

LEG. FINANCE - BILLS 1979 - 1980 1062

CSHB 192 cont. 1063

1 revenue collected from taxes levied and assessed by the municipality and  
2 any other revenue which, in the opinion of the municipal officials, is  
3 eligible for inclusion in computations of the locally-generated revenue  
4 of the taxing unit.

5 Sec. 29.88.030. LIMITATION ON COMPUTATION AND USE OF PAYMENTS.

6 (a) An equalization entitlement generated by the general tax levy of a  
7 taxing unit may be expended only for legally authorized expenditures of  
8 that taxing unit, but up to 15 percent of the payment of an equaliza-  
9 tion entitlement determined with reference to the areawide locally  
10 generated revenue of a municipality may be expended by the municipality  
11 at the discretion of its assembly or council.

12 (b) An equalization entitlement determined with reference to  
13 revenue other than revenue obtained from the levy and collection of  
14 taxes may be used for areawide or nonareawide purposes, at the discre-  
15 tion of the assembly or council.

16 Sec. 29.88.035. TAX EQUALIZATION ACCOUNT. The tax equalization  
17 account is established. Funds to carry out the provisions of this  
18 chapter shall be allocated by the department to the account. The amount  
19 allocated to the account shall be fully distributed by the department as  
20 payments to municipalities for the purpose of fulfilling each municipal-  
21 ity's share authorized under AS 29.88.010, and the amount allocated to  
22 the account shall be distributed by the department pro rata among eli-  
23 gible municipalities.

24 Sec. 29.88.040. ADMINISTRATION. (a) The department may adopt  
25 regulations necessary to implement the provisions of this chapter. The  
26 regulations shall include, among other provisions, (1) procedures and  
27 filing dates for submitting financial reports; (2) procedures for ob-  
28 taining information required to compute and determine the municipality's  
29 millage rate equivalent; and (3) procedures by which the department

1 shall notify a municipality in writing of the reasons for a proposed  
2 disallowance or adjustment of any factor bearing upon the determination  
3 of the municipality's entitlement and by which the municipality will be  
4 provided reasonable time in which to respond or to challenge the depart-  
5 ment's determination.

6 (b) The department shall make reasonable efforts to advise and  
7 assist municipalities in collecting information and completing reports  
8 necessary for the determination of entitlements under this chapter.

9 (c) The department shall, by regulation, classify for inclusion or  
10 exclusion as a component of a municipality's millage rate equivalent  
11 under AS 29.88.010, any tax revenue appropriated for a utility not  
12 included in the definition set out in AS 29.88.045(4).

13 Sec. 29.88.045. DEFINITIONS. In this chapter

14 (1) "department" means the Department of Community and Re-  
15 gional Affairs;

16 (2) "municipality" means a city, borough or unified munici-  
17 pality incorporated under the laws of the state;

18 (3) "taxing unit" means a municipality and

19 (A) in a borough or unified municipality, a service area  
20 or the entire area outside cities;

21 (B) in a city, a differential tax zone;

22 (4) "utilities" means electricity, water, sewer, gas, heat,  
23 or telephone services, and refuse and garbage collection services.

24 \* Sec. 3. AS 29 is amended by adding a new chapter to read:

25 CHAPTER 89. STATE AID FOR MISCELLANEOUS

26 MUNICIPAL PURPOSES.

27 Sec. 29.89.005. REVENUE SHARING PAYABLE. In addition to the en-  
28 titlements under AS 29.88, during each fiscal year the state shall pay  
29 aid to a municipality or other eligible recipient which has the power to

1 provide the services described in this chapter and exercises the power  
2 in the manner required by this chapter.

3 Sec. 29.89.010. STATE AID TO MUNICIPALITIES FOR ROADS. (a) The  
4 state shall pay to a municipality which has power to provide for road  
5 maintenance and exercises that power, a sum equal to \$2,500 a mile for  
6 each mile of road, street or highway maintained by the local government,  
7 excluding (1) the official state highway system, (2) roads, streets or  
8 highways not dedicated to public use, (3) roads, streets or highways  
9 maintained under the local service road program (AS 19.30.111 - 19.30.-  
10 251), and (4) alleyways, in accordance with regulations adopted by the  
11 Department of Transportation and Public Facilities. No payments may be  
12 made for maintenance of roads not used by automotive equipment.

13 (b) Frozen waterways and connections from inhabited areas to  
14 waterways which may be safely used for public transportation by auto-  
15 motive equipment and are so used during a portion of a year are eligible  
16 for payments of \$1,500 per mile if the waterways and connections are  
17 maintained during the period of use by a municipality or combination of  
18 municipalities. The Department of Community and Regional Affairs, after  
19 consultation with the Department of Transportation and Public Facili-  
20 ties, shall determine which waterways and connections qualify and, where  
21 the waterways or connections lie outside the corporate limits of a  
22 municipality, which municipalities shall receive the payments under this  
23 subsection unless the municipalities involved have agreed in writing to  
24 a particular distribution.

25 Sec. 29.89.015. STATE AID TO MUNICIPALITIES AND OTHER ELIGIBLE  
26 RECIPIENTS FOR HEALTH FACILITIES AND HOSPITALS. (a) The state shall  
27 pay

28 (1) to a municipality which has the power to provide hospital  
29 facilities and services and which exercises that power, \$1,000 per bed

1 for each bed actually used for patient care, limited to the number of  
2 beds provided for in the construction design of the hospital, or \$75,000  
3 a hospital for those hospitals with 10 or more beds, or \$25,000 a hos-  
4 pital for those hospitals with less than 10 beds, as the municipality  
5 may elect; money received under this paragraph may be used only for  
6 hospitals and shall be apportioned among qualifying hospitals as the  
7 municipality may determine;

8 (2) on the basis set out in (1) of this subsection to a muni-  
9 cipality for a nonprofit hospital not operated by a municipality if the  
10 municipality first certifies to the department that the nonprofit hos-  
11 pital is in compliance with all standards for hospitals which have been  
12 adopted by the municipality; money may not be paid on behalf of a non-  
13 profit hospital in the absence of this certification; payments to the  
14 municipality shall be transferred to the nonprofit hospital in accord-  
15 ance with the basis by which the entitlement was generated by the hospi-  
16 tal and shall be applied to the annual cost of operation and maintenance  
17 of the hospital or for the provision of health care service at the  
18 hospital as the directors of the hospital determine;

19 (3) to a municipality in which a health facility is operated,  
20 \$1,000 per bed for each bed actually used for patient care, limited to  
21 the number of beds provided for in the construction design of the health  
22 facility, or \$4,000 per health facility as the municipality may deter-  
23 mine.

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

26 (c) Money received by a municipality under (a)(3) of this section  
27 shall be used for expenses of health services or operation and mainte-  
28 nance of health facilities as the municipality may determine.

29 (d) Before money may be distributed under this section, the com-

1           missioner of health and social services shall certify to the distri-  
2           bute agency that any accumulation of assets by nonprofit corporations  
3           or other recipients under this section are dedicated irrevocably to a  
4           public purpose.

5           Sec. 29.89.020. STATE AID FOR HOSPITAL CONSTRUCTION. (a) If con-  
6           struction of a facility began after January 1, 1968, and state matching  
7           aid for construction approved for payment to the municipality or other  
8           facility sponsor constitutes less than 25 percent of the total project  
9           cost, the state shall pay to the municipality or other facility sponsor  
10          each fiscal year a sum equal to \$2,500 a bed for the maximum number of  
11          beds provided for in the construction design of the facility or five  
12          percent of the total project cost, whichever is greater. State aid pro-  
13          vided for in this section shall continue until the municipality or other  
14          facility sponsor has received an amount which, combined with state  
15          matching money for construction of the facility, equals 25 percent of  
16          the total project cost. Money received for construction may not be used  
17          for any other purpose.

18          (b) In this section, "total project cost" includes, in addition to  
19          costs directly related to the project, the total of all costs of  
20          financing and carrying out the project. These include, but are not  
21          limited to, the costs of all necessary studies, surveys, plans and  
22          specifications, architectural, engineering or other special services,  
23          acquisition of real property, site preparation and development, pur-  
24          chase, construction, reconstruction and improvement of real property,  
25          and the acquisition of machinery and equipment as may be necessary in  
26          connection with the project; an allocable portion of the administrative  
27          and operating expenses of the municipality or other facility sponsor;  
28          the cost of financing the project, including interest on bonds issued to  
29          finance the project; and the cost of other items, including any indem-

1 nity and surety bonds and premiums on insurance, legal fees, fees and  
2 expenses of trustees, depositaries, financial advisors, and paying  
3 agents for the bonds issued as the issuer considers necessary.

4 Sec. 29.89.025. STATE AID TO VOLUNTEER FIRE DEPARTMENTS.

5 (a) The state shall pay to a volunteer fire department registered with  
6 the state fire marshal a sum for protection purposes equal to \$7.50 per  
7 capita for the population served by the department, as determined by the  
8 state fire marshal.

9 (b) A grant shall be made as set out in (a) of this section to  
10 facilitate the organization of a volunteer fire department upon  
11 application of the proposed fire protection group to the state fire  
12 marshal and approval of applications according to standards of organiza-  
13 tion and service prescribed by regulations adopted by the state fire  
14 marshal.

15 (c) In this section, "fire protection" includes, but is not limi-  
16 ted to, fire protection provided by a volunteer fire department regis-  
17 tered with the state fire marshal which has official recognition and  
18 financial support from the community or area in which it is located.

19 Sec. 29.89.030. POPULATION DETERMINATION. For purposes of this  
20 chapter, population shall be determined by the latest figures of the  
21 United States Bureau of the Census or other reliable population data,  
22 including but not limited to public school enrollment figures, public  
23 utility connection, registered voters or certified employment payrolls.

24 Sec. 29.89.035. AREA COST-OF-LIVING DIFFERENTIAL. (a) State pay-  
25 ments to a municipality or other eligible recipient under AS 29.89.010  
26 and AS 29.89.015 shall reflect area cost-of-living differentials.  
27 Amounts distributed shall be based upon the sum of per capita, per mile  
28 and per bed or facility grants due each municipality or other recipient  
29 multiplied by the appropriate area cost-of-living differential. The

1 area cost-of-living differential for each recipient shall be determined  
2 annually by election district under the provisions of AS 39.27.030;  
3 however, the area cost-of-living differential to be applied may not  
4 result in an amount to be distributed less than the base allocation.

5 (b) The election districts used in (a) of this section are those  
6 designated by the proclamation of reapportionment and redistricting of  
7 December 7, 1961, and retained for the house of representatives by  
8 proclamation of the governor September 3, 1965.

9 Sec. 29.89.040. MISCELLANEOUS SERVICES ACCOUNT. The miscellaneous  
10 services account is established. Money to carry out the provisions of  
11 this chapter shall be allocated by the department to the account in  
12 accordance with AS 29.90.010. If amounts in the account are insuffi-  
13 cient for the purpose of each municipality's or other recipient's share  
14 authorized under this chapter, the amounts which are available shall be  
15 distributed pro rata among eligible municipalities and other recipients.

16 Sec. 29.89.045. REGULATIONS. The Department of Community and  
17 Regional Affairs shall adopt regulations necessary to carry out the  
18 purposes of this chapter. The regulations shall include minimum stan-  
19 dards required to qualify a municipality for grants for each service and  
20 provisions for a performance report adequate to demonstrate to the  
21 department that each service for which credit was allowed was actually  
22 performed by the municipality, at least at the prescribed minimum level.

23 Sec. 29.89.050. DEFINITIONS. In this chapter

24 (1) "health facility"

25 (A) means a facility which is licensed, when required,  
26 by the state under AS 18.20.010 - 18.20.130 and which is owned or  
27 operated or both by a municipality or by a nonprofit corporation or  
28 other nonprofit sponsor;

29 (B) includes a public health center, maternity home,

1 community mental health center, facility for the mentally or physi-  
2 cally handicapped, nursing home or convalescent center;

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

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

9 \* Sec. 4. AS 29 is amended by adding a new chapter to read:

10 CHAPTER 90. ADMINISTRATION OF MUNICIPAL

11 FINANCIAL ASSISTANCE PROGRAMS.

12 Sec. 29.90.010. ALLOCATION AND DISTRIBUTION. (a) The Department  
13 of Community and Regional Affairs shall allocate money appropriated to  
14 the accounts established in AS 29.88 and AS 29.89 in amounts determined  
15 by the legislature. Money in the miscellaneous services account estab-  
16 lished in AS 29.89.040 which exceeds the amount required to fully dis-  
17 tribute entitlements authorized by AS 29.89 shall be reallocated to the  
18 tax equalization account established in AS 29.88.035 and distributed ac-  
19 cording to the provisions of AS 29.88.

20 (b) Payments under AS 29.90.020 and AS 29.88 shall equal the  
21 amount allocated to the equalization account (AS 29.88.035), adjusted in  
22 accordance with this section. Payments under AS 29.90.020 and AS 29.88  
23 shall be adjusted by proration in accordance with this subsection.  
24 Adjustments shall be determined by prorating amounts payable under  
25 AS 29.90.020 and amounts payable under AS 29.88 by a factor which, when  
26 applied, reduces all payments in equal proportion so that payments under  
27 AS 29.90.020 and payments under AS 29.88 total the amount allocated to  
28 the account established in AS 29.88.035, adjusted in accordance with  
29 this section.

1           Sec. 29.90.020. QUALIFICATION FOR MINIMUM ENTITLEMENT. (a) A  
2 municipality qualifying for an entitlement under AS 29.88 or AS 29.89  
3 shall receive a minimum payment of \$25,000 plus an area cost-of-living  
4 differential for each fiscal year if:

5           (1) the municipality has conducted a regular election under  
6 AS 29.28.010 - 29.28.050 during the fiscal year preceding the year for  
7 which payment of an entitlement is authorized and has reported the re-  
8 sults of the election to the commissioner of the Department of Community  
9 and Regional Affairs;

10           (2) regular council meetings are held in the municipality in  
11 accordance with the requirements of AS 29.23.210 during the fiscal year  
12 preceding the year for which payment of an entitlement is authorized and  
13 a record of the proceedings is maintained;

14           (3) a municipal budget has been adopted for the fiscal year  
15 during which payment of an entitlement is authorized and an audit or  
16 financial statement, as applicable, for the preceding fiscal year has  
17 been prepared and furnished to the Department of Community and Regional  
18 Affairs in accordance with AS 29.23.560(a); and

19           (4) local ordinances adopted by the governing body of the  
20 municipality have been codified in accordance with AS 29.48.180.

21           (b) The area cost-of-living differential of each municipality  
22 payable under this section shall be determined annually by election  
23 district under the provisions of AS 39.27.030. However, except as  
24 provided in AS 29.90.010(b), application of the area cost-of-living  
25 differential may not result in an amount which is less than the minimum  
26 entitlement determined under (a) of this section. For purposes of this  
27 subsection, the election districts used are those designated by the  
28 proclamation of reapportionment and redistricting of December 7, 1961,  
29 and retained for the house of representatives by proclamation of the

1 governor September 3, 1965.

2 (c) The Department of Community and Regional Affairs shall pay to  
3 each municipality eligible to receive payment of a minimum entitlement  
4 under this section an amount equal to the difference between the minimum  
5 entitlement determined under (a) and (b) of this section and the sum of  
6 the amounts determined as payable for the same fiscal year under AS 29.-  
7 88 and AS 29.89, except that a payment may be prorated and reduced  
8 under AS 29.90.010(b).

9 (d) If payments are required under this section, the payments  
10 shall be made from the money allocated to the equalization account  
11 established in AS 29.88.035.

12 \* Sec. 5. AS 29.23.560(a)(3) is amended to read:

13 (3) tax assessment and tax levy figures as requested;

14 \* Sec. 6. AS 29.23.560(a) is amended by adding new paragraphs to read:

15 (5) a copy of the current annual budget of the municipality;

16 (6) a summary of the optional property tax exemptions autho-  
17 rized in the municipality, together with the municipality's estimate of  
18 the revenues lost to it by operation of each of the exemptions.

19 \* Sec. 7. AS 29.23.560(b) is amended to read:

20 (b) Compliance with the provisions of this section is a prerequi-  
21 site to receipt of municipal tax resource equalization assistance under  
22 AS 29.88 and state aid for miscellaneous municipal services under AS 29.-  
23 89 [STATE-SHARED REVENUES UNDER AS 43.18]. The Department of Community  
24 and Regional Affairs [STATE] shall withhold annual allocations under  
25 those chapters [THAT CHAPTER] in the event of noncompliance until such  
26 time as the report requirements are met [COMPLIED WITH].

27 \* Sec. 8. AS 29.73 is amended by adding a new section to read:

28 Sec. 29.73.060. TAXPAYER NOTICE. (a) If a municipality levies  
29 and collects real or personal property taxes, the governing body shall

1 provide the following notice:

2 "NOTICE TO TAXPAYER

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

7 PUBLIC SCHOOL FOUNDATION PROGRAM ASSISTANCE	
8 (AS 14.17)	\$
9 STATE AID FOR RETIREMENT OF SCHOOL CONSTRUC-	
10 TION DEBT (AS 43.18.100)	\$
11 MUNICIPAL TAX RESOURCE EQUALIZATION ASSIS-	
12 TANCE (AS 29.88)	\$
13 STATE AID FOR MISCELLANEOUS MUNICIPAL	
14 SERVICES (AS 29.89)	\$
15 TOTAL AID	\$

16 The millage equivalent of this state aid, based on the dollar  
17 value of a mill in the municipality during the current assess-  
18 ment year and for the preceding assessment year, is:

	19 MILLAGE EQUIVALENT	
	20 PREVIOUS YEAR	THIS YEAR
21 PUBLIC SCHOOL FOUNDATION PROGRAM		
22 ASSISTANCE	.... MILLS	.... MILLS
23 STATE AID FOR RETIREMENT OF		
24 SCHOOL CONSTRUCTION DEBT	.... MILLS	.... MILLS
25 MUNICIPAL TAX RESOURCE EQUALI-		
26 ZATION ASSISTANCE	.... MILLS	.... MILLS
27 STATE AID FOR MISCELLANEOUS		
28 MUNICIPAL SERVICES	.... MILLS	.... MILLS
29 TOTAL MILLAGE EQUIVALENT	.... MILLS	.... MILLS"

1 Notice shall be provided

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

4 (2) by publishing in a newspaper of general circulation  
5 within the municipality a copy of the notice once each week for a period  
6 of three successive weeks, with publication to occur not later than 45  
7 days after the final adoption of the municipality's budget.

8 (b) If the municipality levies and collects only a sales tax, the  
9 governing body shall provide a notice substantially in the form set out  
10 in (a) of this section. In providing notice under this subsection, the  
11 council or assembly shall substitute for the millage equivalency its  
12 estimate of the equivalent sales tax rate for each of the categories of  
13 financial assistance set out in (a) of this section. Notice shall be  
14 provided

15 (1) by publishing in a newspaper of general circulation  
16 within the municipality a copy of the notice once each week for a period  
17 of three successive weeks, with publication to occur not later than 45  
18 days after the final adoption of the municipality's budget; or

19 (2) if there is no newspaper of general circulation in the  
20 municipality, by posting a copy of the notice for at least 20 days in at  
21 least two public places within the municipality, with posting to occur  
22 not later than 45 days after the final adoption of the municipality's  
23 budget.

24 (c) Compliance with the provisions of this section is a prerequi-  
25 site to receipt of municipal tax resource equalization assistance under  
26 AS 29.88 and state aid for miscellaneous municipal services under AS 29.-  
27 89. The Department of Community and Regional Affairs shall withhold  
28 annual allocations under those chapters until municipal officials demon-  
29 strate that the requirements of this section have been met.

1 \* Sec. 9. AS 29.13.100 is amended by adding new paragraphs to read:

2 (40) AS 29.73.060 (taxpayer notice)

3 (41) AS 29.88 (municipal tax resource equalization assistance)

4 (42) AS 29.89 (state aid for miscellaneous municipal services)

5 \* Sec. 10. AS 43.18.010 - 43.18.045 are repealed.

6 \* Sec. 11. (a) Notwithstanding other provisions of this Act,

7 (1) a municipality may not receive less than \$25,000 plus an area  
8 cost-of-living differential during the first fiscal year in which this Act is  
9 effective; and

10 (2) a municipality which would receive less money under the provi-  
11 sions of this Act than it received for the last fiscal year under the provi-  
12 sions of AS 43.18 repealed by this Act shall, for the first five fiscal years  
13 during which this Act is effective, be entitled to receive an amount equal to  
14 that received for the last fiscal year under the former provisions of AS 43.-  
15 18, in accordance with those provisions.

16 (b) For the first three fiscal years during which this Act is effec-  
17 tive, if the amount appropriated to pay entitlements under this Act is in-  
18 sufficient for the purpose of paying the full entitlement due each munici-  
19 pality or other recipient, entitlements determined under AS 29.88, AS 29.89  
20 and AS 29.90, together with the additional sums required by (a) of this  
21 section, shall be equally prorated and the prorated amounts distributed to  
22 municipalities and other recipients.

23 \* Sec. 12. This Act takes effect on the first day of the fiscal year for  
24 which not less than \$31,000,000 is appropriated and allowed by the governor  
25 for distribution to municipalities and other recipients under the provisions  
26 of this Act, or on July 1, 1983, whichever is earlier.

27

28

29

SENATE AMENDMENT #1

BY Senator Rodey, Senator Kelly, Senator Meland,  
Senator Sturgulewski, Senator Dankworth,  
~~Senator Stimson, Senator Sumner, Senator Bradley~~  
Senator Hackney, Senator Bennett & Senator Fahrenkamp

To: \_\_\_\_\_ SENATE BILL No. \_\_\_\_\_

To: \_\_\_\_\_ SCS CS \_\_\_\_\_ HOUSE BILL No. 192 (Finance)

PAGE: 19                      LINE: 5

Page 19 - Delete lines 5 through 11 and insert in their places a new section to read:

Section 13 to read:

AS 29.95.030 is amended by adding a new section to read:

Sec. 29.95.030. ENTITLEMENT ADJUSTMENT. (a) A municipality may not receive a total amount of money under AS 29.88, AS 29.89, and AS 29.95.020 which is less in proportion to the total amount appropriated and allocated under those sections than 90 percent of the percentage of the population of the municipality to the total population of the state for the fiscal year, as the population of the municipality and the population of all municipalities of the state is determined under AS 29.88.015.

(b) When the total amount that would be received by a municipality under AS 29.88, AS 29.89 and AS 29.95.020 is less than the amount determined under (a) of this section, the department shall pay to the municipality, in addition to payments under AS 29.88, AS 29.89, and AS 29.95.020, the amount of the difference.

(c) For purposes of determining whether an entitlement adjustment is payable to a borough under this section, if a borough includes one or more cities which are entitled to receive entitlements payable under AS 29.88, AS 29.89 or AS 29.95.020, in addition to the entitlement of the borough, entitlements payable to the cities shall be considered as if they were payable to the borough.

(d) The minimum entitlement adjustment account is established. Money to carry out the provisions of this section shall be allocated by the department to the account in accordance with AS 29.95.010. If amounts in the account are insufficient to pay each municipality's share authorized under this section, the amounts which are available shall be distributed pro rata among eligible municipalities.

A M E N D M E N T

NO 2

OFFERED IN THE SENATE:

BY: \_\_\_\_\_

To: SENATE CS

SENATE BILL No. CSHB 192

HOUSE BILL No. \_\_\_\_\_

PAGE: \_\_\_\_\_

LINE: \_\_\_\_\_

Page 21, line 12:

delete "\$33,500,000"

insert "\$35,000,000"

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. SCS CSHB 192 (Finance)  
 Title An Act relating to programs of state aid to municipalities  
 Requested by Finance Committee Date 5/27/80

II. FISCAL DETAIL Community & Regional Affairs  
 Agency Affected \_\_\_\_\_  
 Program Category Affected Development  
 BRU, Program, or Subprogram(s) Affected \_\_\_\_\_  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		6935.0				
<b>TOTAL</b>		<b>6935.0</b>				

FUNDING (Thousands of Dollars)

GENERAL FUND		6935.0				
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Sec. 12 of SCS for CSHB 192 (Finance) provides for the bill becoming effective when \$33.5 million is appropriated for a fiscal year.

The Governor's, House's, and Senate's version of the general appropriations act, HB 556, already contains \$26,565,000 for revenue sharing.

Allocations. The total \$36,000,000 is allocated as follows:

Tax Equalization Account, AS 29.88	16,513.8
Miscellaneous Services Account, AS 29.89	10,240.2
Hospital Construction Assistance Account, AS 29.90	6,746.0

IV. DATE 5/27/80 PREPARED BY Milt Barker MB  
 AGENCY Legislative Finance Division  
 Original: Legislative Finance PHONE 465-3795  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

SCS CSHB 192 (Finance)  
MUNICIPAL REVENUE SHARING

Miscellaneous Services Account - AS 29.89

Roads	\$ 4,291,700
Ice Roads	370,000
Hospital Services	1,662,000
Health Facility Services	1,347,000
Unorganized Borough Volunteer Fire Departments	69,500
Native Village Governments	<u>2,500,000</u>
Total	\$10,240,200

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU ALASKA 99811  
907.455.3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 2, 1979

SUBJECT: Sectional Analysis of the Municipal League's  
Revenue Sharing Reform Proposal  
(Work Order No. 6162)

TO: Representative Terry Gardiner

FROM: John B. Chenoweth  
Legislative Counsel

John Williams  
Policy Analyst

In response to your request of the Legislative Council on July 21, 1978, we have participated with a special committee of the Alaska Municipal League in drafting a revenue sharing reform bill, which is now complete. The Board of Directors of the League approved the draft at its meeting in Juneau on January 19, 1979 (copy enclosed).

Following is a sectional analysis of the committee's product.

\*Section 1. PURPOSE.

Three purposes are stated: (1) equity of allocation of state resources with municipalities; (2) basic support to municipalities for public services irrespective of physical location of taxable wealth; and (3) improvement of the administrative capacity of less populous municipalities.

\*Section 2. CHAPTER 88.

This chapter contains the major revision of the revenue sharing program. In the most general terms, it provides for the computation and distribution of an "equalization entitlement" for local government services in accordance with a formula and schedules set out in the sections incorporated in the chapter.

Sec. 29.88.010 specifies the method that is utilized to distribute revenues under the chapter. Three factors are

Representative Terry Gardiner

Page 2

February 2, 1979

applicable: population, revenue generation, and property value base. The formula multiplies the population of the taxing unit<sup>1</sup> by the mill rate equivalent of allowed revenues<sup>2</sup> generated by the municipality. The sum of allowed revenues is divided by one-thousandth of the full and true taxable property value within the taxing jurisdiction. The resultant quotient is referred to as the "local effort" for the municipality: it is equal to the full and true mill rate equivalent of all allowed revenues generated by each municipality.

Sec. 29.88.015 specifies the means whereby population numbers shall be determined. Generally, Bureau of the Census data will be utilized; however, other reliable data in the judgment of the Department of Community and Regional Affairs may be used. The provision for population count is not unlike the provision of the current state aid program. Unlike the current program, however, no separate treatment is given the counting of persons who are residents of military reservations.

Sec. 29.88.020 describes the means whereby mill rate equivalent determinations will be made. Initially, a certified statement submitted by each municipality, on a form provided by the department, will specify the revenues generated in each municipality. This shall be accomplished by all municipalities by

---

1/ A "taxing unit" is defined, for purposes of this program as "a city, borough, unified municipality, or service area or differential tax zone."

2/ Allowed revenues include tax revenues plus other revenues which will diminish the necessity of incremental tax revenues, including inspection fees, permits, fines, penalties, use fees, and income from mass transit, offstreet parking, and recreation programs. Revenues not allowed for inclusion are tax revenues used to subsidize utilities commonly run by private businesses (as defined in sec. 45 of this chapter), interest on investments, income from the sale or lease of land or equipment, and revenues from any other source.

October 15. By December 15, the department is to make a final determination for each municipality, after reviewing all financial audits and statements submitted by the municipalities. Any adjustments made to the figures initially submitted by a municipality shall be reported to the municipality along with the revised figures.

Full and true property values shall be determined in the manner provided in AS 14.17.140 (state aid to education). In municipalities which are not school districts and thus not covered by the provisions of AS 14.17, the state assessor shall, at least once each three years, estimate the property value for all cities with populations of 750 or more. For cities which are not school districts, and which have populations less than 750, estimated property values will be determined by averaging the per capita property values of all cities having populations less than 750 and for which assessments are completed.

Sec. 29.88.025 specifies the necessary documentation that would be supplied to the department by each municipality in support of its application. The fiscal information is to be for the fiscal year which precedes the fiscal for which the entitlement is sought.

Sec. 29.88.030: As with present law, the bill provides for entitlements to be returned to the taxing unit for which the entitlement was earned. There are two exceptions: 15 percent of an area-wide entitlement may be used for non area-wide purposes, and, the local government may decide the taxing jurisdiction that is to receive the entitlement generated by non-tax revenues (fees, permits, etc).

Sec. 29.88.035 establishes the tax equalization account from which entitlements earned under this chapter will be paid. The total appropriation to the account is to be distributed by prorating entitlements.

Sec. 29.88.040 gives the department authority to adopt, amend and repeal regulations necessary to implement the chapter. The regulations would contain provisions for obtaining information, set filing dates, providing notification to municipalities with respect to changes made by the department with regard to any entitlement, and a reasonable time for a municipality to respond to decisions of the department. In response

Representative Terry Gardiner

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February 2, 1979

to some specific complaints by several of the Municipal League representatives who worked on the draft, language has been inserted by which the department is directed to supply application assistance to municipalities. Additionally, the department is empowered to extend the definition of utilities (section 045 of this chapter) to cover additional enterprise activities for which no working classification has been provided by statute.

Sec. 29.88.045 defines terms used in the chapter, including 'taxing unit' and 'utilities'.

\*Section 3. CHAPTER 89.

Chapter 89 is, in substance, a restatement of present law regarding entitlements earned for road maintenance, health facilities and hospitals, construction aid, and volunteer fire departments in the unorganized borough. The following changes have been made from present law: (1) public road maintenance entitlements are based on \$2500/mile (present law is \$1500/mile); (2) ice road maintenance is based on \$1500/mile (present law is \$900/mile); (3) construction aid for hospitals is not multiplied by the cost of living factor, as is the case in present law; and (4) municipalities which exercise a health power will not receive a \$2 per capita distribution.

Generally, this portion of present law which is saved in the Municipal League's draft bill provides for health related entitlements according to the following: (1) for hospitals with 10 or more beds -- the greater of \$1,000 per bed or \$75,000 per facility, (2) for hospitals with fewer than 10 beds -- the greater of \$1,000 per bed or \$25,000 per facility; (3) for health facilities -- \$1,000 per bed or \$4,000 per facility; (4) the entire entitlement received for health purposes must be used for health purposes; (5) for hospitals which were begun after January 1, 1968, the greater of \$2,500 per bed or 5 percent of the construction cost annually until the total payment equals 25 percent of the total construction cost; and (6) for volunteer fire departments in the unorganized borough, \$7.50 per capita. Entitlements earned under this section (except for hospital construction) are multiplied by an area cost of living differential, determined under AS 39.27.030.

Section 29.89.040 establishes a miscellaneous services account, from which payments are made under this chapter.

\*Section 4. CHAPTER 90.

Sec. 29.90.010 precludes an interpretation of the general administrative provisions of the state aid program to create of a debt to the state.

Sec. 29.90.020 directs the department to allocate funds from the two accounts established (AS 29.88.035 and AS 29.89.040) and further provides that any excess funds existing in the miscellaneous services account (Chapter 89) shall then be added to the tax equalization account (Chapter 88).

Subsection (b) describes the means for determining proration of funds allocated under the equalization formula of Chapter 88 and under the minimum entitlement provisions of AS 29.90.030. After the Chapter 88 and Chapter 89 entitlements have been determined, the amount necessary to guarantee the minimum entitlement provided for in Sec. 29.90.030 is calculated and all Chapter 88 municipal entitlements are proportionally reduced so that the sum of payments under Chapter 88 and under AS 29.90.030 equal the amount available in the tax equalization account.

Sec. 29.90.030 provides for payment of minimum entitlements. All municipalities are guaranteed a minimum of \$25,000 (plus the cost of living allowance for their area) if (1) a regular election has been held; (2) regular council meetings have been conducted; (3) the municipality has adopted a budget; (4) local ordinances have been codified; and (5) some degree of municipal administration is provided for through a manager, clerk, or other part-time or full-time officer.

\*Sections 5 - 9.

These sections make correlative changes in AS 29 required by the state aid program changes, and are generally self-explanatory.

\*Section 10.

The section repeals the statutory basis of the present program of state aid to local governments.

Representative Terry Gardiner

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February 2, 1979

\*Section 11: "Hold Harmless"

Section 11 specifies that, for three years after this act becomes effective, no municipality will receive less than its actual entitlement earned in the last year that the present law is applied.

\*Section 12

The section specifies that the act becomes effective when \$27,000,000 is appropriated to the program, or July 1, 1982, whichever is earlier.

JBC:JW:jdn

Enclosure

9.0 rural subsidy  
4.5

Asid a bill to attach  
this amend. to (get f. note) so some  
Citizens take this year. Emmonate could get some  
funds. See me if you have any  
questions. See if Duchene has a bill.

Is this in it?  
Got I hope not.  
Garry

Chenoweth  
will put in  
HD 192  
5/12/89  
[Signature]

20 ~~~~~ 32 - of Value -

Bill Hudson - 12,316 -  
Wm. Mullin  
Paul Arnold - 2200  
March 17, 1980 1940

The Honorable Terry Gardiner  
Speaker of the House  
Alaska State Legislature  
Pouch Y  
Juneau, Alaska 99811

Dear Mr. Speaker:

The Department of Revenue is now receiving fish tax returns for the 1979 calendar year and preparing to share the appropriate amounts with qualifying municipalities. As the law now reads (Ch. 79, SLA 1979, Sec. 14(a)), we would not be able to share 1979 revenues with the second class cities that were added to the list of qualifying municipalities in AS 43.75.130 as amended by Sec. 11 of Ch. 79, SLA 1979, since taxes paid for 1979 tax year are to be shared under the previous formula.

It is our belief that the intent of the Legislature was that second class cities would begin sharing in taxes that were paid in calendar year 1980, not taxes that were paid for calendar year 1980. We are aware that a number of these municipalities have based their FY 1981 budgets on these revenues which they expected to receive in 1980.

If our interpretation of the legislative intent is correct, the law needs to be amended to permit us to proceed with sharing of 1979 revenues to all municipalities included in the revised AS 43.75.130. A suggested amendment might be:

RAW Fish Tax Sharing -

Sec. 14. TRANSITION. (a) The taxes paid for the [1979] 1979 calendar year under AS 43.75 shall be shared with municipalities in accordance with AS 43.75.130 and 43.75.135, as those sections read before their respective amendment and repeal by this Act. The taxes paid for the [1980] 1979 calendar year and for each succeeding calendar year shall be shared with municipalities in accordance with AS 43.75.130, as amended by sec. 11 of this Act.

The Honorable Terry Gardiner  
Speaker of the House

March 17, 1930  
Page 2

We would appreciate your comments on our interpretation of the legislative intent and your suggestions as to where the amendment should be introduced.

Sincerely,

Joseph K. Donohue  
Deputy Commissioner

JKD:jrb



From The  
**SENATE  
FINANCE COMMITTEE**

---

John:

We put this  
language in H.B. 192.  
Rev. Sharing I.

# STATE OF ALASKA

JAY S. HAMMOND, Governor

## DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

POUCH B  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-4700

May 16, 1980

The Honorable John C. Sackett  
Chairman  
Senate Finance Committee  
Pouch V  
Juneau, Alaska 99811

Dear Mr.  Chairman:

RE: SENATE CS for CS for HOUSE BILL 192

A bill of significant importance to local governments is now in the Senate Finance Committee. This bill, H.B. 192, improves the formula used to compute entitlements under the State Revenue Sharing Program and includes a minimum entitlement provision that benefits small second class cities. The Administration generally supports the proposed formula, including the minimum entitlement provision, as a more equitable method of distributing revenue sharing funds. However, we are concerned about several sections of the bill.

Our first concern is section 5 (AS 29.95.030) which is intended to insure a municipality will not receive an entitlement of funds less than 90% of the percentage of its population compared to the State wide population. The difficulty is that this provision distorts the tax resource equalization formula by placing too much weight on a municipality's population. While it is recognized that the immediate results of H.B. 192 may adversely affect larger, wealthier, municipalities (particularly Anchorage) in order for the formula to do what it is supposed to do (i.e. equalize tax resources), we feel strongly that this population adjustment section must be eliminated or at a minimum not be included in the bill as permanent law. A limitation of one, two or at most, three years should be placed on this portion of the formula if it is unacceptable to eliminate the entire section at this time.

The arguments in favor of eliminating, or at least limiting, the 90% population adjustment section are overwhelming. The purpose of H.B. 192 is to help those who are helping themselves. Municipalities with limited tax bases that are using that tax base to the greatest extent possible should benefit under the equalization formula and, as a result, be able to provide a quality of public service that is approximately equivalent to wealthier local governments. However, this will not happen unless the population stipulation is removed from the formula. As long as the section is included, highly populated areas of the State will benefit while the smaller municipalities, where the need is often greatest, will receive proportionately less in State shared revenue.

The Honorable John C. Sackett  
May 16, 1980  
Page 2

Our second concern is with the separate account the bill establishes for the population adjustment payments. Although we support establishing this separate account, the language of the bill pertaining to proration of payments made under the equalization account, provides that the equalization proration factor is to be applied to the population adjustment payments, which are, of course, made from a different account. If this is an error, as it appears to be, it is suggested that any reference to AS 29.95.030 be eliminated from the proration of payments section of the bill (Section 5, AS 29.95.040).

Our final concern is the retention of hospital construction aid payments made under the existing revenue sharing program. The Department would like to see this category removed from H.B. 192 (or the existing revenue sharing program) as the payments are usually passed through to nonprofit hospitals without directly benefiting the municipality in which the facility is located. Additionally, the formula for distributing these funds acknowledges neither the hospitals' financial ability or need. The Department of Health and Social Services could better administer a hospital construction aid program as currently authorized in AS 18.25. Amendments to that statute are contained in H.B. 1030. Recognizing that removal of hospital construction aid payments from the municipal revenue sharing program may not be feasible at this time, we do support the establishment of a separate account for hospital construction entitlements as the current version of H.B. 192 has done.

The Committee's consideration of these comments and suggestions is appreciated. We genuinely believe that the equalization formula, accompanied by the minimum entitlement provision, is superior to the existing municipal services revenue sharing program and urge passage of Senate CS for CS for H.B. 192 with the modifications outlined above.

Please contact me if you have any questions regarding...

Sincerely,

  
Lee McAnerney  
Commissioner

cc: Representative Terry Gardiner

# **CORRECTION**

**THIS DOCUMENT  
HAS BEEN REPHOTOGRAPHED  
TO ASSURE LEGIBILITY**

The Honorable John C. Sackett  
May 16, 1980  
Page 2

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The Committee's consideration of these comments and suggestions is appreciated. We genuinely believe that the equalization formula, accompanied by the minimum entitlement provision, is superior to the existing municipal services revenue sharing program and urge passage of Senate CS for CS for H.B. 192 with the modifications outlined above.

Please contact me if you have any questions regarding our concerns.

Sincerely,



Lee McAnerney  
Commissioner

cc: Representative Terry Gardiner



Official Business

# Alaska State Legislature

## Senate Committee on Community & Regional Affairs

Pouch V  
State Capitol  
Juneau, Alaska 99811

May 5, 1980

TO: Gary Peska, Senate Finance  
FROM: Margo Waring, Staff *WW*  
Senator Sturgulewski's Office  
RE: SCS CS HB 192

I am forwarding to you copies of materials supplied to the Senate Community and Regional Affairs Committee for our hearings on HB 192. You may find these helpful in your and the Senate Finance Committee's review of the legislation.

I also thought I would summarize for you the CRA Committee's actions on this bill. Amendments adopted by the Senate CRA Committee dealt with several different areas:

1. revision to the Volunteer Fire Department eligibility
2. changes regarding eligible utility revenues and assessments for public utilities
3. two highly important revenue sharing studies for baseline information on mass transit and hospital costs
4. separation of hospital construction funding from the miscellaneous services account
5. adoption of the Anchorage Municipality's amendment to increase the allocation for six communities and to peg future sums to a population figure - There was a great deal of debate on this amendment, leading to a split decision. The other version favored by Committee members, including the Chairman, was an amendment offered by the Alaska Municipal League which would "hold harmless" for five years at 115% of full entitlement. This would favorably impact more communities, while achieving Anchorage's goal of increasing their percentage of revenue sharing. It is also an approach consistent with the approach of the bill itself.

I would be glad to provide any additional background information you might wish. We have requested additional computer runs for our amendments from Jack Krieheder of House Research. These runs are not yet complete, so I have asked him to contact you directly.

Enclosure

Alaska



League

TELEPHONES  
(907) 586-1325  
586-6526

204 N FRANKLIN ST.  
JUNEAU, ALASKA 99801

April 29, 1980

To: Senate C&RA Committee

From: Ginny Chitwood, Alaska Municipal League

Re: HB 192 - Revenue Sharing

Needless to say, Alaska Municipal League supports a state revenue sharing program. The cities and boroughs are struggling to provide services demanded by their constituents while at the same time keeping local taxes at a reasonable level. Local government officials appreciate the help they receive from the Legislature in meeting those goals.

Although we prefer continuance of the existing revenue sharing program to no program at all, we do support reform in the method of distributing funds. Presently there is little correlation between the cost of providing a service and the amount in the revenue sharing category. Additionally, the current categorical program contains no inflation adjustment factor, whereas, the cost of living has increased over 89% since the inception of the program.

We support separating the hospital construction grants from the general revenue sharing fund because it is a pass through to hospitals and not a revenue to municipalities. This year it was 28% of the total entitlement.

We do not feel it is as important to separate the roads and highways section but we support increasing the per mile amount. Estimates on actual costs range from \$4,000 to \$10,000 per mile depending on type, number of lanes, etc. In addition, we suggest adding another category to Chapter 89 - State Aid for Miscellaneous Purposes entitled "State Aid to Municipalities for Public Transit Operations" (see enclosed). This category will aid energy conservation by encouraging public transit and is a logical balance to the road maintenance section.

In summary we support the concept of helping those communities that are willing to help themselves as contained in the HB 192 formula. We do believe, however, that there needs to be some stronger hold harmless clauses to lessen the impact on those municipalities adversely affected by this bill.

3 to 5 years 125% of fiscal '80 (original appropriation!)  
33.75m 2235m w/ supplemental entitlement  
35%

# Alaska



TELEPHONES  
(907) 586-1325  
586-6526

# League

204 N. FRANKLIN ST.  
JUNEAU, ALASKA 99801

Proposal to amend HB 192 to add a new section to Chapter 89, State Aid for Miscellaneous entitled State Aid to Municipalities for Public Transit Operations.

We suggest two different ways to compute the assistance: (1) 25% of operating costs or (2) 33½% of expenses less fare revenues. Using rough figures from FY '79, the dollar amounts are:

Anchorage	Total Expenses	\$4,250,500 - 25% = \$1,062,625
	Fare Revenues	<u>546,700</u>
	Deficit	\$3,703,800 - 33½% = \$1,234,600
Barrow	Total Expenses	\$ 350,000 - 25% = \$ 87,500
	Fare Revenues	<u>54,000</u>
	Deficit	\$ 296,000 - 33½% = \$ 97,680
Fairbanks	Total Expenses	\$1,108,800 - 25% = \$ 277,200
	Fare Revenues	<u>144,000</u>
	Deficit	964,800 - 33½% = \$ 296,000
Juneau	Total Expenses	\$ 930,200 - 25% = \$ 232,550
	Fare Revenues	<u>100,000</u>
	Deficit	830,200 - 33½% = \$ 276,667
Ketchikan	Total Expenses	\$ 409,412 - 25% = \$ 102,353
	Fare Revenues	<u>338,500</u>
	Deficit	70,912 - 33½% = \$ 23,637

Total 25% of Expenses \$1,762,228

Total 33½% of Deficit \$1,928,584

# Effect + cost of Anchorage "hold harmless"

## ESTIMATE OF ADDITIONAL FUNDING REQUIRED FOR PROPOSED AMENDMENT TO STATE REVENUE SHARING BILL

BOROUGH/CITY	POPULATION	% OF STATE <sup>(a)</sup> POPULATION	90% OF PREVIOUS COLUMN	AMOUNT	% OF STATE TOTAL	ADDITIONAL REQUIREMENT
Anchorage	204,809	46.08%	41.47%	\$8,190,667	36.02%	\$1,239,376
Sitka	8,787	1.98%	1.78%	254,978	1.12%	150,090
Galena	957	0.22%	0.20%	33,844	0.15%	11,370
Kake	710	0.16%	0.14%	26,350	0.12%	4,548
Delta Junction	892	0.20%	0.18%	28,197	0.12%	13,645
Valdez	4,066	0.91%	0.82%	136,868	0.60%	50,030
						<u>\$1,469,059</u>

(a) State population data as of July 1, 1979 (444,481 total state population)



ALASKA STATE LEGISLATURE  
HOUSE OF REPRESENTATIVES  
RESEARCH AGENCY

Pouch Y, State Capitol  
Juneau, Alaska 99811  
(907) 465-3991

MEMORANDUM

April 30, 1980

TO: Representative Terry Gardiner

FROM: Jack Kreinheder, Issues Analyst *JK*

RE: Impact of Proposed HB 192 Hold Harmless Amendment (125 Percent)  
Research Request No. 64

Attached is the computer run you requested for the Senate Community and Regional Affairs Committee, showing the effect on HB 192 revenue sharing entitlements of a provision ensuring that all municipalities would receive at least 125 percent of their 1980 prorated entitlement. The run was made at a funding level of \$31 million and includes hospital and health entitlements.

A total of thirteen municipalities would be affected by a 125 percent hold harmless provision, with the following local governments receiving the most money under such a provision:

1.	Sitka Borough	-	\$72,493
2.	City of Valdez	-	\$51,535
3.	North Slope Borough	-	\$39,253
4.	City of Kodiak	-	\$17,256

The total cost or the amount that other communities would lose from this hold harmless amendment would be about \$225,000. The cost would be distributed equally over all municipalities on a percentage basis, with each municipality not benefitting from the hold harmless provision incurring a reduction of about one percent (.01) in its revenue sharing entitlement.

One final point is that as HB 192 is written, providing a 125 percent hold harmless clause would result in an actual entitlement increase for affected municipalities of about 24 percent. This is a result of the existing hold harmless language, which states that the additional hold

Representative Terry Gardiner  
Page No. 2  
April 30, 1980

harmless monies shall be prorated along with all other entitlements to fund the hold harmless entitlements. In order to guarantee an actual increase of 25 percent over the current entitlement, the hold harmless level would need to be set at about 126 percent, or the proration mechanism could be changed so that the hold harmless entitlements were not prorated.

JK/bf

**CS FOR HB 192 (FINANCE) AM  
PERCENTAGE BREAKDOWN OF POPULATION AND ENTITLEMENTS**

\*\*\*\*\*INCLUDING REP. GARDINER'S PROPOSED 125% HOLD HARMLESS AMENDMENT\*\*\*\*\*

PREPARED BY  
HOUSE RESEARCH AGENCY  
APRIL 30, 1980

NOTE: MUSA'S INCLUDED; HEALTH & HOSP. INCLUDED  
TOTAL ENTITLEMENT = \$31,000,000  
CHAPTER 88 PRORATION FACTOR = 2.704663794016  
MINIMUM ENT. PRORATION FACTOR = .879065571238  
HOLD HARMLESS PRORATION FACTOR = .9907521017207  
MUNICIPAL POPULATION = 444,481

LOCAL GOV'T	POPULATION PERCENTAGE		PRESENT LAW ENTITLEMENT PERCENTAGE		HB 192 ENTITLEMENT PERCENTAGE	
<b>BOROUGHES AND SERVICE AREAS</b>						
1 ANCHORAGE A.W.	204,809	46.07%	\$6,632,016	32.77%	\$10,236,611	33.02%
2 CITY S.A.	83,340	18.74%	\$239,840	1.18%	\$242,003	0.78%
3 EAGLE RIVER	7,522	1.69%	\$42,408	0.20%	\$25,797	0.08%
4 CHUGIAK	4,845	1.09%	\$27,316	0.13%	\$5,480	0.01%
5 GIRDWOOD	487	0.10%	\$4,576	0.02%	\$1,089	0.00%
6 GLEN ALPS	65	0.01%	\$0	0.00%	\$74	0.00%
7 FIRE S.A.	189,598	42.65%	\$958,835	4.73%	\$618,628	1.99%
8 ROADS & DRAINAGE	168,826	37.93%	\$438,495	2.16%	\$1,483,278	4.78%
9 POLICE S.A.	185,893	41.82%	\$1,588,798	7.85%	\$876,653	2.82%
10 PARKS & REC.	189,469	42.62%	\$657,089	3.24%	\$248,013	0.80%
11 P & R/CHUGIAK	12,452	2.80%	\$46,802	0.23%	\$15,677	0.05%
12 SOLID WASTE S.A.	184,290	41.46%	\$0	0.00%	\$59,910	0.19%
13 CHUGIAK/SOLID WASTE	14,476	3.25%	\$0	0.00%	\$1,955	0.00%
14 BUILDING SAFETY	184,216	41.44%	\$0	0.00%	\$91,299	0.29%
15 SPECIAL ASSESSMENT	92,239	20.75%	\$21,187	0.10%	\$131,620	0.42%
		<b>TOTAL</b>	<b>\$10,657,365</b>	<b>52.66%</b>	<b>\$14,038,092</b>	<b>45.28%</b>
16 BRISTOL BAY BOROUGH	1,685	0.37%	\$48,670	0.24%	\$106,648	0.34%
17 SOUTH NAKNEK S.A.	225	0.05%	\$0	0.00%	\$665	0.00%
		<b>TOTAL</b>	<b>\$48,670</b>	<b>0.24%</b>	<b>\$107,314</b>	<b>0.34%</b>
18 FAIRBANKS BOROUGH	66,222	14.89%	\$816,424	4.03%	\$1,345,971	4.34%
19 BALLAINE LAKE	168	0.03%	\$401	0.00%	\$1,249	0.00%
20 DIANE	66	0.01%	\$2,074	0.01%	\$4,740	0.01%
21 WILDVIEW ACRES	77	0.01%	\$11,048	0.05%	\$24,320	0.07%
22 SMITH RANCH	438	0.09%	\$3,449	0.01%	\$10,941	0.03%
23 ENGINEER CRFEK	144	0.03%	\$0	0.00%	\$648	0.00%
24 ESTER LUMP	10	0.00%	\$2,684	0.01%	\$5,903	0.01%
25 NORTH STAR F.P.	6,500	1.46%	\$42,143	0.20%	\$16,699	0.05%
26 BECKER RIDGE	108	0.02%	\$8,519	0.04%	\$19,109	0.06%
27 UNIVERSITY F.P.	7,177	1.61%	\$46,533	0.22%	\$39,944	0.12%
28 LAKLOIFY HILL	50	0.01%	\$3,617	0.01%	\$9,654	0.03%
29 SPRUCE ACRES	50	0.01%	\$816	0.00%	\$1,890	0.00%
		<b>TOTAL</b>	<b>\$937,714</b>	<b>4.63%</b>	<b>\$1,481,073</b>	<b>4.77%</b>
30 HAINES BOROUGH	1,924	0.43%	\$2,200	0.01%	\$23,406	0.07%
31 JUNEAU BOROUGH A.W.	23,115	5.20%	\$417,940	2.06%	\$1,106,114	3.56%
32 S.A. 1	7,372	1.65%	\$124,108	0.61%	\$217,076	0.70%
33 S.A. 2	1,667	0.37%	\$29,893	0.14%	\$24,755	0.07%
34 S.A. 3	206	0.04%	\$40,266	0.19%	\$35,347	0.30%
35 S.A. 4	1,591	0.35%	\$8,970	0.04%	\$5,196	0.01%
36 S.A. 5	10,490	2.36%	\$59,141	0.29%	\$37,774	0.12%
37 S.A. 6	766	0.17%	\$4,318	0.02%	\$1,967	0.00%
38 S.A. 7	450	0.10%	\$2,537	0.01%	\$600	0.00%

39	G.A. B	573	0.12%	\$3,230	0.01%	\$566	0.00%
			TOTAL	\$690,407	3.41%	\$1,489,399	4.80%
40	KENAI PENINSULA BOROUGH	25,507	5.73%	\$41,224	0.20%	\$271,212	0.87%
41	CENTRAL HOSPITAL	16,466	3.70%	\$60,607	0.29%	\$7,892	0.02%
42	SOUTH HOSPITAL	6,282	1.41%	\$60,607	0.29%	\$88,580	0.28%
43	NIKISKI F.P.	3,510	0.78%	\$21,273	0.10%	\$8,534	0.02%
44	NORTH KENAI REC.	3,822	0.85%	\$15,442	0.07%	\$5,981	0.01%
45	BEAR CREEK F.P.	660	0.14%	\$4,000	0.01%	\$6,182	0.01%
			TOTAL	\$203,156	1.00%	\$388,383	1.25%
46	KETCHIKAN BOROUGH	13,463	3.02%	\$70,843	0.35%	\$243,789	0.78%
47	SHORELINE S.A.	703	0.15%	\$3,963	0.01%	\$1,967	0.00%
			TOTAL	\$74,806	0.36%	\$245,757	0.79%
48	KODIAK ISLAND BOROUGH	8,926	2.00%	\$148,075	0.73%	\$241,587	0.77%
49	FIRE DISTRICT I	1,759	0.39%	\$10,661	0.05%	\$5,069	0.01%
50	ROAD DISTRICT	352	0.07%	\$18,182	0.08%	\$42,720	0.13%
			TOTAL	\$176,919	0.87%	\$289,377	0.93%
51	MAT-SU BOROUGH	23,177	5.21%	\$345,104	1.70%	\$751,093	2.42%
52	WASILLA F.P.	3,879	0.87%	\$22,689	0.11%	\$4,003	0.01%
53	BUTTE F.P.	2,506	0.56%	\$14,658	0.07%	\$2,482	0.00%
54	GREATER PALMER F.P.	3,027	0.68%	\$20,911	0.10%	\$0	0.00%
55	SUTTON F.P.	818	0.18%	\$4,784	0.02%	\$1,957	0.00%
56	NON AREA-WIDE	17,810	4.00%	\$0	0.00%	\$10,370	0.03%
57	TALKEETNA FLOOD S.A.	308	0.06%	\$0	0.00%	\$1,117	0.00%
58	GARDEN TERRACE	79	0.01%	\$0	0.00%	\$630	0.00%
			TOTAL	\$408,149	2.01%	\$771,656	2.48%
59	NORTH SLOPE BOROUGH	8,055	1.81%	\$231,661	1.14%	\$286,898	0.92%
60	SITKA BOROUGH	8,787	1.97%	\$319,327	1.57%	\$395,467	1.27%
FIRST CLASS CITIES							
61	BARROW	2,715	0.61%	\$34,122	0.16%	\$51,255	0.16%
62	CORODOVA	2,780	0.62%	\$171,288	0.84%	\$250,953	0.80%
63	CRAIG	587	0.13%	\$22,863	0.11%	\$45,978	0.14%
64	DILLINGHAM	1,658	0.37%	\$62,407	0.30%	\$77,288	0.24%
65	FAIRBANKS	36,637	8.24%	\$2,117,319	10.46%	\$3,070,885	9.90%
66	GALENA	957	0.21%	\$37,935	0.18%	\$46,981	0.15%
67	HAINES	1,366	0.30%	\$49,634	0.24%	\$78,145	0.25%
68	HOMER	2,227	0.50%	\$76,039	0.37%	\$94,169	0.30%
69	HODNAH	1,093	0.24%	\$39,136	0.19%	\$48,468	0.15%
70	HYDABURG	381	0.08%	\$12,739	0.06%	\$23,202	0.07%
71	KAKE	710	0.15%	\$18,967	0.09%	\$24,043	0.07%
72	KENAI	4,421	0.99%	\$166,757	0.82%	\$326,930	1.05%
73	KETCHIKAN	8,542	1.92%	\$305,179	1.50%	\$585,485	1.89%
74	KING COVE	733	0.16%	\$25,709	0.12%	\$31,840	0.10%
75	KLAWOCK	404	0.09%	\$13,567	0.06%	\$22,758	0.07%
76	KODIAK	5,754	1.29%	\$164,263	0.81%	\$203,430	0.65%
77	NENANA	503	0.11%	\$28,578	0.14%	\$62,366	0.20%
78	NOOME	2,892	0.65%	\$208,794	1.03%	\$317,451	1.02%
79	NORTH POLE	823	0.18%	\$29,197	0.14%	\$48,109	0.15%
80	PALMER	2,056	0.46%	\$126,841	0.62%	\$202,735	0.65%
81	PELICAN	221	0.04%	\$8,048	0.03%	\$24,275	0.07%
82	PETERSBURG	3,197	0.71%	\$163,987	0.81%	\$258,344	0.83%
83	SAND POINT	773	0.17%	\$30,358	0.15%	\$49,105	0.15%
84	SAINT MARY'S	436	0.09%	\$36,028	0.17%	\$52,701	0.17%
85	SELDOVIA	528	0.11%	\$23,674	0.11%	\$39,100	0.12%
86	SEWARD	1,778	0.40%	\$183,054	0.90%	\$262,744	0.84%

87	SNAGWAY	877	0.19%	\$37,072	0.18%	\$54,913	0.17%
88	SOD DOTINA	2,365	0.53%	\$91,572	0.45%	\$178,830	0.57%
89	UNALASKA	769	0.17%	\$82,041	0.40%	\$198,657	0.64%
90	VALDEZ	4,066	0.91%	\$214,931	1.06%	\$266,179	0.85%
91	ZONE I	3,631	0.81%	\$0	0.00%	\$0	0.00%
92	ZONE II	380	0.08%	\$0	0.00%	\$0	0.00%
TOTAL		\$214,931	1.06%	\$266,179	0.85%		

93	WRANGELL	3,325	0.74%	\$161,908	0.80%	\$257,945	0.83%
94	ZONE IV	997	0.22%	\$0	0.00%	\$19,117	0.06%
96	ZONE IV	2,328	0.52%	\$0	0.00%	\$68,675	0.22%
TOTAL		\$161,908	0.80%	\$345,738	1.11%		

97	YAKUTAT	442	0.09%	\$14,924	0.07%	\$24,987	0.08%
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SECOND CLASS CITIES

98	AHIKOK	121	0.02%	\$6,071	0.03%	\$24,694	0.07%
99	AKIACHAK	354	0.07%	\$25,040	0.12%	\$32,031	0.10%
100	AKIAK	216	0.04%	\$7,497	0.03%	\$28,928	0.09%
101	AKOLMIUT	641	0.14%	\$65,655	0.32%	\$95,759	0.31%
102	ALAKANUK	527	0.11%	\$25,938	0.13%	\$33,361	0.10%
103	ALEKNAGIK	227	0.05%	\$5,278	0.02%	\$27,488	0.08%
104	ALLAKAKET	216	0.04%	\$10,808	0.05%	\$30,844	0.09%
105	ANBLER	217	0.04%	\$17,676	0.08%	\$31,854	0.10%
106	ANAKTUVUK PASS	173	0.03%	\$0	0.00%	\$29,121	0.09%
107	ANDERSON	698	0.15%	\$13,734	0.06%	\$31,125	0.10%
108	ANGDON	541	0.12%	\$23,314	0.11%	\$28,873	0.09%
109	ANIAK	355	0.07%	\$29,959	0.14%	\$43,066	0.13%
110	ANVIK	102	0.02%	\$0	0.00%	\$29,121	0.09%
111	ATMAUTLUAK	200	0.04%	\$21,890	0.10%	\$34,131	0.11%
112	BETHEL	3,853	0.86%	\$235,115	1.16%	\$308,282	0.99%
113	BREVIG MISSION	147	0.03%	\$6,710	0.03%	\$28,928	0.09%
114	BUCKLAND	170	0.03%	\$6,927	0.03%	\$29,762	0.09%
115	CHEFORNAK	206	0.04%	\$7,834	0.03%	\$28,928	0.09%
116	CHEVAK	468	0.10%	\$16,761	0.08%	\$23,123	0.09%
117	CHUATHBALLUK	127	0.02%	\$14,343	0.07%	\$31,605	0.10%
118	CLARK'S POINT	98	0.02%	\$0	0.00%	\$27,488	0.08%
119	DELTA JUNCTION	892	0.20%	\$25,777	0.12%	\$31,924	0.10%
120	DIDOMEDE	125	0.02%	\$4,686	0.02%	\$28,093	0.09%
121	EAGLE	142	0.03%	\$3,674	0.01%	\$25,852	0.08%
122	EEL	307	0.06%	\$11,259	0.05%	\$28,928	0.09%
123	EKMOOK	111	0.02%	\$0	0.00%	\$27,488	0.08%
124	ELIM	218	0.04%	\$8,489	0.04%	\$28,928	0.09%
125	EMMONAK	545	0.12%	\$20,358	0.10%	\$30,256	0.09%
126	FORT YUKON	637	0.14%	\$44,189	0.21%	\$56,251	0.18%
127	FORTUNA LEDGE	263	0.05%	\$17,169	0.08%	\$30,778	0.09%
128	GAMBELL	447	0.10%	\$18,779	0.09%	\$31,031	0.10%
129	GOLDVIN	118	0.02%	\$6,734	0.03%	\$28,928	0.09%
130	GOODNEWS BAY	248	0.05%	\$0	0.00%	\$28,305	0.09%
131	GRAYLING	181	0.04%	\$7,465	0.03%	\$30,403	0.09%
132	HOLY CROSS	302	0.06%	\$14,457	0.07%	\$31,365	0.10%
133	HODPER BAY	610	0.13%	\$10,133	0.05%	\$28,305	0.09%
134	HOLUSTON	440	0.09%	\$34,179	0.16%	\$65,657	0.21%
135	HUGHES	98	0.02%	\$1,231	0.00%	\$29,121	0.09%
136	HUSI, IA	212	0.04%	\$33,912	0.16%	\$64,169	0.20%
137	KACHEMAK	151	0.03%	\$0	0.00%	\$23,406	0.07%
138	KAKTUVIK	192	0.04%	\$2,413	0.01%	\$29,121	0.09%
139	KALTAG	257	0.05%	\$6,763	0.03%	\$29,923	0.09%
140	KASMAN	46	0.01%	\$3,439	0.01%	\$22,252	0.07%
141	KIARVA	344	0.07%	\$17,741	0.08%	\$30,972	0.09%

142	KIVALINA	264	0.05%	\$10,524	\$23,762	0.09%
143	KOBIUK	61	0.01%	\$11,557	\$31,365	0.10%
144	KOTLIK	306	0.06%	\$8,975	\$28,328	0.09%
145	KOTZEBUE	2,178	0.56%	\$111,653	\$138,276	0.44%
146	KOYUK	124	0.04%	\$9,035	\$29,158	0.09%
147	KOYUKLIK	42	0.02%	\$4,956	\$29,762	0.09%
148	KUPREANOF	444	0.00%	\$474	\$22,589	0.07%
149	KWETHLUK	133	0.03%	\$14,539	\$28,328	0.09%
150	LARSEN BAY	229	0.02%	\$1,343	\$23,406	0.07%
151	LOWER KALSKAG	250	0.05%	\$50,240	\$93,421	0.30%
152	MANOKOTAK	382	0.05%	\$8,897	\$28,033	0.09%
153	MCCRATH	174	0.08%	\$25,948	\$32,883	0.10%
154	MEKORYUK	543	0.03%	\$8,074	\$28,328	0.09%
155	MOUNTAIN VILLAGE	313	0.12%	\$38,933	\$51,197	0.16%
156	NAPAKIAK	240	0.07%	\$15,038	\$29,894	0.09%
157	NAPASKIAK	105	0.05%	\$9,928	\$29,048	0.09%
158	NEWHALEN	297	0.02%	\$0	\$27,488	0.08%
159	NEW STUYAHOK	154	0.06%	\$9,151	\$28,033	0.09%
160	NEWTOK	135	0.03%	\$7,596	\$28,328	0.09%
161	NIGHTMUTE	152	0.01%	\$3,048	\$28,694	0.09%
162	NIKOLAI	226	0.00%	\$0	\$27,488	0.08%
163	NORDALTON	526	0.05%	\$17,332	\$30,003	0.09%
164	NOORVIK	332	0.11%	\$14,377	\$31,405	0.10%
165	NULATO	182	0.07%	\$0	\$29,121	0.09%
166	NUIGSUT	345	0.04%	\$0	\$29,121	0.09%
167	OLD HARBOR	177	0.07%	\$14,175	\$24,839	0.08%
168	OUZIN(IE	301	0.03%	\$2,922	\$23,631	0.07%
169	PILOT STATION	58	0.06%	\$10,727	\$29,084	0.09%
170	PLATINUM	464	0.01%	\$20,298	\$41,537	0.13%
171	POINT HOPE	101	0.10%	\$0	\$29,121	0.09%
172	PORT ALEXANDER	91	0.02%	\$985	\$22,589	0.07%
173	PORT HEIDEN	232	0.02%	\$42,311	\$88,183	0.28%
174	PORT LIONS	448	0.05%	\$8,863	\$24,192	0.07%
175	QUINHAGAK	220	0.10%	\$14,278	\$29,415	0.09%
176	RUBY	167	0.04%	\$2,764	\$29,121	0.09%
177	RUSSIAN MISSION	282	0.03%	\$0	\$28,305	0.09%
178	SAINT MICHAEL	567	0.06%	\$10,660	\$28,328	0.09%
179	SAINT PAULI	409	0.12%	\$67,644	\$117,264	0.37%
180	SAVOONGA	272	0.03%	\$13,701	\$28,928	0.09%
181	SAXMAN	232	0.06%	\$6,234	\$22,642	0.07%
182	SCAMMON BAY	505	0.05%	\$11,749	\$29,415	0.09%
183	SELAWIK	223	0.11%	\$9,901	\$29,121	0.09%
184	SHAGELLUK	160	0.05%	\$0	\$29,121	0.09%
185	SHAKTOOLIK	143	0.03%	\$28,232	\$51,197	0.16%
186	SHELDON POINT	373	0.08%	\$0	\$28,305	0.09%
187	SHISHMAREF	198	0.04%	\$15,742	\$29,699	0.09%
188	SHUNGNAK	309	0.06%	\$7,804	\$29,762	0.09%
189	STEBBINS	499	0.06%	\$11,307	\$28,328	0.09%
190	TANANA	258	0.11%	\$25,194	\$36,606	0.11%
191	TELLER	141	0.05%	\$12,138	\$29,375	0.09%
192	TENAKEE SPRINGS	474	0.03%	\$4,414	\$22,900	0.07%
193	TODGIK	336	0.10%	\$15,665	\$29,379	0.09%
194	TOKSUOK BAY	258	0.07%	\$12,610	\$28,928	0.09%
195	TULUKSAK	299	0.05%	\$30,314	\$49,587	0.15%
196	TUNJAK	632	0.06%	\$11,068	\$28,928	0.09%
197	UNALAKI EET	166	0.14%	\$33,791	\$41,848	0.13%
198	UPPER KALSKAG	429	0.03%	\$3,974	\$29,121	0.09%
199	WAINWRIGHT	130	0.02%	\$0	\$29,121	0.09%
200	WALES	2,184	0.02%	\$0	\$27,488	0.08%
201	WASILLA	115	0.43%	\$51,614	\$113,377	0.36%
202	WHITE MOUNTAIN	292	0.02%	\$0	\$27,488	0.08%
203	WHITTIER	133	0.06%	\$25,025	\$34,465	0.11%
204	DEERING	1	0.02%	\$7,298	\$29,762	0.09%
205	EXT FIRE AREAS	1	0.00%	\$52,204	\$68,803	0.22%

TOTAL \$20,311,531

----- \$31,000,000

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate CS for CSHB 192  
 Title An Act Providing for Equalization of the Tax Resources of Municipal-  
 Requested by \_\_\_\_\_ Date \_\_\_\_\_  
ities, Continuing a Portion of the Program of State Aid for Municipal  
Purposes, and Providing for Minimum Payments

II. FISCAL DETAIL

Agency Affected Department of Community and Regional Affairs  
 Program Category Affected Community Development  
 BRU, Program, or Subprogram(s) Affected Local Government Assistance - Grants  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each  
 component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		2,500.0				
TOTAL						

FUNDING (Thousands of Dollars)

GENERAL FUND		2,500.0				
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

The Department of Community and Regional Affairs estimates that an additional 100 villages would receive minimum grants of \$25.0 under the Senate Finance Committee Substitute for HB 192.

IV. DATE May 12, 1980 PREPARED BY *John Sackett*  
 AGENCY \_\_\_\_\_  
 PHONE \_\_\_\_\_  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

HB 192

# Municipality of Anchorage

## MEMORANDUM

DATE: April 18, 1980

TO: Mayor Sullivan

THRU: Lu Person, Director of Management and Budget *LP*

FROM: Gene Dusek, Budget Officer *GD*

SUBJECT: HB192 AMENDMENT

Per Mitch, the only amendment to HB192 as passed out of the House Finance Committee on April 17th was to increase the total amount, including hospital pass-thru funding, to \$31 million.

At a \$31 million funding level, the State has estimated that \$22,740,838 would be available for other than hospital pass-thru funding. At this funding level, the following shows how Anchorage would fare under the current statutes and under HB192 in FY1981:

<u>Current Statutes</u>		<u>HB192</u>	
<u>Amount</u>	<u>% of State total</u>	<u>Amount</u>	<u>% of State total</u>
\$9,830,864	43.23%	\$8,190,667	36.01%

The above compares to Anchorage's share of \$7,849,556 (43.23%) of the State total of \$18,157,087 if FY 1980 State-shared revenues are fully funded as per the House supplemental.

LP:GD: ljs

cc: Larry D. Crawford



**MUNICIPALITY OF ANCHORAGE**

**OFFICE OF THE MAYOR**

FOR YOUR INFORMATION AND I HOPE  
YOU CAN HELP.

George M. Sullivan  
Mayor



9

**MUNICIPALITY OF ANCHORAGE**

**OFFICE OF THE MAYOR**

I HOPE THAT YOU CAN CORRECT THIS  
INJUSTICE.

A handwritten signature in cursive script, appearing to read "George M. Sullivan".

George M. Sullivan  
Mayor

# Municipality of Anchorage

## MEMORANDUM

DATE: April 8, 1980

TO: Larry D. Crawford, Municipal Manager  
Lu Person, Director of Management and Budget *LP*

FROM: Gene Dusek, Budget Officer *GD*

SUBJECT: HB192 Anchorage Revenue Sharing Entitlements

RECEIVED  
APR @ 1:55 pm  
8 1980

MUNICIPAL MANAGER

The latest House Research Agency analysis (Exhibit A) does not provide the information that we had requested through Mitch. We wanted the State to ~~re-run~~ <sup>re-run</sup> the program to show what Anchorage's share would be at the various funding levels if the Minimum Entitlements were not considered part of the base funding level but were add-ons. Exhibit A does not do that. The first three columns are from the previous computer runs plus a few other funding levels (but without any changes to the computer program.). The fourth column is a total of the minimum entitlements for HB192. The fifth column is Anchorage's entitlement (column 2) divided by column 1 less column 4. That really doesn't tell us what we wanted to know.

I am still concerned about the state trying to compare apples with oranges. They continue to compare what the revenue would be under full funding of HB192 with what the revenue would be under the current statutes at about a 75% funding level. They should be comparing full funding under HB192 with full funding under the current statutes. In Exhibit B I have attempted to do this. A number of assumptions had to be made in preparing Exhibit B, and they are explained in the footnotes to Exhibit B.

As shown in Exhibit B, when comparing full funding under the current statutes versus full funding under HB192, both Anchorage's percentage of the total entitlement as well as Anchorage's dollar entitlement are less under HB192 until approximately a \$100,000,000 funding level.

At the actual FY 1980 full funding level of \$18,157,087 (excluding hospital pass-thru funding), Anchorage is entitled to \$7.8 million under the current statutes and only \$6.2 million under HB192 (that equates to 43.23% and 34.07% of the State total, respectively). If the State funds revenue sharing at the commonly mentioned level of \$24,000,000 (again excluding hospital pass-thru funding), Anchorage would be entitled to \$10.4 million under the current statutes, and only \$8.8 million under HB192 (43.23% and 36.67% of the state total, respectively).

I am therefore concerned not just with Anchorage's decrease in percentage of total state shared revenue under HB192, but also Anchorage's decrease in actual dollars received (considering 100% funding under the current statutes).

I also have some concern about trying to rationalize the behavior of the computer program. For example, in Exhibit A, I question why the decrease in the total Minimum Entitlement (column 4) isn't greater as we go from the \$18,740,838

April 8, 1980

Page 2

funding level to the \$58,000,000 level. It would seem to me that at a \$58,000,000 funding level, very few, if any governments would not be receiving their \$25,000 minimum entitlement.

LP: GD: ljs

cc: Mitch Gravo  
Ted Berns  
Don Duhr

HD 192 ANCHORAGE  
REVENUE SHARING ENTITLEMENTS\*

① <u>Total Entitlement</u>	② <u>Anchorage Entitlement</u>	③ <u>Anchorage Percentage Share</u>	④ <u>Total Minimum Entitlements</u>	⑤ <u>Anchorage Percentage Share Excl. Min. Ent.</u>
\$18,740,838	\$6,416,144	34.24%	\$2,513,717	39.54%
20,740,838	7,285,973	35.12%	2,509,083	39.96%
22,740,838	8,190,667	36.01%	2,504,449	40.47%
24,000,000	8,802,645	36.67%	2,501,436	40.95%
26,000,000	9,714,024	37.36%	2,496,802	41.33%
28,000,000	10,627,317	37.95%	2,492,168	41.66%
30,000,000	11,572,859	38.57%	2,487,534	<u>42.06%</u>
40,000,000	16,120,482	40.30%	2,464,361	42.95%
50,000,000	20,710,053	41.42%	2,460,659	43.56%
58,000,000	24,386,126	<u>42.04%</u>	2,457,697	43.91%

\* All entitlements include Municipal Utilities Service Assessment revenues and exclude health and hospital funding.

Prepared by:

House Research Agency  
April 2, 1980

Total = \$107 million.

CHAPTER 88 PRECIPITATION FACTOR IS 2.3605289233  
 MINIMUM ENTITLEMENT FACTOR IS 0.047220151  
 HOLD HARMLESS PRECIPITATION FACTOR IS 0.003639708

MARCH 25, 1980

BOROUGH AND SERVICE AREAS	POPULATION	LOCAL EFFORT	CHAPTER 88 ENTITLEMENT	CHAPTER 89 ENTITLEMENT	MINIMUM ENTITLEMENT	HOLD HARMLESS ADD ON	PROPOSED ENTITLEMENT	PRESENT ENTITLEMENT
1 ANCHORAGE A.W.	204,809	7.48	\$3,619,325	\$0	\$0	\$0	\$3,047,590	\$1,325,915
2 CITY S.A.	83,340	1.23	\$242,510	\$0	\$0	\$0	\$204,202	\$239,340
3 EAGLE RIVER	7,522	1.45	\$25,851	\$0	\$0	\$0	\$21,767	\$42,403
4 CHUGIAK	4,845	0.48	\$5,491	\$0	\$0	\$0	\$4,624	\$27,316
5 GIRONDOO	487	0.34	\$1,091	\$0	\$0	\$0	\$918	\$4,576
6 GLEN ALPS	65	0.48	\$74	\$0	\$0	\$0	\$62	\$0
7 FIRE S.A.	189,598	1.38	\$619,925	\$0	\$0	\$0	\$521,997	\$953,835
8 ROAD S & DRAINAGE	168,895	1.30	\$591,159	\$372,200	\$0	\$0	\$1,405,044	\$433,495
9 POLICE S.A.	185,893	2.00	\$878,491	\$0	\$0	\$0	\$739,718	\$1,588,798
10 PARKS & REC.	189,469	0.55	\$248,523	\$0	\$0	\$0	\$209,273	\$657,039
11 P & R/CHUGIAK	12,452	0.53	\$15,709	\$0	\$0	\$0	\$13,228	\$45,302
12 SCLD WASTE S.A.	184,290	0.13	\$50,035	\$0	\$0	\$0	\$50,552	\$0
13 CHUGIAK/SCLD WASTE	14,476	0.05	\$1,959	\$0	\$0	\$0	\$1,650	\$0
14 BUILDING SAFETY	184,216	0.21	\$91,490	\$0	\$0	\$0	\$77,037	\$0
15 SPECIAL ASSESSMENT	92,239	0.39	\$95,255	\$46,975	\$0	\$0	\$118,475	\$21,187
TOTAL: 7,436,076			6,416,901	1,019,175	Roads = 21.4% of total road funding		\$5,416,144	\$5,352,264
			462% of total Ch. 88 ent.					
16 BRISTOL BAY BOROUGH	1,685	21.38	\$92,021	\$13,950	\$0	\$0	\$92,192	\$45,670
17 SOUTH NAHOK S.A.	225	1.23	\$666	\$0	\$0	\$0	\$561	\$0
TOTAL			\$92,753	\$13,950	\$0	\$0	\$92,753	\$43,670
18 FAIRMANS BOROUGH	66,222	7.77	\$1,214,636	\$135,125	\$0	\$0	\$1,157,055	\$316,424
19 DALLAKE LAKE	168	0.92	\$357	\$391	\$0	\$0	\$1,194	\$401
20 DIANE	86	1.17	\$183	\$4,600	\$0	\$0	\$4,726	\$2,074
21 WILDVIEW AGRES	77	0.28	\$51	\$24,495	\$0	\$0	\$24,387	\$11,043
22 SMITH RANCH	438	3.26	\$3,371	\$7,647	\$0	\$0	\$10,439	\$3,443
23 ENGINEER CREEK	144	1.31	\$649	\$0	\$0	\$0	\$546	\$0
24 ESTER LUMP	10	0.31	\$7	\$5,951	\$0	\$0	\$5,920	\$2,604
25 NORTH STAR F.P.	6,500	1.03	\$16,734	\$0	\$0	\$0	\$14,091	\$42,143
26 NECKER RIDGE	103	1.55	\$336	\$13,833	\$0	\$0	\$13,105	\$3,513
27 UNIVERSITY F.P.	7,177	2.36	\$40,020	\$8,021	\$0	\$0	\$33,703	\$46,333
28 LANDEY HILL	50	14.49	\$1,710	\$1,311	\$0	\$0	\$3,412	\$3,617
29 SPRUCE ACRES	50	0.81	\$96	\$0	\$0	\$0	\$1,381	\$816
TOTAL			\$1,232,463	\$13,311	\$0	\$0	\$1,232,463	\$337,714
30 HAINES BOROUGH	1,924	4.69	\$21,329	\$0	\$5,545	\$0	\$22,629	\$2,200
31 JUREAU DECKUCH A.W.	23,115	16.89	\$922,017	\$0	\$0	\$0	\$776,783	\$242,042
32 S.A. 1	7,372	10.47	\$182,211	\$35,575	\$0	\$0	\$182,793	\$124,103
33 S.A. 2	1,667	3.25	\$12,794	\$12,100	\$0	\$0	\$24,793	\$20,303
34 S.A. 3	206	14.21	\$5,912	\$39,275	\$0	\$0	\$34,545	\$40,266
35 S.A. 4	1,501	1.38	\$2,207	\$0	\$0	\$0	\$4,334	\$3,970
36 S.A. 5	10,490	1.52	\$37,353	\$0	\$0	\$0	\$31,874	\$50,141
37 S.A. 6	766	1.03	\$1,971	\$0	\$0	\$0	\$1,660	\$4,313
			\$601	\$0	\$0	\$0	\$306	\$2,537

ANCHORAGE STATE REVENUE SHARING ENTITLEMENTS  
UNDER FULL FUNDING OF CURRENT STATUTES AND HB 192

(Excludes Hospital Pass-Thru Funding)

<u>Total Entitlement</u>	<u>Current Statutes</u>		<u>HB 192</u>	
	<u>Anchorage Share</u>	<u>Anchorage Percentage</u>	<u>Anchorage Share</u>	<u>Anchorage Percentage</u>
\$18,157,087 <sup>(a)</sup>	\$7,849,556 <sup>(a)</sup>	43.23% <sup>(b)</sup>	\$6,186,120	34.07% <sup>(c)</sup>
18,740,838	8,101,664	43.23%	6,416,144	34.24%
20,740,838	8,966,264	43.23%	7,285,973	35.12%
22,740,838	9,830,864	43.23%	8,190,667	36.01%
24,000,000	10,375,200	43.23%	8,802,645	36.67%
26,000,000	11,239,800	43.23%	9,714,024	37.36%
28,000,000	12,104,400	43.23%	10,627,317	37.95%
30,000,000	12,969,000	43.23%	11,572,859	38.57%
40,000,000	17,292,000	43.23%	16,120,482	40.30%
50,000,000	21,615,000	43.23%	20,710,053	41.42%
58,000,000	25,073,400	43.23%	24,386,126	42.04%
60,000,000	25,938,000	43.23%	25,290,000	42.15% <sup>(c)</sup>
70,000,000	26,802,600	43.23%	29,834,000	42.62% <sup>(c)</sup>
80,000,000	34,584,000	43.23%	34,344,000	42.93% <sup>(c)</sup>
90,000,000	38,907,000	43.23%	38,817,000	43.13% <sup>(c)</sup>
100,000,000	43,230,000	43.23%	43,260,000	43.26% <sup>(c)</sup>

*see next page for footnotes*

FOOTNOTES

(a) Per the State Department of Community and Regional Affairs, the actual state-wide and Anchorage fully-funded State Revenue Sharing Entitlements for FY1980 are as follows:

	<u>State Total</u>	<u>Anchorage</u>	<u>Anchorage Percentage</u>
Total State Revenue Sharing	\$27,021,915	\$14,177,251	52.47%
Less Hospital Par-Plan Funding:			
Hospital Construction	\$ 7,292,828	\$ 5,902,695	80.94%
Other	<u>1,572,000</u>	<u>425,000</u>	27.04%
Total	<u>\$ 8,864,828</u>	<u>\$ 6,327,695</u>	71.38%
State Revenue Sharing for Other than Hospital Par-Plan	<u>\$18,157,087</u>	<u>\$7,849,556</u>	<u>43.23%</u>

(b) At the \$18,157,087 funding level, Anchorage's percentage of the State total is 43.23% (see footnote "a" above). Under the current State Statutes, this percentage should remain the same at all funding levels.

(c) These percentages had to be estimated using an elementary form of trend analysis since Anchorage's percentages under HB192 were not available from the State for those funding levels.

HOUSE RESEARCH AGENCY  
Pouch Y - State Capitol  
Juneau, Alaska 99811  
465-3991

MEMORANDUM

March 26, 1980

TO: Representative Terry Gardiner

FROM: Jack Kreinheder, Issues Analyst *JK*

RE: Explanation of HB 192 Equalization Formula  
Research Request No. 64

You have requested that I prepare for the Finance Committee some practical examples of how the equalization formula in Chapter 88 of HB 192 is applied. This memorandum presents three hypothetical and three real applications of the equalization formula. Also included in the last section is a revised estimate of the taxation incentive under HB 192.

The HB 192 equalization formula is defined as  $P \times R$ , where  $P$  = population and  $R$  = millage rate equivalent, or local tax effort. This local effort factor is calculated by dividing the total locally generated revenues allowed under the bill by one-tenth of one percent of the total property value of the taxing unit. To take a theoretical case, if a municipality has local revenues of \$1 million and a total property valuation of \$100 million, the local effort factor would be 10 [ $\$1 \text{ million} / (\$100 \text{ million} \times .001)$ ]. A municipality with the same tax base but \$2 million in local revenues would have a local effort factor of 20 [ $\$2 \text{ million} / (\$1 \text{ million} \times .001)$ ], and its Chapter 88 entitlement per resident would therefore be twice that of the former community.

A third example would be a municipality with the same local revenues as the first example (\$1 million), but with a tax base only half as large (\$50 million). This municipality would also have a local effort factor of 20 [ $\$1 \text{ million} / (\$50 \text{ million} \times .001)$ ], and would therefore receive twice the Chapter 88 entitlement per resident of the first example, and the same entitlement as the second example. Although the municipality in the second example raises twice the local revenues of the municipality in the third case, the second municipality's tax base is also twice as large; thus, the tax burden and local effort factor of the two municipalities is identical and they would receive the same entitlement per resident under Chapter 88. Of course, if the populations of the two municipalities differed, the actual Chapter 88 entitlement for each of the two local governments would vary in direct proportion to their populations. Table 1 summarizes the three examples presented above.

Representative Terry Gardiner  
March 26, 1980  
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To further illustrate the relationship of the three variables used in the equalization formula--population, local revenues, and local assessed property valuation--consider the communities of Kenai, Ketchikan, and Homer. Table II shows how the equalization entitlement is calculated for each of the communities. As the table indicates, the local revenues generated by Kenai are only about 72 percent as large as those raised by Ketchikan, but Kenai's property valuation is also about 72 percent that of Ketchikan's; therefore, the local effort factors are nearly identical (19.95 vs. 19.50). These cities are placing similar tax burdens on their residents and their equalization entitlements per resident would thus be comparable. Ketchikan has nearly twice as many residents as Kenai, and its total Chapter 88 entitlement would be correspondingly greater than Kenai's.

Homer has a tax base of about \$86 million, or about 64 percent of Kenai's. If the local revenues raised by Homer were also 64 percent of the local revenues collected by Kenai, the local effort factors and Chapter 88 entitlements per resident of the two cities would be identical. However, Homer's actual locally-generated revenues are only about 30 percent as large as Kenai's. Homer's local effort factor would therefore be less than half that of Kenai's (9.17 vs. 19.95). In other words, the tax burden on the residents of Kenai, relative to the tax base of the community, is more than twice the tax burden carried by Homer residents. Kenai's equalization entitlement under HB 192 would therefore be about 2.2 times more per resident than Homer's. It should be noted that although Homer's Chapter 88 entitlement per resident would be less than either Ketchikan's or Kenai's, Homer would still receive more revenue sharing funds than it currently receives at any HB 192 total entitlement of \$27 million or greater (including health entitlements).

One additional consideration should be mentioned. There is a fourth factor used in determining equalization entitlements under HB 192 however, it is applied equally to all communities. This is a proration factor which calculates the share of the total entitlement which is distributed under the equalization entitlement provision (Chapter 88). The proration factor varies according to the total entitlement; at a total entitlement of \$27 million (including health entitlements), the factor is about 2.4. The actual equalization entitlement for each local government at a total entitlement of \$27 million would therefore be 2.4 times the amount determined by application of the equalization formula.

#### HB 192 Taxation Incentive

The incentive for municipalities to raise tax rates in order to receive additional revenue sharing funds under HB 192 is much smaller than I indicated to you at the Finance Committee meeting of 3/24. I had thought that the local taxes/revenue sharing entitlement ratio was about 3 to 1; i.e., three additional dollars in local taxes would increase the revenue

Representative Terry Gardiner

March 26, 1980

Page 3

sharing entitlement by one dollar. However, test runs of the computer model indicate that this 3:1 ration applies only to very small communities or service areas, and that the ratio is much higher for larger municipalities. Anchorage appears to have the highest ratio at about 23 to 1, meaning that to obtain one additional revenue sharing dollar under HB 192, Anchorage would have to raise an additional \$23 in local taxes. The average ratio for all the municipalities appears to be about 14 to 1. Therefore, the incentive for municipalities to raise taxes under HB 192 is much lower than previously indicated.

JK/dp

TABLE I  
THREE EXAMPLES OF THE HB 192  
EQUALIZATION FORMULA

	<u>LOCALLY-GENERATED REVENUES</u>		<u>PROPERTY VALUATION</u>		<u>LOCAL EFFORT FACTOR (millage rate equivalent)</u>
MUNICIPALITY 1	\$1 million	+	[\$100 million (x .001)]	=	10
MUNICIPALITY 2	\$2 million	+	[\$100 million (x .001)]	=	20
MUNICIPALITY 3	\$1 million	+	[\$ 50 million (x .001)]	=	20

Prepared by:

House Research Agency  
March 25, 1980

TABLE II  
THE HB 192 EQUALIZATION FORMULA

AS

APPLIED TO THREE ALASKAN CITIES  
(Thousands of Dollars)

	<u>LOCALLY-GENERATED REVENUES</u>		<u>PROPERTY VALUATION</u>		<u>LOCAL EFFORT FACTOR</u>		<u>POPULATION</u>		<u>EQUALIZATION ENTITLEMENT (CHAPTER 88)</u>
KETCHIKAN	\$3,715	÷	[\$190,000 (x .001)]	=	19.50	(x)	8,542	(x 2.4)* =	\$401
KENAI	2,667	÷	[\$134,000 (x .001)]	=	19.95	(x)	4,421	(x 2.4) =	\$212
HOMER	789	÷	[\$ 86,000 (x .001)]	=	9.17	(x)	2,227	(x 2.4) =	\$ 49

\* 2.4 is the equalization entitlement proration factor at a total entitlement of \$27 million. The factor will vary in accordance with the total entitlement level, as explained in the attached memo.

Prepared by:

House Research Agency  
March 25, 1980



ALASKA STATE LEGISLATURE  
HOUSE OF REPRESENTATIVES  
RESEARCH AGENCY

*Senator Sackett* M  
*PM: Rep.*  
*Ander son*

Pouch Y, State Capitol  
Juneau, Alaska 99811  
(907) 465-3991

MEMORANDUM

April 28, 1980

TO: Representative Terry Gardiner

FROM: Jack Kreinheder *JK*  
Issues Analyst

RE: CS for House Bill No. 192 (Finance) am  
Research Request No. 64

As you requested, I have prepared new computer runs estimating the revenue sharing entitlements for each municipality, as reflected in the version of HB 192 passed by the House on 4/22/80. The following changes were made to the original bill:

1. The total entitlement was increased from \$27 million to \$31 million (Section 12).
2. The hold-harmless provision was extended from three to five years [Section 11(a)(2)].
3. In-lieu-of tax revenues from municipal utilities were included as eligible local revenues for the purpose of determining each municipality's local tax effort [Section 2, Section 29.88.010 (c)(1)(c)].
4. The effective date in the event of a legislative appropriation less than that specified in the bill was changed from 1982 to 1983 (Section 12).
5. The section providing for aid to volunteer fire departments (VFD's) was amended on the House floor to make all VFD's, not just those outside cities or boroughs, eligible for State aid under HB 192 [Section 3, Section 29.89.025(a)].

The entitlement figures in the attached chart should be regarded as preliminary values, primarily because we are still evaluating the fiscal impact of the amendment pertaining to volunteer fire departments. These computer runs, therefore, do not reflect the VFD amendment. In addition,

Representative Gardiner  
April 28, 1980  
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it appears that there is a greater number of municipalities which collect in-lieu-of tax revenues from municipal utilities than we had originally believed. In-lieu-of tax revenues have been included for the major municipalities, but we need to contact about 25 local governments to verify the remaining in-lieu-of revenues. A new set of entitlement figures incorporating these revenues, as well as the effect of the VFD amendment, will be prepared as soon as the necessary data can be obtained.

Entitlement Chart

The attached chart presents three entitlement figures for each municipality, together with the percentages of the total entitlement which each figure constitutes. The first two columns contain the population of each local government and its percentage of the state's total population. The next two columns show the revenue sharing entitlement and percentage for each municipality under current law for FY 80, excluding health and hospital entitlements. The following two columns display the local government entitlements under HB 192, also excluding health and hospital funding. The remaining four columns also compare present law and HB 192 entitlements and percentages, but include the funding for health services and hospitals.

JK/dp

Attachment

Prepared by:

House Research Agency  
April 28, 1980

CS FOR HOUSE BILL NO. 192 (Finance) am  
PERCENTAGE BREAKDOWN OF REVENUE SHARING ENTITLEMENTS

HB 192 Entitlement  
Excluding Health &  
Hospital Funding  
(Total = \$22,740,838)

HB 192 Entitlement  
Including Health &  
Hospital Funding  
(Total = \$31,000,000)

LOCAL GOV'T	POPULATION	PERCENTAGE	PRESENT LAW		HB 192		PRESENT LAW		HB 192	
			ENTITLEMENT	PERCENTAGE	ENTITLEMENT	PERCENTAGE	ENTITLEMENT	PERCENTAGE	ENTITLEMENT	PERCENTAGE
<b>BOROUGH'S AND SERVICE AREAS</b>										
1 ANCHORAGE A.W.	204,809	46.07%	\$1,326,915	11.05%	\$4,080,709	17.94%	\$6,632,016	32.77%	\$10,329,393	33.32%
2 CITY S.A.	83,340	18.74%	\$233,840	1.93%	\$273,425	1.20%	\$233,840	1.18%	\$244,674	0.78%
3 EAGLE RIVER	7,522	1.63%	\$42,408	0.35%	\$29,147	0.12%	\$42,408	0.20%	\$26,082	0.08%
4 CHUGIAK	4,845	1.03%	\$27,316	0.22%	\$6,191	0.02%	\$27,316	0.13%	\$5,540	0.01%
5 GIRDWOOD	487	0.10%	\$4,576	0.03%	\$1,230	0.00%	\$4,576	0.02%	\$1,101	0.00%
6 GLEN ALPS	65	0.01%	\$0	0.00%	\$83	0.00%	\$0	0.00%	\$74	0.00%
7 FIRE S.A.	189,593	42.65%	\$958,835	7.99%	\$693,952	3.07%	\$958,835	4.73%	\$625,456	2.01%
8 ROADS & DRAINAGE	168,826	37.98%	\$433,495	3.65%	\$1,557,745	6.84%	\$433,495	2.16%	\$1,496,712	4.82%
9 POLICE S.A.	185,893	41.82%	\$1,583,798	13.23%	\$990,479	4.35%	\$1,588,798	7.85%	\$886,379	2.85%
10 PARKS & REC.	189,469	42.62%	\$657,039	5.47%	\$280,215	1.23%	\$657,039	3.24%	\$250,750	0.80%
11 P & R/CHUGIAK	12,452	2.80%	\$46,802	0.39%	\$17,712	0.07%	\$46,802	0.23%	\$15,350	0.05%
12 SOLID WASTE S.A.	184,230	41.46%	\$0	0.00%	\$67,688	0.29%	\$0	0.00%	\$60,571	0.19%
13 CHUGIAK/SOLID WASTE	14,476	3.25%	\$0	0.00%	\$2,209	0.00%	\$0	0.00%	\$1,977	0.00%
14 BUILDING SAFETY	184,216	41.44%	\$0	0.00%	\$103,153	0.45%	\$0	0.00%	\$92,306	0.29%
15 SPECIAL ASSESSMENT	92,239	20.75%	\$21,187	0.17%	\$143,002	0.62%	\$21,187	0.10%	\$132,931	0.42%
		<b>TOTAL</b>	<b>\$5,352,264</b>	<b>44.60%</b>	<b>\$8,251,948</b>	<b>36.23%</b>	<b>\$10,657,365</b>	<b>52.66%</b>	<b>\$14,169,751</b>	<b>45.70%</b>
16 BRISTOL BAY BOROUGH	1,685	0.37%	\$48,670	0.40%	\$118,801	0.52%	\$48,670	0.24%	\$107,783	0.34%
17 SOUTH NAKNEK S.A.	225	0.05%	\$0	0.00%	\$751	0.00%	\$0	0.00%	\$672	0.00%
		<b>TOTAL</b>	<b>\$48,670</b>	<b>0.40%</b>	<b>\$119,553</b>	<b>0.52%</b>	<b>\$48,670</b>	<b>0.24%</b>	<b>\$108,456</b>	<b>0.34%</b>
18 FAIRBANKS BOROUGH	66,222	14.89%	\$816,424	6.80%	\$1,504,315	6.61%	\$816,424	4.03%	\$1,360,417	4.38%
19 BALLAINE LAKE	168	0.03%	\$401	0.00%	\$1,303	0.00%	\$401	0.00%	\$1,260	0.00%
20 DIANE	66	0.01%	\$2,074	0.01%	\$4,797	0.02%	\$2,074	0.01%	\$4,779	0.01%
21 WILDVIEW ACRES	77	0.01%	\$11,043	0.09%	\$24,501	0.10%	\$11,043	0.05%	\$24,514	0.07%
22 SMITH RANCH	438	0.09%	\$3,449	0.02%	\$11,433	0.05%	\$3,449	0.01%	\$11,039	0.03%
23 ENGINEER CREEK	144	0.03%	\$0	0.00%	\$732	0.00%	\$0	0.00%	\$655	0.00%
24 ESTER LUMP	10	0.00%	\$2,634	0.02%	\$5,947	0.02%	\$2,634	0.01%	\$5,950	0.01%
25 NORTH STAR F.P.	6,500	1.46%	\$42,143	0.35%	\$18,863	0.08%	\$42,143	0.20%	\$16,334	0.05%
26 DECKER RIDGE	108	0.02%	\$3,519	0.07%	\$19,295	0.08%	\$3,519	0.04%	\$19,263	0.06%
27 UNIVERSITY F.P.	7,177	1.61%	\$46,533	0.38%	\$45,131	0.19%	\$46,533	0.22%	\$40,385	0.13%
28 LAKLOEY HILL	50	0.01%	\$3,617	0.03%	\$9,939	0.04%	\$3,617	0.01%	\$9,736	0.03%
29 SPRUCE ACRES	50	0.01%	\$816	0.00%	\$1,915	0.00%	\$816	0.00%	\$1,905	0.00%
		<b>TOTAL</b>	<b>\$937,714</b>	<b>7.81%</b>	<b>\$1,648,174</b>	<b>7.24%</b>	<b>\$937,714</b>	<b>4.63%</b>	<b>\$1,496,792</b>	<b>4.82%</b>
30 HAINES BOROUGH	1,924	0.43%	\$2,200	0.01%	\$24,043	0.10%	\$2,200	0.01%	\$23,593	0.07%

Prepared by:  
House Research Agency  
April 28, 1980

CS FOR HOUSE BILL NO. 192 (Finance) am  
PERCENTAGE BREAKDOWN OF REVENUE SHARING ENTITLEMENTS

HB 192 Entitlement  
Excluding Health &  
Hospital Funding  
(Total = \$22,740,838)

HB 192 Entitlement  
Including Health &  
Hospital Funding  
(Total = \$31,000,000)

LOCAL GOV'T	POPULATION PERCENTAGE		PRESENT LAW ENTITLEMENT PERCENTAGE		HB 192 ENTITLEMENT PERCENTAGE		PRESENT LAW ENTITLEMENT PERCENTAGE		ENTITLEMENT PERCENTAGE	
<b>BOROUGH'S AND SERVICE AREAS</b>										
1 ANCHORAGE A.W.	204,809	46.07%	\$1,326,915	11.05%	\$4,080,709	17.94%	\$6,632,016	32.77%	\$10,329,393	33.32%
2 CITY S.A.	83,340	18.74%	\$239,840	1.99%	\$273,425	1.20%	\$239,840	1.18%	\$244,674	0.78%
3 EAGLE RIVER	7,532	1.63%	\$42,408	0.35%	\$29,147	0.12%	\$42,408	0.20%	\$26,082	0.08%
4 CHUGIAK	4,845	1.03%	\$27,316	0.22%	\$6,191	0.02%	\$27,316	0.13%	\$5,540	0.01%
5 GIRDWOOD	487	0.10%	\$4,576	0.03%	\$1,230	0.00%	\$4,576	0.02%	\$1,101	0.00%
6 GLEN ALPS	65	0.01%	\$0	0.00%	\$83	0.00%	\$0	0.00%	\$74	0.00%
7 FIRE S.A.	189,598	42.65%	\$958,835	7.99%	\$698,952	3.07%	\$958,835	4.73%	\$625,456	2.01%
8 ROADS & DRAINAGE	168,826	37.98%	\$438,495	3.65%	\$1,557,745	6.84%	\$438,495	2.16%	\$1,496,712	4.82%
9 POLICE S.A.	185,893	41.82%	\$1,588,798	13.23%	\$990,479	4.35%	\$1,588,798	7.85%	\$886,329	2.85%
10 PARKS & REC.	189,469	42.62%	\$657,039	5.47%	\$280,215	1.23%	\$657,039	3.24%	\$250,750	0.80%
11 P & R/CHUGIAK	12,452	2.80%	\$46,802	0.39%	\$17,712	0.07%	\$46,802	0.23%	\$15,350	0.05%
12 SOLID WASTE S.A.	184,290	41.46%	\$0	0.00%	\$67,688	0.29%	\$0	0.00%	\$60,571	0.19%
13 CHUGIAK/SOLID WASTE	14,476	3.25%	\$0	0.00%	\$2,209	0.00%	\$0	0.00%	\$1,977	0.00%
14 BUILDING SAFETY	184,216	41.44%	\$0	0.00%	\$103,153	0.45%	\$0	0.00%	\$92,306	0.29%
15 SPECIAL ASSESSMENT	92,239	20.75%	\$21,187	0.17%	\$143,002	0.62%	\$21,187	0.10%	\$132,931	0.42%
		TOTAL	\$5,352,264	44.60%	\$8,251,948	36.28%	\$10,657,365	52.66%	\$14,169,751	45.70%
16 BRISTOL BAY BOROUGH	1,685	0.37%	\$48,670	0.40%	\$118,801	0.52%	\$48,670	0.24%	\$107,783	0.34%
17 SOUTH NAKNEK S.A.	225	0.05%	\$0	0.00%	\$751	0.00%	\$0	0.00%	\$672	0.00%
		TOTAL	\$48,670	0.40%	\$119,553	0.52%	\$48,670	0.24%	\$108,456	0.34%
18 FAIRBANKS BOROUGH	66,222	14.89%	\$816,424	6.80%	\$1,504,315	6.61%	\$816,424	4.03%	\$1,360,417	4.38%
19 BALLAINE LAKE	103	0.03%	\$401	0.00%	\$1,303	0.00%	\$401	0.00%	\$1,260	0.00%
20 DIANE	66	0.01%	\$2,074	0.01%	\$4,797	0.02%	\$2,074	0.01%	\$4,779	0.01%
21 WILKINSON ACRES	77	0.01%	\$11,043	0.09%	\$24,501	0.10%	\$11,043	0.05%	\$24,514	0.07%
22 SMITH RANCH	438	0.09%	\$3,449	0.02%	\$11,433	0.05%	\$3,449	0.01%	\$11,039	0.03%
23 ENGINEER CREEK	144	0.03%	\$0	0.00%	\$732	0.00%	\$0	0.00%	\$655	0.00%
24 ESTER LUMP	10	0.00%	\$2,634	0.02%	\$5,947	0.02%	\$2,634	0.01%	\$5,950	0.01%
25 NORTH STAR F.P.	6,500	1.46%	\$42,143	0.35%	\$18,868	0.08%	\$42,143	0.20%	\$16,334	0.05%
26 BECKER RIDGE	103	0.02%	\$3,519	0.07%	\$19,295	0.08%	\$3,519	0.04%	\$19,263	0.06%
27 UNIVERSITY F.P.	7,177	1.61%	\$46,533	0.38%	\$45,131	0.19%	\$46,533	0.22%	\$40,385	0.13%
28 LAKLOEY HILL	50	0.01%	\$3,617	0.03%	\$9,939	0.04%	\$3,617	0.01%	\$9,736	0.03%
29 SPRUCE ACRES	50	0.01%	\$816	0.00%	\$1,915	0.00%	\$816	0.00%	\$1,905	0.00%
		TOTAL	\$937,714	7.81%	\$1,648,174	7.24%	\$937,714	4.63%	\$1,496,792	4.82%
30 HAINES BOROUGH	1,924	0.43%	\$2,200	0.01%	\$24,048	0.10%	\$2,200	0.01%	\$23,593	0.07%

31	JURGEN AU BOROUGH A.M.	23, 115	5.20%	\$242,042	2.01%	\$1,039,553	4.57%	\$417,940	2.06%	\$1,117,755	3.60%
32	S.A. 1	7,372	1.65%	\$124,108	1.03%	\$240,939	1.05%	\$124,108	0.61%	\$219,364	0.70%
33	S.A. 2	1,667	0.37%	\$29,893	0.24%	\$26,499	0.11%	\$29,893	0.14%	\$24,932	0.08%
34	S.A. 3	206	0.04%	\$40,266	0.33%	\$36,879	0.42%	\$40,266	0.19%	\$36,129	0.31%
35	S.A. 4	1,591	0.35%	\$3,970	0.07%	\$5,879	0.02%	\$3,970	0.04%	\$5,253	0.01%
36	S.A. 5	10,430	2.36%	\$3,141	0.43%	\$42,679	0.18%	\$3,141	0.23%	\$33,191	0.12%
37	S.A. 6	766	0.17%	\$4,318	0.03%	\$2,223	0.00%	\$4,318	0.02%	\$1,989	0.00%
38	S.A. 7	450	0.10%	\$2,537	0.02%	\$678	0.00%	\$2,537	0.01%	\$607	0.00%
39	S.A. 8	573	0.12%	\$3,230	0.02%	\$639	0.00%	\$3,230	0.01%	\$572	0.00%
	TOTAL			\$514,509	4.28%	\$1,455,965	6.40%	\$630,407	3.41%	\$1,504,856	4.85%
40	KEMAI PENINSULA BOROUGH	25,507	5.73%	\$41,224	0.34%	\$306,427	1.34%	\$41,224	0.20%	\$274,205	0.83%
41	CENTRAL HOSPITAL	16,466	3.70%	\$0	0.00%	\$8,917	0.03%	\$60,607	0.29%	\$7,979	0.02%
42	SOUTH HOSPITAL	6,282	1.41%	\$0	0.00%	\$16,127	0.07%	\$60,607	0.29%	\$83,331	0.28%
43	NIKISKI F.P.	3,510	0.78%	\$21,273	0.17%	\$9,642	0.04%	\$21,273	0.10%	\$8,628	0.02%
44	NORTH KEMAI REC.	3,822	0.85%	\$15,442	0.12%	\$6,757	0.02%	\$15,442	0.07%	\$6,047	0.01%
45	BEAR CREEK F.P.	660	0.14%	\$4,000	0.03%	\$6,985	0.03%	\$4,000	0.01%	\$6,250	0.02%
	TOTAL			\$81,340	0.68%	\$354,857	1.56%	\$203,156	1.00%	\$332,443	1.26%
46	KETCHIKAN BOROUGH	13,463	3.02%	\$70,843	0.59%	\$275,443	1.21%	\$70,843	0.35%	\$246,400	0.79%
47	SHKREL INE S.A.	703	0.15%	\$3,363	0.03%	\$2,223	0.00%	\$3,363	0.01%	\$1,989	0.00%
	TOTAL			\$74,806	0.62%	\$277,667	1.22%	\$74,806	0.36%	\$248,469	0.80%
48	KODIAK ISLAND BOROUGH	8,926	2.00%	\$23,747	0.19%	\$109,300	0.48%	\$148,075	0.73%	\$243,812	0.78%
49	FIRE DISTRICT I	1,759	0.39%	\$10,661	0.08%	\$5,728	0.02%	\$10,661	0.05%	\$5,125	0.01%
50	ROAD DISTRICT	352	0.07%	\$18,182	0.15%	\$43,369	0.19%	\$18,182	0.08%	\$43,070	0.13%
	TOTAL			\$52,591	0.43%	\$158,397	0.69%	\$176,919	0.87%	\$232,003	0.94%
51	MAT-SU BOROUGH	23,177	5.21%	\$345,104	2.87%	\$793,362	3.48%	\$345,104	1.70%	\$758,009	2.44%
52	WASHILLA F.P.	3,879	0.87%	\$22,689	0.18%	\$4,523	0.01%	\$22,689	0.11%	\$4,048	0.01%
53	BUJTE F.P.	2,506	0.56%	\$14,658	0.12%	\$2,804	0.01%	\$14,658	0.07%	\$2,509	0.00%
54	GREATER PALMER F.P.	3,027	0.68%	\$20,911	0.17%	\$0	0.00%	\$20,911	0.10%	\$0	0.00%
55	SUTTON F.P.	818	0.18%	\$4,784	0.03%	\$2,211	0.00%	\$4,784	0.02%	\$1,978	0.00%
56	NORTH AREA-WIDE	17,810	4.00%	\$0	0.00%	\$11,717	0.05%	\$0	0.00%	\$10,495	0.03%
57	TALKEETNA FLOOD S.A.	308	0.06%	\$0	0.00%	\$1,263	0.00%	\$0	0.00%	\$1,130	0.00%
58	GARDEN TERRACE	79	0.01%	\$0	0.00%	\$712	0.00%	\$0	0.00%	\$637	0.00%
	TOTAL			\$408,149	3.40%	\$816,594	3.59%	\$408,149	2.01%	\$778,799	2.51%
59	NORTH SLOPE BOROUGH	8,055	1.81%	\$203,508	1.69%	\$226,194	0.99%	\$231,661	1.14%	\$247,645	0.79%
60	SITKA BOROUGH	8,787	1.97%	\$234,649	1.95%	\$250,643	1.10%	\$319,327	1.57%	\$322,974	1.04%
	TOTAL			\$438,157	3.64%	\$476,837	2.09%	\$550,988	2.71%	\$570,619	1.83%
	FIRST CLASS CITIES										
61	BARROW	2,715	0.61%	\$34,122	0.28%	\$57,910	0.25%	\$34,122	0.16%	\$51,821	0.16%
62	CHAPARRA	2,730	0.62%	\$91,271	0.76%	\$168,643	0.74%	\$171,288	0.84%	\$253,349	0.81%
63	CRAG	587	0.13%	\$19,875	0.16%	\$46,103	0.20%	\$22,863	0.11%	\$46,439	0.14%
64	DELL BOROUGH	1,658	0.37%	\$62,407	0.52%	\$22,523	0.36%	\$62,407	0.30%	\$76,118	0.24%
65	FARBERGS	36,637	8.24%	\$709,841	5.91%	\$1,645,859	7.23%	\$2,117,319	10.46%	\$3,039,185	9.99%
66	GATEWAY	957	0.21%	\$33,914	0.28%	\$33,842	0.14%	\$37,935	0.18%	\$37,885	0.12%
67	HELVETIA	1,366	0.30%	\$49,634	0.41%	\$84,882	0.37%	\$49,634	0.24%	\$78,922	0.25%
68	HELVETIA	2,227	0.50%	\$69,574	0.57%	\$82,835	0.36%	\$76,039	0.37%	\$85,778	0.27%
69	HELVETIA	1,093	0.24%	\$32,671	0.27%	\$38,768	0.17%	\$32,136	0.15%	\$44,417	0.14%
70	HELVETIA	381	0.08%	\$9,732	0.08%	\$22,863	0.10%	\$12,739	0.06%	\$23,387	0.07%

11 KARE	710	0.15%	\$18,967	0.15%	\$26,008	0.11%	\$18,967	0.03%	\$24,279	0.07%
12 KIRAI	4,421	0.33%	\$166,757	1.38%	\$354,773	1.56%	\$166,757	0.83%	\$330,175	1.00%
13 K. KUKUKAN	8,542	1.92%	\$208,143	1.73%	\$434,876	2.13%	\$305,179	1.50%	\$550,123	1.77%
14 KIPS COVE	733	0.16%	\$21,913	0.18%	\$27,652	0.12%	\$25,709	0.12%	\$28,318	0.09%
15 KLANECK	404	0.03%	\$10,560	0.08%	\$22,417	0.09%	\$13,567	0.06%	\$22,940	0.07%
16 KODIAK	5,754	1.23%	\$164,263	1.36%	\$203,390	0.89%	\$164,263	0.81%	\$186,174	0.60%
17 KEMANA	503	0.11%	\$28,578	0.23%	\$66,010	0.29%	\$28,578	0.14%	\$62,944	0.20%
18 KENE	2,892	0.65%	\$111,941	0.93%	\$223,023	0.98%	\$208,794	1.03%	\$320,486	1.03%
19 NERTH POLE	823	0.18%	\$29,197	0.24%	\$50,611	0.22%	\$29,197	0.14%	\$48,547	0.15%
20 PALMER	2,056	0.46%	\$65,141	0.54%	\$135,854	0.59%	\$126,841	0.62%	\$204,586	0.65%
21 PELICAN	221	0.04%	\$4,816	0.04%	\$23,905	0.10%	\$8,048	0.03%	\$24,469	0.07%
22 PETERSBURG	3,197	0.71%	\$94,268	0.78%	\$192,601	0.84%	\$163,987	0.81%	\$260,863	0.84%
23 SAND POINT	436	0.17%	\$27,161	0.22%	\$46,760	0.20%	\$30,958	0.15%	\$49,556	0.15%
24 SAHIC MARY'S	528	0.03%	\$32,119	0.26%	\$48,686	0.21%	\$36,028	0.17%	\$53,142	0.17%
25 SELDOVIA	1,778	0.11%	\$20,441	0.17%	\$37,247	0.16%	\$23,674	0.11%	\$39,465	0.12%
26 SEWARD	877	0.40%	\$64,622	0.53%	\$118,790	0.52%	\$183,054	0.90%	\$265,031	0.85%
27 SKAGWAY	2,365	0.13%	\$33,840	0.28%	\$54,128	0.23%	\$37,072	0.18%	\$55,429	0.17%
28 SULDUTNA	2,768	0.53%	\$91,572	0.76%	\$193,589	0.85%	\$91,572	0.45%	\$160,594	0.58%
29 UNALASKA	4,066	0.17%	\$72,551	0.60%	\$195,595	0.86%	\$82,041	0.40%	\$200,445	0.64%
30 VALDEZ	3,631	0.31%	\$137,150	1.14%	\$136,861	0.60%	\$214,931	1.06%	\$214,644	0.69%
31 ZONE I	380	0.81%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%
32 ZONE II		0.08%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%
TOTAL			\$137,150	1.14%	\$136,861	0.60%	\$214,931	1.06%	\$214,644	0.69%
33 WRANGELL	3,325	0.74%	\$95,108	0.79%	\$197,470	0.86%	\$161,308	0.80%	\$260,489	0.84%
34 ZONE II	997	0.22%	\$0	0.00%	\$21,600	0.09%	\$0	0.00%	\$12,328	0.06%
36 ZONE IV	2,328	0.52%	\$0	0.00%	\$77,591	0.34%	\$0	0.00%	\$69,432	0.22%
TOTAL			\$95,108	0.79%	\$296,662	1.30%	\$161,308	0.80%	\$349,251	1.12%
37 YAKUTAT	442	0.03%	\$11,691	0.03%	\$24,629	0.10%	\$14,924	0.07%	\$25,187	0.08%
SECOND CLASS CITIES										
38 ACHIOK	121	0.02%	\$6,071	0.05%	\$24,854	0.10%	\$6,071	0.03%	\$24,891	0.08%
39 AKIACHAK	354	0.07%	\$19,322	0.16%	\$31,402	0.13%	\$25,040	0.12%	\$32,287	0.10%
100 AKIACHAK	216	0.04%	\$3,588	0.02%	\$28,474	0.12%	\$7,497	0.03%	\$29,159	0.09%
101 AKULMIUT	641	0.14%	\$57,837	0.48%	\$87,078	0.38%	\$65,655	0.32%	\$97,532	0.31%
102 ALAKANUK	527	0.11%	\$23,029	0.19%	\$31,006	0.13%	\$26,938	0.13%	\$31,671	0.10%
103 ALLIAGAGIK	227	0.05%	\$5,278	0.04%	\$27,652	0.12%	\$5,278	0.02%	\$27,708	0.08%
104 ALLIAGAKET	216	0.04%	\$6,786	0.05%	\$30,394	0.13%	\$10,808	0.05%	\$31,091	0.10%
105 ANGLER	173	0.04%	\$13,654	0.11%	\$31,420	0.13%	\$17,676	0.08%	\$32,108	0.10%
106 ANKUTPAUK PASS	179	0.03%	\$0	0.00%	\$29,295	0.12%	\$0	0.00%	\$29,354	0.09%
107 ANDERSON	698	0.15%	\$13,734	0.11%	\$31,331	0.13%	\$13,734	0.06%	\$31,373	0.10%
103 ANGLER	541	0.12%	\$20,195	0.16%	\$24,360	0.10%	\$23,314	0.11%	\$24,894	0.08%
109 ANIAC	355	0.07%	\$25,038	0.21%	\$38,038	0.16%	\$29,359	0.14%	\$43,410	0.14%
110 ANIAC	102	0.02%	\$0	0.00%	\$29,295	0.12%	\$0	0.00%	\$29,354	0.09%
111 ANIATULLAK	200	0.04%	\$17,981	0.14%	\$32,035	0.14%	\$21,890	0.10%	\$34,404	0.11%
112 BETHEL	3,853	0.86%	\$183,321	1.52%	\$255,780	1.12%	\$235,115	1.16%	\$311,094	1.00%
113 BIG VIC MISSION	147	0.03%	\$2,801	0.02%	\$28,474	0.12%	\$6,710	0.03%	\$29,159	0.09%
114 BUKI AND	170	0.03%	\$2,905	0.02%	\$29,295	0.12%	\$6,927	0.03%	\$30,001	0.09%
115 CHEJURNAK	206	0.04%	\$3,325	0.03%	\$28,474	0.12%	\$7,834	0.03%	\$29,159	0.09%
116 CHEYAK	468	0.10%	\$12,852	0.10%	\$28,672	0.12%	\$16,761	0.08%	\$29,356	0.09%
117 CHEWTEBALUK	127	0.02%	\$10,321	0.08%	\$31,168	0.13%	\$14,343	0.07%	\$31,858	0.10%
118 CHEW'S POINT	93	0.02%	\$0	0.00%	\$27,652	0.12%	\$0	0.00%	\$27,708	0.08%
119 CHEWIA JUNCTION	892	0.20%	\$22,320	0.18%	\$28,195	0.12%	\$25,777	0.12%	\$29,257	0.09%
120 DUCHEDE	125	0.02%	\$1090	0.00%	\$27,652	0.12%	\$4,686	0.02%	\$28,318	0.09%



166	REBY	220	0.04%	\$2,764	0.02%	\$29,295	0.12%	\$2,764	0.01%	\$29,354
167	RESEKIAN MISSION	167	0.03%	\$0	0.00%	\$28,474	0.12%	\$0	0.00%	\$29,531
168	SAINT MICHAEL	282	0.06%	\$6,751	0.05%	\$28,474	0.12%	\$10,660	0.05%	\$29,159
169	SAINI PALL	567	0.12%	\$67,644	0.56%	\$118,103	0.51%	\$67,644	0.33%	\$118,201
180	SANTERGA	403	0.03%	\$9,792	0.03%	\$28,474	0.12%	\$13,701	0.06%	\$29,159
181	SARANI	272	0.06%	\$6,234	0.05%	\$22,786	0.10%	\$6,234	0.03%	\$22,823
182	SCAMPEN BAY	232	0.05%	\$7,840	0.06%	\$28,968	0.12%	\$11,749	0.05%	\$29,650
183	SILAKIK	505	0.11%	\$9,901	0.03%	\$29,295	0.12%	\$9,901	0.04%	\$29,354
184	SHAKLIK	223	0.05%	\$0	0.00%	\$29,295	0.12%	\$0	0.00%	\$29,354
185	SHAKLIK	160	0.03%	\$24,323	0.20%	\$46,377	0.20%	\$28,232	0.13%	\$51,606
186	SHELDON POINT	143	0.03%	\$0	0.00%	\$28,474	0.12%	\$0	0.00%	\$28,531
187	SHISIMARIE	373	0.03%	\$11,833	0.09%	\$29,257	0.12%	\$15,742	0.07%	\$29,316
188	SHERGAK	198	0.04%	\$3,782	0.03%	\$29,295	0.12%	\$7,804	0.03%	\$30,001
189	STEBUINS	309	0.06%	\$7,338	0.06%	\$28,474	0.12%	\$11,307	0.05%	\$29,159
190	TANANA	499	0.11%	\$25,194	0.20%	\$36,870	0.16%	\$25,194	0.12%	\$36,839
191	TILLER	258	0.05%	\$8,229	0.06%	\$25,538	0.12%	\$12,138	0.05%	\$30,215
192	TERAKEE SPRINGS	141	0.03%	\$4,414	0.03%	\$23,040	0.10%	\$4,414	0.02%	\$23,083
193	TUSIAK	474	0.10%	\$15,665	0.13%	\$29,574	0.13%	\$15,665	0.07%	\$29,614
194	TUKSOOK BAY	336	0.07%	\$8,701	0.07%	\$28,474	0.12%	\$12,610	0.06%	\$29,159
195	TUKSOOK	258	0.05%	\$26,405	0.22%	\$44,755	0.19%	\$30,314	0.14%	\$49,983
196	TURJAK	293	0.06%	\$7,159	0.05%	\$28,474	0.12%	\$11,068	0.05%	\$29,159
197	UPALAKLEET	632	0.14%	\$29,887	0.24%	\$32,122	0.14%	\$33,791	0.16%	\$35,118
198	UPPER KALSKAG	166	0.03%	\$3,974	0.03%	\$29,295	0.12%	\$3,974	0.01%	\$29,354
199	WAINRIGHT	429	0.09%	\$0	0.00%	\$29,295	0.12%	\$0	0.00%	\$29,354
200	WALES	130	0.02%	\$0	0.00%	\$27,652	0.12%	\$0	0.00%	\$27,708
201	WASILLA	2,184	0.49%	\$51,614	0.43%	\$114,194	0.50%	\$51,614	0.25%	\$114,283
202	WHITE MOUNTAIN	115	0.02%	\$0	0.00%	\$27,652	0.12%	\$0	0.00%	\$27,708
203	WHITTIER	292	0.05%	\$21,567	0.17%	\$30,123	0.13%	\$25,025	0.12%	\$34,741
204	DEERING	133	0.02%	\$3,276	0.02%	\$29,295	0.12%	\$7,298	0.03%	\$30,001
205	EXT FIRE AREAS	1	0.00%	\$0	0.00%	\$21,903	0.09%	\$52,204	0.25%	\$69,353
TOTAL										
									\$20,311,591	
									\$31,000,000	

WRITTEN TESTIMONY

Kuskokwim Native Association is a subregional non-profit association located along the middle Kuskokwim River in Northwestern Alaska. It is my job as the Local Government Director to provide training and technical assistance to our four second class cities and seven unincorporated villages, including the budgeting and management of state and federal revenue sharing funds.

First of all, I would like to support the \$25,000 minimum payment to qualifying municipalities which will allow small cities to provide a higher level of service. However, I am concerned that once again this bill does not adequately address the needs of unincorporated villages in our state. The only revenue sharing provision made for unincorporated villages is the aid to registered volunteer fire Departments figured at \$7.50 per capita.

If we consider the state revenue sharing program as a means for the state to share it's wealth with local governments to assist in local government function, then we are doing a tremendous disservice to those small unincorporated villages who are struggling to provide some of the same services as small cities in the unorganized borough. At a time when the Legislature is considering establishing regional units within the unorganized borough, I believe that we need to first strengthen the village local government capabilities.

I am proposing that the state make additional state revenue sharing funds available to unincorporated village governments who are attempting to provide local government services. This payment could be made on actual services provided, such as the maintenance of a village clinic, or on a per capita basis. In most cases there is a functioning village council recognized by the federal government for it's revenue sharing payments that could also manage the state revenue sharing entitlement.

I would appreciate you consideration of this proposal and regret that I cannot be there in person to answer any questions you may have. Thank you for the opportunity of submitting this written testimony.

Cheryl Jaberak  
Director  
Self Determination & Local Government  
Box 106  
Aniak, Alaska 99557 (907) 675-4384

Original sponsors: Gardiner, Anderson  
and Miller

Offered: 5/5/80  
Referred: Finance

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL  
AFFAIRS COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 192

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act providing for equalization of the tax resources  
7 of municipalities, continuing a portion of the program  
8 of state aid for municipal purposes, providing for  
9 minimum entitlements, and directing state agencies to  
10 examine and recommend changes in programs of state  
11 assistance; and providing for an effective date."

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

13 \* Section 1. PURPOSE. It is the purpose of this Act to

14 (1) improve the revenue raising and distribution system for the  
15 benefit of residents of home rule and general law municipalities by providing  
16 for more equitable allocation of financial resources among municipalities to  
17 improve their fiscal capacities; and

18 (2) assure that no municipality suffers impoverishment of neces-  
19 sary public services, relative to other municipalities, because of the chance  
20 location of taxable wealth in the state.

21 \* Sec. 2. AS 29 is amended by adding a new chapter to read:

22 CHAPTER 88. MUNICIPAL TAX RESOURCE EQUALIZATION.

23 Sec. 29.88.010. STATE EQUALIZATION OF TAX RESOURCES FOR LOCAL  
24 GOVERNMENT SERVICES. (a) During each fiscal year the department shall  
25 compute an equalization entitlement for local government services pro-  
26 vided by a taxing unit.

27 (b) The equalization entitlement computed for a taxing unit is  
28 based on the population, relative ability to generate revenue, and local  
29 tax burden of the taxing unit and is determined by the application of

1 the formula

2 Entitlement = P x R

3 where P = population, and

4 R = millage rate equivalent, determined by dividing the  
5 sum of the locally generated revenue of the taxing unit by one-tenth  
6 of one percent (0.1) of the full and true value of assessed property  
7 of the taxing unit determined under AS 29.88.020(d); however, the pro-  
8 perty value used under this subsection may not be less than 15 percent  
9 of the statewide average per capita full and true assessed property  
10 value.

11 (c) For purposes of this section, locally generated revenue

12 (1) includes

13 (A) the actual revenue derived from the levy and collec-  
14 tion of local taxes in the taxing unit for local government ser-  
15 vices during the preceding fiscal year of the taxing unit;

16 (B) motor vehicle payments received by the municipality  
17 during the preceding fiscal year under AS 28.10.431;

18 (C) revenue from fees, rentals, leases, penalties,  
19 licenses or permits received during the preceding fiscal year by  
20 the municipality for a function or service over which it has con-  
21 trol, including revenues derived from parks and recreation ser-  
22 vices, mass transit, offstreet parking, and garbage and solid waste  
23 disposal services;

24 (D) special assessments received during the preceding  
25 fiscal year; and

26 (E) payments received by a municipality from a utility  
27 which are in place of taxes levied and collected by the municipali-  
28 ty;

29 (2) excludes

1 (A) revenue derived from the levy and collection of  
2 municipal taxes and appropriated for the operating expenses and  
3 debt service of utilities;

4 (B) revenue from interest earned on investments and from  
5 the sale and lease of land or equipment; and

6 (C) all other revenue from whatever service derived.

7 Sec. 29.88.015. DETERMINATION OF POPULATION. (a) For purposes of  
8 this chapter, the population of a taxing unit shall be determined annu-  
9 ally by the latest figures of the United States Bureau of the Census or  
10 other population data which, in the judgment of the department, is  
11 reliable.

12 (b) The population of the taxing unit includes the population of  
13 any military reservation which is a part of the taxing unit.

14 Sec. 29.88.020. DETERMINATION OF MILLAGE RATE EQUIVALENT. (a)  
15 The department may require a municipality to return a certification,  
16 signed by the municipal treasurer or manager and the mayor, which pro-  
17 vides an estimate of the locally generated revenue received by the  
18 municipality during the preceding fiscal year.

19 (b) By October 15 of each year, the department shall make an  
20 initial determination of the millage rate equivalent of each taxing unit  
21 which will be used as the basis for computing and distributing equal-  
22 ization entitlements for the current fiscal year under this chapter.  
23 The department shall make the determinations based upon the certifica-  
24 tion returned by the municipality under (a) of this section.

25 (c) As early as possible, but not later than December 15 of each  
26 year, the department shall make a final determination of the millage  
27 rate equivalent of each taxing unit which will be used as the basis for  
28 computation and distribution of equalization entitlements under this  
29 chapter. The department shall make the determinations based on audits,

1 financial statements and other financial reports prepared and submitted  
2 by the municipality. The department shall adjust to the locally  
3 generated revenue reported by a municipality to exclude municipal revenue  
4 claimed by the municipality which does not qualify for inclusion in or  
5 recognition as locally generated revenue for local government purposes  
6 under AS 29.88.010(c)(1). The adjustment shall be made by deducting  
7 from total revenue claims submitted by the municipality an amount equal  
8 to the department's estimate of revenue which is not recognized for  
9 those purposes.

10 (d) The full and true assessed property value shall be determined  
11 by the department in the manner provided for the computation of state  
12 aid to education under AS 14.17.140. When the determination of locally  
13 generated revenue includes revenue of a utility received under AS 29.-  
14 88.010(c)(1)(E), the full and true assessed property value shall include  
15 the computed assessed value of the utility, determined by dividing the  
16 amount of the payment in place of taxes made by the utility by the  
17 millage rate which would apply to the utility if the utility were subject  
18 to levy and collection of taxes under AS 29.53.

19 (e) In addition to the computation for municipalities which levy  
20 and collect a property tax, the department shall determine an estimated  
21 full and true assessed property value under (d) of this section for

22 (1) each municipality which is a school district and which  
23 does not levy and collect a property tax;

24 (2) each second class city with a population of 750 or more  
25 persons; however, a computation is not required under this paragraph  
26 more often than once during a period of three successive calendar years;  
27 and

28 (3) all other second class cities, by determining the average  
29 per capita full and true assessed property value of all cities having a

1 population of less than 750 persons in which an assessment has been  
2 completed by a municipality or for which a determination is not made  
3 under (1) or (2) of this subsection.

4 (f) The department shall annually compute a statewide average per  
5 capita full and true assessed property value.

6 Sec. 29.88.025. REPORTS. A payment may not be made to a munici-  
7 pality under AS 29.88 until the municipality has submitted its certifi-  
8 cate of estimated revenue and its financial report to the department for  
9 the fiscal year preceding the year for which the equalization entitle-  
10 ment is sought, together with a budget for the municipality's current  
11 fiscal year. The financial report shall include a listing of general  
12 revenue collected from taxes levied and assessed by the municipality and  
13 any other revenue which, in the opinion of the municipal officials, is  
14 eligible for inclusion in computations of the locally-generated revenue  
15 of the taxing unit.

16 Sec. 29.88.030. LIMITATION ON COMPUTATION AND USE OF PAYMENTS.

17 (a) An equalization entitlement generated by the general tax levy of a  
18 taxing unit may be expended only for legally authorized expenditures of  
19 that taxing unit, but up to 15 percent of the payment of an equalization  
20 entitlement determined with reference to the areawide locally generated  
21 revenue of a municipality may be expended by the municipality at the  
22 discretion of its assembly or council.

23 (b) An equalization entitlement determined with reference to  
24 revenue other than revenue obtained from the levy and collection of  
25 taxes may be used for areawide or nonareawide purposes, at the discre-  
26 tion of the assembly or council.

27 Sec. 29.88.035. TAX EQUALIZATION ACCOUNT. The tax equalization  
28 account is established. Money to carry out the provisions of this  
29 chapter shall be allocated by the department to the account. The amount

1 allocated to the account shall be fully distributed by the department as  
2 payments to municipalities to fulfill each municipality's share author-  
3 ized under AS 29.88.010, and the amount allocated to the account shall  
4 be distributed by the department pro rata among eligible municipalities.

5 Sec. 29.88.040. ADMINISTRATION. (a) The department may adopt  
6 regulations necessary to implement the provisions of this chapter. The  
7 regulations shall include, among other provisions, (1) procedures and  
8 filing dates for submitting financial reports; (2) procedures for ob-  
9 taining information required to compute and determine the municipality's  
10 millage rate equivalent; and (3) procedures by which the department  
11 shall notify a municipality in writing of the reasons for a proposed  
12 disallowance or adjustment of any factor bearing upon the determination  
13 of the municipality's entitlement and by which the municipality will be  
14 provided reasonable time in which to respond or to challenge the depart-  
15 ment's determination.

16 (b) The department shall make reasonable efforts to advise and  
17 assist municipalities in collecting information and completing reports  
18 necessary for the determination of entitlements under this chapter.

19 (c) The department shall, by regulation, classify for inclusion or  
20 exclusion as a component of a municipality's millage rate equivalent  
21 under AS 29.88.010, any tax revenue appropriated for a utility not  
22 included in the definition set out in AS 29.88.045(4).

23 Sec. 29.88.045. DEFINITIONS. In this chapter

24 (1) "department" means the Department of Community and Re-  
25 gional Affairs;

26 (2) "municipality" means a city, borough or unified munici-  
27 pality incorporated under the laws of the state;

28 (3) "taxing unit" means a municipality and

29 (A) in a borough or unified municipality, a service area

1 or the entire area outside cities;

2 (B) in a city, a differential tax zone;

3 (4) "utilities" means electricity, water, sewer, gas, heat,  
4 or telephone services, and refuse and garbage collection services.

5 \* Sec. 3. AS 29 is amended by adding a new chapter to read:

6 CHAPTER 89. STATE AID FOR MISCELLANEOUS  
7 MUNICIPAL PURPOSES.

8 Sec. 29.89.010. REVENUE SHARING PAYABLE. In addition to the en-  
9 titlements under AS 29.88, during each fiscal year the department shall  
10 pay aid to a municipality or other eligible recipient which has the  
11 power to provide the services described in this chapter and exercises  
12 the power in the manner required by this chapter.

13 Sec. 29.89.020. STATE AID TO MUNICIPALITIES FOR ROADS. (a) The  
14 department shall pay to a municipality which has power to provide for  
15 road maintenance and exercises that power, a sum equal to \$2,500 a mile  
16 for each mile of road, street or highway maintained by the local govern-  
17 ment, excluding (1) the official state highway system, (2) roads, streets  
18 or highways not dedicated to public use, (3) roads, streets or highways  
19 maintained under the local service road program (AS 19.30.111 - 19.30.-  
20 251), and (4) alleyways, in accordance with regulations adopted by the  
21 Department of Transportation and Public Facilities. A payment may not  
22 be made for maintenance of a road which is not used by automotive equip-  
23 ment.

24 (b) A frozen waterway and a connection from an inhabited area to a  
25 waterway which may be safely used for public transportation by auto-  
26 motive equipment and is so used during a portion of a year is eligible  
27 for a payment of \$1,500 per mile if the waterway and connection are  
28 maintained during the period of use by a municipality or combination of  
29 municipalities. The department, after consultation with the Department

1 of Transportation and Public Facilities, shall determine which waterways  
2 and connections qualify and, where the waterways or connections lie  
3 outside the corporate limits of a municipality, which municipalities  
4 shall receive the payments under this subsection unless the municipali-  
5 ties involved have agreed in writing to a particular distribution.

6 Sec. 29.89.030. STATE AID TO MUNICIPALITIES AND OTHER ELIGIBLE  
7 RECIPIENTS FOR HEALTH FACILITIES AND HOSPITALS. (a) The department  
8 shall pay

9 (1) to a municipality which has the power to provide hospital  
10 facilities and services and which exercises that power, \$1,000 per bed  
11 for each bed actually used for patient care, limited to the number of  
12 beds provided for in the construction design of the hospital, or \$75,000  
13 a hospital for those hospitals with 10 or more beds, or \$25,000 a hos-  
14 pital for those hospitals with less than 10 beds, as the municipality  
15 may elect; money received under this paragraph may be used only for  
16 hospitals and shall be apportioned among qualifying hospitals as the  
17 municipality may determine;

18 (2) on the basis set out in (1) of this subsection to a muni-  
19 cipality for a nonprofit hospital not operated by a municipality if the  
20 municipality first certifies to the department that the nonprofit hos-  
21 pital is in compliance with all standards for hospitals which have been  
22 adopted by the municipality; money may not be paid on behalf of a non-  
23 profit hospital in the absence of this certification; payments to the  
24 municipality shall be transferred to the nonprofit hospital in accord-  
25 ance with the basis by which the entitlement was generated by the hospi-  
26 tal and shall be applied to the annual cost of operation and maintenance  
27 of the hospital or for the provision of health care service at the  
28 hospital as the directors of the hospital determine;

29 (3) to a municipality in which a health facility is operated,

1 \$1,000 per bed for each bed actually used for patient care, limited to  
2 the number of beds provided for in the construction design of the health  
3 facility, or \$4,000 per health facility as the municipality may deter-  
4 mine.

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

7 (c) Money received by a municipality under (a)(3) of this section  
8 shall be used for expenses of health services or operation and mainte-  
9 nance of health facilities as the municipality may determine.

10 (d) Before money may be distributed under this section, the com-  
11 missioner of health and social services shall certify to the distri-  
12 buting agency that any accumulation of assets by nonprofit corporations  
13 or other recipients under this section are dedicated irrevocably to a  
14 public purpose.

15 Sec. 29.89.040. STATE AID TO VOLUNTEER FIRE DEPARTMENTS IN THE  
16 UNORGANIZED BOROUGH. (a) The department shall pay to a volunteer fire  
17 department registered with the state fire marshal and serving an area  
18 not in an organized borough or city a sum for protection purposes equal  
19 to \$7.50 per capita for the population served by the department, as  
20 determined by the state fire marshal.

21 (b) A grant shall be made as set out in (a) of this section to  
22 facilitate the organization of a volunteer fire department in an area  
23 not in an organized borough or city upon application of the proposed  
24 fire protection group to the state fire marshal and approval of appli-  
25 cations according to standards of organization and service prescribed by  
26 regulations adopted by the state fire marshal.

27 Sec. 29.89.050. POPULATION DETERMINATION. For purposes of this  
28 chapter, population shall be determined by the latest figures of the  
29 United States Bureau of the Census or other reliable population data,

1 including but not limited to public school enrollment figures, public  
2 utility connection, registered voters or certified employment payrolls.

3 Sec. 29.89.060. AREA COST-OF-LIVING DIFFERENTIAL. (a) Payments  
4 to a municipality or other eligible recipient under AS 29.89.020 -  
5 29.89.030 shall reflect area cost-of-living differentials. Amounts  
6 distributed shall be based upon the sum of per capita, per mile and per  
7 bed or facility grants due each municipality or other recipient multi-  
8 plied by the appropriate area cost-of-living differential. The area  
9 cost-of-living differential for each recipient shall be determined  
10 annually by election district under the provisions of AS 39.27.030;  
11 however, the area cost-of-living differential to be applied may not  
12 result in an amount to be distributed less than the base allocation.

13 (b) The election districts used in (a) of this section are those  
14 designated by the proclamation of reapportionment and redistricting of  
15 December 7, 1961, and retained for the house of representatives by  
16 proclamation of the governor September 3, 1965.

17 Sec. 29.89.070. MISCELLANEOUS SERVICES ACCOUNT. The miscellaneous  
18 services account is established. Money to carry out the provisions of  
19 this chapter shall be allocated by the department to the account in  
20 accordance with AS 29.95.010. If amounts in the account are insuffi-  
21 cient to pay each municipality's or other recipient's share authorized  
22 under this chapter, the amounts which are available shall be distributed  
23 pro rata among eligible municipalities and other recipients.

24 Sec. 29.89.080. REGULATIONS. The department shall adopt regula-  
25 tions necessary to carry out the purposes of this chapter. The regula-  
26 tions shall include minimum standards required to qualify a municipality  
27 or other recipient for grants for each service. The department may  
28 require a municipality or other recipient to submit a performance report  
29 adequate to demonstrate to the department that a service for which

1 payment is requested under this chapter was performed by the municipi-  
2 pality or other recipient and meets the minimum standards of service  
3 prescribed by regulation.

4 Sec. 29.89.090. DEFINITIONS. In this chapter

5 (1) "department" means the Department of Community and Re-  
6 gional Affairs;

7 (2) "health facility"

8 (A) means a facility which is licensed, when required,  
9 by the state under AS 18.20.010 - 18.20.130 and which is owned or  
10 operated or both by a municipality or by a nonprofit corporation or  
11 other nonprofit sponsor;

12 (B) includes a public health center, maternity home,  
13 community mental health center, facility for the mentally or physi-  
14 cally handicapped, nursing home or convalescent center;

15 (C) excludes a facility operated or wholly supported by  
16 the state or the federal government;

17 (3) "hospital" means a licensed hospital determined by the  
18 Department of Health and Social Services to be a general hospital; the  
19 term excludes a facility operated or wholly supported by the state or  
20 the federal government;

21 \* Sec. 4. AS 29 is amended by adding a new chapter to read:

22 CHAPTER 90. STATE AID FOR HOSPITAL CONSTRUCTION.

23 Sec. 29.90.010. STATE AID FOR HOSPITAL CONSTRUCTION. If construc-  
24 tion of a hospital began after January 1, 1968, and state matching aid  
25 for construction approved for payment to the municipality or other  
26 hospital sponsor constitutes less than 25 percent of the total project  
27 cost, the department shall pay to the municipality or other hospital  
28 sponsor each fiscal year a sum equal to \$2,500 a bed for the maximum  
29 number of beds provided for in the construction design of the facility

1 machinery and equipment as may be necessary in connection with  
2 the project;

3 (ii) an allocable portion of the administrative and  
4 operating expenses of the municipality or other hospital  
5 sponsor;

6 (iii) the cost of financing the project, including  
7 interest on bonds issued to finance the project; and

8 (iv) the cost of other items, including any indem-  
9 nity and surety bonds and premiums on insurance, legal fees,  
10 fees and expenses of trustees, depositaries, financial advi-  
11 sors, and paying agents for the bonds issued as the issuer  
12 considers necessary.

13 \* Sec. 5. AS 29 is amended by adding a new chapter to read:

14 CHAPTER 9 . ADMINISTRATION OF MUNICIPAL  
15 FINANCIAL ASSISTANCE PROGRAMS.

16 Sec. 29.95.010. ALLOCATION AND DISTRIBUTION. (a) The Department  
17 of Community and Regional Affairs shall allocate money appropriated to  
18 the accounts established in AS 29.88, AS 29.89, AS 29.90, and AS 29.-  
19 95.030(d) in amounts determined by the legislature.

20 (b) Money in the miscellaneous services account established in  
21 AS 29.89.070 which exceeds the amount required to fully distribute  
22 entitlements authorized by AS 29.89 shall be reallocated to the tax  
23 equalization account established in AS 29.88.035 and distributed ac-  
24 cording to the provisions of AS 29.88.

25 (c) Money in the hospital construction assistance account estab-  
26 lished in AS 29.90.020 which exceeds the amount required to fully dis-  
27 tribute entitlements authorized by AS 29.90 shall be reallocated to the  
28 tax equalization account established in AS 29.88.035 and distributed  
29 according to the provisions of AS 29.88.

1 ferential may not result in an amount which is less than the minimum  
2 entitlement determined under (a) of this section. For purposes of this  
3 subsection, the election districts used are those designated by the  
4 proclamation of reapportionment and redistricting of December 7, 1961,  
5 and retained for the house of representatives by proclamation of the  
6 governor September 3, 1965.

7 (c) The Department of Community and Regional Affairs shall pay to  
8 each municipality eligible to receive payment of a minimum entitlement  
9 under this section an amount equal to the difference between the minimum  
10 entitlement determined under (a) and (b) of this section and the sum of  
11 the amounts determined as payable for the same fiscal year under AS 29.-  
12 88 and AS 29.89, except that a payment may be prorated and reduced under  
13 AS 29.95.040.

14 (d) If payments are required under this section, the payments  
15 shall be made from the money allocated to the equalization account  
16 established in AS 29.88.035.

17 Sec. 29.95.030. ENTITLEMENT ADJUSTMENT. (a) A municipality may  
18 not receive a total amount of money under AS 29.88, AS 29.89, and AS 29.-  
19 95.020 which is less in proportion to the total amount appropriated and  
20 allocated under those sections than 90 percent of the percentage of the  
21 population of the municipality to the total population of the state for  
22 the fiscal year, as the population of the municipality and the popula-  
23 tion of all municipalities of the state is determined under AS 29.88.015.

24 (b) When the total amount that would be received by a municipality  
25 under AS 29.88, AS 29.89 and AS 29.95.020 is less than the amount deter-  
26 mined under (a) of this section, the department shall pay to the muni-  
27 cipality, in addition to payments under AS 29.88, AS 29.89, and AS 29.-  
28 95.020, the amount of the difference.

29 (c) For puposes of determining whether an entitlement adjustment

1 is payable to a borough under this section, if a borough includes one or  
2 more cities which are entitled to receive entitlements payable under  
3 AS 29.88, AS 29.89 or AS 29.95.020, in addition to the entitlement of  
4 the borough, entitlements payable to the cities shall be considered as  
5 if they were payable to the borough.

6 (d) The minimum entitlement adjustment account is established.  
7 Money to carry out the provisions of this section shall be allocated by  
8 the department to the account in accordance with AS 29.95.010. If  
9 amounts in the account are insufficient to pay each municipality's share  
10 authorized under this section, the amounts which are available shall be  
11 distributed pro rata among eligible municipalities.

12 Sec. 29.95.040. PRORATION OF PAYMENTS. (a) Payments under AS 29.-  
13 95.020 and AS 29.88 shall equal the amount allocated to the equalization  
14 account (AS 29.88.035), adjusted in accordance with AS 29.90.010.

15 (b) Adjustments of payments shall be determined by prorating  
16 amounts payable under AS 29.95.020 - 29.95.030 and amounts payable under  
17 AS 29.88 by a factor which, when applied, reduces all payments in equal  
18 proportion so that payments under AS 29.95.020 - 29.95.030 and payments  
19 under AS 29.88 equal the amount allocated to the account established in  
20 AS 29.88.035.

21 \* Sec. 6. AS 29.23.560(a)(3) is amended to read:

22 (3) tax assessment and tax levy figures as requested;

23 \* Sec. 7. AS 29.23.560(a) is amended by adding new paragraphs to read:

24 (5) a copy of the current annual budget of the municipality;

25 (6) a summary of the optional property tax exemptions autho-  
26 rized in the municipality, together with the municipality's estimate of  
27 the revenues lost to it by operation of each of the exemptions.

28 \* Sec. 8. AS 29.23.560(b) is amended to read:

29 (b) Compliance with the provisions of this section is a prerequi-