough is a good example of how significant this problem is. The Borough contains eleven unincorporated communities. Over the life of this program, the Borough has received annual grants ranging from between \$28,000 to \$44,000. This money must then be divided among eleven communities. This amounts to \$4,000 or less for each community. It is very difficult to do much with that amount of money and in effect, these communities do not have equal access to this very important state program.

If our communities received \$25,000 per year like unorganized communities in the unorganized borough, they would collectively receive \$275,000 per year instead of \$28,000. In short, this means that this oversight has cost borough communities approximately \$2,000,000 over the life of the program. This is money that could have been used for much needed capital and infrastructure improvements. It also means that our communities have a lesser amount of capital project funds at their disposal that could be used as a local cash match to leverage C.I.P. funds from other sources.

The Lake and Peninsula Borough urges you to support SB 109.

SB 109 Community Information

Senate District			New Community	Borough
	<u>Current Community</u>			
Senate District A	Hyder			
	Subtotal	1		
Senate District C	Edna Bay		Lutak	Haines
	Elfin Cove		Mosquito Lake	Haines
	Gustavus		Chiniak	Kodiak
	Hollis		Karluk	Kodiak
	Klukwan		Kodiak Station	Kodiak
	Naukali Bay		Womens Bay	Kodiak
	Point Baker		Game Creek	Hoonah
	Port Protection		Whitestone Logging	Hoonah
	Whale Pass		Annette	Metlakatla
	Subtotal	9	Meysers Chuck	Ketchikan
Senate District D			Cube Cove	Angoon
				11
			Anchor Point	Kenai
			Clam Gulch	Kenai
			Cohoe	Kenai
			Cooper Landing	Kenai
			Crown Point	Kenai
			Fox River	Kenai
			Fritz Creek	Kenai
			Halibut Cove	Kenai
			Happy Valley	Kenai
			Hope	Kenai
			Jakolof Bay	Kenai
			Kalifonsky	Kenai
			Kasilof	Kenai
			Moose Pass	Kenai
			Nanwalek	Kenai
			Nikolaevsk	Kenai
			Ninilchik	Kenai
			Port Graham	Kenai
			Primrose	Kenai
			Ridgeway	Kenai
			Sterling	Kenai
	Subtotal			21
Senate District E			Nikiski	Kenai
			Salamatof	Kenai
	Subtotal			2
Senate District M			Eklutna	1
	Subtotal			Anchorage
Senate District N			Alexander Creek	Mat-Su
			Big Lake	Mat-Su

SB 109 Community Information

Senate District			
			Butte
			Chase
			Chickaloon
			Knik
			Lazy Mountain
			Meadow Lakes
			Skwentna
			Sutton
			Talkeetna
			Trapper Creek
			Willow
	<u>Subtotal</u>		10
Senate District O			
			Ester
	<u>Subtotal</u>		0
Senate District Q			
			Cantwell
			Ferry
			Healy
			Lignite
			McKinley Park
			College
			Fox
			Harding Lake
			Moose Creek
			Pleasant Valley
			Salcha
			Two Rivers
	<u>Subtotal</u>		12
Senate District R			
	Arctic Village		Tyonek
	Beaver		Big Delta
	Birch Creek		Northway Junction
	Central		Tonsina
	Chalkytitsik		
	Chenega Bay		
	Chistochina		
	Chitina		
	Circle		
	Copper Center		
	Crooked Creek		
	Dellana		
	Dot Lake Services		
	Dot Lake Village		
	Dry Creek		
	Eagle Village		
	Evansville		
	Four Mile Rd Comm		
	Gakona		
	Glennallen		
	Gulkana		
	Healy Lake		
	Kenny Lake		
	Lake Minchumina		
	Lime Village		
	Manley Hot Springs		
	McCarthy		

SB 109 Community Information

Senate District				
	Mentasta Lake			
	Minto			
	Nelchina/Mendelna			
	Northway			
	Paxson			
	Rampart			
	Red Devil			
	Silvers Springs			
	Slana Community			
	Slana League			
	Sleetmute			
	Stevens Village			
	Stony River			
	Takolna			
	Tanacross			
	Tatitlek			
	Tazlina			
	Tetlin			
	Tok			
	Tolsona			
	Tuluksak			
	Venetie			
	Wiseman			
	Sub-Total	50		4
Senate District S				
	Pitka's Point		Prudhoe Bay	North Slope
	Tununak		Noatak	NWest Artic
	Newtok			
	Sub-Total	3		2
Senate District T				
	Akiachak		Nelson Lagoon	Aleutians E.
	Atmautluak		King Salmon	Bristol Bay
	Kasigluk		Naknek	Bristol Bay
	Kipnuk		South Naknek	Bristol Bay
	Koliganek		Chignik Lagoon	Lake & Pen
	Kongiganak		Chignik Lake	Lake & Pen
	Kwigillingok		Egegik	Lake & Pen
	Nikolski		Igiugig	Lake & Pen
	Oscarville		Iliamna	Lake & Pen
	Tuntutuliak		Ivanof Bay	Lake & Pen
	Twin Hills		Kokhanok	Lake & Pen
			Levelock	Lake & Pen
			Pedro Bay	Lake & Pen
			Perryville	Lake & Pen
			Port Alsworth	Lake & Pen
	Subtotal	11		15
TOTALS	Current	74	New	78
COSTS	FY 02: \$1.850 million		Added: \$1.95 million	

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	Gustavus		Chiniak	Kodiak
	Hollis		Karluk	Kodiak
	Klukwan		Kodiak Station	Kodiak
	Naukai Bay		Womens Bay	Kodiak
	Point Baker		Game Creek	Hoonah
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			Hope	Kenai
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			Kalifonsky	Kenai
			Kasilof	Kenai
			Moose Pass	Kenai
			Nanwalek	Kenai
			Nikolaevsk	Kenai
			Ninilchik	Kenai
			Port Graham	Kenai
			Primrose	Kenai
			Ridgeway	Kenai
			Sterling	Kenai
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			Salamatof	Kenai
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	Subtotal			
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			Sutton
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			Trapper Creek
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Senate District Q			
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	Beaver		Big Delta
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	Tanacross			
	Tatitlek			
	Tazlina			
	Tellin			
	Tok			
	Tolsona			
	Tuluksak			
	Venetie			
	Wiseman			
	Sub-Total	50		4
Senate District S				
	Pitka's Point			
	Tununak			
	Newtok			
	Sub-Total	3		2
Senate District T				
	Akiachak			
	Atmautluak			
	Kasigluk			
	Kipnuk			
	Koliganek			
	Kongiganak			
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	Nikolski			
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