

LEG. FINANCE - BILLS 1979 - 1980 1063

CASHB 192 cont., thru HB 193 1063

1 site to receipt of municipal tax resource equalization assistance under
 2 AS 29.88 and state aid for miscellaneous municipal services under
 3 AS 29.89 [STATE-SHARED REVENUES UNDER AS 43.18]. The Department of
 4 Community and Regional Affairs [STATE] shall withho'd annual allocations
 5 under those chapters [THAT CHAPTER] in the event of noncompliance until
 6 such time as the report requirements are met [COMPLIED WITH].

7 * Sec. 9. AS 29.73 is amended by adding a new section to read:

8 Sec. 29.73.060. TAXPAYER NOTICE. (a) If a municipality levies
 9 and collects real or personal property taxes, the governing body shall
 10 provide the following notice:

11 "NOTICE TO TAXPAYER

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

16	PUBLIC SCHOOL FOUNDATION PROGRAM ASSISTANCE	
17	(AS 14.17)	\$
18	STATE AID FOR RETIREMENT OF SCHOOL CONSTRUC-	
19	TION DEBT (AS 43.18.100)	\$
20	MUNICIPAL TAX RESOURCE EQUALIZATION ASSIS-	
21	TANCE (AS 29.88)	\$
22	STATE AID FOR MISCELLANEOUS MUNICIPAL	
23	SERVICES (AS 29.89)	\$
24	TOTAL AID	\$

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

28	MILLAGE EQUIVALENT	
29	PREVIOUS YEAR	THIS YEAR

1 PUBLIC SCHOOL FOUNDATION PROGRAM

2 ASSISTANCE	.... MILLS	.... MILLS
3 STATE AID FOR RETIREMENT OF		
4 SCHOOL CONSTRUCTION DEBT	.... MILLS	.... MILLS
5 MUNICIPAL TAX RESOURCE EQUALI-		
6 ZATION ASSISTANCE	.... MILLS	.... MILLS
7 STATE AID FOR MISCELLANEOUS		
8 MUNICIPAL SERVICES	.... MILLS	.... MILLS
9 TOTAL MILLAGE EQUIVALENT	.... MILLS	.... MILLS"

10 Notice shall be provided

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

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

17 (b) If the municipality levies and collects only a sales tax, the
18 governing body shall provide a notice substantially in the form set out
19 in (a) of this section. In providing notice under this subsection, the
20 council or assembly shall substitute for the millage equivalency its
21 estimate of the equivalent sales tax rate for each of the categories of
22 financial assistance set out in (a) of this section. Notice shall be
23 provided

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

28 (2) if there is no newspaper of general circulation in the
29 municipality, by posting a copy of the notice for at least 20 days in at

1 least two public places within the municipality, with posting to occur
2 not later than 45 days after the final adoption of the municipality's
3 budget.

4 (c) Compliance with the provisions of this section is a prerequi-
5 site to receipt of municipal tax resource equalization assistance under
6 AS 29.88 and state aid for miscellaneous municipal services under
7 AS 29.89. The Department of Community and Regional Affairs shall with-
8 hold annual allocations under those chapters until municipal officials
9 demonstrate that the requirements of this section have been met.

10 * Sec. 10. AS 29.13.100 is amended by adding new paragraphs to read:

11 (40) AS 29.73.060 (taxpayer notice)

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

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

14 * Sec. 11. AS 43.18.010 - 43.18.045 are repealed.

15 * Sec. 12. (a) Notwithstanding other provisions of secs. 1 - 11 of this
16 Act,

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

20 (2) a municipality which would receive less money under the provi-
21 sions of this Act than it received for the last fiscal year under the provi-
22 sions of AS 43.18.010 - 43.18.045 repealed by sec. 11 of this Act shall, for
23 the first five fiscal years during which this Act is effective, be entitled
24 to receive an amount equal to that received for the last fiscal year under
25 the former provisions of AS 43.18.010 - 43.18.045, in accordance with those
26 provisions.

27 (b) For the first five fiscal years during which this Act is effective,
28 if the amount appropriated to pay entitlements under this Act is insufficient
29 for the purpose of paying the full entitlement due each municipality or other

1 recipient, entitlements determined under AS 29.88, AS 29.89, AS 29.90, and
2 AS 29.95, together with the additional sums required by (a) of this section,
3 shall be equally prorated and the prorated amounts distributed to municipali-
4 ties and other recipients.

5 * Sec. 13. (a) The Department of Health and Social Services and the
6 Department of Community and Regional Affairs shall jointly examine and report
7 their recommendations on the extent to which the state should assist munici-
8 palities, nonprofit corporations, and others in the construction and opera-
9 tion of hospitals and health facilities.

10 (b) By February 1, 1981, the commissioner of health and social services
11 shall submit to the legislature a report, accompanied by draft legislation,
12 examining programs of state aid for hospital and health facility construction
13 and operation, including both public and private facilities, and recommending
14 a comprehensive health and hospital financial assistance program. The report
15 and accompanying legislation shall be based on health care and health facili-
16 ty need, expressed as a function of number of beds, occupancy rate of faci-
17 lities, kinds of care and levels of service provided or not provided, or any
18 other factors which the commissioner of health and social services reasonably
19 believes should be the basis by which state assistance for hospitals and
20 health facilities and their programs should be provided.

21 (c) The report and accompanying legislation presented under (b) of this
22 section shall

23 (1) include, if necessary, reference to certificates of need
24 legislation and any other current program of the federal or state government
25 which applies in determining whether hospitals and health care facilities
26 shall be constructed;

27 (2) recommend a permanent program of state assistance to munici-
28 palities for hospital care and health care services, whether provided by
29 public or private facilities, which improves the level of care for the people

1 of the state.

2 * Sec. 14. (a) The Department of Community and Regional Affairs and the
3 Department of Transportation and Public Facilities shall jointly examine and
4 report their recommendations on the extent to which the state should assist
5 municipalities in the construction and operation of mass transit facilities
6 and services.

7 (b) By February 1, 1981, the commissioner of community and regional
8 affairs shall submit to the legislature a report, accompanied by draft legis-
9 lation, examining programs of state aid for mass transit facilities and ser-
10 vices, and recommending a comprehensive financial assistance program. The
11 recommendation shall consider regional transit differences, public and pri-
12 vate operation of transit systems, and methods of financial support provided
13 in other states.

14 * Sec. 15. Sections 1 - 12 of this Act take effect on the first day of
15 the fiscal year for which \$33,500,000 or more is appropriated and allowed by
16 the governor for distribution to municipalities and other recipients under
17 the provisions of secs. 1 - 12 of this Act, or on July 1, 1983, whichever is
18 earlier.

19 * Sec. 16. Sections 13 and 14 of this Act take effect July 1, 1980.

20 * Sec. 17. Sections 15 - 17 of this Act take effect immediately in accord-
21 ance with AS 01.10.070(c).

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Introduced: 2/13/79
Referred: Community & Regional
Affairs and Finance

1 IN THE HOUSE

BY GARDINER, ANDERSON AND MILLER

2 HOUSE BILL NO. 192

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST 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, and providing for
9 minimum entitlements; and providing for an effective
10 date."

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

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

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

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

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

21 CHAPTER 88. MUNICIPAL TAX RESOURCE EQUALIZATION.

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

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

1 Entitlement = P x R

2 where P = population, and

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

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

11 (1) includes,

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

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

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

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

25 (2) excludes,

26 (A) revenue derived from the levy and collection of
27 municipal taxes and appropriated for the operating expenses and
28 debt service of utilities;

29 (B) revenue from interest earned on investments and from

1 the sale and lease of land or equipment; and

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

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

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

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

15 (b) Not later than October 15 of each year, the department shall
16 make an initial determination of the millage rate equivalent of each
17 taxing unit which will be used as the basis for computation and distri-
18 bution of equalization entitlements for the fiscal year under this
19 chapter. The department shall make the determinations based upon the
20 certification returned by the municipality under (a) of this section.

21 (c) At the earliest possible date, but not later than December 15
22 of each year, the department shall make a final determination of the
23 millage rate equivalent of each taxing unit which will be used as the
24 basis for computation and distribution of equalization entitlements
25 under this chapter. The department shall make the determinations based
26 upon all audits, financial statements and other financial reports pre-
27 pared and submitted by the municipality. The department shall adjust to
28 the locally generated revenue reported by municipalities to exclude the
29 portion of the municipal revenue-generating effort claimed by the muni-

1 cipality which does not qualify for inclusion in or recognition as
2 locally generated revenue for local government purposes under AS 29.88.-
3 010(c)(1). The adjustment shall be made by deducting an amount equal to
4 the department's estimate of revenue which is not recognized for those
5 purposes.

6 (d) The full and true assessed property value shall be determined
7 by the department in the manner provided for the computation of state
8 aid to education under AS 14.17.140. In addition to the computation for
9 municipalities which levy and collect a property tax, the department
10 shall determine an estimated full and true assessed property value for

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

13 (2) each second class city in which the population of the
14 city equals or exceeds 750 persons; however, a computation may not be
15 required under this paragraph more often than once during a period of
16 three successive calendar years; and

17 (3) all other second class cities, by determining the average
18 per capita full and true assessed property value of all cities having a
19 population of less than 750 in which an assessment is completed by a
20 municipality or for which a determination is not made under (1) or (2)
21 of this subsection.

22 (e) The department shall annually compute a statewide average per
23 capita full and true assessed property value.

24 Sec. 29.88.025. REPORTS. No payment may be made to a municipality
25 under AS 29.88 until the municipality has first submitted its certifi-
26 cate of estimated revenue and its financial report to the department for
27 the fiscal year preceding the year for which the equalization entitle-
28 ment is sought, together with a budget for the municipality's current
29 fiscal year. The financial report shall include a listing of general

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 per cent 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; funds 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; no funds may 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 with the basis by which the entitlement was generated by the hospital
16 and shall be applied to the annual cost of operation and maintenance of
17 the hospital or for the provision of health care service at the hospital
18 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) Funds 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 funds may be distributed under this section, the com-

1 missioner of health and social services shall certify to the distri-
2 buting 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 per cent 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 per
12 cent 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 per cent of
16 the total project cost. No funds received for construction shall be
17 used 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 IN THE UN-
5 ORGANIZED BOROUGH. (a) The state shall pay to a volunteer fire depart-
6 ment registered with the state fire marshal and serving an area not in
7 an organized borough or a city a sum for protection purposes equal to
8 \$7.50 per capita for the population served by the department, as deter-
9 mined by the state fire marshal.

10 (b) Grants shall be made as set out in (a) of this section to
11 facilitate the organization of volunteer fire departments in an area not
12 in an organized borough or a city, upon application of the proposed fire
13 protection group to the state fire marshal and approval of applications
14 according to standards of organization and service prescribed by regula-
15 tions promulgated by the state fire marshal.

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

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

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

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

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

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

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

24 Sec. 29.89.050. DEFINITIONS. In this chapter

25 (1) "health facility" means public health centers, maternity
26 homes and community mental health centers, facilities for the mentally
27 or physically handicapped, nursing homes and convalescent centers which
28 are licensed, when required, by the state under AS 18.20.010 - 18.20.130
29 and are owned or operated or both by a municipality or by a nonprofit

1 corporation or other nonprofit sponsor; the term excludes facilities
2 operated or wholly supported by the state or the federal government;

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

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

8 . CHAPTER 90. ADMINISTRATION OF MUNICIPAL
9 FINANCIAL ASSISTANCE PROGRAMS.

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

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

28 Sec. 29.90.020. QUALIFICATION FOR MINIMUM ENTITLEMENT. (a) A
29 municipality qualifying for an entitlement under AS 29.88 or AS 29.89

1 shall receive a minimum payment of \$25,000 plus an area cost-of-living
2 differential for each fiscal year if:

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

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

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

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

19 (b) The area cost-of-living differential of each municipality
20 payable under this section shall be determined annually by election
21 district under the provisions of AS 39.27.030. However, except as
22 provided in AS 29.90.010(b), application of the area cost-of-living
23 differential may not result in an amount which is less than the minimum
24 entitlement determined under (a) of this section. For purposes of this
25 subsection, the election districts used are those designated by the
26 proclamation of reapportionment and redistricting of December 7, 1961,
27 and retained for the house of representatives by proclamation of the
28 governor September 3, 1965.

29 (c) The department shall pay to each municipality eligible to

1 receive payment of a minimum entitlement under this section an amount
2 equal to the difference between the minimum entitlement determined under
3 (a) and (b) of this section and the sum of the amounts determined as
4 payable for the same fiscal year under AS 29.88 and AS 29.89, except
5 that a payment may be prorated and reduced under AS 29.90.010(b).

6 (d) If payments are required under this section, the payments
7 shall be made from the funds allocated to the equalization ac-
8 count established in AS 29.88.035.

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

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

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

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

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

16 * Sec. 7. AS 29.23.560(L) is amended to read:

17 (b) Compliance with the provisions of this section is a prerequi-
18 site to receipt of municipal tax resource equalization assistance under
19 AS 29.88 and state aid for miscellaneous municipal services under
20 AS 29.89 [STATE-SHARED REVENUES UNDER AS 43.18]. The Department of
21 Community and Regional Affairs [STATE] shall withhold annual allocations
22 under those chapters [THAT CHAPTER] in the event of noncompliance until
23 such time as the report requirements are met [COMPLIED WITH].

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

25 Sec. 29.73.060. TAXPAYER NOTICE. (a) If a municipality levies
26 and collects real or personal property taxes, the governing body shall
27 provide the following notice:

28 "NOTICE TO TAXPAYER

29 For the current fiscal year the (city) (borough) has been

1 allocated the following amount of state aid for school and
 2 municipal purposes under the applicable financial assistance
 3 Acts:

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

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

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

27 Notice shall be provided

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

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

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

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

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

21 (c) Compliance with the provisions of this section is a prerequi-
22 site to receipt of municipal tax resource equalization assistance under
23 AS 29.88 and state aid for miscellaneous municipal services under AS
24 29.89. The Department of Community and Regional Affairs shall withhold
25 annual allocations under those chapters until municipal officials demon-
26 strate that the requirements of this section have been met.

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

28 (39) AS 29.73.060 (taxpayer notice)

29 (40) AS 29.88 (municipal tax resource equalization assistance)

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(41) AS 29.89 (state aid for miscellaneous municipal services)

* Sec. 10. AS 43.18.010 - 43.18.045 repealed.

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

(1) no municipality may receive less than \$25,000 plus an area cost-of-living differential during the first fiscal year in which this Act is effective; and

(2) a municipality which would receive less money under the provisions of this Act than it received for the last fiscal year under the provisions of AS 43.18 repealed by this Act shall, for the first three fiscal years during which this Act is effective, be entitled to receive an amount equal to that received for the last fiscal year under the former provisions of AS 43.18, in accordance with those provisions.

(b) For the first three fiscal years during which this Act is effective, if the amount appropriated to pay entitlements under this Act is insufficient for the purpose of paying the full entitlement due each municipality or other recipient, entitlements determined under AS 29.88, AS 29.89 and AS 29.90, together with the additional sums required by (a) of this section, shall be equally prorated and the prorated amounts distributed to municipalities and other recipients.

* Sec. 12. This Act takes effect on the first day of the fiscal year for which not less than \$27,000,000 is appropriated and allowed by the governor for distribution to municipalities and other recipients under the provisions of this Act, or on July 1, 1982, whichever is earlier.

CATEGORY: DEVELOPMENT

AGENCY: COMMUNITY & REGIONAL AFFAIRS

PROGRAM: COMMUNITY DEVELOPMENT

BRU(s): LOCAL GOVERNMENT ASSISTANCE - GRANTS

The Local Government Assistance - Grants BRU include the following component: Municipal Revenue Sharing, National Forest Receipts, Agriculture Land Exemption, Rural Development Assistance, and Organizational Grants.

Municipal Revenue Sharing provides local governments with financial resources, distributed from current state tax revenues, to help complement and deliver basic municipal service without substantially increasing local taxes. For FY 81, the amount requested for Municipal Revenue Sharing grants is \$26,565.0. This will allow an estimated 100% of community entitlements.

National Forest Receipts are distributed to organized boroughs and unified municipalities which have National Forest land within their boundaries. A borough's share of income from a National Forest is proportional to the area of the National Forest located within the community's boundaries. This income, according to law, must be expended for public schools or community roads. The total National Forest income received by the State in a given fiscal year is 25% of the total annual collection fees received by the U.S. Forest Service during the previous year. During FY 80, total National Forest income received by the State will be \$2,907,500 of which \$916,486 will be distributed to municipalities in the Tongass Chugach National Forests.

Agricultural Lands Exemptions provides owners of agricultural land who derive at least 10% of their annual gross income from use of the land, a deferral taxation. Municipalities establish and maintain records of assessment at full value and at farm use value, provide verification of qualification data, in some cases verify income requirements, compute the tax deferred and submit the applications as a reimbursement request to the State Assessor's office. Funding for this program for FY 81 will be \$189,600 or \$60,000 less than the current fiscal year.

Rural Development Assistance grants are designed to provide financial aid assistance to rural communities so that they may build a more diversified community and economic base. The RDA program was appropriated \$841,900 in grant funds in the FY 80 budget. The FY81 request for RDA grant funding was increased to \$900,800. In FY 80, this program was part of the Community & Rural Development BRU.

The Organizational Grant component is designed to provide funding to assist newly incorporated municipalities transitioning to a functioning local government unit. Funding for this program was \$25,000 in FY 80 and a request of that amount is made for FY 81.

COMPONENT DESCRIPTION	79 AUTH	79 FINAL	79 ACT	80 AUTH	80 SUPL	80 RP	GOVERNOR
MUNICIPAL REVENUE SHARING	18688.0	18795.6	18772.4	20236.0			26565.0
AGRICULTURAL LAND EXEMPTION	215.2	215.2	139.1	249.6			189.6
NATIONAL FOREST RECEIPTS	900.0	929.7	929.7	1200.0			1200.0
RURAL DEVELOP GRANTS	842.1	842.1	842.0	841.9			900.8
ORGANIZATIONAL GRANTS	100.0	100.0	87.1	25.0			25.0
COMMUNITY LEGAL ASST GRANTS	20.0	97.6	11.5				
** TOTAL	20765.3	20980.2	20781.8	22552.5			28880.4
** CHANGE VERSUS 80 AUTH							28.0%
OBJECT DESCRIPTION							
TRAVEL		15.0	9.3				
CONTRACTUAL		60.0	52.8				
GRANTS, CLMS	20765.3	20905.2	20719.7	22552.5			28880.4
FUNDING SOURCE							
FED. RECEIPT		929.7	929.7	1200.0			1200.0
GENERAL FUND	20765.3	20050.5	19852.1	21352.5			27680.4
** GENERAL FUND CHANGE VS. 80 AUTH							29.6%



ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

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

MEMORANDUM

May 28, 1980

TO: Senator Arliss Sturgulewski

FROM: Jack Kreinheder
Issues Analyst *JK*

RE: Senate CS for CS for HB 192 (Finance)
Research Request No. 139'

Attached are the results of the computer run which you requested for the most recent version of the HB 192 revenue sharing bill, as reported out by the Senate Finance Committee on 5/26/80. The run is based on a total entitlement of \$33.5 million, \$2.5 million of which is intended to fund the \$25,000 entitlements for Native Village governments, authorized in Sec. 29.89.050, which was added by the Senate Finance Committee. Thus, the remaining \$31 million is the same entitlement as in the House-passed version of HB 192. The 2.5 million which had been added by the Senate Community and Regional Affairs Committee to fund the population-based entitlement adjustment account was deleted by Senate Finance along with the entitlement adjustment provision.

There are two major differences in this printout from the earlier versions. The first is that the present law entitlement figures represent the full FY 80 funding level, including the supplemental revenue sharing appropriation which passed both Houses and is now awaiting the Governor's signature. Earlier computer runs were based on the prorated FY 80 entitlements, which are the amounts municipalities have actually received to date for this fiscal year.

The second major difference is that the hold harmless provision in Sec. 12 of the bill is applied to the full FY 80 entitlements, rather than the prorated amounts. The effect of this change is to provide a somewhat larger entitlement for municipalities such as the Sitka Borough, the North Slope Borough, Valdez, and other local governments which would otherwise face a decrease in their current revenue sharing entitlements under HB 192. These hold harmless amounts are displayed in the last column of the printout. It should be noted that the municipalities affected by the hold harmless provision would actually have a small decrease of about 1.3 percent from present entitlement levels under HB 192, as a result of the proration mechanism used to fund the hold harmless clause.

If you would like additional explanation of the bill, or if we may be of further assistance, please let me know.

JK/dp

Attachments

PERCENTAGE BREAKDOWN OF POPULATION AND ENTITLEMENTS

LOCAL GOV'T	POPULATION PERCENTAGE		PRESENT LAW ENTITLEMENT (INCLUDING SUPPLEMENTAL APPROPRIATION)	PERCENTAGE	HB 192 ENTITLEMENT	PERCENTAGE	HOLD HARMLESS ADD ON (INCLUDED IN PREVIOUS COLUMN)
BOROUGHES AND SERVICE AREAS							
1 ANCHORAGE A.W.	204,809	46.07%	\$8,822,420	32.65%	\$10,197,884	30.44%	\$0
2 CITY S.A.	83,340	18.74%	\$3,905,055	1.18%	\$241,088	0.71%	\$0
3 EAGLE RIVER	7,522	1.69%	\$56,415	0.20%	\$25,639	0.07%	\$0
4 CHUGIAK	4,845	1.09%	\$36,338	0.13%	\$5,459	0.01%	\$0
5 GIRDWOOD	487	0.10%	\$6,088	0.02%	\$1,084	0.00%	\$0
6 GLEN ALPS	65	0.01%	\$0	0.00%	\$73	0.00%	\$0
7 FIRE S.A.	189,598	42.65%	\$1,275,517	4.72%	\$616,228	1.83%	\$0
8 ROADS & DRAINAGE	168,826	37.98%	\$583,320	2.15%	\$1,477,666	4.41%	\$0
9 POLICE S.A.	185,893	41.82%	\$2,113,542	7.82%	\$873,337	2.60%	\$0
10 PARKS & REC.	189,469	42.62%	\$874,111	3.23%	\$247,075	0.73%	\$0
11 P & R/CHUGIAK	12,452	2.80%	\$62,260	0.23%	\$15,617	0.04%	\$0
12 SOLID WASTE S.A.	184,290	41.46%	\$0	0.00%	\$59,683	0.17%	\$0
13 CHUGIAK/SOLID WASTE	14,476	3.25%	\$0	0.00%	\$1,948	0.00%	\$0
14 BUILDING SAFETY	184,216	41.44%	\$0	0.00%	\$90,953	0.27%	\$0
15 SPECIAL ASSESSMENT	92,239	20.75%	\$28,185	0.10%	\$131,122	0.39%	\$0
		TOTAL	\$14,177,251	52.46%	\$13,993,002	41.74%	\$8,018
16 BRISTOL BAY BOROUGH	1,685	0.37%	\$64,744	0.23%	\$106,245	0.31%	\$0
17 SOUTH NAKNEK S.A.	225	0.05%	\$0	0.00%	\$662	0.00%	\$0
		TOTAL	\$64,744	0.23%	\$106,908	0.31%	
18 FAIRBANKS BOROUGH	66,222	14.89%	\$1,086,071	4.01%	\$1,340,879	4.00%	\$0
19 BALLAINE LAKE	168	0.03%	\$534	0.00%	\$1,244	0.00%	\$0
20 DIANE	66	0.01%	\$2,760	0.01%	\$4,722	0.01%	\$0
21 WILDVIEW ACRES	77	0.01%	\$14,697	0.05%	\$24,228	0.07%	\$0
22 SMITH RANCH	438	0.09%	\$4,588	0.01%	\$10,900	0.03%	\$0
23 ENGINEER CREEK	144	0.03%	\$0	0.00%	\$645	0.00%	\$0
24 ESTER LUMP	10	0.00%	\$3,570	0.01%	\$5,881	0.01%	\$0
25 NORTH STAR F.P.	6,500	1.46%	\$56,062	0.20%	\$16,636	0.04%	\$0
26 BECKER RIDGE	108	0.02%	\$11,333	0.04%	\$19,036	0.05%	\$0
27 UNIVERSITY F.P.	7,177	1.61%	\$61,902	0.22%	\$39,793	0.11%	\$0
28 LAKLOEY HILL	50	0.01%	\$4,812	0.01%	\$9,617	0.02%	\$0
29 SPRUCE ACRES	50	0.01%	\$1,086	0.00%	\$1,883	0.00%	\$0
		TOTAL	\$1,247,419	4.61%	\$1,475,470	4.40%	
30 HAINES BOROUGH	1,924	0.43%	\$2,927	0.01%	\$23,317	0.06%	\$0
31 JUNEAU BOROUGH A.W.	23,115	5.20%	\$555,977	2.05%	\$1,101,930	3.28%	\$0
32 S.A. 1	7,372	1.65%	\$165,099	0.61%	\$216,254	0.64%	\$0
33 S.A. 2	1,667	0.37%	\$39,767	0.14%	\$24,662	0.07%	\$0
34 S.A. 3	206	0.04%	\$53,565	0.19%	\$94,986	0.28%	\$0
35 S.A. 4	1,591	0.35%	\$11,933	0.04%	\$5,176	0.01%	\$0
36 S.A. 5	10,490	2.36%	\$78,675	0.29%	\$37,631	0.11%	\$0
37 S.A. 6	766	0.17%	\$5,745	0.02%	\$1,960	0.00%	\$0
38 S.A. 7	450	0.10%	\$3,375	0.01%	\$598	0.00%	\$0
39 S.A. 8	573	0.12%	\$4,297	0.01%	\$564	0.00%	\$0
		TOTAL	\$218,433	3.33%	\$21,483,764	4.42%	

40	KENAI PENINSULA BOROUGH	25,507	5.73%	\$54,840	0.20%	\$270,186	0.80%	\$0	
41	CENTRAL HOSPITAL	16,466	3.70%	\$80,625	0.29%	\$7,862	0.02%	\$0	
42	SOUTH HOSPITAL	6,282	1.41%	\$80,625	0.29%	\$88,245	0.26%	\$0	
43	NIKISKI F.P.	3,510	0.78%	\$28,299	0.10%	\$8,501	0.02%	\$0	
44	NORTH KENAI REC.	3,822	0.85%	\$20,543	0.07%	\$5,958	0.01%	\$0	
45	BEAR CREEK F.P.	660	0.14%	\$5,321	0.01%	\$6,159	0.01%	\$0	
TOTAL				\$270,253	1.00%	\$386,914	1.15%		
46	KETCHIKAN BOROUGH	13,463	3.02%	\$94,241	0.34%	\$242,867	0.72%	\$0	
47	SHORELINE S.A.	703	0.15%	\$5,273	0.01%	\$1,960	0.00%	\$0	
TOTAL				\$99,514	0.36%	\$244,827	0.73%		
48	KODIAK ISLAND BOROUGH	8,926	2.00%	\$196,981	0.72%	\$240,673	0.71%	\$0	
49	FIRE DISTRICT I	1,759	0.39%	\$14,182	0.05%	\$5,050	0.01%	\$0	
50	ROAD DISTRICT	352	0.07%	\$24,187	0.08%	\$42,558	0.12%	\$0	
TOTAL				\$235,351	0.87%	\$288,282	0.86%		
51	MAT-SU BOROUGH	23,177	5.21%	\$459,084	1.69%	\$748,251	2.23%	\$0	
52	WASILLA F.P.	3,879	0.87%	\$30,183	0.11%	\$3,988	0.01%	\$0	
53	BUTTE F.P.	2,506	0.56%	\$19,499	0.07%	\$2,472	0.00%	\$0	
54	GREATER PALMER F.P.	3,027	0.68%	\$27,818	0.10%	\$0	0.00%	\$0	
55	SUTTON F.P.	818	0.18%	\$6,365	0.02%	\$1,949	0.00%	\$0	
56	NON AREA-WIDE	17,810	4.00%	\$0	0.00%	\$10,331	0.03%	\$0	
57	TALKEETNA FLOOD S.A.	308	0.06%	\$0	0.00%	\$1,113	0.00%	\$0	
58	GARDEN TERRACE	79	0.01%	\$0	0.00%	\$628	0.00%	\$0	
TOTAL				\$542,951	2.00%	\$768,736	2.29%		
59	NORTH SLOPE BOROUGH	8,055	1.81%	\$308,173	1.14%	\$304,168	0.90%	\$60,608	
60	SITKA BOROUGH	8,787	1.97%	\$424,794	1.57%	\$419,273	1.25%	\$101,953	
FIRST CLASS CITIES									
61	BARROW	2,715	0.61%	\$45,392	0.16%	\$51,061	0.15%	\$0	
62	CORDOVA	2,780	0.62%	\$227,861	0.84%	\$250,004	0.74%	\$0	
63	CRAIG	587	0.13%	\$30,415	0.11%	\$45,804	0.13%	\$0	
64	DILLINGHAM	1,658	0.37%	\$83,019	0.30%	\$81,940	0.24%	\$6,964	
65	FAIRBANKS	36,637	8.24%	\$2,816,622	10.42%	\$3,059,267	9.13%	\$0	
66	GALENA	957	0.21%	\$50,465	0.18%	\$49,809	0.14%	\$18,168	
67	HAINES	1,366	0.30%	\$66,027	0.24%	\$77,849	0.23%	\$0	
68	HOMER	2,227	0.50%	\$101,153	0.37%	\$99,838	0.29%	\$15,406	
69	HOONAH	1,093	0.24%	\$52,062	0.19%	\$51,385	0.15%	\$7,661	
70	HYDABURG	381	0.08%	\$16,947	0.06%	\$23,114	0.06%	\$0	
71	KAKE	710	0.15%	\$25,232	0.09%	\$24,904	0.07%	\$964	
72	KENAI	4,421	0.99%	\$221,833	0.82%	\$325,693	0.97%	\$0	
73	KETCHIKAN	8,542	1.92%	\$405,973	1.50%	\$584,266	1.74%	\$0	
74	KING COVE	733	0.16%	\$34,201	0.12%	\$33,756	0.10%	\$5,844	
75	KLAWOCK	404	0.09%	\$18,049	0.06%	\$22,672	0.06%	\$0	
76	KODIAK	5,754	1.29%	\$218,516	0.80%	\$215,676	0.64%	\$32,536	
77	NENANA	503	0.11%	\$38,017	0.14%	\$62,130	0.18%	\$0	
78	NOME	2,892	0.65%	\$277,754	1.02%	\$316,250	0.94%	\$0	
79	NORTH POLE	823	0.18%	\$38,841	0.14%	\$47,927	0.14%	\$0	
80	PALMER	2,056	0.46%	\$168,734	0.62%	\$201,968	0.60%	\$0	
81	PELICAN	221	0.04%	\$10,707	0.03%	\$24,183	0.07%	\$0	
82	PETERSBURG	3,197	0.71%	\$218,148	0.80%	\$257,366	0.76%	\$0	
83	SAND POINT	773	0.17%	\$41,182	0.15%	\$48,919	0.14%	\$0	
84	SAINT MARY'S	436	0.09%	\$47,928	0.17%	\$52,502	0.15%	\$0	
85	SELDDVIA	528	0.11%	\$31,493	0.11%	\$38,952	0.11%	\$0	
86	SEWARD	1,778	0.40%	\$243,513	0.90%	\$261,750	0.78%	\$0	
87	SKAGWAY	877	0.19%	\$49,316	0.18%	\$54,706	0.16%	\$0	
88	SOLOOTNA	2,365	0.53%	\$121,816	0.45%	\$178,153	0.53%	\$0	
89	UNALASKA	768	0.17%	\$109,138	0.40%	\$197,905	0.59%	\$0	

90 VALDEZ	4,066	0.91%	\$285,917	1.05%	\$282,202	0.84%	\$106,897
91 ZONE I	3,631	0.81%	\$0	0.00%	\$0	0.00%	\$0
92 ZONE II	380	0.08%	\$0	0.00%	\$0	0.00%	\$0
TOTAL			\$285,917	1.05%	\$282,202	0.84%	
93 WRANGELL	3,325	0.74%	\$215,382	0.79%	\$256,969	0.76%	\$0
94 ZONE II	997	0.22%	\$0	0.00%	\$19,045	0.05%	\$0
96 ZONE IV	2,328	0.52%	\$0	0.00%	\$68,415	0.20%	\$0
TOTAL			\$215,382	0.79%	\$344,430	1.02%	
97 YAKUTAT	442	0.09%	\$19,853	0.07%	\$24,892	0.07%	\$0
SECOND CLASS CITIES							
98 AKHIQK	121	0.02%	\$8,076	0.02%	\$24,601	0.07%	\$0
99 AKIACHAK	354	0.07%	\$33,311	0.12%	\$32,878	0.09%	\$980
100 AKIAK	216	0.04%	\$9,973	0.03%	\$28,819	0.08%	\$0
101 AKOLMIUT	641	0.14%	\$37,340	0.32%	\$36,393	0.28%	\$0
102 ALAKANUK	527	0.11%	\$35,835	0.13%	\$35,370	0.10%	\$4,121
103 ALEKNAGIK	227	0.05%	\$7,022	0.02%	\$27,384	0.08%	\$0
104 ALLAKAKET	216	0.04%	\$14,378	0.05%	\$30,727	0.09%	\$0
105 AMBLER	217	0.04%	\$23,514	0.08%	\$31,733	0.09%	\$0
106 ANAKTUVUK PASS	173	0.03%	\$0	0.00%	\$29,011	0.08%	\$0
107 ANDERSON	698	0.15%	\$18,270	0.06%	\$31,007	0.09%	\$0
108 ANGOON	541	0.12%	\$31,015	0.11%	\$30,611	0.09%	\$6,087
109 ANIAK	355	0.07%	\$39,854	0.14%	\$42,903	0.12%	\$0
110 ANVIK	102	0.02%	\$0	0.00%	\$29,011	0.08%	\$0
111 ATMAUTLUAK	200	0.04%	\$29,120	0.10%	\$34,002	0.10%	\$0
112 BETHEL	3,853	0.86%	\$312,762	1.15%	\$308,703	0.92%	\$1,608
113 BREVIG MISSION	147	0.03%	\$8,927	0.03%	\$28,819	0.08%	\$0
114 BUCKLAND	170	0.03%	\$9,271	0.03%	\$29,650	0.08%	\$0
115 CHEFORNAK	206	0.04%	\$10,422	0.03%	\$28,819	0.08%	\$0
116 CHEVAK	468	0.10%	\$22,297	0.08%	\$29,012	0.08%	\$0
117 CHUATHBALUK	127	0.02%	\$19,080	0.07%	\$31,486	0.09%	\$0
118 CLARK'S POINT	98	0.02%	\$0	0.00%	\$27,384	0.08%	\$0
119 DELTA JUNCTION	892	0.20%	\$34,291	0.12%	\$33,846	0.10%	\$4,995
120 DIOMEDE	125	0.02%	\$6,234	0.02%	\$27,987	0.08%	\$0
121 EAGLE	142	0.03%	\$4,887	0.01%	\$25,754	0.07%	\$0
122 EEK	307	0.06%	\$14,978	0.05%	\$28,819	0.08%	\$0
123 EKWOK	111	0.02%	\$0	0.00%	\$27,384	0.08%	\$0
124 ELIM	218	0.04%	\$11,293	0.04%	\$28,819	0.08%	\$0
125 EMMONAK	545	0.12%	\$27,082	0.10%	\$30,141	0.08%	\$0
126 FORT YUKON	637	0.14%	\$58,784	0.21%	\$58,020	0.17%	\$2,007
127 FORTUNA LEDGE	263	0.05%	\$22,839	0.08%	\$30,661	0.09%	\$0
128 GAMBELL	447	0.10%	\$24,982	0.09%	\$30,913	0.09%	\$0
129 GOLOVIN	118	0.02%	\$8,958	0.03%	\$28,819	0.08%	\$0
130 GOODNEWS BAY	248	0.05%	\$0	0.00%	\$28,198	0.08%	\$0
131 GRAYLING	181	0.04%	\$9,930	0.03%	\$30,288	0.09%	\$0
132 HOLY CROSS	302	0.06%	\$19,231	0.07%	\$31,246	0.09%	\$0
133 HOOPER BAY	610	0.13%	\$13,481	0.04%	\$28,198	0.08%	\$0
134 HOUSTON	440	0.09%	\$45,463	0.16%	\$65,409	0.19%	\$0
135 HUGHES	98	0.02%	\$1,638	0.00%	\$29,011	0.08%	\$0
136 HUSLIA	212	0.04%	\$45,112	0.16%	\$63,926	0.19%	\$0
137 KACHEMAK	151	0.03%	\$0	0.00%	\$23,317	0.05%	\$0
138 KAKTOVIK	192	0.04%	\$3,210	0.01%	\$29,011	0.08%	\$0
139 KALTAG	257	0.05%	\$8,997	0.03%	\$29,809	0.08%	\$0
140 KASAAN	46	0.01%	\$4,575	0.01%	\$22,168	0.05%	\$0
141 KIANA	344	0.07%	\$23,601	0.08%	\$30,855	0.09%	\$0
142 KIVALINA	264	0.05%	\$14,000	0.05%	\$29,650	0.08%	\$0
143 KORUK	61	0.01%	\$15,374	0.05%	\$31,246	0.09%	\$0
144 KOTLIK	305	0.06%	\$11,940	0.04%	\$28,819	0.08%	\$0
145 KOTZEBUE	2,526	0.56%	\$148,530	0.54%	\$146,600	0.43%	\$20,146
146 KOYUK	178	0.04%	\$12,019	0.04%	\$29,047	0.08%	\$0
147 KOYUKUK	124	0.02%	\$6,623	0.02%	\$29,650	0.08%	\$0

147	KUYUKUK	124	0.02%	\$6,593	0.02%	\$29,650	0.08%	\$0
148	KUPREANOF	42	0.00%	\$631	0.00%	\$22,504	0.06%	\$0
149	KWETHLUK	444	0.09%	\$19,341	0.07%	\$28,819	0.08%	\$0
150	LARSEN BAY	133	0.02%	\$1,787	0.00%	\$23,317	0.06%	\$0
151	LOWER KALSKAG	229	0.05%	\$66,833	0.24%	\$93,068	0.27%	\$0
152	MANDOKOTAK	250	0.05%	\$11,835	0.04%	\$27,987	0.08%	\$0
153	MCGRATH	382	0.08%	\$34,518	0.12%	\$34,069	0.10%	\$1,327
154	MEKORYUK	174	0.03%	\$10,741	0.03%	\$28,819	0.08%	\$0
155	MOUNTAIN VILLAGE	543	0.12%	\$51,792	0.19%	\$51,118	0.15%	\$117
156	NAPAKIAK	313	0.07%	\$20,005	0.07%	\$29,781	0.08%	\$0
157	NAPASKIAK	240	0.05%	\$13,208	0.04%	\$28,938	0.08%	\$0
158	NEWHALEN	105	0.02%	\$0	0.00%	\$27,384	0.08%	\$0
159	NEW STUYAHOK	297	0.06%	\$12,174	0.04%	\$27,987	0.08%	\$0
160	NEWTOK	154	0.03%	\$10,104	0.03%	\$28,819	0.08%	\$0
161	NIGHTMUTE	135	0.03%	\$4,056	0.01%	\$28,586	0.08%	\$0
162	NIKOLAI	152	0.03%	\$0	0.00%	\$29,011	0.08%	\$0
163	NONDALTON	226	0.05%	\$0	0.00%	\$27,384	0.08%	\$0
164	NOORVIK	526	0.11%	\$23,057	0.08%	\$29,889	0.08%	\$0
165	NULATO	332	0.07%	\$19,126	0.07%	\$31,236	0.09%	\$0
166	NUIGSUT	182	0.04%	\$0	0.00%	\$29,011	0.08%	\$0
167	OLD HARBOR	345	0.07%	\$18,858	0.06%	\$24,745	0.07%	\$0
168	OUZINKIE	177	0.03%	\$3,388	0.01%	\$23,542	0.07%	\$0
169	PILOT STATION	301	0.06%	\$14,270	0.05%	\$28,974	0.08%	\$0
170	PLATINUM	58	0.01%	\$27,002	0.09%	\$41,380	0.12%	\$0
171	POINT HOPE	464	0.10%	\$0	0.00%	\$29,011	0.08%	\$0
172	PORT ALEXANDER	101	0.02%	\$1,310	0.00%	\$22,504	0.06%	\$0
173	PORT HEIDEN	91	0.02%	\$56,286	0.20%	\$87,349	0.26%	\$0
174	PORT LIONS	232	0.05%	\$11,790	0.04%	\$24,100	0.07%	\$0
175	QUINHAGAK	448	0.10%	\$18,994	0.07%	\$29,303	0.08%	\$0
176	RUBY	220	0.04%	\$3,678	0.01%	\$29,011	0.08%	\$0
177	RUSSIAN MISSION	167	0.03%	\$0	0.00%	\$28,198	0.08%	\$0
178	SAINT MICHAEL	282	0.06%	\$14,181	0.05%	\$28,819	0.08%	\$0
179	SAINT PAUL	567	0.12%	\$89,985	0.33%	\$116,821	0.34%	\$0
180	SAVODNGA	409	0.09%	\$18,227	0.06%	\$28,819	0.08%	\$0
181	SAXMAN	272	0.06%	\$8,294	0.03%	\$22,556	0.06%	\$0
182	SCAMMON BAY	232	0.05%	\$15,629	0.05%	\$29,303	0.08%	\$0
183	SFLAWIK	505	0.11%	\$13,171	0.04%	\$29,011	0.08%	\$0
184	SHAGELUK	223	0.05%	\$0	0.00%	\$29,011	0.08%	\$0
185	SHAKTOOLIK	160	0.03%	\$37,557	0.13%	\$51,003	0.15%	\$0
186	SHELDON POINT	143	0.03%	\$0	0.00%	\$28,198	0.08%	\$0
187	SHISHMAREF	373	0.08%	\$20,941	0.07%	\$29,587	0.08%	\$0
188	SHUNGNAK	198	0.04%	\$10,381	0.03%	\$29,650	0.08%	\$0
189	STEBBINS	309	0.06%	\$15,042	0.05%	\$28,819	0.08%	\$0
190	TANANA	499	0.11%	\$33,515	0.12%	\$36,468	0.10%	\$0
191	TELLER	258	0.05%	\$16,147	0.05%	\$29,862	0.08%	\$0
192	TENAKEE SPRINGS	141	0.03%	\$5,872	0.02%	\$22,814	0.06%	\$0
193	TOGIAK	474	0.10%	\$20,838	0.07%	\$29,268	0.08%	\$0
194	TOKSODK BAY	336	0.07%	\$16,775	0.06%	\$28,819	0.08%	\$0
195	TULUKSAK	258	0.05%	\$40,327	0.14%	\$49,399	0.14%	\$0
196	TUNUNAK	299	0.06%	\$14,723	0.05%	\$28,819	0.08%	\$0
197	UNALAKLEET	632	0.14%	\$44,951	0.16%	\$44,367	0.13%	\$9,786
198	UPPER KALSKAG	166	0.03%	\$5,287	0.01%	\$29,011	0.08%	\$0
199	WAINWRIGHT	429	0.09%	\$0	0.00%	\$29,011	0.08%	\$0
200	WALES	130	0.02%	\$0	0.00%	\$27,384	0.08%	\$0
201	WASILLA	2,184	0.49%	\$68,661	0.25%	\$112,949	0.33%	\$0
202	WHITE MOUNTAIN	115	0.02%	\$0	0.00%	\$27,384	0.08%	\$0
203	WHITTIER	292	0.06%	\$33,290	0.12%	\$34,335	0.10%	\$0
204	DEERING	133	0.02%	\$9,708	0.03%	\$29,650	0.08%	\$0
205	EXT FIRE AREAS	1	0.00%	\$69,446	0.25%	\$68,543	0.20%	\$0
206	NATIVE VILLAGE GOVERNMENTS	- -	- -	\$0	- -	\$2,500,000	7.46%	- - - - -

TOTAL

\$27,020,048

\$33,500,000

\$408,183

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
Bill/Resolution No. SCS CSHB 192 (Finance) am 5
Title An Act relating to programs of state aid to municipalities
Requested by Finance Committee Date 6/1/80

II. FISCAL DETAIL
Agency Affected Community & Regional Affairs
Program Category Affected Development
BRU, Program, or Subprogram(s) Affected Municipal Revenue Sharing
(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.		8435.0				
TOTAL		8435.0				

FUNDING (Thousands of Dollars)

GENERAL FUND		8435.0				
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

Sec. 18 of SCS for CSH. 192 (Finance) provides for the bill becoming effective when \$35.0 million is appropriated for a fiscal year.

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

Allocations. The total \$35,000,000 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
Minimum Entitlement Adjustment Account, AS 29.95	1,500.0

IV. DATE 6/1/80 PREPARED BY Milt Barker MB
AGENCY Legislative Finance Division
PHONE 465-3795
Original: Legislative Finance
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

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST SCS CSHB 192 (Finance)
 Bill/Resolution No. _____
 Title An Act relating to programs of state aid to municipalities
 Requested by Finance Date 5/19/80

II. FISCAL DETAIL Community & Regional Affairs
 Agency Affected _____
 Program Category Affected Development
 BRU, Program, or Subprogram(s) Affected Municipal Revenue Sharing
 (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.		9435.0				
TOTAL		9435.0				

FUNDING (Thousands of Dollars)

GENERAL FUND		9435.0				
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 \$36.0 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	17,383,400
Miscellaneous Services Account, AS 29.89	10,240,200
Hospital Construction Assistance Account, AS 29.90	6,746,000
Minimum Entitlement Adjustment Account, AS 29.95	1,630,400

See attached for details of miscellaneous services account.

IV. DATE 5/19/80 PREPARED BY Milt Barker
 AGENCY Legislative Finance
 PHONE 465-3795

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

CATEGORY: DEVELOPMENT

AGENCY: COMMUNITY & REGIONAL AFFAIRS

PROGRAM: COMMUNITY DEVELOPMENT

BRU (s): LOCAL GOVERNMENT ASSISTANCE - GRANTS

The Local Government Assistance - Grants BRU include the following component: Municipal Revenue Sharing, National Forest Receipts, Agriculture Land Exemption, Rural Development Assistance, and Organizational Grants.

Municipal Revenue Sharing provides local governments with financial resources, distributed from current state tax revenues, to help complement and deliver basic municipal service without substantially increasing local taxes. For FY 81, the amount requested for Municipal Revenue Sharing grants is \$26,565.0. This will allow an estimated 100% of community entitlements.

National Forest Receipts are distributed to organized boroughs and unified municipalities which have National Forest land within their boundaries. A borough's share of income from a National Forest is proportional to the area of the National Forest located within the community's boundaries. This income, according to law, must be expended for public schools or community roads. The total National Forest income received by the State in a given fiscal year is 25% of the total annual collection fees received by the U.S. Forest Service during the previous year. During FY 80, total National Forest income received by the State will be \$2,907,500 of which \$916,486 will be distributed to municipalities in the Tongass Chugach National Forests.

Agricultural Lands Exemptions provides owners of agricultural land who derive at least 10% of their annual gross income from use of the land, a deferral taxation. Municipalities establish and maintain records of assessment at full value and at farm use value, provide verification of qualification data, in some cases verify income requirements, compute the tax deferred and submit the applications as a reimbursement request to the State Assessor's office. Funding for this program for FY 81 will be \$189,600 or \$60,000 less than the current fiscal year.

Rural Development Assistance grants are designed to provide financial aid assistance to rural communities so that they may build a more diversified community and economic base. The RDA program was appropriated \$841,900 in grant funds in the FY 80 budget. The FY81 request for RDA grant funding was increased to \$900,800. In FY 80, this program was part of the Community & Rural Development BRU.

The Organizational Grant component is designed to provide funding to assist newly incorporated municipalities transitioning to a functioning local government unit. Funding for this program was \$25,000 in FY 80 and a request of that amount is made for FY 81.

COMPONENT DESCRIPTION	79 AUTH	79 FINAL	79 ACT	80 AUTH	80 SUPL	80 RP	GOVERNOR
MUNICIPAL REVENUE SHARING	18688.0	18795.6	18772.4	20236.0			26565.0
AGRICULTURAL LAND EXEMPTION	215.2	215.2	139.1	249.6			189.6
NATIONAL FOREST RECEIPTS	900.0	929.7	929.7	1200.0			1200.0
RURAL DEVELOP GRANTS	842.1	842.1	842.0	841.9			900.8
ORGANIZATIONAL GRANTS	100.0	100.0	87.1	25.0			25.0
COMMUNITY LEGAL ASST GRANTS	20.0	97.6	11.5				
** TOTAL	20765.3	20980.2	20781.8	22552.5			28880.4
** CHANGE VERSUS 80 AUTH							28.0%
OBJECT DESCRIPTION							
TRAVEL		15.0	9.3				
CONTRACTUAL		60.0	52.8				
GRANTS, CLMS	20765.3	20905.2	20719.7	22552.5			28880.4
FUNDING SOURCE							
FED. RECEIPT		929.7	929.7	1200.0			1200.0
GENERAL FUND	20765.3	20050.5	19852.1	21352.5			27680.4
** GENERAL FUND CHANGE VS. 80 AUTH							29.6%

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

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 192
 Title Equalization of the Tax Resources of Municipalities
 Requested by House Community & Regional Affairs Date 2/28/79

II. FISCAL DETAIL

Agency Affected Community and Regional Affairs
 Program Category Affected Community Development
 Budget Request Unit(s) Affected Local Government Assistance - Grants

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	0	27,000.0	27,000.0	27,000.0	27,000.0	
TOTAL	0	27,000.0	27,000.0	27,000.0	27,000.0	

FUNDING (Thousands of Dollars)

GENERAL FUND	0	27,000.0	27,000.0	27,000.0	27,000.0	
FEDERAL FUNDS	0	0	0	0	0	
OTHER (Specify)	0	0	0	0	0	

POSITIONS

FULL TIME	0	0	0	0	0	
PART TIME	0	0	0	0	0	
TEMPORARY	0	0	0	0	0	

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

House Bill No. 192 would repeal AS 43.18.010 - 43.18.045 which provides for State Aid to Local Governments. The Governor's FY 80 request for maintenance of this grant program is \$18,688,000.

House Bill No. 192, which calls for reform of the State Revenue Sharing Program and a minimum appropriation of \$27,000,000, would cost \$3,312,000 above the Governor's request to fund in FY 80.

The agency request for FY 80 to fund the existing Revenue Sharing Program at 100% was \$21,857,200. As the implications of the new definition of "total project cost" for construction aid [AS 43.18.010(1)] are still unclear, even this figure may be insufficient for full funding.

IV. DATE 2-22-79 PREPARED BY Bary Foster
 AGENCY COA - LGAD
 PHONE 4733
 Original Legislative Finance
 cc Budget and Management
 Prime Sponsor (List Legislator Name)

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 5/19/80

II. FISCAL DETAIL
 Agency Affected Department of Revenue
 Program Category Affected Development
 BRU, Program, or Subprogram(s) Affected Shared Taxes - Fisheries Taxes
 (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.	200.0					
TOTAL	200.0					

FUNDING (Thousands of Dollars)

GENERAL FUND	200.0					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

Department of Revenue estimate of increase FY 80 sharing required under Sec. 13 of this bill. See attached memo from Joseph K. Donohue to Speaker of the House.

IV. DATE 5/19/80 PREPARED BY Milt Barker *MB*
 AGENCY Legislative Finance
 PHONE 465-3795
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

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 those 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. F&L. 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, 1980
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

HB 192

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS
DIVISION OF COMMUNITY PLANNING
MUNICIPAL LANDS TRUSTEE PROGRAM
(ANCSA 14(c)(3), AS 44.47.150, and 19 AAC 90)

VILLAGES ASSOCIATED WITH MLT PROGRAM
(revised November 1979)

AHTNA

1. Cantwell
2. Chistochina
3. Chitina
4. Copper Center
5. Gakona
6. Gulkana
7. Mentasta Lake
8. Tazlina

ALEUT

1. Akutan
2. Atka
3. Belkofski
4. False Pass
5. Nelson Lagoon
6. Nikolski
7. St. George
8. Unga

ARCTIC SLOPE

1. Atkasook
2. Point Lay

BERING STRAITS

1. Council
2. King Island
3. Mary's Igloo
4. Solomon

BRISTOL BAY

1. Chignik
2. Chignik Lagoon
3. Chignik Lake
4. Egegik
5. Ekuk
6. Igiugig
7. Iliamna
8. Ivanoff Bay
9. Kokhanok
10. Koliganek
11. Levelock
12. Naknek

BRISTOL BAY (Cont'd)

13. Pedro Bay
14. Perryville
15. Pilot Point
16. Portage Creek
17. South Naknek
18. Twin Hills
19. Ugashik

CALISTA

1. Andreafski
2. Bill Moore's
3. Chuloonawick
4. Crooked Creek
5. Georgetown
6. Hamilton
7. Kipnuk
8. Kongiganak
9. Kwigillingok
10. Lime Village
11. Napamiut
12. Oscarville
13. Pitkas Point
14. Paimiut
15. Red Devil
16. Sleetmute
17. Stony River
18. Tuntutuliak
19. Umkumiute
20. Ohogamiut

CHUGACH

1. Chenega
2. English Bay
3. Port Graham
4. Tatitlek

COOK INLET

1. Chickaloon
2. Knik
3. Ninilchik
4. Tyonek
5. Salamatof

DOYON

1. Beaver
2. Birch Creek
3. Chalkyitsik
4. Circle
5. Dot Lake
6. Eagle
7. Evansville
8. Healy Lake
9. Manley Hot Springs
10. Minto
11. Northway
12. Rampart
13. Stevens Village
14. Takotna
15. Tanacross
16. Telida

KONIAG

1. Afognak
2. Ayakulik
3. Kaguyak
4. Karluk
5. Uganik
6. Uyak
7. Woody Island

NANA

1. Noatak

SEALASKA

1. Klukwan

S U M M A R Y

Total number of associated village: 95

NOTE #1: List is based on best available information.

NOTE #2: Future additions or adjustments are possible due to pending litigation or legislation.

NOTE #3: List may be reduced in the future due to municipal incorporations or annexations, and by local option ANCSA 14(c)(3) reconveyances to Boroughs per 19 AAC 90.065.

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 our concerns.

Sincerely,



Lee McAnerney
Commissioner

cc: Representative Terry Gardiner

Chenoweth
5-22-80 ✓

*Delivered to
Legis. Affairs
for final 5/24/80*

Original sponsors: Gardiner, Anderson
and Miller

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 192 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to programs of state aid to municipali-
7 ties and other recipients: providing for equalization
8 of the tax resources of municipalities, continuing a
9 portion of the program of state aid for municipal
10 purposes, providing for minimum payments, and directing
11 state agencies to examine and recommend changes in
12 programs of state assistance; amending the program of
13 fisheries tax refunds to municipalities; and providing
14 for an effective date."

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

16 * Section 1. PURPOSE. It is the purpose of sec. 2 of this Act to

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

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

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

25 CHAPTER 88. MUNICIPAL TAX RESOURCE EQUALIZATION.

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

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

$$\text{Entitlement} = P \times R$$

where P = population, and

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

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

(1) includes

(A) the actual revenue derived from the levy and collection of local taxes in the taxing unit for local government services during the preceding fiscal year of the taxing unit;

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

(C) revenue from fees, rentals, leases, penalties, licenses or permits received during the preceding fiscal year by the municipality for a function or service over which it has control, including revenues derived from parks and recreation services, mass transit, offstreet parking, and garbage and solid waste disposal services;

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

(E) payments received by a municipality from a utility

1 which are in place of taxes levied and collected by the municipali-
2 ty;

3 (2) excludes

4 (A) revenue derived from the levy and collection of
5 municipal taxes and appropriated for the operating expenses and
6 debt service of utilities;

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

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

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

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

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

12 (b) By October 15 of each year, the department shall make an
13 initial determination of the millage rate equivalent of each taxing unit
14 to be used for computing and distributing equalization entitlements for
15 the current fiscal year under this chapter. The department shall base
16 the initial determination on the estimates in the certification returned
17 by a municipality under (a) of this section.

18 (c) As early as possible, but not later than December 15 of each
19 year, the department shall make a final determination of the millage

1 rate equivalent of each taxing unit to use to compute and distribute
2 equalization entitlements under this chapter. The department shall base
3 the determination on audits, financial statements and other financial
4 reports prepared and submitted by a municipality. The department shall
5 adjust the locally generated revenue reported by a municipality to
6 exclude the municipal revenue claimed by the municipality which does not
7 qualify for inclusion in or recognition as locally generated revenue for
8 local government purposes under AS 29.88.010(c)(1). The adjustment
9 shall be made by deducting from total revenue claimed by the municipali-
10 ty the amount of the department's estimate of revenue which is not
11 recognized for local government purposes.

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

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

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

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

1 (3) all other second class cities, by determining the average
2 per capita full and true assessed property value of all cities having a
3 population of less than 750 persons in which an assessment has been
4 completed by a municipality or for which a determination is not made
5 under (1) or (2) of this subsection.

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

8 Sec. 29.88.025. REPORTS. A payment of an equalization entitlement
9 may not be made to a municipality under AS 29.88 until the municipality
0 has submitted its certificate of estimated revenue and its financial
1 report to the department for the fiscal year preceding the year for
2 which the equalization entitlement is sought, together with a budget for
3 the municipality's current fiscal year. The financial report shall
4 include a listing of general revenue collected from taxes levied and
5 assessed by the municipality and any other revenue which, in the opinion
6 of the municipal officials, is eligible for inclusion in computations of
7 the locally-generated revenue of the taxing unit.

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

19 (a) An equalization entitlement generated by the general tax levy of a
20 taxing unit may be used only for authorized expenditures of that taxing
21 unit, but up to 15 percent of the payment of an equalization entitlement
22 generated by areawide revenue of a municipality may be used by the
23 municipality for areawide or nonareawide purposes at the discretion of
24 its assembly or council.

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

29 Sec. 29.88.035. TAX EQUALIZATION ACCOUNT. The tax equalization

2 account is established. Money to carry out the provisions of this
3 chapter shall be allocated by the department to the account. The amount
4 allocated to the account shall be fully distributed by the department as
5 payments to municipalities to fulfill each municipality's share author-
6 ized under AS 29.88.010. The amount allocated to the account shall be
7 distributed by the department pro rata among eligible municipalities.

8 Sec. 29.88.040. ADMINISTRATION. (a) The department may adopt
9 regulations necessary to implement this chapter. The regulations shall
10 include, among other provisions,

11 (1) procedures and filing dates for submitting certification
12 and financial reports;

13 (2) procedures for obtaining information required to compute
14 and determine the municipality's millage rate equivalent; and

15 (3) procedures by which the department shall notify a munici-
16 pality in writing of the reasons for a proposed disallowance or adjust-
17 ment of any factor bearing upon the determination of the municipality's
18 entitlement and by which the municipality will be provided reasonable
19 time in which to respond or to challenge the department's determination.

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

23 (c) The department shall, by regulation, classify for inclusion or
24 exclusion as a component of a municipality's millage rate equivalent
25 under AS 29.88.010 any tax revenue appropriated for a utility not in-
26 cluded in the definition set out in AS 29.88:045(4).

27 Sec. 29.88.045. DEFINITIONS. In this chapter

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

(2) "municipality" means a city, borough or unified munici-

pality incorporated under the laws of the state;

(3) "taxing unit" means a municipality and

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

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

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

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

CHAPTER 89. STATE AID FOR MISCELLANEOUS
MUNICIPAL PURPOSES.

Sec. 29.89.010. REVENUE SHARING PAYABLE. In addition to the equalization entitlements paid under AS 29.88, during each fiscal year the department shall pay aid

(1) to a municipality or other eligible recipient which has the power to provide the services described in AS 29.88.020 - 29.88.040 and exercises the power in the manner required by this chapter;

(2) to a Native village government under AS 29.89.050.

Sec. 29.89.020. STATE AID TO MUNICIPALITIES FOR ROADS. (a) The department shall pay to a municipality which has power to provide for road maintenance and exercises that power, \$2,500 a mile for each mile of road, street or highway maintained by the local government, excluding (1) the official state highway system, (2) roads, streets or highways not dedicated to public use, (3) roads, streets or highways maintained under the local service road program (AS 19.30.111 - 19.30.251), and (4) alleyways, in accordance with regulations adopted by the Department of Transportation and Public Facilities. A payment may not be made under this subsection for maintenance of a road which is not used by automotive equipment.

(b) A frozen waterway and a connection from an inhabited area to a

waterway which may be safely used for public transportation by automotive equipment and is so used during a portion of a year is eligible for a payment of \$1,500 per mile if the waterway and connection are maintained during the period of use by a municipality or combination of municipalities. The department, after consultation with the Department of Transportation and Public Facilities, shall determine which waterways and connections qualify and, where the waterways or connections lie outside the corporate limits of a municipality, which municipalities shall receive the payments under this subsection, unless the municipalities involved have agreed in writing to a particular distribution.

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

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

(2) on the basis set out in (1) of this subsection to a municipality for a nonprofit hospital not operated by a municipality if the municipality first certifies to the department that the nonprofit hospital is in compliance with all standards for hospitals which have been adopted by the municipality; money may not be paid on behalf of a nonprofit hospital without this certification; payments to the municipality shall be transferred to the nonprofit hospital in accordance with the

basis by which the payment was generated by the hospital, and shall be applied to the annual cost of operation and maintenance of the hospital or for the provision of health care service at the hospital as the directors of the hospital determine;

(3) to a municipality in which a health facility is operated, \$1,000 per bed for each bed actually used for patient care, limited to the number of beds provided for in the construction design of the health facility, or \$4,000 per health facility as the municipality determines.

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

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

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

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

(b) A grant shall be made under (a) of this section to facilitate the organization of a volunteer fire department in an area not in an organized borough or city, upon application of the proposed fire protection group to the state fire marshal and upon approval of applications according to standards of organization and service prescribed by regula-

1 tions adopted by the state fire marshal.

2 Sec. 29.89.050. STATE AID TO CERTAIN NATIVE VILLAGE GOVERNMENTS.
3 The state shall pay \$25,000 to a Native village government for a village
4 which is not incorporated as a city under this title. In this subsec-
5 tion, "Native village government" means

6 (1) a local governing body organized by authority of the Act
7 of Congress of June 18, 1934 (25 U.S.C. sec. 476); or

8 (2) a traditional village council or, if there is no tradi-
9 tional village council, the paramount chief or other governing body of a
10 Native village which meets the requirements of the Alaska Native Claims
11 Settlement Act (43 U.S.C. sec. 1601 - 1628).

12 Sec. 29.89.060. POPULATION DETERMINATION. For purposes of this
13 chapter, population shall be determined by the latest figures of the
14 United States Bureau of the Census or other reliable population data,
15 including but not limited to public school enrollment figures, public
16 utility connection, registered voters or certified employment payrolls.

17 Sec. 29.89.070. AREA COST-OF-LIVING DIFFERENTIAL. (a) Payments
18 to a municipality or other eligible recipient under AS 29.89.020 -
19 29.89.030 and 29.89.050 shall reflect area cost-of-living differentials.
20 Payments shall be based upon the sum of per capita, per mile and per bed
21 or facility grants due each municipality or other recipient multiplied
22 by the appropriate area cost-of-living differential. The area cost-of-
23 living differential for each recipient shall be determined annually by
24 election district under the provisions of AS 39.27.030. Application of
25 the area cost-of-living differential may not result in distribution of
26 an amount less than the amount of the payment determined without refer-
27 ence to application of this section.

28 (b) The election districts used to establish area cost-of-living
29 differentials under (a) of this section are those designated by the

1 proclamation of reapportionment and redistricting of December 7, 1961,
2 and retained for the house of representatives by proclamation of the
3 governor September 3, 1965.

4 Sec. 29.39.080. MISCELLANEOUS SERVICES ACCOUNT. The miscellaneous
5 services account is established. Money to carry out the provisions of
6 this chapter shall be allocated by the department to the account in
7 accordance with AS 29.95.010. If amounts in the account are insuffi-
8 cient to pay each municipality's or other recipient's share authorized
9 under this chapter, the amounts which are available shall be distributed
10 pro rata among eligible municipalities and other recipients.

11 Sec. 29.89.020. REGULATIONS. The department shall adopt regula-
12 tions necessary to carry out the purposes of this chapter. The regula-
13 tions shall include minimum standards required to qualify a municipality
14 or other recipient for payments for each service. The Department may
15 require a municipality or other recipient to submit a performance report
16 adequate to demonstrate to the department that a service for which
17 payment is requested under this chapter was performed by the munici-
18 pality or other recipient and meets minimum standards of service pre-
19 scribed by regulation.

20 Sec. 29.89.100. DEFINITIONS. In this chapter

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

23 (2) "health facility"

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

28 (B) includes a public health center, maternity home,
29 community mental health center, facility for the mentally or physi-

1 cally handicapped, nursing home or convalescent center;

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

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

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

9 CHAPTER 90. STATE AID FOR HOSPITAL CONSTRUCTION.

10 Sec. 29.90.010. STATE AID FOR HOSPITAL CONSTRUCTION. If construc-
11 tion of a hospital began after January 1, 1968, and state matching aid
12 for construction approved for payment to the municipality or other hospi-
13 tal sponsor constitutes less than 25 percent of the total project cost,
14 the department shall pay to the municipality or other hospital sponsor
15 each fiscal year \$2,500 a bed for the maximum number of beds provided for
16 in the construction design of the facility or five percent of the total
17 project cost, whichever is greater. State aid provided for in this sec-
18 tion shall continue until the municipality or other hospital sponsor has
19 received an amount which, combined with state matching money for con-
20 struction of the hospital, equals 25 percent of the total project cost.
21 Money received for construction may not be used for any other purpose.

22 Sec. 29.90.020. HOSPITAL CONSTRUCTION ASSISTANCE ACCOUNT. The
23 hospital construction assistance account is established. Money to carry
24 out the provisions of this chapter shall be allocated by the department
25 to the account in accordance with AS 29.95.010. If amounts in the
26 account are insufficient to pay each recipient's share authorized under
27 this chapter, the amounts which are available shall be distributed pro
28 rata among eligible recipients.

29 Sec. 29.90.030. DEFINITIONS. In this chapter

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

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

7 (3) "total project cost" means

8 (A) costs directly related to the project; and

9 (B) the total of all costs of financing and carrying out
0 the project; including, but not limited to,

1 (i) the costs of all necessary studies, surveys,
2 plans and specifications, architectural, engineering or other
3 special services, acquisition of real property, site prepara-
4 tion and development, purchase, construction, reconstruction
5 and improvement of real property, and the acquisition of
6 machinery and equipment as may be necessary in connection with
7 the project;

8 (ii) an allocable portion of the administrative and
9 operating expenses of the municipality or other hospital
10 sponsor;

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

13 (iv) the cost of other items, including any indem-
14 nity and surety bonds and premiums on insurance, legal fees,
15 fees and expenses of trustees, depositaries, financial advi-
16 sors, and paying agents for the bonds issued as the issuer
17 considers necessary.

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

19 CHAPTER 95. ADMINISTRATION OF MUNICIPAL

FINANCIAL ASSISTANCE PROGRAMS.

1
2 Sec. 29.95.010. ALLOCATION AND DISTRIBUTION. (a) Each year, the
3 Department of Community and Regional Affairs shall allocate money appro-
4 priated to the accounts established in AS 29.88, AS 29.89, AS 29.90, and
5 AS 29.95.030(d) in the amounts determined by the legislature.

6 (b) Money in the miscellaneous services account established in
7 AS 29.89.080 which exceeds the amount required to fully fund distribu-
8 tions authorized by AS 29.89 shall be reallocated to the tax equaliza-
9 tion account established in AS 29.88.035 and distributed according to
10 the provisions of AS 29.88.

11 (c) Money in the hospital construction assistance account estab-
12 lished in AS 29.90.020 which exceeds the amount required to fully fund
13 distributions authorized by AS 29.90 shall be reallocated to the tax
14 equalization account established in AS 29.88.035 and distributed accord-
15 ing to the provisions of AS 29.88.

16 (d) Money in the entitlement adjustment account established in
17 AS 29.95.030(d) which exceeds the amount required to fully fund distribu-
18 tions authorized by AS 29.95.030 shall be reallocated to the tax equal-
19 ization account established in AS 29.88.035 and distributed according to
20 the provisions of AS 29.88.

21 Sec. 29.95.020. QUALIFICATION FOR MINIMUM PAYMENT. (a) A
22 municipality qualifying for an entitlement under AS 29.88 or AS 29.89
23 shall receive a minimum payment of \$25,000 plus an area cost-of-living
24 differential for each fiscal year if:

25 (1) the municipality has conducted a regular election under
26 AS 29.28.010 - 29.28.050 during the fiscal year preceding the year for
27 which payment of an entitlement is authorized by AS 29.88 or AS 29.89
28 and has reported the results of the election to the commissioner of the
29 Department of Community and Regional Affairs;

1 (2) regular council meetings are held in the municipality in
2 accordance with the requirements of AS 29.23.210 during the fiscal year
3 preceding the year for which payment of an entitlement is authorized by
4 AS 29.88 or AS 29.89 and a record of the proceedings is maintained;

5 (3) a municipal budget has been adopted for the fiscal year
6 during which payment of an entitlement is authorized by AS 29.88 or
7 AS 29.89 and an audit or financial statement for the preceding fiscal
8 year has been prepared and furnished to the Department of Community and
9 Regional Affairs in accordance with AS 29.23.560(a); and

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

2 (b) The area cost-of-living differential payable to each munici-
3 pality under this section shall be determined annually by election
4 district under the provisions of AS 39.27.030. Except as provided in
5 AS 29.95.040, application of the area cost-of-living differential may
6 not result in a payment which is less than the minimum payment deter-
7 mined under (a) of this section. For purposes of this subsection, the
8 election districts used are those designated by the proclamation of
9 reapportionment and redistricting of December 7, 1961, and retained for
10 the house of representatives by proclamation of the governor
11 September 3, 1965.

12 (c) The Department of Community and Regional Affairs shall pay to
13 each municipality eligible to receive a minimum payment under this
14 section an amount equal to the difference between the minimum payment
15 determined under (a) and (b) of this section and the sum of the amounts
16 payable for the same fiscal year under AS 29.88 and AS 29.89.

17 (d) A payment under this section may be prorated and reduced under
18 AS 29.95.040.

19 (e) Payments under this section shall be made from the money

1 allocated to the equalization account established in AS 29.88.035.

2 ~~Sec. 29.95.030. ENTITLEMENT ADJUSTMENT. (a) A municipality may~~
3 ~~not receive a total amount of money under AS 29.88, AS 29.89, and~~
4 ~~AS 29.95.020 which is less in proportion to the total amount appro-~~
5 ~~priated by the legislature during a fiscal year to the accounts estab-~~
6 ~~lished in AS 29.88, AS 29.89, AS 29.90, and (d) of this section and~~
7 ~~allocated under those sections than 90 percent of the percentage of the~~
8 ~~population of the municipality to the total population of the state for~~
9 ~~the fiscal year, as the population of the municipality and the popula-~~
0 ~~tion of all municipalities of the state is determined under AS 29.88.-~~
1 ~~015.~~

2 ~~(b) When the total amount that would be received by a municipality~~
3 ~~under AS 29.88, AS 29.89 and AS 29.95.020, is less than the amount deter-~~
4 ~~mined under (a) of this section, the department shall pay to the muni-~~
5 ~~cipality, in addition to payments under AS 29.88, AS 29.89, and AS 29.-~~
6 ~~95.020, the amount of the difference.~~

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

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

19 Sec. 29.95.040. PRORATION OF PAYMENTS. (a) Payments under

1 AS 29.95.020 and AS 29.88 shall equal the amount allocated to the
2 equalization account (AS 29.88.035), adjusted in accordance with AS 29.-
3 90.010.

4 (b) Adjustments of payments shall be determined by prorating
5 amounts payable under AS 29.95.020 and amounts payable under AS 29.88 by
6 a factor which, when applied, reduces all payments in equal proportion
7 so that payments under AS 29.95.020 and payments under AS 29.88 equal
8 the amount allocated to the account established in AS 29.88.035.

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

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

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

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

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

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

17 (b) Compliance with the provisions of this section is a prerequi-
18 site to receipt of municipal tax resource equalization assistance under
19 AS 29.88 and state aid for miscellaneous municipal services under
20 AS 29.89 [STATE-SHARED REVENUES UNDER AS 43.18]. The Department of
21 Community and Regional Affairs [STATE] shall withhold annual allocations
22 under those chapters [THAT CHAPTER] in the event of noncompliance until
23 such time as the report requirements are met [COMPLIED WITH].

24 * Sec. 9. AS 29.73 is amended by adding a new section to read:

25 Sec. 29.73.060. TAXPAYER NOTICE. (a) If a municipality levies
26 and collects real or personal property taxes, the governing body shall
27 provide the following notice:

28 "NOTICE TO TAXPAYER

29 For the current fiscal year the (city) (borough) has been

allocated the following amount of state aid for school and municipal purposes under the applicable financial assistance

Acts:

PUBLIC SCHOOL FOUNDATION PROGRAM ASSISTANCE	
(AS 14.17)	\$
STATE AID FOR RETIREMENT OF SCHOOL CONSTRUCTION DEBT (AS 43.18.100)	\$
MUNICIPAL TAX RESOURCE EQUALIZATION ASSISTANCE (AS 29.88)	\$
STATE AID FOR MISCELLANEOUS MUNICIPAL SERVICES (AS 29.89)	\$
TOTAL AID	\$

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

	MILLAGE EQUIVALENT	
	PREVIOUS YEAR	THIS YEAR
PUBLIC SCHOOL FOUNDATION PROGRAM ASSISTANCE	.... MILLS	.... MILLS
STATE AID FOR RETIREMENT OF SCHOOL CONSTRUCTION DEBT	.... MILLS	.... MILLS
MUNICIPAL TAX RESOURCE EQUALIZATION ASSISTANCE	.... MILLS	.... MILLS
STATE AID FOR MISCELLANEOUS MUNICIPAL SERVICES	.... MILLS	.... MILLS
TOTAL MILLAGE EQUIVALENT	.... MILLS	.... MILLS"

Notice shall be provided

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

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

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

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

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

1 (c) Compliance with the provisions of this section is a prerequi-
2 site to receipt of municipal tax resource equalization assistance under
3 AS 29.88 and state aid for miscellaneous municipal services under
4 AS 29.89. The Department of Community and Regional Affairs shall with-
5 hold annual allocations under those chapters until municipal officials
6 demonstrate that the requirements of this section have been met.

7 * Sec. 10. AS 29.13.100 is amended by adding new paragraphs to read:

8 (40) AS 29.73.060 (taxpayer notice)

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

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

* Sec. 11. AS 43.18.010 - 43.18.045 are repealed.

* Sec. 12. (a) Notwithstanding other provisions of secs. 1 - 11 of this Act,

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

(2) a municipality which would receive less money under the provisions of this Act than it received for the last fiscal year under the provisions of AS 43.18.010 - 43.18.045, repealed by sec. 11 of this Act, shall, for the first five fiscal years during which this Act is effective, be entitled to receive an amount equal to that received for the last fiscal year under the former provisions of AS 43.18.010 - 43.18.045, in accordance with those provisions.

(b) For the first five fiscal years during which this Act is effective, if the amount appropriated to pay entitlements under this Act is insufficient for the purpose of paying the full entitlement due each municipality or other recipient, entitlements determined under AS 29.88, AS 29.89, AS 29.90, and AS 29.95, together with the additional sums required by (a) of this section, shall be equally prorated and the prorated amounts distributed to municipalities and other recipients.

* Sec. 13. Section 14, ch. 79, SLA 1979 is amended to read:

Sec. 14. TRANSITION. (a) The taxes paid for the 1978 [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 1979 [1980] 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.

1 * Sec. 14. (a) The Department of Health and Social Services and the
2 Department of Community and Regional Affairs shall jointly examine programs
3 of state assistance to persons for the construction and operation of hospi-
4 tals and health facilities and shall report their recommendations on the
5 extent to which the state should assist municipalities, nonprofit corpora-
6 tions, and others in the construction and operation of hospitals and health
7 facilities.

8 (b) By February 1, 1981, the commissioner of health and social services
9 shall submit to the legislature a report, accompanied by draft legislation,
10 examining programs of state aid for hospital and health facility construction
11 and operation, including both public and private facilities, and recommending
12 a comprehensive health and hospital financial assistance program. The report
13 and accompanying legislation shall be based on health care and health facili-
14 ty need, expressed as a function of number of beds, occupancy rate of faci-
15 lities, kinds of care and levels of service provided or not provided, or any
16 other factors which the commissioner of health and social services reasonably
17 believes should be the basis by which state assistance for hospitals and
18 health facilities and their programs should be provided.

19 (c) The report and accompanying legislation presented under (b) of this
20 section shall

21 (1) include, if necessary, reference to certificates of need
22 legislation and any other current program of the federal or state government
23 which applies in determining whether hospitals and health care facilities
24 shall be constructed;

25 (2) recommend a permanent program of state assistance to munici-
26 palities for hospital care and health care services, whether provided by
27 public or private facilities, which improves the level of care for the people
28 of the state.

29 * Sec. 15. (a) The Department of Community and Regional Affairs and the

1 Department of Transportation and Public Facilities shall jointly examine
2 programs of state assistance for the construction and operation of mass
3 transit facilities and services and shall report their recommendations on the
4 extent to which the state should assist municipalities in the construction
5 and operation of mass transit facilities and services.

6 (b) By February 1, 1981, the commissioner of community and regional
7 affairs shall submit to the legislature a report, accompanied by draft legis-
8 lation, examining programs of state aid for mass transit facilities and ser-
9 vices, and recommending a comprehensive financial assistance program. The
10 recommendation shall consider regional transit differences, public and pri-
11 vate operation of transit systems, and methods of financial support provided
12 in other states.

13 * Sec. 16. Section 13 of this Act is retroactive to July 1, 1979.

14 * Sec. 17. Sections 1 - 12 of this Act take effect on the first day of
15 the fiscal year for which ~~\$36,000,000~~^{35,800,000} or more is appropriated and allowed by
16 the governor for distribution to municipalities and other recipients under
17 the provisions of secs. 1 - 12 of this Act, or on July 1, 1983, whichever is
18 earlier.

19 * Sec. 18. Sections 14 and 15 of this Act take effect July 1, 1980.

20 * Sec. 19. Sections 13 and 16 - 19 of this Act take effect immediately in
21 accordance with AS 01.10.070(c).

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RECORDS CERTIFICATION

I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O Smith
Signature of Camera Operator

3/20/90
Date

COMMITTEE REPORT

HOUSE

3/15/79

FURTHER:

Date: 3/15/79

Mr. Speaker:

The Committee on FINANCE has had SSB 193

"An Act relating to regional fish and game councils; and providing for an effective date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with ^{Resources} CS for SSHB 193 same title
 new title
- and recommends it do pass
- AND attaches a "Letter of Intent" New Fiscal Note to follow (463.6)
- reports it back without recommendation
- referred to the _____ Committee

**MEMBERS SIGNING
DO PASS**

Freeman

Montgomery

Kailan

McKinnon

Smith

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

Moore

Schiff

Duncan

McLennan

CHAIRMAN

Original sponsors: Gardiner, Branson,
Duncan, et al

Offered: 3/15/79
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 193

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to regional fish and game councils;
7 and providing for an effective date."

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

9 * Section 1. AS 16.05 is amended by adding new sections to read:

10 Sec. 16.05.222. FISH AND GAME RESOURCE MANAGEMENT REGIONS. For
11 the purposes of conservation and management of the fish and wildlife
12 resources of the state, there are created six fish and game resource
13 management regions, the exact boundaries of which shall be established
14 by the Board of Fisheries and the Board of Game, acting jointly, no
15 later than December 31, 1979. The regions shall encompass the following
16 general areas:

17 (1) Southeast Alaska: The Southeast Alaska mainland and
18 islands northward and westward from Dixon Entrance to Cape Suckling, and
19 the adjacent coastal water seaward to the limit of the state's juris-
20 diction.

21 (2) Southcentral Alaska: The area drained by water flowing
22 into the Gulf of Alaska, Prince William Sound, and Cook Inlet from Cape
23 Suckling westward to Cape Douglas at the base of the Alaska Peninsula,
24 including all coastal islands north of Shuyak Island and the adjacent
25 coastal water to the limit of the state's jurisdiction, and the area
26 lying south of the rim of the Alaska Range and Wrangell Mountains.

27 (3) Southwest Alaska: The part of the Alaska Peninsula and
28 adjacent mainland which drains into the Pacific Ocean and west side of
29 Shelikof Strait from Cape Douglas to False Pass and into Bristol Bay

1 from the King Salmon River drainage to False Pass; Shuyak, Afognak,
2 Kodiak, Trinity, Chirikof, and Shumagin Islands, and all other adjacent
3 offshore islands; the Aleutian Islands and the Pribilof Islands; and the
4 adjacent coastal water seaward to the limit of the state's jurisdiction.

5 (4) Western Alaska: The area northward and northwestward
6 from the King Salmon River drainage, including all land drained by water
7 flowing into Bristol Bay, the land within the boundaries of the Calista
8 Regional Corporation, Nunivak and St. Matthew Islands, all other islands
9 along the coast, and the adjacent coastal water seaward to the limit of
10 the state's jurisdiction.

11 (5) Arctic Alaska: The land included within the boundaries
12 of the Bering Straits and the Northwest Alaska Native Association
13 Regional Corporations, the North Slope Borough, the islands of Little
14 Diomedes and St. Lawrence, other coastal islands, and the adjacent
15 coastal water seaward to the limit of the state's jurisdiction.

16 (6) Interior Alaska: The land encompassing the drainages of
17 the Yukon and Kuskokwim Rivers northward from the boundary of the South-
18 central Region, eastward from the boundary of the Western Region, east-
19 ward and southward from the boundary of the Arctic Region, and extending
20 to the United States-Canada border.

21 Sec. 16.05.224. REGIONAL FISH AND GAME COUNCILS. (a) The Board
22 of Fisheries and the Board of Game, acting jointly, shall establish a
23 regional fish and game council within each fish and game resource
24 management region. Each regional fish and game council shall be com-
25 posed of the chairman, or their designees, of the local fish and game
26 advisory committees established within its region.

27 (b) The Board of Fisheries and the Board of Game, acting jointly,
28 shall assign a coordinator to each region to distribute relevant support
29 data and to coordinate the activities of the local fish and game

1 advisory committees and the regional fish and game council. The coordi-
2 nator shall accompany the chairman of the regional fish and game
3 council, or his designee, at all hearings of the Board of Fisheries and
4 the Board of Game.

5 (c) Each regional fish and game council may

6 (1) hold public meetings on fish and wildlife matters;

7 (2) elect a chairman;

8 (3) review, make recommendations, and assist the department,
9 in consultation with its local fish and game advisory committees and
10 appropriate federal agencies, in developing plans for the conservation,
11 regulation, management, and use of the fish and wildlife resources
12 within its region;

13 (4) perform other duties which may be specified by the Board
14 of Fisheries and the Board of Game by regulation.

15 (d) Regional fish and game councils shall provide a forum for, and
16 assist their local advisory committees in obtaining, the opinions and
17 recommendations of persons interested in fish and wildlife matters in a
18 manner which maximizes local participation in the decision-making pro-
19 cess. If differences of opinion exist between the local advisory com-
20 mittees, the regional fish and game council shall attempt to develop
21 areas of compromise and to reach a regional consensus on matters of
22 controversy.

23 (e) The regional fish and game councils may present recommenda-
24 tions concerning the conservation, regulation, management and use of
25 fish and wildlife resources within their respective regions, along with
26 the evidence upon which the recommendations are based, to the Board of
27 Fisheries or the Board of Game.

28 * Sec. 2. AS 16.05.260 is amended to read:

29 Sec. 16.05.260. ADVISORY COMMITTEES. (a) The Board of Fisheries

1 and the Board of Game may make regulations they consider advisable in
2 accordance with the Administrative Procedure Act (AS 44.62) establish-
3 ing, at places in the state designated by the individual boards,
4 advisory committees to be composed of persons well informed on the fish
5 or game resources of the locality. [THE BOARDS SHALL SET THE NUMBER AND
6 TERMS OF EACH OF THE MEMBERS OF THE ADVISORY COMMITTEES, SHALL DELEGATE
7 [ONE MEMBER OF EACH COMMITTEE AS CHAIRMAN, AND SHALL GIVE HIM AUTHORITY
8 TO HOLD PUBLIC HEARINGS ON FISH OR GAME MATTERS.] Recommendations from
9 the advisory committees shall be forwarded to the appropriate board for
10 their consideration but if the Board of Fisheries or the Board of Game
11 chooses not to follow the recommendations of the local advisory com-
12 mittee the appropriate board shall inform the appropriate advisory
13 committee of this action and state the reasons for not following the
14 recommendations. The commissioner shall delegate authority to advisory
15 committees for emergency closures during established seasons. [THE
16 COMMISSIONER IS EMPOWERED TO SET ASIDE AND MAKE NULL AND VOID ONLY
17 OPENING OF SEASONS SET BY THE ADVISORY COMMITTEES UNDER THIS SECTION.]
18 The appropriate board shall promulgate the necessary regulations govern-
19 ing these closures.

20 (b) In addition to the procedure for establishing advisory com-
21 mittees set out in (a) of this section, an advisory committee may be
22 established as provided in this subsection. Twenty-five persons from a
23 specifically defined local area may, with the concurrence of the
24 regional fish and game council for their region, petition the Board of
25 Fisheries and the Board of Game jointly for the establishment of an
26 advisory committee under regulations adopted jointly by the Board of
27 Fisheries and the Board of Game. Upon receipt of the petition, the
28 Board of Fisheries and the Board of Game jointly shall establish the
29 advisory committee. An advisory committee formed under this subsection

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has the same powers and responsibilities as an advisory committee formed under (a) of this section.

(c) The advisory committees, including advisory committees established before July 1, 1979, shall provide the primary source in obtaining the opinions and recommendations of local persons concerning fish and wildlife management. The regional councils shall provide assistance to the advisory committees for this purpose.

* Sec. 3. AS 16.05.290 is amended to read:

Sec. 16.05.290. COMPENSATION OF BOARD AND COUNCIL MEMBERS. Each member of a board and of a regional council is entitled to travel expenses and \$100 per diem for each day going to and from and for each day in actual attendance at board meetings and other meetings or conferences authorized by a board or by a regional council.

* Sec. 4. AS 16.05.320 is amended by adding a new subsection to read:

(b) A majority of the members of a regional council constitutes a quorum for the transaction of business, for the performance of any duty, and for the exercise of any power.

* Sec. 5. This Act takes effect July 1, 1979.

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS ~~SS~~ HB 193
 Title An act relating to regional fish and game councils
 Requested by House Resources Committee Date 3/13/79

II. FISCAL DETAIL

Agency Affected Department of Fish and Game
 Program Category Affected Natural Resources
 Budget Request Unit(s) Affected All

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES		224.7				
200 TRAVEL		223.9				
300 CONTRACTUAL		9.0				
400 COMMODITIES						
500 EQUIPMENT		6.0				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		463.6	463.6	463.6	463.6	463.6

FUNDING (Thousands of Dollars)

GENERAL FUND		463.6	463.6	463.6	463.6	463.6
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME		6	6	6	6	6
PART TIME						
TEMPORARY		6	6	6	6	6

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

Cost estimate attached to reflect total implementation.
No inflation added.

Russell H. Clark

IV. DATE 3/14/79 PREPARED BY Russell H. Clark
 AGENCY Department of Fish and Game
 PHONE 465-4120

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 Keith Specking Office of the Governor

33-001 (Rev. 10/78)
file

COMMITTEE SUBSTITUTE HB 193

Costs included in this fiscal note cover support to the Advisory Committees, Regional Councils with staff support, and Board meetings with Council and Committee involvement.

Advisory Committee

Currently there are 26 Committees which operate in rural areas that receive reimbursement for travel expenses, but no per diem. To make the process work better, a limited amount of per diem should be added to reduce the financial burden to the individual.

Assume

- 26 Committees receive local travel
- 390 possible members (15 x 26 = 390)
- 1/3 would travel $390 \div 3 = 130$
- \$100.00 average per ticket
- 4 meetings per year, 3 days each
- per diem at the rate of \$55.00 per day

Calculation

travel	$130 \times 4 \times \$100 =$	\$52,000	
per diem	$130 \times 4 \times 3 \times \$55 =$	85,800	
	Subtotal	\$137,800	\$137,800
- miscellaneous expenses (\$100.00) for 58 Committees			
	$58 \times \$100 =$	\$ 5,800	
	Subtotal	\$ 5,800	5,800
- less current Committee support costs			
			(95,500)
			<u>Net Increase \$ 48,100</u>

Regional Council

Included here are the costs for the Advisory Committee chairpersons to attend with travel and per diem, the Coordinator with support costs, and the operational costs for the Council.

Assume

- 58 Advisory Committee Chairpersons
- 2 meetings per year
- 4 days per meeting with travel
- average travel ticket at \$200.00
- per diem rate of \$55.00 per day

Calculation

travel	$58 \times 2 \times \$200 =$	\$23,200	
per diem	$58 \times 2 \times 4 \times \$55 =$	25,520	
	Subtotal	\$48,720	\$ 48,720

- 6 Resource Specialists range 16 =	188,850	
- travel and per diem (est.) =	36,000	
- temp. support 30 man/months =	35,850	
- contractual: rent, phone, etc. =	9,000	
- equipment: desks, chairs =	6,000	
	Subtotal	<u>\$275,700</u>
	Total	<u>\$324,420</u>

Departmental Support Costs

Included in these costs are the additional dollars for travel and per diem to give staff support to Regional Councils and the additional demands on the Boards' current staff.

Assume

- 6 regions
- 10 staff from Department per meeting
- 2 meetings per year
- 4 days per meeting
- \$200.00 per travel ticket
- per diem at \$55.00 per day

Calculation

travel 6 x 10 x 2 x \$200 =	\$24,000	
per diem 6 x 10 x 2 x 4 x \$55 =	26,400	
	Subtotal	<u>\$50,400</u>
		\$ 50,400

Travel and per diem of Executive Director to meet with regions.

Assume

- 2 circuits per year
- 24 days per circuit
- \$1,000.00 per travel ticket per circuit
- per diem at \$55.00 per day

Calculation

travel 2 x \$1,000 =	\$2,000	
per diem 2 x 24 x 55 =	2,640	
	Subtotal	<u>\$4,640</u>
	Total	<u>\$ 4,640</u>
		<u>\$ 55,040</u>

Board Costs With Regional Chairperson

Included in these costs are travel and per diem for Regional Council chairpersons to Board or special authorized meetings.

Assume

- 6 Council chairpersons
- 5 meetings per year
- 10 days average length per meeting
- \$100.00 per day per diem
- \$200.00 average per travel ticket

Calculation

travel 6 x 5 x \$200 = \$6,000
per diem 6 x 5 x 10 x \$100 = 30,000
Subtotal \$36,000

Total \$ 36,000
\$ 36,000

Note: If all advisory Committee chairpersons attended Board meetings with travel and per diem of \$55.00/day, costs would be calculated as follows:

58 x 5 x \$200 = \$58,000
58 x 5 x 10 x \$55 = 159,500
Subtotal \$217,500
minum above (36,000)
Total \$181,500

Grand Total \$463,560

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE
REVISED

I. REQUEST CS for SS 193
 Bill/Resolution No. _____
 Title An Act relating to regional fish and game councils
 Requested by House Resources Committee Date 3/16/79

II. FISCAL DETAIL Department of Fish & Game
 Agency Affected _____
 Program Category Affected Natural Resources
 Budget Request Unit(s) Affected ALL

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES		224.7				
200 TRAVEL		196.6				
300 CONTRACTUAL		9.0				
400 COMMODITIES						
500 EQUIPMENT		6.0				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		436.3	436.3	436.3	436.3	436.3

FUNDING (Thousands of Dollars)


GENERAL FUND		436.3	436.3	436.3	436.3	436.3
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME		6	6	6	6	6
PART TIME						
TEMPORARY		6	6	6	6	6

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

Cost estimate attache to reflect total implementation
 No inflation added

IV. DATE 3/19/79 PREPARED BY  Russell H. Clark
 AGENCY Department of Fish and Game
 PHONE 465-4120
 Original: Legislative Finance ✓
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 Keith Specking, Office of the Governor
 33-001 (Rev. 10/78)
 File

COMMITTEE SUBSTITUTE FOR SS 193

Costs included in this fiscal note cover support to the Advisory Committees, Regional Councils with staff support, and Board meetings with Council and Committee involvement.

REGIONAL COUNCIL

Included here are the costs for the Advisory Committee chairpersons to attend with travel and per diem, the Coordinator with support costs, and the operational costs for the Council.

Assume

- 58 Advisory Committee Chairpersons
- 2 meetings per year
- 4 days per meeting with travel
- average travel ticket at \$200.00
- per diem rate of \$100 00 per day

Calculation

travel 58 x 2 x #200	=	\$ 23,200	
per diem 58 x 2 x 4 x \$100	=	46,400	
SUBTOTAL		<u>\$ 69,600</u>	\$ 69,600
- 6 Resource Specialists range			
16	=	\$188,850	
- travel and per diem (est.)	=	36,000	
- temp. support 30 man/months	=	35,850	
- contractual: rent, phone, etc.	=	9,000	
- equipment: desks, chair, etc.	=	6,000	
SUBTOTAL		<u>\$275,700</u>	<u>\$275,700</u>
			TOTAL <u>\$345,300</u>

DEPARTMENTAL SUPPORT COSTS

Included in these costs are the additional dollars for travel and per diem to give staff support to Regional Councils and the additional demands on the Boards' current staff.

Assume

- 6 regions
- 10 staff from Department per meeting
- 2 meetings per year
- 4 days per meeting
- \$200.00 per travel ticket
- per diem at \$55.00 per day

Calculation

travel 6 x 10 x 2 x \$200	=	\$ 24,000	
per diem 6 x 10 x 2 x 4 x \$55	=	26,400	
SUBTOTAL		<u>\$ 50,400</u>	\$ 50,400

Travel and per diem of Executive Director to meet with regions.

Assume

- 2 circuits per year
- 24 days per circuit
- \$1,000.00 per travel ticket per circuit
- per diem at \$55.00 per day

Calculation

travel 2 x \$1,000	=	\$ 2,000	
per diem 2 x 24 x 55	=	2,640	
SUBTOTAL		\$ 4,640	
			TOTAL
			<u>\$ 4,640</u>
			<u>\$ 55,040</u>

BOARD COSTS WITH REGIONAL CHAIRPERSON

Included in these costs are travel and per diem for Regional Council chairpersons to Board or special authorized meetings.

Assume

- 6 council chairpersons
- 5 meetings per year
- 10 days average length per meeting
- \$100 per day per diem
- \$200 average per travel ticket

Calculation

travel 6 x 5 x \$200	=	\$ 6,000	
per diem x 6 x 5 x 10 x \$100	=	30,000	
SUBTOTAL		\$ 36,000	\$ 36,000
			TOTAL
			<u>\$ 36,000</u>

GRAND TOTAL \$436,340

NOTE: Possibly should be added to any bill passed on this subject.

ADVISORY COMMITTEE

Currently there are 26 Committees which operate in rural areas that receive reimbursement for travel expenses, but no per diem. To make the process work better, a limited amount of per diem should be added to reduce the financial burden to the individual.

Assume

- 26 committees receive local travel
- 390 possible member (15 x 26 = 390)
- 1/3 would travel 390 ÷ 3 = 130
- 4 meetings per year, 3 days each
- per diem at the rate of \$55 per day

Calculation

travel 130 x 4 x \$100	=	\$ 52,000	
per diem 130 x 4 x 3 x \$55	=	<u>85,800</u>	
		<u>\$137,800</u>	\$137,800
- miscellaneous expenses (\$100) for 58 committees			
58 x \$100	=	<u>\$ 5,800</u>	
		<u>\$ 5,800</u>	\$ 5,800
- less current committee support costs			
			<u>(\$ 95,500)</u>
		NET INCREASE	<u>\$ 48,100</u>

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE
REVISED

I. REQUEST
Bill/Resolution No. SS HB 193
Title An Act relating to regional fish and game boards
Requested by House Resources Committee Date 3/16/79

II. FISCAL DETAIL Department of Fish & Game
Agency Affected _____
Program Category Affected Natural Resources
Budget Request Unit(s) Affected ALL

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES		476.5				
200 TRAVEL		632.1				
300 CONTRACTUAL		65.8				
400 COMMODITIES		6.0				
500 EQUIPMENT		12.0				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
ESTIMATED LAW COSTS		250.0				
TOTAL		1,442.4	1,442.4	1,442.4	1,442.4	1,442.4

FUNDING (Thousands of Dollars)


GENERAL FUND		1,442.4	1,442.4	1,442.4	1,442.4	1,442.4
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME		17	17	17	17	17
PART TIME						
TEMPORARY		6	6	6	6	6

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

Cost estimate attached to reflect total implementation.
No inflation added.

IV. DATE 3/19/79 PREPARED BY  Russell H. Clark
AGENCY Department of Fish & Game
PHONE 465-4120
Original: Legislative Finance ✓
cc: Budget and Management
Prime Sponsor (First Legislator Named)
Keith Specking Office of the Governor
33-001 (Rev. 10/78)
File

SPONSOR SUBSTITUTE HB 193

Included in this fiscal note are the Advisory Committee's associated costs, the Regional Board costs, Departmental costs, and the reductions to the current Master Board system.

REGIONAL BOARDS

All cost detail listed for one region then multiplied by six to reflect total.

Assume

-	1 secretary range 10 for Board	=	\$ 20,800	
-	9 man/month temporary support for meetings	=	\$ 13,400	
	SUBTOTAL		\$ 34,200	\$ 34,200

Assume

- 7 board members
- 3 meetings per year
- 14 days per board meeting
- \$200 per ticket
- \$100 each day per diem

Calculation

travel 7 x 3 \$200	=	\$ 4,200	
per diem 7 x 3 14 x \$100	=	29,400	
	SUBTOTAL	\$ 33,600	\$ 33,600

contractual services: printing, leases, legal notices, rent, communications, etc.	=	\$ 10,000	
commodities and supplies	=	1,000	
equipment	=	2,000	
	SUBTOTAL	\$ 13,000	\$ 13,000

TOTAL	\$ 80,800
extended for 6 regions	x 6
GRAND TOTAL	<u>\$484,800</u>

DEPARTMENTAL COSTS

There will be added costs to have staff support at the Regional Board meeting. This will be full regulatory support and staff at all regional meetings.

Assume

- 27 people to each regional board meeting
- 3 meetings per year
- 14 days per meeting
- \$200 per ticket
- per diem at \$55 per day

Calculation

travel 27 x 3 x \$200	=	\$ 16,200	
per diem 27 x 3 x 14 x \$55	=	62,370	
	SUBTOTAL	\$ 78,570	\$ 58,570
	extended for 6 regions		x 6
	TOTAL		<u>\$471,420</u>