

LEG. FINANCE - BILLS 1981 - 1982 1644

SB 182 - SSSB 189

1644



# COMMITTEE REPORT

## SENATE

2/16/81

FURTHER: Finance

Date: \_\_\_\_\_

Mr. President:

The Committee on TRANSPORTATION has had SB 182 repealing the tax on motor fuel used in or on watercraft

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

- as follows:*
- do pass  do not pass
  - do pass with attached amendments(s)
  - replace with CS for \_\_\_\_\_  same title  new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note
  - reports it back <sup>WITH INDIVIDUAL</sup> without recommendation Zero FY Note
  - referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

Bill Ray  
Don [unclear]

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

~~Do not pass~~  
2 Do not pass  
3 No Rec

Bill Ray  
CHAIRMAN

Introduced: 2/16/81  
Referred: Transportation and Finance

BY MULCAHY, ELIASON, ZIEGLER  
RAY, HOHMAN, FERGUSON

1 IN THE SENATE

2 SENATE BILL NO. 182

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act repealing the tax on motor fuel used in or on  
7 watercraft; and providing for an effective date."

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

9 \* Section 1. AS 43.40.010(a) is amended to read:

10 (a) There is levied a tax of eight cents a gallon on all motor  
11 fuel sold or otherwise transferred within the state, except that

12 (1) the tax on aviation gasoline is four cents a gallon, and

13 [(2) THE TAX ON MOTOR FUEL USED IN AND ON WATERCRAFT OF ALL  
14 DESCRIPTIONS IS FIVE CENTS A GALLON, AND]

15 (3) the tax on all aviation fuel other than gasoline is two  
16 and one-half cents a gallon.

17 \* Sec. 2. AS 43.40.010(b) is amended to read:

18 (b) There is levied a tax of eight cents a gallon on all motor  
19 fuel consumed by a user, except that

20 (1) the tax on aviation gasoline consumed is four cents a  
21 gallon, and

22 [(2) THE TAX ON MOTOR FUEL USED IN AND ON WATERCRAFT OF ALL  
23 DESCRIPTIONS IS FIVE CENTS A GALLON, AND]

24 (3) the tax on all aviation fuel other than gasoline is two  
25 and one-half cents a gallon.

26 \* Sec. 3. AS 43.40.010(g) is amended to read:

27 (g) The proceeds of the revenue from the tax on all motor fuels,  
28 except as provided in (e) [, (f),] and (j) of this section, shall be  
29 deposited in a special highway fuel tax account in the state general

1 fund. The legislature may appropriate funds from it for expenditure by  
2 the Department of Transportation and Public Facilities [PUBLIC WORKS]  
3 directly or as matched with available federal-aid-highway money for  
4 maintenance of highways, construction of highway projects and ferries  
5 included in the program provided for in AS 19.10.150, including ap-  
6 proaches, appurtenances and related facilities and acquisition of  
7 rights-of-way or easements, and other highway costs including surveys,  
8 administration, and related matters. All departments of the state  
9 government authorized to spend funds collected from taxes imposed by  
10 this chapter [AS 43.40.010 - 43.40.100] shall perform, when feasible,  
11 all construction or reconstruction projects by contract after the  
12 projects have been advertised for competitive bids, except that, when  
13 feasible, arrangements shall be made with political subdivisions to  
14 carry out the construction or reconstruction projects. If it is not  
15 feasible for the work to be performed by state engineering forces, the  
16 commissioner of Transportation and Public Facilities [PUBLIC WORKS] may  
17 contract on a professional basis with private engineering firms for  
18 road design, bridge design, and services in connection with surveys.  
19 If more than one private engineering firm is available for the work the  
20 contracts shall be entered into on a negotiated basis.

21 \* Sec. 4. AS 43.40.030(a)(2) is amended to read:

22 (2) the motor fuel is not aviation fuel [, OR MOTOR FUEL  
23 USED IN OR ON WATERCRAFT]; and

24 \* Sec. 5. AS 43.40.100(2) is amended to read:

25 (2) "motor fuel" means fuel used in an engine for the pro-  
26 pulsion of a motor vehicle or aircraft, and fuel used [IN AND ON WATER-  
27 CRAFT FOR ANY PURPOSE, OR] in a stationary engine, machine or mechanical  
28 contrivance which is run by an internal combustion motor; "motor fuel"  
29 does not include

1 (A) fuel consigned to foreign countries,

2 (B) fuel sold for use in jet propulsion aircraft op-  
3 erating in flights to foreign countries,

4 (C) fuel used in stationary power plants operating as  
5 public utility plants and generating electrical energy for sale to  
6 the general public,

7 (D) fuel used by nonprofit power associations or  
8 corporations for generating electric energy for resale,

9 (E) fuel used by charitable institutions, [OR]

10 (F) fuel which is at least 10 percent alcohol by  
11 volume, or

12 (G) fuel used in and on watercraft for any purpose; [.]

13 \* Sec. 6. AS 43.40.010(f) is repealed.

14 \* Sec. 7. This Act takes effect July 1, 1981.

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 182  
 Title An Act repealing the tax on motor fuel used in or on watercraft  
 Requested by Senate Transportation and Finance Committee Date 2/18/81

II. FISCAL DETAIL

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

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>						

FUNDING (Millions of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND	-0-	(3.6)	(3.8)	(4.0)	(4.2)	
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME						
PART TIME						
TEMPORARY						

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

The above estimates are based on the Department of Revenue's forecasting model.

IV. DATE 2/18/81 PREPARED BY Vincent D. Wright  
 AGENCY Department of Revenue  
 PHONE \_\_\_\_\_  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named) \_\_\_\_\_

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 182

Title An Act repealing the tax on motor fuel used in or on watercraft.

Requested by Senate Transportation Committee Date Feb. 17, 1981

II. FISCAL DETAIL

Agency Affected Department of Revenue

Program Category Affected Revenue Collection and Management

BRU, Program, or Subprogram(s) Affected Audit Division

(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) - NONE

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars) - NONE

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS - NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

This bill would repeal the marine motor fuel tax. It will have no effect on the administrative costs of this division.

IV. DATE Feb. 18, 1981

PREPARED BY Gary L. Jenkins

AGENCY Audit Division

PHONE 465-2320

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

ALASKA STATE LEGISLATURE

TWENTY-LETH Legislature FIRST Session

SENATE BILL NO. 182

By MULCAHY, ELIASON, ZIEGLER, RAY, HOHMAN, FERGUSON

"An Act repealing the tax on motor fuel used in or on watercraft; and providing for an effective date."

Introduced in the Senate 2/16/31

HISTORY IN THE SENATE

19	81	Read first time and referred to Committee on										
2	16	Transportation and Finance										
2	25	Reported back with <i>Transp.</i> recommendation that <i>2 do pass</i> <i>1 do not pass, 1 no rec. to fin.</i>										
		Read second time and										
		Read third time and										
		<table border="0"> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date											
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Absent	Absent											
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		Reconsideration										
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PASS	Effective Date											
Yeas	Yeas											
Nays	Nays											
Absent	Absent											
Excused	Excused											
		Reported correctly engrossed										
		Signed by President										
		Sent to House										
SECRETARY OF THE SENATE												

HISTORY IN THE HOUSE

19		Read first time and referred to Committee on										
		Reported back with recommendation that										
		Read second time and										
		Read third time and										
		<table border="0"> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date											
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Nays	Nays											
Absent	Absent											
Excused	Excused											
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PASS	Effective Date											
Yeas	Yeas											
Nays	Nays											
Absent	Absent											
Excused	Excused											
		Reported correctly engrossed										
		Signed by Speaker										
		Returned to Senate										
CHIEF CLERK OF THE HOUSE												

HISTORY IN THE SENATE

19		Received from House
		To enrolling
		Reported correctly enrolled
		Sent to Governor
		..... by Governor
		Filed with Lt. Governor
		Chapter No. ....

Introduced: 2/16/81  
Referred: Transportation and Finance

1 IN THE SENATE

BY MULCAHY, ELIASON, ZIEGLER  
RAY, HOHMAN and FERGUSON

2 SENATE BILL NO. 182

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act repealing the tax on motor fuel used in or on  
7 watercraft; and providing for an effective date."

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

9 \* Section 1. AS 43.40.010(a) is amended to read:

10 (a) There is levied a tax of eight cents a gallon on all motor  
11 fuel sold or otherwise transferred within the state, except that

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13 [(2) THE TAX ON MOTOR FUEL USED IN AND ON WATERCRAFT OF ALL  
14 DESCRIPTIONS IS FIVE CENTS A GALLON, AND]

15 (3) the tax on all aviation fuel other than gasoline is two  
16 and one-half cents a gallon.

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18 (b) There is levied a tax of eight cents a gallon on all motor  
19 fuel consumed by a user, except that

20 (1) the tax on aviation gasoline consumed is four cents a  
21 gallon, and

22 [(2) THE TAX ON MOTOR FUEL USED IN AND ON WATERCRAFT OF ALL  
23 DESCRIPTIONS IS FIVE CENTS A GALLON, AND]

24 (3) the tax on all aviation fuel other than gasoline is two  
25 and one-half cents a gallon.

26 \* Sec. 3. AS 43.40.010(g) is amended to read:

27 (g) The proceeds of the revenue from the tax on all motor fuels,  
28 except as provided in (e) [, (f),] and (j) of this section, shall be  
29 deposited in a special highway fuel tax account in the state general

1 fund. The legislature may appropriate funds from it for expenditure by  
2 the Department of Transportation and Public Facilities [PUBLIC WORKS]  
3 directly or as matched with available federal-aid-highway money for  
4 maintenance of highways, construction of highway projects and ferries  
5 included in the program provided for in AS 19.10.150, including ap-  
6 proaches, appurtenances and related facilities and acquisition of  
7 rights-of-way or easements, and other highway costs including surveys,  
8 administration, and related matters. All departments of the state  
9 government authorized to spend funds collected from taxes imposed by  
10 this chapter [AS 43.40.010 - 43.40.100] shall perform, when feasible,  
11 all construction or reconstruction projects by contract after the  
12 projects have been advertised for competitive bids, except that, when  
13 feasible, arrangements shall be made with political subdivisions to  
14 carry out the construction or reconstruction projects. If it is not  
15 feasible for the work to be performed by state engineering forces, the  
16 commissioner of Transportation and Public Facilities [PUBLIC WORKS] may  
17 contract on a professional basis with private engineering firms for  
18 road design, bridge design, and services in connection with surveys.  
19 If more than one private engineering firm is available for the work the  
20 contracts shall be entered into on a negotiated basis.

21 \* Sec. 4. AS 43.40.030(a)(2) is amended to read:

22 (2) the motor fuel is not aviation fuel [, OR MOTOR FUEL  
23 USED IN OR ON WATERCRAFT]; and

24 \* Sec. 5. AS 43.40.100(2) is amended to read:

25 (2) "motor fuel" means fuel used in an engine for the pro-  
26 pulsion of a motor vehicle or aircraft, and fuel used [IN AND ON WATER-  
27 CRAFT FOR ANY PURPOSE, OR] in a stationary engine, machine or mechanical  
28 contrivance which is run by an internal combustion motor; "motor fuel"  
29 does not include

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- (A) fuel consigned to foreign countries,
- (B) fuel sold for use in jet propulsion aircraft operating in flights to foreign countries,
- (C) fuel used in stationary power plants operating as public utility plants and generating electrical energy for sale to the general public,
- (D) fuel used by nonprofit power associations or corporations for generating electric energy for resale,
- (E) fuel used by charitable institutions, [OR]
- (F) fuel which is at least 10 percent alcohol by volume, or
- (G) fuel used in and on watercraft for any purpose; [.]

\* Sec. 6. AS 43.40.010(f) is repealed.  
\* Sec. 7. This Act takes effect July 1, 1981.

# STATE OF ALASKA

## DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH 5  
JUNEAU, ALASKA 99811

February 19, 1981

The Honorable Bill Ray  
Chairman  
Senate Transportation Committee  
Room 103 - Capitol Building  
Juneau, Alaska

Re: Senate Bill No. 182

Dear Senator Ray:

Senate Bill No. 182, an Act repealing the tax on motor fuel used in or on watercraft, was introduced in the Senate on February 16, 1981 and was referred to the Senate Transportation and Finance Committees.

For the consideration of the Senate Transportation Committee, I am enclosing copies of Fiscal Notes prepared by Mr. Gary Jenkins, Director, Audit Division and Mr. Vincent Wright, Research Section of the Department of Revenue concerning the proposed legislation.

Sincerely,

R. D. Stevenson  
Special Assistant

cc: The Honorable Dor. Bennett  
The Honorable M. E. Dankworth  
Co-Chairmen  
Senate Finance Committee

Joseph K. Donohue  
Deputy Commissioner  
Department of Revenue

Gary Jenkins, Director  
Audit Division  
Department of Revenue

Vincent Wright  
Research Section  
Department of Revenue

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 182  
Title An Act repealing the tax on motor fuel used in or on watercraft.  
Requested by Senate Transportation Committee Date Feb. 17, 1981

II. FISCAL DETAIL

Agency Affected Department of Revenue  
Program Category Affected Revenue Collection and Management  
BRU, Program, or Subprogram(s) Affected Audit Division

(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) - NONE

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						

TOTAL

FUNDING (Thousands of Dollars) - NONE

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS - NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

This bill would repeal the marine motor fuel tax. It will have no effect on the administrative costs of this division.

IV. DATE Feb. 18, 1981 PREPARED BY Gary L. Jenkins  
AGENCY Audit Division  
PHONE 465-2320  
Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. Senate Bill 192  
 Title An Act repealing the tax on motor fuel used in or on watercraft  
 Requested by Senate Transportation and Finance Committees Date 2/18/81

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

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>						

FUNDING (Millions of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND	-0-	(3.6)	(3.8)	(4.0)	(4.2)	
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME						
PART TIME						
TEMPORARY						

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

The above estimates are based on the Department of Revenue's forecasting model.

IV. DATE 2/18/81 PREPARED BY Vincent D. Wright  
 AGENCY Department of Revenue  
 Original: Legislative Finance PHONE \_\_\_\_\_  
 cc: Budget and Management  
Prime Sponsor (First Legislator Named)

THIS  BILL  RESOLUTION

has been prepared by the staff of the Legal Services Division of the Legislative Affairs Agency in response to the request and at the direction of the sponsor. The staff has attempted to place it in proper legal and clerical form subject to any special limitations or instructions of the sponsor. Requests for bills and resolutions are kept confidential by the staff and any announcement of intent to have a document drafted or introduced is the prerogative and responsibility of the sponsoring member. The agency or its staff may not endorse or comment on policy matters involved in a bill or resolution. The substance and merits of a bill or resolution are the responsibility of the sponsor.

Delivered to sponsor: \_\_\_\_\_

2-20-81

COMMITTEE REPORT  
SENATE

FURTHER: None

Date: 2/19/81

Mr. President:

The Committee on FINANCE has had SB 185

making a supplemental appropriation for the special mortgage loan purchase program

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 CS for SB 185 (Am)  same title  
 new title
- and recommends "Do Pass"
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

[Signature]  
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[Signature]  
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 Do Pass CHAIRMAN

Delivered to: SFC  
Legis. Affairs 2/16/81  
4:30 PM  
2/19/81

Funding Information

General Fund	\$150,000,000
Other Funds	-0-
	\$150,000,000

Introduced: 2/16/81  
Referred: Finance

1 IN THE SENATE

BY BENNETT

2 SENATE BILL NO. 185

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriations for the  
7 to the Alaska Housing Finance Corporation  
8 special mortgage loan purchase program; and providing  
for an effective date."

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

10 \* Section 1. The sum of <sup>133,000,000</sup> ~~\$150,000,000~~ is appropriated from the general  
11 fund to the Alaska Housing Finance Corporation, Department of Revenue, for  
12 the special mortgage loan purchase program. ~~(AS 18.56.098) for the fiscal~~  
13 ~~year ending June 30, 1981.~~

14 \* Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-  
15 070(c).

16 Sec. 2 The sum of \$12,500,000 is appropriated from the  
17 General Fund to the Alaska Housing Finance Corporation, Department  
18 of Revenue, for the Mobile Home Loan Purchase Program

19  
20  
21 Sec. 3 The sum of \$ 4,500,000 is appropriated from the  
22 General Fund to the Alaska Housing Finance Corporation,  
23 Department of Revenue, for the non-owner occupied multi-  
24 family rural loan program.

25 Sec. 4 The appropriations made by this act are for  
26 loan ~~Program~~ <sup>Program</sup> capitalization and are subject to the provisions  
27 of AS 37.25.010.  
28  
29

Funding Information

General Fund \$150,000,000  
Other Funds -0-  
\$150,000,000

Introduced: 2/16/81  
Referred: Finance

1 IN THE SENATE

BY BENNETT

2

SENATE BILL NO. 185

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act making a supplemental appropriation for the  
7 special mortgage loan purchase program; and providing  
8 for an effective date."

8

9

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

10

\* Section 1. The sum of \$150,000,000 is appropriated from the general  
11 fund to the Alaska Housing Finance Corporation, Department of Revenue, for  
12 the special mortgage loan purchase program (AS 18.56.098) for the fiscal  
13 year ending June 30, 1981.

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\* Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-  
15 070(c).

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Original Sponsor: Bennett

Funding Information

General Fund	\$150,000,000
Other Funds	...-0-
	<u>\$150,000,000</u>

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 185 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making supplemental appropriations to the  
7 Alaska Housing Finance Corporation; and providing for  
8 an effective date."

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

10 \* Section 1. The sum of \$133,000,000 is appropriated from the general  
11 fund to the Alaska Housing Finance Corporation, Department of Revenue, for  
12 the special mortgage loan purchase program.

13 \* Sec. 2. The sum of \$12,500,000 is appropriated from the general fund  
14 to the Alaska Housing Finance Corporation, Department of Revenue, for the  
15 mobile home loan purchase program.

16 \* Sec. 3. The sum of \$4,500,000 is appropriated from the general fund to  
17 the Alaska Housing Finance Corporation, Department of Revenue, for the  
18 nonowner-occupied multi-family rural loan program.

19 \* Sec. 4. The appropriations made by this Act are for loan program  
20 capitalization and are subject to the provisions of AS 37.25.020.

21 \* Sec. 5. This Act takes effect immediately in accordance with AS 01.10.  
22 070(c).

Funding Information

General Fund	\$150,000,000
Other Funds	-0-
	<u>\$150,000,000</u>

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IN THE SENATE

BY THE FINANCE COMMITTEE

CS FOR SENATE BILL NO. 185 (Finance)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWELFTH LEGISLATURE - FIRST SESSION.

A BILL

For an Act entitled: "An Act making supplemental appropriations to the Alaska Housing Finance Corporation; and providing for an effective date."

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

\* Section 1. The sum of \$133,000,000 is appropriated from the general fund to the Alaska Housing Finance Corporation, Department of Revenue, for the special mortgage loan purchase program (AS 18.56.098).

\* Sec. 2. The sum of \$12,500,000 is appropriated from the General Fund to the Alaska Housing Finance Corporation, Department of Revenue, for the Mobile Home Loan Purchase Program (AS 18.56.098(4)).

\* Sec. 3. The sum of \$4,500,000 is appropriated from the General Fund to the Alaska Housing Finance Corporation, Department of Revenue, for the non-owner occupied multi-family rural loan program (AS 18.56.090(4)).

\* Sec. 4. The appropriations made by this act are for loan program capitalization and are subject to the provisions of AS 37.25.020.

\* Sec. 5. This Act takes effect immediately in accordance with AS 01.10.070(c).

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. HCS CSSB 135 (Fin)  
 Title "An Act making supplemental appropriations to the Alaska Housing Finance Corp.  
 Requested by Finance Date \_\_\_\_\_

(Title con'd). and the Dept. of Commerce & Economic Dev. & providing for an effective date.

II. FISCAL DETAIL  
 Agency Affected Department of Commerce and Economic Development  
 Program Category Affected Development  
 BRU, Program, or Subprogram(s) Affected Division of Energy and Power Development  
 (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	14.315					
200 TRAVEL	7.600					
300 CONTRACTUAL	2818.505					
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	2550.0					
<b>TOTAL</b>	<b>5398.600</b>					

FUNDING (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
<u>GENERAL FUND</u>	5398.600					
<u>FEDERAL FUNDS</u>						
<u>OTHER (Specify Fund Source)</u>						

POSITIONS

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
<u>FULL TIME</u>	6					
<u>PART TIME</u>						
<u>TEMPORARY</u>						

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

The budget presented provides for sufficient support for the Division to provide a technical review and upgrade of the Residential Energy Audit, continue the training of residential auditors in areas where there are no auditors, and provide for the payment of residential audits and grants and refunds for energy conservation measures.

\$735.0 will be used for a demonstration project whereby the Division contracts with municipalities to perform a service of audits and energy conservation measures on a community basis.

IV. DATE 3/17/81

PREPARED BY *Clarissa Quintan*  
 AGENCY Commerce & Economic Development  
 PHONE 276-0508

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

HOUSE BILL 173

<u>100 PERSONAL SERVICES</u>	<u>\$ 14,315</u>
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9,273 grants and refund @ \$275	
TOTAL	<u>\$5,398,600</u>

# STATE OF ALASKA

## THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

FINANCE DIVISION  
POUCH WF-STATE CAPITOL  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-3795

### MEMORANDUM

TO: Hon. Arliss Sturgulewski  
Chairwoman  
Budget & Audit Committee

FROM: Milt Barker <sup>MB</sup>  
Fiscal Analyst

DATE: February 18, 1981

SUBJECT: AHFC and the Ullman Bill

Attached is an excerpt from a December 4, 1980, Alaska Housing Finance Corporation memo to Governor Hammond that lists provisions of the Ullman bill which have a significant impact on AHFC.

As a result of the Ullman bill, the following options are under consideration for AHFC's future financing needs:

- 1) tax-exempt mortgage revenue bonds that meet the requirements of the Ullman bill
- 2) state general obligation bonds used for veterans' mortgages
- 3) taxable mortgage revenue bonds
  - a) 30 year term
  - b) 10 year term, non-assumable mortgages
- 4) pass-through mortgage certificates

AHFC has prepared legislation which would permit the corporation to undertake any of the options except G.O. bonds. That option probably would require a constitutional amendment.

It is apparent that alternatives are available which would enable AHFC to meet its mortgage demand at significantly less cost than the \$225 million contained in the Governor's budget for FY 82.

## THE OPTIONS

### Tax-Exempt Revenue Bonds

Basically the Ullman bill limits Alaska's issuance of tax-exempt revenue bonds used for purchasing mortgages to \$200 million per year, of which only \$100 million could be issued by AHFC, the remainder being reserved for municipalities. Because of several other restrictions, listed in the attachment, AHFC has doubts about whether there would be even \$100 million of qualified mortgages that they could purchase. AHFC has commissioned ISER to provide them with a report, due this February, as to just how much demand in terms of qualified mortgages would exist in FY 82 as well as total mortgage demand. In any event, no tax-exempt revenue bonds can be issued after December 31, 1983 under the Ullman bill. Municipalities are waiting for Treasury regulations before taking any actions themselves.

### G.O. Bonds for Veterans

The one loophole in the bill is that general obligation bonds for veterans' mortgages are not prohibited or limited. This avenue could possibly fulfill up to 40% of AHFC's demand.

However, constitutional questions about such bonds might effectively preclude their use prior to a constitutional amendment. The constitution provides that G.O. bonds are to be authorized only for "capital improvements." Some of the opinions on this issue hold that there are two tests of what constitutes a "capital improvement." One is that a tangible physical asset be created; the other is that the state acquire a legal interest in the asset.

Even if a legal opinion could be gotten which claimed G.O. bonds for veterans' mortgages were constitutional, the potential question would remain and might effectively preclude marketing the bonds. A constitutional amendment, if passed in the 1982 general elections, would not be of any assistance until the last half of FY 83.

### Taxable Bonds

The most straightforward alternative to tax-exempt bonds would seem to be to issue similar bonds whose only difference would be that the interest they pay will be subject to federal income tax and thus they would bear a higher interest coupon. Of course, the required subsidy from the state to keep the homeowners' borrowing costs the same will be correspondingly greater.

However, Dean Witter is proposing that AHFC issue a shorter term bond, 10 years as opposed to a normal 30 year maturity, to take advantage of lower interest rates in the short term market. There would be some distinct disadvantages to homeowners in that their loans would not be assumable and would, in effect, have their interest rate redetermined at 10 year periods. The amortization schedule for a homeowner would still be based on a 30-year period and AHFC would have a lien for 30 years as well.

### Pass-Through Mortgage Certificates

Merrill, Lynch has proposed that AHFC issue pass-through certificates which are a financial instrument that basically involves packaging and selling a group of mortgages. The certificate holders receive the mortgage payments as they are made to a trustee. Insurance guards against delinquencies. Prepayments accelerate the cash flow to the certificate holder; prepayments result from the sale and refinancing of homes.

The acceleration of cash flow results in the certificates trading at lower interest rates than a 30 year taxable bond. The certificates in effect have a 10 to 12 year maturity--though based on 30 year mortgages--due to prepayments.

Another advantage to the state is that they are not general obligations of AHFC and are not counted as part of overall state indebtedness.

## FISCAL ANALYSIS

### Subsidy Methods and AHFC Capitalization

An important aspect of Dean Witter's proposal is that they propose state appropriations that would be large enough to

provide the required subsidy of taxable bonds solely from the interest earnings on the appropriations. The method AHFC employed for the 1980 bond issues uses both the principal and interest to provide the subsidy. This results in a lesser amount to fund the subsidy and leaves no principal remaining when the bonds are paid off.

The Dean Witter proposal would leave the principal amount in AHFC as permanent assets. Over time, this could result in sufficient capitalization of AHFC that no additional subsidy appropriations from the state would be required. There would, however, be a possible lessening of state control of AHFC as well as a relative diminution of the general fund which would lessen the state's flexibility in reassessing needs and allocating resources in the future.

#### FY 81 Appropriations and AHFC Capitalization

Along the same lines, Witter proposes that AHFC be released from its requirement to return \$236 million in state loans and mortgages to the state general fund on July 1, 1983. These investments were appropriated to AHFC and pledged by them to permit a possible redemption of its 1980 bond issues in case the Ullman bill removed their tax-exempt status. As this did not occur, the state might want to consider whether these investments could be returned to the general fund sooner than 1983. An amendment to the bond resolution could be required.

As the attached statement from AHFC's 1980 third series bond prospectus indicates, only \$50.6 million of \$105 million appropriated to AHFC in cash last session was required for interest subsidies. The rest was used to purchase mortgage loans. These mortgages, in fact all assets of the State Assisted Mortgage Fund (SAM Fund), were pledged for possible redemption of 1980 bond issues. "Assets" include the interest earned on the total \$290.4 million in loans and mortgages, another \$41.5 million by June 30, 1981, bringing total assets to \$331.9 million at that date. After another two years, further interest should bring SAM assets to \$398 million at which time \$236 million would be returned to the general fund, leaving \$162 million with AHFC.

The \$162 million would also be released from its pledge for redemption on July 1, 1983. Then, it could be used as subsidies reducing the need for state appropriations for

MEMORANDUM

February 18, 1981

AHFC/Ullman Bill

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such for FY 84. However, it is more likely that AHFC will again pledge the SAM assets at that time, if not before as a "junior" pledge, to force the state to yield these assets to AHFC indefinitely. The assets would probably be continually invested in mortgages thus reducing the need somewhat for state subsidies, but not as much as if the assets themselves were used for the subsidies. Possibly legislation could forestall AHFC's use of pledging to permanently capture excess state appropriations. Certainly future appropriations could contain language to guard against this if desired.

FY 81 Supplemental and AHFC Capitalization

For the month of February 1981, AHFC has received \$70 million in requests for mortgages. Given the amount of funds remaining from 1980 bond issues, AHFC had planned to allot \$40 million per month for the remainder of FY 81 for mortgage purchases. Five months of \$30 million deficiency is the basis for the \$150 million appropriation in SB 185.

These funds would be used to purchase mortgages directly; this type of funding of AHFC mortgage purchases has not previously been utilized. The funds will become permanent assets of AHFC. This method requires more up-front state dollars than if subsidized bond funds could be used.

AHFC plans a July 1981 bond sale of \$200 million (July 23 is the closing date). Although AHFC may very well need \$150 million before then to provide commitments, actual cash draw down should be much less. With a 110 day commitment period, up to \$203 million in loan commitments could remain undrawn on July 23, 1981, if commitments have been made at a rate of \$70 million per month through June 30, 1981.

Thus, SB 185 could contain language that would revert any portion of the \$150 million that is not expended as of July 23, 1981, to the general fund. This would ensure that subsidized bond funds rather than state appropriations are used for any loans committed to during FY 81 but drawn down after July 23, 1981. This alternative would require appropriation of the subsidy for an additional \$150 million in bonds in FY 82 in case all of the supplemental is returned and the commitments funded entirely in FY 82 from bond proceeds.

MEMORANDUM  
February 18, 1981  
AHFC/Ullman Bill  
Page 6

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To ensure that all FY 81 commitments are funded from bond funds, the \$150 million could be made a loan to AHFC to be repaid from the July bond sale and only the subsidy appropriated. This would result in no additional capitalization of AHFC. Using the same assumptions used for figuring subsidies in AHFC's FY 82 budget request, the subsidy appropriation would be \$61.5 million.

#### FY 82 Appropriations

The Governor's budget contains an appropriation of \$225 million for AHFC subsidies. This amount, it is claimed, will provide the required subsidy if the bond market is at 15% and \$700 million in loans are made (only \$616 million of which will be loans for amounts below \$90,000 and thus eligible for subsidy).

I estimate a subsidy cost of \$236 million for \$576 million in subsidized loans in the same market. \$576 million is the \$616 million in loans reduced by \$40 million in principal repayments and interest on SAM fund assets during FY 82.

The above calculations assume principal and interest of subsidy appropriations are used for subsidies.

Merrill, Lynch had estimated an interest cost of 13.1% for pass-through certificates and Dean Witter a cost of 12.5% for early maturities and 13% on later maturities of their short-term taxable bond for the same market in which long term AHFC bonds would cost 15%.

Using Merrill, Lynch's 13.1% pass-through securities, the subsidy cost would be \$139 million for \$616 million in subsidized mortgages or \$130 million for \$576 million of mortgages.

The subsidy costs for Dean Witter's short-term bonds would be practically the same were it not for their plan to use only interest from the state appropriation for subsidy. On this basis, their required subsidy appropriation was estimated at \$205 million for \$616 million in subsidized bonds.

MEMORANDUM  
February 18, 1981  
AHFC/Ullman Bill  
Page 7

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Equity Considerations under Taxable Bonds

In a 15% taxable bond market with the addition of a 1% service fee for AHFC--those being AHFC's assumptions for their FY 82 budget submission--the subsidy cost is 39% of the principal amount of any loan up to \$90,000. This is so as long as the mortgage rate to borrowers remains at 9% for veterans and 10% for others.

This means that anyone can get the equivalent of a \$35,000 payment this year from the state by taking out a home loan of \$90,000 or more. Over the life of the loan, the interest on the subsidy amount of \$35,000 results in a total subsidy to an individual of \$159,000. For a low income individual who participates in AHFC's Home Ownership Assistance Program, the subsidy is even greater.

Using the preliminary 1980 census figure of 400,331 people and the 1970 census average household of 3.52 persons, the total cost of providing every household in Alaska with a \$35,000 payment this year would be \$3.98 billion.

Attachment

cc: Senate Finance Committee  
House Finance Committee

## PROVISIONS OF THE ULLMAN BILL

The Federal legislation generally provides for the following:

1. STATE CEILING OF \$200 MILLION PER CALENDAR YEAR. Although the legislation provides for a State ceiling per calendar year of the greater of nine percent of the average annual principal amount of mortgages executed during the past three years or \$200 million, the \$200 million figure is the greater for the State of Alaska.
2. PURCHASE PRICE LIMITATION. The acquisition cost of a residence financed by the proceeds of the bond issue may not exceed 90 percent of the average price in the area for the preceding 12 months.
3. FINANCING CAN BE PROVIDED FOR ONLY OWNER-OCCUPIED SINGLE FAMILY RESIDENCES. Only under special and certain circumstances can two to four family owner-occupied residences be financed with the proceeds of a tax-exempt bond issue.
4. HOME BUYER CANNOT HAVE OWNED A HOME WITHIN THE PAST THREE YEARS. The legislation precludes from participation a home buyer who has had a present home ownership interest in a principal residence during the immediately preceding three year period.
5. STATE HOUSING AGENCIES LIMITED TO 50 PERCENT OF STATE CEILING. The legislation provides that a State agency may issue only 50 percent of the State ceiling per year unless another allocation is made by State law. The other 50 percent is allocated to local government issuers based upon their market share for the preceding three calendar years. The initial interim authority is provided to the Governor and the termination of the Governor's authority is the earliest of (a) January 1, 1982, or (b) the effective date of any State legislation with respect to the allocation of the State ceiling.
6. THE EFFECTIVE MORTGAGE RATE CANNOT EXCEED BOND YIELD BY MORE THAN ONE PERCENT. This provision requires the Alaska Housing Finance Corporation to include in its one percent mark-up, in addition to the traditionally included cost of administration and Seller/Service fees, the cost of issuance of the bonds and some fees which are born by the mortgagor

(home buyer). In addition to the one percent arbitrage limit, the legislation provides that other arbitrage and investment gains shall be paid or credited to the mortgagors in the most expeditious fashion.

7. ~~ALL MORTGAGES MUST BE NEW MORTGAGES.~~ No part of the proceeds of an issue under this legislation can be used to acquire or replace existing mortgages.
8. ~~NO REFUNDING OF MORTGAGE SUBSIDY BONDS IS ALLOWED AFTER THE DATE OF ENACTMENT.~~ In the event that the bond market returned to a position where the refunding by bond issue of a past issue would attain better interest rates for the Alaska Housing Finance Corporation, we would be unable to derive the benefit of such a situation.
9. ~~THIS YEAR'S MORTGAGE REVENUE BOND ISSUES ARE PROTECTED IN THEIR TAX-EXEMPT STATUS.~~ The only positive aspect of this legislation is that it protects the tax-exempt status of the most recent \$460 million in bonds that have been issued by the Alaska Housing Finance Corporation so long as the proceeds of the issues are entirely expended in mortgage purchases or have been firmly committed to purchases within one year from the date of issuance.
10. ~~GENERAL OBLIGATION BONDS ISSUED TO PROVIDE SINGLE FAMILY RESIDENCES FOR VETERANS ARE NOT AFFECTED OR ELIMINATED.~~ The bill eliminates the ability by any State or local government unit to issue any tax-exempt mortgage revenue bonds after December 31, 1983.

**State Assisted Mortgage Fund**  
**June 30, 1980 Appropriations and Estimated December 31, 1981 Valuations**

**Summary of SAM Fund Balances**

	<u>Upon Initial Appropriation June 30, 1980</u>	<u>Estimated As of December 31, 1981</u>
Cash and Investment Securities .....	\$105,000,000	\$ 50,650,000
Mortgage Loans—Appropriated .....	236,000,000	281,250,000
—Appropriated and Purchased .....		<u>281,250,000</u>
	<u>\$341,000,000</u>	<u>\$331,900,000</u>

**Summary of Estimated SAM Fund Activity—June 30, 1980 through December 31, 1981**

	<u>Cash &amp; Investments</u>	<u>Mortgage Loans</u>	
<b>Initial Appropriations</b>			
Cash .....	\$105,000,000		
Mortgage Loans .....		\$236,000,000	
Earnings on Mortgages and Investments .....	41,500,000		
Mortgage Principal Payments .....	6,750,000	(6,750,000)	
Mortgage Purchases—SAM Program .....	(102,000,000)	102,000,000	
Subsidy Cost—1980 Second Series .....		(9,000,000)	
—1980 Third Series .....		(41,000,000)	
Investment Securities .....	(600,000)		
Balance upon Completion of Purchases of State Fiscal Year Commitments July 1, 1980-June 30, 1981 .....	<u>50,650,000</u>	<u>281,250,000</u>	<u>331,900,000</u>

FACT SHEET: ALASKA HOUSING FINANCE CORPORATION

1) AHFC conducts five separate but interrelated housing programs:

- \* Special Mortgage Purchase Program (SAM)
- \* Rural Housing Mortgage Purchase Program
- \* Mobile Home Loan Purchase Program
- \* Home Ownership Assistance Program (HOAP)
- \* Rural (non-owner occupied) Mortgage Purchase Program

2) Appropriations - FY 81 actual/FY 82 requested

* Special Mortgage Loan Purchase Program	\$105 million	\$225 milli
* Housing Insurance Fund	12.5 million	14 milli
* Rural Housing Mortgage Purchase Program	6.5 million	20 milli
* Rural Housing Mortgage Insurance Fund	325,000	1 milli
* Rural Housing Title Insurance Fund	130,000	.5 mil
* Home Ownership Fund	2.5 million	50 milli
* Mobile Home Loan Purchase Program	-0-	40 milli
* Mobile Home Loan Insurance Fund	-0-	4 milli
* Rural (non-owner occupied)	-0-	5 milli
* Rural (non-owner occupied) title insurance	-0-	.5 mil
	<hr/>	
	\$126,955,000	\$360,000,0

plus appropriation of "paper" to  
SAM and HOAP:

\$286,000,000

3) Effects of passage of SB 1 last session:

- \* reconstituted board of directors;
- \* placed AHFC under the Executive Budget Act;
- \* expanded accountability through annual report and audits;
- \* removal of income limitations;
- \* subsidized interest rate;
- \* allowance for Graduated Payment Mortgages (GPM's or PAM's);
- \* established Home Ownership Assistance Fund (HOAP);
- \* defined construction standards;
- \* set FNMA ceilings for loan-to-value limits and loan amount li
- \* procedures for regional allocation;
- \* allowed AHFC to develop guidelines for assumptions;
- \* allowance for refinancing for home improvements.

4) Security for bond holders:

- \* principal and interest payments on mortgages made with proceeds
- \* capital reserve fund totalling 10% of outstanding bonds (funded from bond proceeds);
- \* insurance account totalling two percent of unpaid principal (funded by legislative appropriation).

5) Miscellaneous statistics:

- \* AHFC bond rating is "A";
- \* delinquency as of 10/31/80: 2.87 percent;
- \* total insured mortgage bonds outstanding: \$977.8 million
- \* size of staff: 22 - 31 persons;
- \* total active mortgages as of 9/30/80: 10,395;
- \* loans approved 7/1/80 - 10/31/80 under SAM: 3,872 or \$311 mil

Rec'd 3/23/81  
 Rec'd after  
 Bill Reported  
 out of Committee

THE LEGISLATURE OF THE STATE OF ALASKA  
 ELEVENTH LEGISLATURE

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IV. DATE 3/17/81 PREPARED BY Clarissa Quinlan  
 AGENCY Commerce & Economic Development  
 PHONE 276-0508  
 Original: Legislative Finance  
 cc: Budget and Management  
 Name Secretary (First Legi later Named)

HOUSE BILL 173

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TOTAL	<u>\$5,398,600</u>

# COMMITTEE REPORT

## HOUSE

2/25/81

FURTHER:

(11)

Date: Mar. 12, 1981

Mr. Speaker:

The Committee on FINANCE has had CSSB 185(Fin)

"An Act making supplemental appropriations to the Alaska Housing Finance Corporation; 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 <sup>House</sup> CS for CSSB 185  same title  new title
- and recommends do pass
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

### MEMBERS SIGNING DO PASS

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

### MEMBERS HAVING OTHER RECOMMENDATIONS:

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]  
CHAIRMAN

*Becky Ditz*

Original Sponsor: Bennett

Funding Information

General Fund	\$155,398,600
Other Funds	-0-
	<u>\$155,398,600</u>

1 IN THE SENATE BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 185 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making supplemental appropriations to the  
7 Alaska Housing Finance Corporation and the Department  
8 of Commerce and Economic Development; and providing  
9 for an effective date."

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

11 \* Section 1. The sum of \$133,000,000 is appropriated from the general  
12 fund to the Alaska Housing Finance Corporation, Department of Revenue, for  
13 the special mortgage loan purchase program.

14 \* Sec. 2. The sum of \$12,500,000 is appropriated from the general fund  
15 to the Alaska Housing Finance Corporation, Department of Revenue, for the  
16 mobile home loan purchase program.

17 \* Sec. 3. The sum of \$4,500,000 is appropriated from the general fund to  
18 the Alaska Housing Finance Corporation, Department of Revenue, for the  
19 nonowner-occupied multi-family rural loan program.

20 \* Sec. 4. The sum of \$735,000 is appropriated from the general fund to  
21 the Department of Commerce and Economic Development for contracts with  
22 municipalities in rural Alaska for performance of energy audits and for  
23 energy conservation improvements under AS 46.11.030(c) and AS 45.89.020(c)-  
24 (2).

25 \* Sec. 5. The sum of \$2,550,000 is appropriated from the general fund to  
26 the residential energy conservation fund, Department of Commerce and Economic  
27 Development, for refunds and grants under AS 45.89.020.

28 \* Sec. 6. The sum of \$2,113,600 is appropriated from the general fund to  
29 the Department of Commerce and Economic Development for costs of performance

1 of residential energy audits under AS 46.11.030.

2 \* Sec. 7. The appropriations made by secs. 1 - 3 of this Act are for  
3 loan program capitalization and are subject to the provisions of AS 37.25.-  
4 020.

5 \* Sec. 8. The unexpended and unobligated portions of the appropriations  
6 made in secs. 4 - 6 of this Act lapse into the general fund June 30, 1982.

7 \* Sec. 9. This Act takes effect immediately in accordance with AS 01.10.-  
8 070(c).

Original Sponsor: Bennett

Funding Information

General Fund	\$150,000,000	<del>155,392,600</del>
Other Funds	-0-	155,392,600
	<u>\$150,000,000</u>	

Offered: 2/20/81  
Referred: Rules

1 <sup>HOUSE</sup> IN THE ~~SENATE~~ BY THE FINANCE COMMITTEE

2 <sup>HOUSE</sup> CS FOR SENATE BILL NO. 185 (Finance)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making supplemental appropriations to the  
7 Alaska Housing Finance Corporation; and providing for  
8 an effective date."

↳ the Dept. of  
Commerce &  
Econ. Development

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

10 \* Section 1. The sum of \$133,000,000 is appropriated from the general  
11 fund to the Alaska Housing Finance Corporation, Department of Revenue, for  
12 the special mortgage loan purchase program.

13 \* Sec. 2. The sum of \$12,500,000 is appropriated from the general fund  
14 to the Alaska Housing Finance Corporation, Department of Revenue, for the  
15 mobile home loan purchase program.

16 \* Sec. 3. The sum of \$4,500,000 is appropriated from the general fund to  
17 the Alaska Housing Finance Corporation, Department of Revenue, for the  
18 nonowner-occupied multi-family rural loan program.

19 \* Sec. ~~4~~<sup>7</sup> The appropriations made by ~~this Act~~<sup>Sec. 1-3</sup> are for loan program  
20 capitalization and are subject to the provisions of AS 37.25.020.

21 \* Sec. ~~3~~<sup>8</sup> This Act takes effect immediately in accordance with AS 01.10.-  
22 070(c).

23  
24  
25 → Attached new sections  
26 4, 5 + 6  
27  
28  
29

By Rogers

\* Section 4. The sum of \$735,000 is appropriated from the general fund to the ~~Division of Energy and Power Development~~, Department of Commerce and Economic Development, for contracts to municipalities in rural Alaska for performance of energy audits and energy conservation improvements under A.S. 46.11.030(c) and A.S. 45.89.020(c)(2).

\* Section 5. The sum of \$2,550,000 is appropriated from the general fund to the residential energy conservation fund, Department of Commerce and Economic Development, for refunds and grants under AS 45.89.020.

\* Section 6. The sum of \$2,113,600 is appropriated from the general fund to the Department of Commerce and Economic Development for costs of performance of residential energy audits under AS 46.11.030.

~~\* Section \_\_\_\_\_. The sum of \$9,000,000 is appropriated from the general fund to the Department of Community and Regional Affairs for the nonconforming housing loan fund (AS 44.47.380).~~

~~\* Section \_\_\_\_\_. The unexpended and unobligated portion of the appropriations made by sections \_\_\_\_\_ of this Act lapse to the general fund December 31, 1981.~~

\*

See

all

Original Sponsor: Bennett

Funding Information

General Fund	\$150,000,000
Other Funds	-0-
	<u>\$150,000,000</u>

Offered: 2/20/81  
Referred: Rules

1 IN THE SENATE BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 185 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making supplemental appropriations to the  
7 Alaska Housing Finance Corporation; and providing for  
8 an effective date."

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

10 \* Section 1. The sum of \$133,000,000 is appropriated from the general  
11 fund to the Alaska Housing Finance Corporation, Department of Revenue, for  
12 the special mortgage loan purchase program.

13 \* Sec. 2. The sum of \$12,500,000 is appropriated from the general fund  
14 to the Alaska Housing Finance Corporation, Department of Revenue, for the  
15 mobile home loan purchase program.

16 \* Sec. 3. The sum of \$4,500,000 is appropriated from the general fund to  
17 the Alaska Housing Finance Corporation, Department of Revenue, for the  
18 nonowner-occupied multi-family rural loan program.

19 \* Sec. 4. The appropriations made by this Act are for loan program  
20 capitalization and are subject to the provisions of AS 37.25.020.

21 \* Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-  
22 070(c).

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Funding Information  
General Fund \$87,300  
Other Funds -0-  
\$87,300

Introduced: 2/17/81  
Referred: Resources and  
Finance

1 IN THE SENATE

BY SACKETT, STIMSON AND STURGULEWSKI

2 SENATE BILL NO. 187

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the  
7 division of parks, Department of Natural Resources,  
8 for the youth conservation corps program; and providing  
9 for an effective date."

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

11 \* Section 1. The sum of \$87,300 is appropriated from the general fund to  
12 the division of parks, Department of Natural Resources, for the youth  
13 conservation corps program for the fiscal year ending June 30, 1981.

14 \* Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-  
15 070(c).

ALASKA STATE LEGISLATURE

TWELFTH Legislature FIRST Session

SENATE BILL NO. 187

By SACKETT, STIMSON AND STURGULEWSKI

"An Act making a supplemental appropriation to the division of parks, Dept. of Natural Resources, for the youth conservation corps program; and providing for an effective date."

Introduced in the Senate 2/17/81, 1981

HISTORY IN THE SENATE

19 81 Read first time and referred to Committee on Resources and Finance

2 17 Reported back with recommendation that *Resources pass to Finance*

Read second time and

Read third time and

PASS Effective Date  
Yeas Yeas  
Nays Nays  
Absent Absent  
Excused Excused

Reconsideration

PASS Effective Date  
Yeas Yeas  
Nays Nays  
Absent Absent  
Excused Excused

Reported correctly engrossed  
Signed by President  
Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19 Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS Effective Date  
Yeas Yeas  
Nays Nays  
Absent Absent  
Excused Excused

Reconsideration

PASS Effective Date  
Yeas Yeas  
Nays Nays  
Absent Absent  
Excused Excused

Reported correctly engrossed  
Signed by Speaker  
Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19 Received from House

To enrolling

Reported correctly enrolled

Sent to Governor

..... by Governor

Filed with Lt. Governor

Chapter No. ....

Funding Information  
General Fund \$87,300  
Other Funds -0-  
\$87,300

Introduced: 2/17/81  
Referred: Resources and  
Finance

1 IN THE SENATE BY SACKETT, STIMSON AND STURGULEWSKI

2 SENATE BILL NO. 187

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the  
7 division of parks, Department of Natural Resources,  
8 for the youth conservation corps program; and providing  
9 for an effective date."

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

11 \* Section 1. The sum of \$87,300 is appropriated from the general fund to  
12 the division of parks, Department of Natural Resources, for the youth  
13 conservation corps program for the fiscal year ending June 30, 1981.

14 \* Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-  
15 070(c).

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COMMITTEE REPORT

SENATE

FURTHER: Finance

4/10/81

Date: 5/8/81

Mr. President:

The Committee on Resources has had SSSB 189 outdoor recreational facilities

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 CS for SSSB 189(RES) and recommends
[ ] AND attaches a "Letter of Intent" [ ] New Fiscal Note
[ ] reports it back without recommendation
[ ] referred to the Committee

MEMBERS SIGNING DO PASS

Handwritten signatures of members signing do pass, including V. V. and D. Bradley.

MEMBERS HAVING OTHER RECOMMENDATIONS:

Handwritten signatures of members with other recommendations, including Dan Gilman and Bob Mulcahy.

Handwritten signature of the Chairman, Dittys Fabrikant, with the title CHAIRMAN.

Original sponsors: Fischer, Bennett,  
Bradley, et al

Offered: 5/11/81  
Referred: Finance

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 189 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to outdoor recreational facilities;  
7 providing for a state historical, recreational, and  
8 wilderness trails, waterways, and campsite system; and  
9 providing for an effective date."

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

11 \* Section 1. AS 41.20.070 is amended to read:

12 Sec. 41.20.070. ESTABLISHMENT. There is established in the state  
13 a system of historical, recreational, and wilderness trails, waterways,  
14 and campsites. The system shall include all state trails, waterways,  
15 and campsites designated under AS 41.20.080 and those local government  
16 trails, waterways, and campsites nominated by local governments for  
17 inclusion in the state system which are approved by the commissioner of  
18 natural resources. The system shall be administered by the Department  
19 of Natural Resources, division of parks.

20 \* Sec. 2. AS 41.20.080 is repealed and reenacted to read:

21 Sec. 41.20.080. SELECTION. (a) The Department of Natural Re-  
22 sources, in consultation with the Departments of Fish and Game and  
23 Transportation and Public Facilities, shall designate a system of  
24 historical, recreational, and wilderness trails, waterways, and camp-  
25 sites throughout the state. Significant in the selection shall be the  
26 scenic, recreational, historic, natural, or cultural qualities of the  
27 areas through which the trails and waterways may pass.

28 (b) Trails, waterways, and campsites designated under this  
29 section shall

1 (1) serve the recreational needs of a substantial number of  
2 people;

3 (2) provide access to areas of historical, natural, or  
4 recreational interest, including but not limited to other publicly  
5 owned land and resources;

6 (3) protect, provide for, or enhance the use and enjoyment  
7 of publicly owned land or resources by the public;

8 (4) provide linkage with other existing or potential units  
9 of the system, including those located on federal or municipal land;

10 (5) contribute to the development of tourism;

11 (6) be included in an existing state or local government  
12 capital improvement plan; or

13 (7) be otherwise consistent with long-range planning for  
14 recreation, tourism, preservation of historical landmarks, protection  
15 of traditional uses, or economic development.

16 (c) When practicable, trails designated to be part of this system  
17 should follow traditional routes. When a trail is designated for its  
18 historic value, the historic route shall be designated as the official  
19 Alaska trail system unit. However, the commissioner may alter the  
20 historic route if changing natural conditions of the land have rendered  
21 the historic route infeasible or if portions of an historic route  
22 cannot be located or the existing land status necessitates certain  
23 rerouting to make the trail whole.

24 (d) The Department of Natural Resources may acquire the trail  
25 sites selected under this section by grant, gift, purchase, lease,  
26 dedication, or prescription and hold them in the name of the state.  
27 However, nothing in this chapter requires the transfer of title to land  
28 within an existing or proposed unit of the system from a municipality  
29 to the state or the transfer of maintenance or management responsibili-

1 ties except as may be contained in an agreement between the parties.  
2 The Department of Natural Resources is also authorized to enter into  
3 cooperative management agreements with federal agencies, municipal  
4 governments, and private landowners to carry out the purposes of AS 41.-  
5 20.070 - 41.20.125.

6 (e) Trails, waterways, or campsites designated or acquired under  
7 this section shall contain sufficient reservations of land to provide  
8 for the purposes for which the unit is established.

9 (f) Money appropriated by the legislature to carry out the pur-  
10 poses of AS 41.20.070 - 41.20.125 may be expended on any units within  
11 the system, including portions of the system owned by municipalities,  
12 and may be spent on management, maintenance, and administration of  
13 existing units and planning or acquisition of proposed units. In  
14 accordance with appropriations, the Department of Natural Resources,  
15 division of parks, shall make payments to municipalities for these  
16 purposes.

17 \* Sec. 3. AS 41.20.090 is amended to read:

18 Sec. 41.20.090. UNIFORM MARKERS [MARKER]. The commissioner of  
19 natural resources shall establish a uniform comprehensive statewide  
20 system of markers [MARKER] for the historical, recreational, and wilder-  
21 ness trails, waterways, and campsites system, including appropriate in-  
22 formation of historical, geological, biological, or other significance.

23 \* Sec. 4. AS 41.20.100 is amended to read:

24 Sec. 41.20.100. REGULATIONS. The commissioner of natural re-  
25 sources shall adopt [PROMULGATE] regulations concerning the use, manage-  
26 ment, development, and administration of the trails and for the inclu-  
27 sion of local government trails within the system. The commissioner  
28 of natural resources shall also adopt regulations relating to payments  
29 of money to municipalities (under AS 41.20.080(f)) to carry out the

1 purposes of AS 41.20.070 - 41.20.125.

2 \* Sec. 5. AS 41.20 is amended by adding a new section to read:

3 Sec. 41.20.105. TRAILS IN LOCAL GOVERNMENT AREAS. The Department  
4 of Natural Resources may enter into cooperative agreements with local  
5 governments for the acquisition, development, and marking of trails  
6 within the local government area.

7 \* Sec. 6. AS 41.20.110 is amended by adding a new subsection to read:

8 (c) In accordance with plans developed jointly with the division  
9 of parks, the Department of Transportation and Public Facilities shall  
10 develop and construct trail heads to serve the trail system, and shall  
11 develop and provide for safe and adequate public access to waterways in  
12 the system. The Department of Transportation and Public Facilities  
13 shall incorporate these trail heads and access to waterways in the  
14 design and development of all state highway projects which affect the  
15 system.

16 \* Sec. 7. AS 41.20 is amended by adding new sections to read:

17 Sec. 41.20.115. INFORMATIONAL MATERIAL. The division of tourism  
18 in the Department of Commerce and Economic Development shall prepare  
19 informational material for state and national distribution promoting  
20 the use of state historical, recreational, and wilderness trails,  
21 waterways, and campsites and shall coordinate this promotional material  
22 with information and advertising promoting tourism to state parks and  
23 historical sites.

24 Sec. 41.20.125. REPORT AND DEVELOPMENT PLAN. (a) By the first  
25 Monday in January of each year the division of parks, Department of  
26 Natural Resources, shall file with the governor and the legislature a  
27 report showing trails, waterways, and campsites included in the system,  
28 arrangements made or entered into for use, development, maintenance, or  
29 marking of units within the system, and money expended or committed for

1 these purposes.

2 (b) The division of parks, Department of Natural Resources, shall  
3 prepare and maintain a five-year development plan for the system and  
4 shall include the plan in the annual report required by (a) of this  
5 section.

6 \* Sec. 8. This Act takes effect July 1, 1981.  
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Introduced: 4/10/81  
Referred: Resources and Finance

BY FISCHER, BENNETT, BRADLEY, HOHMAN,  
PARR, STIMSON AND STURGULEWSKI

1 IN THE SENATE

2 SPONSOR SUBSTITUTE FOR SENATE BILL NO. 189

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to outdoor recreational facilities;  
7 providing for a state historical, recreational, and  
8 wilderness trails, waterways, and campsite system;  
9 providing for state assistance for acquisition and  
10 development of local recreation sites; and providing  
11 for an effective date."

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

13 \* Section 1. AS 41.20.070 is amended to read:

14 Sec. 41.20.070. ESTABLISHMENT. There is established in the state  
15 a system of historical, recreational and wilderness trails, waterways,  
16 and campsites. The system shall include all state trails, waterways,  
17 and campsites designated under AS 41.20.080 and those local government  
18 trails, waterways, and campsites nominated by local governments for  
19 inclusion in the system which are approved by the commissioner of  
20 natural resources. The system shall be administered by the Department  
21 of Natural Resources, division of parks.

22 \* Sec. 2. AS 41.20.080 is repealed and reenacted to read:

23 Sec. 41.20.080. SELECTION. (a) The Department of Natural Re-  
24 sources, in consultation with the Departments of Fish and Game and  
25 Transportation and Public Facilities, shall designate a system of  
26 historical, recreational and wilderness trails, waterways, and campsites  
27 throughout the state. Significant in the selection shall be the scenic,  
28 recreational, historic, natural, or cultural qualities of the areas  
29 through which the trails and waterways may pass.

1 (b) Trails, waterways, and campsites designated under this  
2 section shall

3 (1) serve the recreational needs of a substantial number of  
4 people;

5 (2) provide access to areas of historical, natural, or  
6 recreational interest, including but not limited to other publically  
7 owned land and resources;

8 (3) protect, provide for, or enhance the use and enjoyment  
9 of publically owned land or resources by the public;

10 (4) provide linkage with other existing or potential units  
11 of the system, including those located on federal or municipal land;

12 (5) contribute to the development of tourism;

13 (6) be included in an existing state or local government  
14 capital improvement plan; or

15 (7) be otherwise consistent with long-range planning for  
16 recreation, tourism, preservation of historical landmarks, protection  
17 of traditional uses, or economic development.

18 (c) When practicable, trails designated to be part of this system  
19 should follow traditional routes. When a trail is designated for its  
20 historic value, the historic route shall be designated as the official  
21 Alaska trail system unit. However, the commissioner may alter the  
22 historic route if changing natural conditions of the land have rendered  
23 the historic route infeasible or if portions of an historic route  
24 cannot be located or the existing land status necessitates certain  
25 rerouting to make the trail whole.

26 (d) The Department of Natural Resources may acquire the trail  
27 sites selected under this section by grant, gift, purchase, lease,  
28 dedication or prescription and hold them in the name of the state.  
29 However, nothing in this chapter requires the transfer of title to land

1 within an existing or proposed unit of the system from a municipality  
2 to the state or the transfer of maintenance or management responsibili-  
3 ties except as may be contained in an agreement between the parties.  
4 The Department of Natural Resources is also authorized to enter into  
5 cooperative management agreements with federal agencies, municipal  
6 governments, and private land owners to carry out the purposes of  
7 AS 41.20.070 - 41.20.125.

8 (e) Trails, waterways, or campsites designated or acquired under  
9 this section shall contain sufficient reservations of land to provide  
10 for the purposes for which the unit is established.

11 (f) Money appropriated by the legislature to carry out the pur-  
12 poses of AS 41.20.070 - 41.20.125 may be expended on any units within  
13 the system, including portions of the system owned by municipalities,  
14 and may be spent on management, maintenance, and administration of  
15 existing units and planning or acquisition of proposed units. In  
16 accordance with appropriations, the Department of Natural Resources,  
17 division of parks, shall make payments to municipalities for these  
18 purposes.

19 \* Sec. 3. AS 41.20.090 is amended to read:

20 Sec. 41.20.090. UNIFORM MARKERS [MARKER]. The commissioner of  
21 natural resources shall establish a uniform comprehensive statewide  
22 system of markers [MARKER] for the historical, recreational, and wilder-  
23 ness trails, waterways, and campsites system, including appropriate in-  
24 formation of historical, geological, biological, or other significance.

25 \* Sec. 4. AS 41.20.100 is amended to read:

26 Sec. 41.20.100. REGULATIONS. The commissioner of natural re-  
27 sources shall adopt [PROMULGATE] regulations concerning the use, manage-  
28 ment, development, and administration of the trails and for the inclu-  
29 sion of local government trails within the system. The commissioner

1 shall also adopt regulations relating to payments of money to municipi-  
2 palities (under AS 41.20.080(f)) to carry out the purposes of AS 41.-  
3 20.070 - 41.20.125.

4 \* Sec. 5. AS 41.20 is amended by adding a new section to read:

5       Sec. 41.20.105. TRAILS IN LOCAL GOVERNMENT AREA. The Department  
6 of Natural Resources may enter into cooperative agreements with local  
7 governments for the acquisition, development, and marking of trails  
8 within the local government area.

9 \* Sec. 6. AS 41.20.110 is amended by adding a new subsection to read:

10       (c) In accordance with plans developed jointly with the division  
11 of parks, the Department of Transportation and Public Facilities shall  
12 develop and construct trail heads to serve the trail system, and shall  
13 develop and provide for safe and adequate public access to waterways in  
14 the system. The Department of Transportation and Public Facilities  
15 shall incorporate these trailheads and means of access to waterways in  
16 the design and development of all state highway projects which affect  
17 the system.

18 \* Sec. 7. AS 41.20 is amended by adding new sections to read:

19       Sec. 41.20.115. INFORMATIONAL MATERIAL. The division of tourism  
20 shall prepare informational material for state and national distribu-  
21 tion promoting the use of state historical, recreational, and wilder-  
22 ness trails, waterways, and campsites and shall coordinate this promo-  
23 tional material with information and advertising promoting tourism to  
24 state parks and historical sites.

25       Sec. 41.20.122. GRANTS AND ASSISTANCE TO LOCAL GOVERNMENTS. (a)  
26 There is established a financial and technical assistance program to  
27 aid local governments in the acquisition and development of outdoor  
28 recreation sites and facilities. The program shall be administered by  
29 the Department of Natural Resources, division of parks.

1 (b) Subject to the availability of money appropriated for the  
2 purpose, the division of parks shall provide up to 75 percent of the  
3 cost of acquisition and development of outdoor recreation sites and  
4 facilities. The local government is required to provide at least 25  
5 percent of the project cost as a condition of state assistance.

6 (c) Applications for recreational assistance shall be solicited  
7 from local governments on an annual statewide basis, and available  
8 money shall be allocated to local applicants in accordance with policies  
9 and regulations adopted by the division of parks.

10 (d) At least two percent of the money appropriated to the division  
11 of parks for the assistance program under this section shall be used to  
12 employ staff within the division to assist local governments in planning  
13 park and recreation lands, preparing applications for grants under this  
14 section, and improving local recreation opportunities.

15 Sec. 41.20.125. REPORT. By the first Monday in January of each  
16 year the division of parks shall file with the governor and the legis-  
17 lature a report showing trails, waterways, and campsites included in  
18 the system, arrangements made or entered into for use, development,  
19 maintenance, or marking of units within the system, and money expended  
20 or committed for these purposes. The division shall prepare and main-  
21 tain a five-year development plan which shall be included in its annual  
22 report each year.

23 \* Sec. 8. This Act takes effect July 1, 1981.  
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ALASKA STATE LEGISLATURE

TWELFTH Legislature FIRST Session  
*SPONSOR SUBSTITUTE*  
 SENATE BILL..... NO. 189....  
 By FISCHER, BENNETT, BRADLEY,  
 HOHMAN, PARR, STIMSON, STURGULEWSKI

"An Act providing for a state historical, recreational, and wilderness trails, waterways, and campsite system; and providing for an effective date."

Introduced in the Senate ..... 2/17/ 81  
 ....., 19....

HISTORY IN THE SENATE

19	81	Read first time and referred to Committee on
2	17	Resources, C&RA and Finance <i>55 into - Referred to</i>
4	13	Reported back with <i>Res - Dir</i> recommendation that
5	31	<i>Resources replaced w/CS, new title, 3 depas, 2 more, to be</i>
		Read second time and
		Read third time and
		PASS Effective Date
		Yeas Yeas
		Nays Nays
		Absent Absent
		Excused Excused
		Reconsideration
		PASS Effective Date
		Yeas Yeas
		Nays Nays
		Absent Absent
		Excused Excused
		Reported correctly engrossed
		Signed by President
		Sent to House
SECRETARY OF THE SENATE		

HISTORY IN THE HOUSE

19		Read first time and referred to Committee on
		Reported back with recommendation that
		Read second time and
		Read third time and
		PASS Effective Date
		Yeas Yeas
		Nays Nays
		Absent Absent
		Excused Excused
		Reconsideration
		PASS Effective Date
		Yeas Yeas
		Nays Nays
		Absent Absent
		Excused Excused
		Reported correctly engrossed
		Signed by Speaker
		Returned to Senate
CHIEF CLERK OF THE HOUSE		

HISTORY IN THE SENATE

19		Received from House
		To enrolling
		Reported correctly enrolled
		Sent to Governor
		..... by Governor
		Filed with Lt. Governor
		Chapter No. ....

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
 Bill Resolution No. SSSB 189  
 Title Trails, Waterways, and Campsites System  
 Requested by Sen. Fischer Date 4/4/82

II. FISCAL DETAIL  
 Agency Affected Natural Resources - Parks  
 Program Category Affected NRMEC - Parks  
 BRU, Program, Or Subprogram(s) Affected Park Operations  
 (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 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		-0-				

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
		-0-				

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

IV. DATE 4/4/82 PREPARED BY Hilton Wolfe  
 AGENCY Natural Resources - Parks  
 Original: Legislative Finance PHONE 465-2421  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

SB 189



# CITY OF NOME

P.O. BOX 281 - NOME, ALASKA 99762  
TELEPHONE (907) 443-5242

March 23, 1982

MAR 25 1982

Senator Bettye Fahrenkamp, Chairman  
Senate Resources Committee  
Pouch V  
Juneau, Alaska 99811

Dear Senator Fahrenkamp:

This letter is in support of SB 795 and SB 189.

Enclosed is a copy of a request the City put together for funding for a park in the Nome area. We feel that SE 795 would be a step in the right direction to build such a facility.

We also are in support of SB 189. As you know; the Seward Peninsula has many old trails that have been in use ever since the gold rush days. With the higher use of snow machines and sled dogs in the area, these trails need to be developed further for safety and further use.

Towards this end, the City has used BLM and CETA funds to build 4 trail shelters on the Seward Peninsula near Nome. We feel that State activity in this area is a must to develop the trails properly.

Sincerely,

A handwritten signature in cursive script that reads "Ivan L. Widom".

Ivan L. Widom  
City Manager

cc: Governor Hammond  
Lt. Governor Miller  
Senator Ferguson  
Representative Fuller  
Mayor & City Council

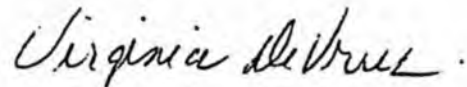
February 13, 1982

Virginia De Vries  
P.O. Box 1882  
Homer, Ak. 99603

Senator Ferguson

I am writing to find out the status of the Alaska Trails System Bill (SB 189). Is it still in the Senate Finance Committee? There is an ever growing number of Alaskans who are interested in such outdoor recreational trails in Alaska, to say nothing of the increased tourist value such trails would bring to the state. Now is the time to establish such a trail system in Alaska. Please write and let me know the status of the bill. Thank you.

Sincerely,



Virginia De Vries

# LYNN CANAL CONSERVATION, INC.

POST OFFICE BOX 521  
HAINES, ALASKA 99827

February 10, 1982

FEB 18 1982

Honorable M. Ed Dankworth, Co-Chairman  
Senate Finance Committee  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Dear Senator Dankworth:

We would like to urge your favorable consideration of Senate Bill 189, "An act relating to outdoor recreation facilities;..."

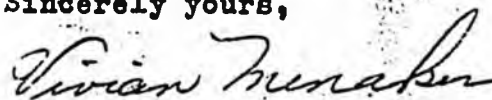
Passage of this bill would be in the interest of the many visitors who enjoy frequent our state every year, as well as all Alaskans who enjoy our recreational resources.

Recreational tourism is thriving and growing steadily in the state and this bill, designating a state system of historical, recreational and wilderness trails, campsites and waterways can only influence this growing industry favorably.

Participation with local governments in the acquisition, development and marking of trails within local government areas is of importance to us in Haines, since our third class borough has no power for this type of endeavor and our trails and potential trail lands lie outside the city limits. Of particular interest is the Historic Dalton Trail, which we want to develop in the near future.

Any funding which would be made available under this bill would be helpful in providing summer jobs and in creating recreational opportunities to be appreciated for years to come.

Sincerely yours,



Vivian Menaker, Pres.

SB-189 file

Introduced: 4/10/81  
Referred: Resources and Finance

1 IN THE SENATE

BY FISCHER, BENNETT, BRADLEY, HOHMAN,  
PARR, STIMSON AND STURGULEWSKI

2 SPONSOR SUBSTITUTE FOR SENATE BILL NO. 189

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to outdoor recreational facilities;  
7 providing for a state historical, recreational, and  
8 wilderness trails, waterways, and campsite system;  
9 providing for state assistance for acquisition and  
10 development of local recreation sites; and providing  
11 for an effective date."

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

13 \* Section 1. AS 41.20.070 is amended to read:

14 Sec. 41.20.070. ESTABLISHMENT. There is established in the state  
15 a system of historical, recreational and wilderness trails, waterways,  
16 and campsites. The system shall include all state trails, waterways,  
17 and campsites designated under AS 41.20.080 and those local government  
18 trails, waterways, and campsites nominated by local governments for  
19 inclusion in the system which are approved by the commissioner of  
20 natural resources. The system shall be administered by the Department  
21 of Natural Resources, division of parks.

22 \* Sec. 2. AS 41.20.080 is repealed and reenacted to read:

23 Sec. 41.20.080. SELECTION. (a) The Department of Natural Re-  
24 sources, in consultation with the Departments of Fish and Game and  
25 Transportation and Public Facilities, shall designate a system of  
26 historical, recreational and wilderness trails, waterways, and campsites  
27 throughout the state. Significant in the selection shall be the scenic,  
28 recreational, historic, natural, or cultural qualities of the areas  
29 through which the trails and waterways may pass.

1 (b) Trails, waterways, and campsites designated under this  
2 section shall

3 (1) serve the recreational needs of a substantial number of  
4 people;

5 (2) provide access to areas of historical, natural, or  
6 recreational interest, including but not limited to other publically  
7 owned land and resources;

8 (3) protect, provide for, or enhance the use and enjoyment  
9 of publically owned land or resources by the public;

10 (4) provide linkage with other existing or potential units  
11 of the system, including those located on federal or municipal land;

12 (5) contribute to the development of tourism;

13 (6) be included in an existing state or local government  
14 capital improvement plan; or

15 (7) be otherwise consistent with long-range planning for  
16 recreation, tourism, preservation of historical landmarks, protection  
17 of traditional uses, or economic development.

18 (c) When practicable, trails designated to be part of this system  
19 should follow traditional routes. When a trail is designated for its  
20 historic value, the historic route shall be designated as the official  
21 Alaska trail system unit. However, the commissioner may alter the  
22 historic route if changing natural conditions of the land have rendered  
23 the historic route infeasible or if portions of an historic route  
24 cannot be located or the existing land status necessitates certain  
25 rerouting to make the trail whole.

26 (d) The Department of Natural Resources may acquire the trail  
27 sites selected under this section by grant, gift, purchase, lease,  
28 dedication or prescription and hold them in the name of the state.  
29 However, nothing in this chapter requires the transfer of title to land

1 within an existing or proposed unit of the system from a municipality  
2 to the state or the transfer of maintenance or management responsibili-  
3 ties except as may be contained in an agreement between the parties.  
4 The Department of Natural Resources is also authorized to enter into  
5 cooperative management agreements with federal agencies, municipal  
6 governments, and private land owners to carry out the purposes of  
7 AS 41.20.070 - 41.20.125.

8 (e) Trails, waterways, or campsites designated or acquired under  
9 this section shall contain sufficient reservations of land to provide  
10 for the purposes for which the unit is established.

11 (f) Money appropriated by the legislature to carry out the pur-  
12 poses of AS 41.20.070 - 41.20.125 may be expended on any units within  
13 the system, including portions of the system owned by municipalities,  
14 and may be spent on management, maintenance, and administration of  
15 existing units and planning or acquisition of proposed units. In  
16 accordance with appropriations, the Department of Natural Resources,  
17 division of parks, shall make payments to municipalities for these  
18 purposes.

19 \* Sec. 3. AS 41.20.090 is amended to read:

20 Sec. 41.20.090. UNIFORM MARKERS [MARKER]. The commissioner of  
21 natural resources shall establish a uniform comprehensive statewide  
22 system of markers [MARKER] for the historical, recreational, and wilder-  
23 ness trails, waterways, and campsites system, including appropriate in-  
24 formation of historical, geological, biological, or other significance.

25 \* Sec. 4. AS 41.20.100 is amended to read:

26 Sec. 41.20.100. REGULATIONS. The commissioner of natural re-  
27 sources shall adopt [PROMULGATE] regulations concerning the use, manage-  
28 ment, development, and administration of the trails and for the inclu-  
29 sion of local government trails within the system. The commissioner

1 shall also adopt regulations relating to payments of money to municipi-  
2 palities (under AS 41.20.080(f)) to carry out the purposes of AS 41.-  
3 20.070 - 41.20.125.

4 \* Sec. 5. AS 41.20 is amended by adding a new section to read:

5 Sec. 41.20.105. TRAILS IN LOCAL GOVERNMENT AREA. The Department  
6 of Natural Resources may enter into cooperative agreements with local  
7 governments for the acquisition, development, and marking of trails  
8 within the local government area.

9 \* Sec. 6. AS 41.20.110 is amended by adding a new subsection to read:

10 (c) In accordance with plans developed jointly with the division  
11 of parks, the Department of Transportation and Public Facilities shall  
12 develop and construct trail heads to serve the trail system, and shall  
13 develop and provide for safe and adequate public access to waterways in  
14 the system. The Department of Transportation and Public Facilities  
15 shall incorporate these trailheads and means of access to waterways in  
16 the design and development of all state highway projects which affect  
17 the system.

18 \* Sec. 7. AS 41.20 is amended by adding new sections to read:

19 Sec. 41.20.115. INFORMATIONAL MATERIAL. The division of tourism  
20 shall prepare informational material for state and national distribu-  
21 tion promoting the use of state historical, recreational, and wilder-  
22 ness trails, waterways, and campsites and shall coordinate this promo-  
23 tional material with information and advertising promoting tourism to  
24 state parks and historical sites.

25 Sec. 41.20.122. GRANTS AND ASSISTANCE TO LOCAL GOVERNMENTS. (a)  
26 There is established a financial and technical assistance program to  
27 aid local governments in the acquisition and development of outdoor  
28 recreation sites and facilities. The program shall be administered by  
29 the Department of Natural Resources, division of parks.

1 (b) Subject to the availability of money appropriated for the  
2 purpose, the division of parks shall provide up to 75 percent of the  
3 cost of acquisition and development of outdoor recreation sites and  
4 facilities. The local government is required to provide at least 25  
5 percent of the project cost as a condition of state assistance.

6 (c) Applications for recreational assistance shall be solicited  
7 from local governments on an annual statewide basis, and available  
8 money shall be allocated to local applicants in accordance with policies  
9 and regulations adopted by the division of parks.

10 (d) At least two percent of the money appropriated to the division  
11 of parks for the assistance program under this section shall be used to  
12 employ staff within the division to assist local governments in planning  
13 park and recreation lands, preparing applications for grants under this  
14 section, and improving local recreation opportunities.

15 Sec. 41.20.125. REPORT. By the first Monday in January of each  
16 year the division of parks shall file with the governor and the legis-  
17 lature a report showing trails, waterways, and campsites included in  
18 the system, arrangements made or entered into for use, development,  
19 maintenance, or marking of units within the system, and money expended  
20 or committed for these purposes. The division shall prepare and main-  
21 tain a five-year development plan which shall be included in its annual  
22 report each year.

23 \* Sec. 8. This Act takes effect July 1, 1981.  
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26  
27  
28  
29

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSSSSB 189 (Resources)  
Title Trails, waterways and campsites  
Requested by Senate Finance Date 3-3-82

II. FISCAL DETAIL

Agency Affected Department of Natural Resources, Division of Parks  
Program Category Affected Parks & Recreation  
BRU, Program, Or Subprogram(s) Affected Parks Operations-Park Design & Dev.  
(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 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		-0-	-0-	-0-		

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

This bill would allow municipalities to work in coordination with the State to develop park plans for marker systems, trailheads, waterway access routes and the design/development of state highway projects which effect the state plan.

IV. DATE 3-3-82 PREPARED BY Senator Frank R. Ferguson  
AGENCY Legislature  
Original: Legislative Finance PHONE 465-4923  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)  
33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SSSB 189  
 Title Trails, Waterways, and Campsites System  
 Requested by Senate Resources Date 5/7/81

II. FISCAL DETAIL

Agency Affected Natural Resources - Parks  
 Program Category Affected NRMEC - Parks & Recreation  
 BRU, Program, or Subprogram(s) Affected Park Operations - Park Design/Development  
 (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 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		39.8	43.8	48.2		
200 TRAVEL		3.6	4.0	4.4		
300 CONTRACTUAL		3.1	3.4	3.8		
400 COMMODITIES		0.5	0.6	0.6		
500 EQUIPMENT						
600 LAND & STRUCTURES		3,000.0	*	*		
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>		<b>3,047.0</b>	<b>51.8</b>	<b>57.0</b>		

FUNDING (Thousands of Dollars)

\*Please see discussion below of operational costs.

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND		3,047.0	51.8	57.0		
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME		1.0	1.0	1.0		
PART TIME						
TEMPORARY						

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

Costs associated with this bill would fall into two categories: administrative and operational.

Administrative costs are identified in lines 100 through 400 - a total of 47.0 for FY82. Those monies would fund a full-time Park Planner II position to function as "trails system coordinator" by working with municipal governments and State agencies in developing the system plan and the agreements necessary to implement the plan and to fulfill other duties, such as developing the marker system, working with the Department of Transportation and Public Facilities to incorporate trailheads and waterways access in the design and development of all State highway projects which affect the system plan, establishing regulations concerning distribution of operational funds to municipalities, and preparing and maintaining the five-year development plan and the annual report to the

IV. DATE 5/8/81 OVER Hilton Wolfe  
 PREPARED BY Hilton Wolfe  
 AGENCY Natural Resources - Parks  
 PHONE 465-2421

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

Legislature. This position would also insure, for example, that the State would be able to participate in the activities of the Iditarod Trail Committee, along with Federal agencies and private interests, to insure that this world-class trail is legally recorded and managed for public use.

Given our understanding that the intent of the Senate Resources Committee is to have the system plan developed in FY82, to fund selected priority units of the system in FY82, and to consider a full funding beginning in FY83, a figure of \$3 million has been identified on line 600 for FY82 operational costs, although it is fully recognized that the level of funding for operational costs would be determined by the Legislature. At the present time, preliminary nominations for units to be included in the system would carry development costs of about \$55 million. Without knowing what additional nominations will be submitted and in the absence of a completed system plan with a recommended five-year development plan - all of which are required by this legislation - it is difficult to identify a reasonable or reliable figure for operational costs of the system. If the "trail system coordinator" is funded for FY82 (as identified in this note), a recommended five-year development plan for FY83 and subsequent years would be presented to the Legislature next session.

For FY82, \$3 million does seem to be a reliable base figure and represents the total of (a) the mid-level "mandatory" funding identified in AS 41.20.355-375 (the State "Trails and Footpaths" grants program, which has received no funding since 1978); (b) the past five-year average (adjusted for inflation) of appropriations identified in AS 41.22.010-030 (the "Outdoor Recreation, Open Space, and Historic Properties Development Fund," which received its only appropriation in 1976) and (c) the FY82 estimated levels of Federal monies for local recreational projects but which will not be available due to Federal rescissions and cuts.

About 95 per cent of whatever funds might be appropriated in FY82 or later years would go to municipalities, as provided in Sec. 41.20.080(f); the administrative cost for that distribution would depend upon the nature of the regulations established, as provided in Sec. 41.20.100 of this bill, and would be realized as a surcharge (probably in the range of 2 to 4 per cent) on the funds distributed.

Original sponsors: Fischer, Bennett,  
Bradley, et al

Offered: 5/11/81  
Referred: Finance

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 189 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to outdoor recreational facilities;  
7 providing for a state historical, recreational, and  
8 wilderness trails, waterways, and campsite system; and  
9 providing for an effective date."

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

11 \* Section 1. AS 41.20.070 is amended to read:

12 Sec. 41.20.070. ESTABLISHMENT. There is established in the state  
13 a system of historical, recreational, and wilderness trails, waterways,  
14 and campsites. The system shall include all state trails, waterways,  
15 and campsites designated under AS 41.20.080 and those local government  
16 trails, waterways, and campsites nominated by local governments for  
17 inclusion in the state system which are approved by the commissioner of  
18 natural resources. The system shall be administered by the Department  
19 of Natural Resources, division of parks.

20 \* Sec. 2. AS 41.20.080 is repealed and reenacted to read:

21 Sec. 41.20.080. SELECTION. (a) The Department of Natural Re-  
22 sources, in consultation with the Departments of Fish and Game and  
23 Transportation and Public Facilities, shall designate a system of  
24 historical, recreational, and wilderness trails, waterways, and camp-  
25 sites throughout the state. Significant in the selection shall be the  
26 scenic, recreational, historic, natural, or cultural qualities of the  
27 areas through which the trails and waterways may pass.

28 (b) Trails, waterways, and campsites designated under this  
29 section shall

1 (1) serve the recreational needs of a substantial number of  
2 people;

3 (2) provide access to areas of historical, natural, or  
4 recreational interest, including but not limited to other publicly  
5 owned land and resources;

6 (3) protect, provide for, or enhance the use and enjoyment  
7 of publicly owned land or resources by the public;

8 (4) provide linkage with other existing or potential units  
9 of the system, including those located on federal or municipal land;

10 (5) contribute to the development of tourism;

11 (6) be included in an existing state or local government  
12 capital improvement plan; or

13 (7) be otherwise consistent with long-range planning for  
14 recreation, tourism, preservation of historical landmarks, protection  
15 of traditional uses, or economic development.

16 (c) When practicable, trails designated to be part of this system  
17 should follow traditional routes. When a trail is designated for its  
18 historic value, the historic route shall be designated as the official  
19 Alaska trail system unit. However, the commissioner may alter the  
20 historic route if changing natural conditions of the land have rendered  
21 the historic route infeasible or if portions of an historic route  
22 cannot be located or the existing land status necessitates certain  
23 rerouting to make the trail whole.

24 (d) The Department of Natural Resources may acquire the trail  
25 sites selected under this section by grant, gift, purchase, lease,  
26 dedication, or prescription and hold them in the name of the state.  
27 However, nothing in this chapter requires the transfer of title to land  
28 within an existing or proposed unit of the system from a municipality  
29 to the state or the transfer of maintenance or management responsibili-

1 ties except as may be contained in an agreement between the parties.  
2 The Department of Natural Resources is also authorized to enter into  
3 cooperative management agreements with federal agencies, municipal  
4 governments, and private landowners to carry out the purposes of AS 41.-  
5 20.070 - 41.20.125.

6 (e) Trails, waterways, or campsites designated or acquired under  
7 this section shall contain sufficient reservations of land to provide  
8 for the purposes for which the unit is established.

9 (f) Money appropriated by the legislature to carry out the pur-  
10 poses of AS 41.20.070 - 41.20.125 may be expended on any units within  
11 the system, including portions of the system owned by municipalities,  
12 and may be spent on management, maintenance, and administration of  
13 existing units and planning or acquisition of proposed units. In  
14 accordance with appropriations, the Department of Natural Resources,  
15 division of parks, shall make payments to municipalities for these  
16 purposes.

17 \* Sec. 3. AS 41.20.090 is amended to read:

18 Sec. 41.20.090. UNIFORM MARKERS [MARKER]. The commissioner of  
19 natural resources shall establish a uniform comprehensive statewide  
20 system of markers [MARKER] for the historical, recreational, and wilder-  
21 ness trails, waterways, and campsites system, including appropriate in-  
22 formation of historical, geological, biological, or other significance.

23 \* Sec. 4. AS 41.20.100 is amended to read:

24 Sec. 41.20.100. REGULATIONS. The commissioner of natural re-  
25 sources shall adopt [PROMULGATE] regulations concerning the use, manage-  
26 ment, development, and administration of the trails and for the inclu-  
27 sion of local government trails within the system. The commissioner  
28 of natural resources shall also adopt regulations relating to payments  
29 of money to municipalities (under AS 41.20.080(f)) to carry out the

1 purposes of AS 41.20.070 - 41.20.125.

2 \* Sec. 5. AS 41.20 is amended by adding a new section to read:

3 Sec. 41.20.105. TRAILS IN LOCAL GOVERNMENT AREAS. The Department  
4 of Natural Resources may enter into cooperative agreements with local  
5 governments for the acquisition, development, and marking of trails  
6 within the local government area.

7 \* Sec. 6. AS 41.20.110 is amended by adding a new subsection to read:

8 (c) In accordance with plans developed jointly with the division  
9 of parks, the Department of Transportation and Public Facilities shall  
10 develop and construct trail heads to serve the trail system, and shall  
11 develop and provide for safe and adequate public access to waterways in  
12 the system. The Department of Transportation and Public Facilities  
13 shall incorporate these trail heads and access to waterways in the  
14 design and development of all state highway projects which affect the  
15 system.

16 \* Sec. 7. AS 41.20 is amended by adding new sections to read:

17 Sec. 41.20.115. INFORMATIONAL MATERIAL. The division of tourism  
18 in the Department of Commerce and Economic Development shall prepare  
19 informational material for state and national distribution promoting  
20 the use of state historical, recreational, and wilderness trails,  
21 waterways, and campsites and shall coordinate this promotional material  
22 with information and advertising promoting tourism to state parks and  
23 historical sites.

24 Sec. 41.20.125. REPORT AND DEVELOPMENT PLAN. (a) By the first  
25 Monday in January of each year the division of parks, Department of  
26 Natural Resources, shall file with the governor and the legislature a  
27 report showing trails, waterways, and campsites included in the system,  
28 arrangements made or entered into for use, development, maintenance, or  
29 marking of units within the system, and money expended or committed for

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these purposes.

(b) The division of parks, Department of Natural Resources, shall prepare and maintain a five-year development plan for the system and shall include the plan in the annual report required by (a) of this section.

\* Sec. 8. This Act takes effect July 1, 1981.

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SS-SB 189 Providing for a state historical, recreational and  
Title wilderness trails, waterways, and campsite system.  
Requested by Senate Resources Committee Date 4/24/81

II. FISCAL DETAIL

Agency Affected Department of Transportation and Public Facilities  
Program Category Affected \_\_\_\_\_  
BRU, Program, or Subprogram(s) Affected \_\_\_\_\_  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY '81	FY82	FY83	FY84	FY 85	FY '86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

There would be no substantial fiscal impact on the Department's budget by the passage of this bill. The intent is to assure that in any future construction, maintenance and repair plans, consideration is given to the construction of access points to identified trails and waterways. These access considerations would be a part of any budget established for a given facility plan.

It is not possible to give a dollar figure for such activities at this time, but they are projected to be only a small percentage of any given project. It is expected that the Department of Natural Resources would be appropriated the funds related to these projects 41.20.080(d) and (f).

IV. DATE 4/24/81 PREPARED BY James E. Wiedeman/Ron B. Lind  
AGENCY Dept. of Transportation & Public Facilities  
PHONE 465-3900  
Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)