

ALASKA LEGISLATURE

HOUSE and SENATE FINANCE COMMITTEE FILES,

1993-1994

1123

199

**GOVERNOR'S PROPOSAL
LONGEVITY BONUS PHASE OUT
TALKING POINTS**

Phase out program

- ~ Grandfathering all current recipients
- ~ End new enrollment with those who turn 65 before January 1, 1997
- ~ Reduce payment for new eligibles over next three years (94 -- \$200; 95 -- \$150; 96 -- \$100)

Origin of program

- ~ Established in 1972 to pay \$100/month to those over age 65 who lived in Alaska prior to statehood (January 3, 1959)
- ~ Intended to provide for Alaskans who helped build our state but didn't have retirement income to stay in Alaska

Program changes

- ~ Vest case (1984) eliminated original residency requirements
- ~ Changes focus of program and made it open ended
- ~ Monthly bonus increased from \$100 to \$250

Program growth and costs

- | | | |
|--------|-------------------|----------------------------|
| ~ 1973 | 4,753 recipients | \$346,100 annual cost |
| ~ 1983 | 9,731 recipients | \$27.5 million annual cost |
| ~ 1986 | 15,763 recipients | \$44 million annual cost |
| ~ 1993 | 23,000 recipients | \$66 million annual cost |
| ~ 2000 | 31,000 recipients | \$93 million annual cost |
- ~ We've spent \$88 million more than we would if the program had been phased out in 1986.
 - ~ Each year phase out is delayed, the total (aggregate through end) cost of the program increases over \$100 million.

Changes for today's seniors

- ~ Alaska's life style and cost of living are now comparable to other states
- ~ More traditional employment opportunities have employer-based pensions
- ~ Social Security benefits have increased
- ~ Medical assistance programs are now available
- ~ ERISA protection for pensions is now provided

- ~ The Permanent Fund Dividend program was initiated
- ~ Senior citizen tax relief is available
- ~ Free and/or subsidized private and governmental services are available for all senior citizens
- ~ OAC grant programs which fund a variety of community based senior services have been initiated

Annuity programs

- ~ After six years of trying, the issue has still not been resolved.
- ~ Government-operated annuity program will require new expenditures and new administrative programs
- ~ The new direct deposit feature for the PFD allows recipients to self-direct dividends to an account of their choice
- ~ Annuity concept requires large pool of participants to ensure financial viability
- ~ The less affluent will be able to invest little or none of their PFD

Time to act

- ~ Current year is a window of opportunity to assure grandfathering of existing recipients
- ~ Ability to provide any transition time is becoming more difficult
- ~ Pressure to terminate all non-needs based benefits is growing

**ALASKA LONGEVITY BONUS
-PHASE OUT**

Questions and Answers

1. *Whom was the Longevity Bonus intended to serve?*

In 1972 the Legislature established the Longevity Bonus Program to serve seniors who were 25 year residents and lived in Alaska prior to statehood.

2. *What was the purpose of the Longevity Bonus Program?*

"The sole purpose of this chapter is to offer..... an incentive to continue uninterrupted residency in the state." Chapter 205 SLA 1972

3. *What changes have occurred since the creation of the Longevity Bonus Program in 1972 that reduce the need for the program?*

The need for future seniors to rely on the Longevity Bonus has been mitigated by a number of programs/protections that were not available when the Longevity Bonus was created.

- ~ Alaska's life style and cost of living are now comparable to other states
- ~ More traditional employment opportunities have employer-based pensions
- ~ Social Security benefits have increased
- ~ Medical assistance programs are now available
- ~ ERISA protection for pensions is now provided
- ~ The Permanent Fund Dividend program was initiated
- ~ Senior citizen tax relief is available
- ~ Free and/or subsidized private and governmental services are available for all senior citizens
- ~ OAC grant programs which fund a variety of community-based senior services have been initiated

In addition, elimination of the 25 year residency and requirement to be in Alaska before January 3, 1959, (Statehood) has drastically enlarged the group the program was designed to served.

4. *Why phase out the Longevity Bonus program?*

The state budget cannot sustain the projected growth of this program. Current recipients who are dependent on the Longevity Bonus are in jeopardy of eventually losing the benefit if growth is not curtailed. Projections indicate the program will exceed \$100,000,000 in the year 2002.

5. *Why end eligibility with those who are now age 62?*

This provides those with reasonable expectations of receiving the bonus some financial support from the Longevity Bonus. It provides adequate notice to others who have time for planning that the Longevity Bonus will no longer be available.

6. *Isn't a three year phase out short notice?*

Alaskans have been on notice that the Longevity Bonus was not likely to continue since 1986 when the legislature began considering proposals to phase out the program. Therefore, with the proposed three-year phase out, Alaskans will have known for over ten years that it was not likely that the program could be sustained indefinitely.

7. *Will phase out of the Longevity Bonus adversely affect the Alaska economy?*

No. The phase out will be gradual over 41 years so the effect will not be significant. With necessary budget reductions, the funds otherwise spent on the Longevity Bonus will be shifted to other priorities.

8. *In 1986 there was an advisory vote to end the Longevity Bonus and create an annuity program. Why doesn't this proposal contain an annuity plan?*

Economic conditions, investment options, and available technology have changed during the ensuing 7 years. The annuity plan calls for creation of a new government program at a time when it is necessary to downsize government operations. Additionally, Alaskans can now self-direct investment of their PFD to any number of options through direct deposit.

9. *Under other proposals that include an annuity plan, will seniors be guaranteed payment of \$250 per month when they reach age 65?*

Absolutely not. They will receive payments based only upon how much money they actually deposited in the program. The size of monthly payments will depend on the amount of annual investment; number of years in the program; and rate of interest earned. Those who did not invest any portion of their PFD will receive nothing.

10. *What costs has the state incurred by not ending the Longevity Bonus in 1986?*

The state has spent over \$88 million more than it would have if the growth had been held to the \$44 million budget of 1986. Today, the program serves 23,000 recipients and adds an additional \$5 million to the budget annually.

11. *Why will this approach to phasing out the Longevity Bonus program work when others have failed?*

This plan is simple. It is a single issue, not tied to development of new and financially complex programs. It is not dependent on uncertainties of the financial markets. It is sensitive to people's needs. It recognizes the special role of Senior Alaskans. It simply makes sense.

GOVERNOR'S PROPOSAL LONGEVITY BONUS PHASE OUT

The original Longevity Bonus legislation stated, "The sole purpose of this chapter is to offer and provide ... an incentive to continue uninterrupted residency in the state." (Ch. 205, SLA 1972) We propose to phase out the Longevity Bonus Program because:

- ~ Other incentives are now offered that enhance the living conditions of seniors
 - Alaska's life style and cost of living are now comparable to other states
 - More traditional employment opportunities have employer based pensions
 - Social Security benefits have increased
 - Medical assistance programs are now available
 - ERISA protection for pensions is now available
 - The Permanent Fund Dividend program was initiated
 - Senior citizen tax relief is available
 - Free and/or subsidized private and governmental services are available for all senior citizens
 - OAC grant programs which fund a variety of community based services have been initiated
- ~ 25 year residency requirement was struck down, negating the original intent of the program
- ~ It is serving all those who were at least 45 years old when it was passed
- ~ Bonus amount has increased from \$100 to \$250 and will need further adjustment to keep pace with inflation
- ~ Combination of the increased Bonus and more recipients due to shorter residency has made the program too costly
- ~ Limited state resources should be focused on those less able to help themselves
- ~ Alaskans generally agree it's time to phase out the current program

Key Provisions of Proposal

Terms	3-year phase out \$200, \$150, \$100 Grandfather all current recipients
Cost	Declines rapidly after 1996 Set formula allows for accurate budgeting
Administration	No new administrative cost Program ends by 2040
Investment Options for Permanent Fund Dividend (PFD)	Self-directed through direct deposit instructions on PFD application
Effect on Alaska's Seniors	Proposal easily understood Current recipients continue bonus at \$250 Provides for a reasonable transition

LONGEVITY BONUS PHASE OUT PROPOSALS COMPARISON CHART

	GOVERNOR'S PROPOSAL	SENATE BILL 6
TERMS	<ul style="list-style-type: none"> - 3 year phase out - \$200, \$150, \$100 - Grandfather all current recipients 	<ul style="list-style-type: none"> - Estimated 15 year phase out - Bonus declines based on variable factors - Grandfather all current recipients
COST	<ul style="list-style-type: none"> - Declines rapidly after 1996 - Set formula allows for accurate budgeting 	<ul style="list-style-type: none"> - Declines gradually - Declines dependent on PFD and investment income - Additional administrative costs - Variable nature makes budgeting difficult
ADMINISTRATION	<ul style="list-style-type: none"> - No new administrative costs - Program ends by 2040 	<ul style="list-style-type: none"> - New administrative system to determine annual payments within the longevity bonus program - create new government managed and administered annuity investment program - Longevity Bonus administration ends 2040 - New annuity administration open ended
INVESTMENT OPTIONS FOR PERMANENT FUND DIVIDENDS (PFD)	<ul style="list-style-type: none"> - Self-directed through direct deposit instructions on PFD application 	<ul style="list-style-type: none"> - Creates complex state operated annuity program as option for investing PFD - May not have sufficient participation to sustain financial viability
EFFECT ON ALASKA'S SENIORS	<ul style="list-style-type: none"> - Proposal easily understood - Current recipients continue at level they started - Provides for a reasonable transition - Frees resources for other senior needs 	<ul style="list-style-type: none"> - Complex to understand - Annual bonus dependent on PFD and investment income - Dedicates more general funds to non-needs based senior program

**GOVERNOR'S PROPOSAL
LONGEVITY BONUS PROGRAM
PHASE OUT
SUMMARY OF INTENT**

The Alaska Longevity Bonus Program was established in 1972 to pay \$100 per month as a "bonus" to those over age 65 who had lived in Alaska for 25 years and were here at the time of statehood. This was a finite, self liquidating group. The purpose of the program was to "offer and provide... an incentive to continue interrupted residency in the state." (Ch. 205, SLA 1972) Were the original criteria still in place, those eligible to enroll in the program in 1996 would have been 28 years old at the time of statehood.

At the end of 1973 the program had 4,753 recipients and an annual cost of \$371,000. The program grew at a steady rate up through 1983 when there were 9,731 recipients and an annual budget of \$27,586,750. The \$100 monthly bonus was increased in 1976, 1978, 1981, and 1982 to its current level of \$250 per month. Current projections suggest the annual cost of the ALB will exceed \$90 million in the year 2000 and will pass the \$100 million mark in 2002.

In 1984, the Supreme Court found the residency rules unconstitutional in the Vest case. By the end of 1986 the Longevity Bonus Program had 15,763 recipients with an annual budget of \$44,105,500. Compared to 1983, that represented a 62% increase in recipients and a 60% increase in budget. More important, the Vest case changed the group being served from a finite, self liquidating group (65 years old, 25 years in state, here at time of statehood) to a continually growing group (anyone age 65 with one year residency). Beyond the change in the size of the group, the basic purpose of the Longevity Bonus Program changed. It was no longer a program to provide an incentive to long term Alaskans who helped build our state prior to statehood.

During the years since the creation of the Longevity Bonus, there have been several changes that have improved the economic condition of Alaskan seniors. The federal government passed the Employee Retirement Income Security Act (ERISA) in 1976, Individual Retirement Accounts (IRAs) became widely available, Senior Citizen Property Tax Relief was enacted, property values increased, The Permanent Fund Dividend was established, State income taxes were repealed, and Social Security incomes steadily increased. As a group, those reaching age 65 today, have had the advantage of the economic growth of the past 20 years and are more economically stable than any previous group of seniors.

This proposal protects those who planned their retirement around the Longevity Bonus Program. They will be able to depend on it for the rest of the time they remain in Alaska. The three year transition period before new enrollment is ended allows those close to retirement to receive the Longevity Bonus. It gives future retirees time to make other plans for retirement income. This proposal does not provide for creating a government operated annuity plan. For those who wish to invest their Permanent Fund Dividend to provide for future retirement income, today they can do so by directing the Permanent Fund Dividend Division to send the PFD to a private annuity plan or other investment of their choice. This can be accomplished through direct deposit instructions on the PFD application. This preserves the investment concept without creating a new bureaucracy to implement an insurance type program.

This proposal returns the Longevity Bonus Program to its original goal -- assisting a finite group who may not have remained in Alaska in retirement without this assistance.

Funds Spent on Senior Programs

FY '93 unless otherwise noted

Program	State	Federal	Total
Dept. of Administration			
Longevity Bonus	64,811,700		64,811,700
Pioneer Homes	30,432,500		30,432,500
Older Alaskans Commission	6,053,500	6,486,900	12,523,400
TOTAL DEPT.	101,297,700	16,900	107,767,600
Dept. of Health & Social Services			
Supplemental Security Income		3,580,580	3,580,580
Longevity Bonus Hold Harmless	2,194,500		2,194,500
Adult Public Assistance (for aged)	14,600,000		14,600,000
Food Stamps for elderly		165,600*	165,600*
Medicaid home health care	227,800	227,000	455,600
Medicaid nursing homes			
Skilled nursing	2,677,100	2,677,100	5,354,200
Intermediate nursing	16,385,400	16,385,400	32,770,800
General Relief Medical (Nursing Homes)	253,900		253,900
Medicaid Permanent Fund (Hold Harmless)	2,621,200		2,621,200
TOTAL DEPT.	38,959,900	23,035,680	61,996,380
Dept. of Community & Regional Affairs			
Homeowners Property Tax Exemption	2,838,800		2,838,800
Renters Equivalency Rebate	820,000		820,000
Job Training Partnership Act		185,125	185,125
TOTAL DEPT.	3,658,800	185,125	3,843,925
Dept. of Commerce and Economic Development			
Alaska Housing Finance Corporation			
Senior Housing Development	141,100		141,100
Senior Housing Revolving Loan Program	Up to \$30 million in bonds available from AHFC		
TOTAL DEPT.	141,100		141,100
TOTAL ALL DEPARTMENTS	144,057,500	29,707,625	173,765,125

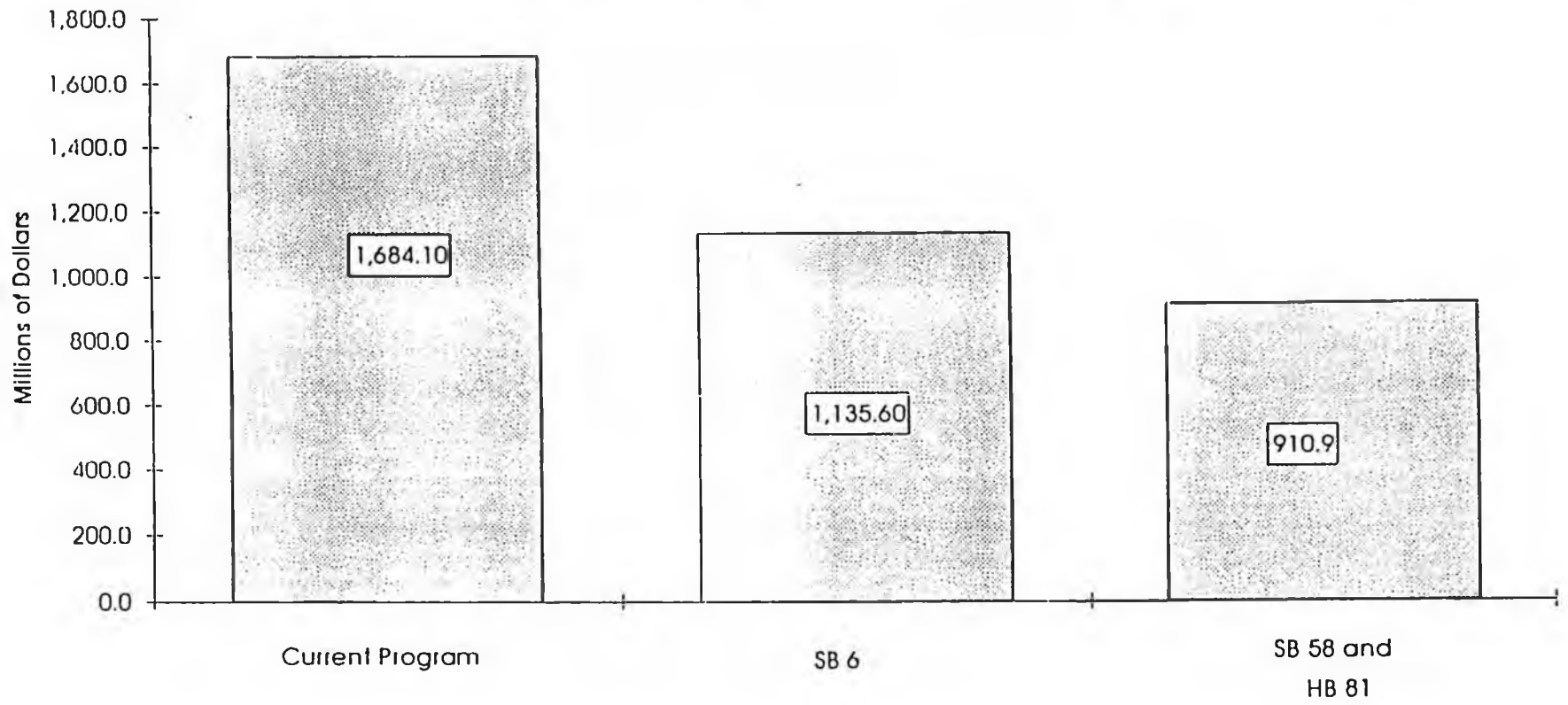
Total number of seniors age 60+ = 35,266. Average benefit per senior = \$4,927.00.

* Estimated figure based on percentage of seniors served

Note: All funding levels are for FY 93 authorized, except for Medicaid and Job Training Partnership Act, which are FY 92 actual.

Additional State Benefits--Revenues Lost	Additional Municipal Benefits--Revenues Lost
Dept. of Transportation, ferry fares: \$540,800	Municipal Tax Exemptions \$8,454,353*
Dept. of Public Safety, vehicle registration: Estimated \$300,000.	*The above information does not include municipal services or discounts for seniors. Municipalities also often offer sales tax exemptions, discounted bus fares and similar programs.
University of Alaska, tuition waiver: \$230,267 estimated	Total number of seniors age 60+ = 35,266. Total revenues lost = \$8,454,353.
Dept. of Fish and Game: waivers of hunting, trapping, and fishing licenses (average cost: \$10.60): \$27,560.	Total average benefit = \$240.
Total additional State benefits = \$1,098,627. Average senior benefit = \$31.15.	

Longevity Bonus Proposals - Cumulative Cost Through Fiscal Year 2010



Longevity Bonus Program Alternative Funding Proposals

Fiscal Year	Projected Cost			Projected Number of Participants		
	Current Program	Senate Bill 6	Senate Bill 58 and House Bill 81	Current Program	Senate Bill 6	Senate Bill 58 and House Bill 81
1994	69.6	69.6	69.1	24,059	24,059	24,059
1995	74.8	74.7	70.8	25,864	25,864	25,864
1996	78.2	77.5	71.1	27,021	27,021	27,021
1997	81.2	79.5	69.9	28,081	28,081	26,581
1998	84.4	81.1	66.9	29,188	29,188	25,525
1999	87.5	82.0	63.9	30,266	30,266	24,444
2000	90.8	82.3	60.9	31,408	31,408	23,385
2001	93.9	81.4	57.7	32,456	32,456	22,272
2002	97.1	79.7	54.7	33,557	33,557	21,181
2003	100.4	76.9	51.6	34,704	34,704	20,087
2004	103.8	72.9	48.5	35,880	35,880	18,950
2005	107.5	67.7	45.4	37,153	37,153	17,814
2006	111.9	61.0	42.2	38,675	38,675	16,666
2007	116.9	52.7	39.1	40,428	40,428	15,512
2008	123.1	42.3	36.0	42,572	42,572	14,367
2009	128.9	29.3	33.0	44,559	44,559	13,239
2010	134.1	25.0	30.1	46,376	46,376	12,136

Cumulative Costs Through 2010		
1,684.1	1,135.6	910.9

All dollars in millions

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO. SB 58

Revision Date: 2/8/93

Department Affected: Administration

Title: An act relating to the Longevity Bonus

BRU: Pioneers' Benefits

Sponsor: Senate Rules Committee

Component: Longevity Bonus

Requestor: HES

Grants

COMPONENT SERIAL NO. 26

Expenditures/Revenues:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	(500.0)*	(4,000.0)*	(7,100.0)*	(11,300.0)*	(17,500.0)*	(23,600.0)*
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	(500.0)	(4,000.0)	(7,100.0)	(11,300.0)	(17,500.0)	(23,600.0)

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	(500.0)	(4,000.0)	(7,100.0)	(11,300.0)	(17,500.0)	(23,600.0)
1005 GF/Program Receipts	0	0	0	0	0	0
1003 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	(500.0)	(4,000.0)	(7,100.0)	(11,300.0)	(17,500.0)	(23,600.0)

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

Estimate of current year (FY93) impact: 0

ANALYSIS: * Cost savings reflect the difference between current program costs and new program costs. Budget requests will continue to go up through FY96 due to growth in numbers of participants. By FY97 budget requests begin to go down. See attached table for details of the calculations.

Prepared by: Dennis L. DeWitt, Director
Division: Pioneers' Benefits

Phone: 465-4400
Date: 2/5/93

Approved by Commissioner: Nancy Bear Usera
Agency: Administration

Date: 2/8/93

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Longevity Bonus Fiscal Note

FY	Current Program		Proposed Phase-Out		Difference	
	Number of Participants	Annual Cost	Number of Participants	Annual Cost	Number of Participants	Annual Savings to the State
1994	24,059	69.6	24,059	69.1	0	(0.5)
1995	25,864	74.8	25,864	70.8	0	(4.0)
1996	27,021	78.2	27,021	71.1	0	(7.1)
1997	28,081	81.2	26,581	69.9	(1,500)	(11.3)
1998	29,188	84.4	25,525	66.9	(3,663)	(17.5)
1999	30,266	87.5	24,444	63.9	(5,822)	(23.6)

Cost in Millions of Dollars

Explanation: 1. For purposes of consistency, we have used Legislative Research figures for the 'Number of Participants' and 'Annual Cost' for the Current Program and the Proposed Phase-Out.

Note : There is an additional fiscal note associated with this proposal for the administration component, for \$11,625 for computer modifications.

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO. SB58

Revision Date: _____

Department Affected: Administration

Title: An act relating to the Longevity Bonus Program

BRU: Pioneers' Benefits

Component: Longevity Bonus

Sponsor: Rules Committee

COMPONENT SERIAL NO. 27

Requestor: Governor

Expenditures/Revenues:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	11.6	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	11.6	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	11.6	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	11.6	0	0	0	0	0

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

Estimate of current year (FY93) impact: 0

ANALYSIS: (Attach a separate page if necessary.)

The proposed Longevity Bonus program changes would require modifications to both mainframe and microcomputer software and revised interface programs at an estimated cost of \$11.6.

Prepared by: Dennis L. DeWitt

Phone: 465-4400

Division: Pioneers' Benefits

Date: 1/15/93

Approved by Commissioner: Nancy Bear Usura

Agency: Administration

Date: 1/15/93

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OFFICE OF THE COMMISSIONER

P.O. BOX 110200
JUNEAU, ALASKA 99811-0200
PHONE: (907) 465-2200
FAX: (907) 465-2135

February 24, 1993

The Honorable Robin Taylor
Chairman
Judiciary Committee
Alaska State Senate
State Capitol
Juneau, AK 99801-1182

Dear Senator Taylor:

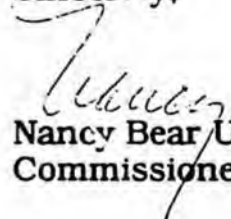
This is to request your consideration in scheduling SB 58 for hearing before the Senate Judiciary Committee as soon as possible.

This bill phases out the State's Longevity Bonus Program over several years. The ever-growing number of eligible seniors in Alaska, coupled with projected revenue declines are making the bonus program unaffordable over the long term. The bill proposes a phased elimination of the program because many Alaskans who are receiving the bonus now or who will be eligible for it in the near future, have counted on receiving it in their retirement years.

In view of the rapid growth in this program, I believe that remedial action must be taken this session in order to protect current recipients and to provide a reasonable transition period. We are, therefore, anxious to secure passage of the provisions of SB 58 this session.

Thank you.

Sincerely,


Nancy Bear Usera
Commissioner

NBU/nl

cc: Kris Lethin
Legislative Liaison
Office of the Governor

Roberley Waldron
Deputy Commissioner

Division of Pioneers' Benefits
Department of Administration

MEMORANDUM

State of Alaska

Department of Law

TO: Nancy Bear Usera
Commissioner
Department of Administration

DATE: March 10, 1993

FILE NO: 223-93-0335

TEL. NO: 465-3600

SUBJECT: Constitutionality of
phase-out provisions of
HB 81 and SB 58

FROM: John B. Gaguine *JBG*
Assistant Attorney General
Governmental Affairs - Juneau

We sent you a memorandum recently expressing our opinion that the provisions of HB 81 and SB 58 abolishing the longevity bonus but "grandfathering" in those who would turn 65 before January 1, 1997 would not violate the equal protection clauses of the state or federal constitutions. You have now asked whether there are constitutional problems with the differing amounts given to the 'grandfathered' persons.¹

We believe that these provisions would be constitutional for the same reason as the whole "grandfathering" scheme would be. The farther a person is from age 65 - retirement age for many people, and the age at which social security benefits begin - the longer the person has to adjust his or her retirement plans. Thus in our opinion a court would find that the legislature could permissibly conclude that a person turning 65 in 1996 would suffer less hardship from a reduced longevity bonus than would a person turning 65 in 1994, and accordingly the court would uphold the legislative decision to reduce the bonus to a greater degree for the former senior than for the latter.

If we can be of further assistance, please let us know.

cc: Roberley Waldron
Eileen Plate

¹ As we noted in our initial memorandum, those turning 65 before the start of 1994 would receive \$250 a month for life; those turning 65 in 1994, \$200; those turning 65 in 1995, \$150; and those turning 65 in 1996, \$100.

Senate Bill 58
Sectional Analysis

Sec. 1: Provides for phase out of the Longevity Bonus Program.
Specifically:

- a. All current Longevity Bonus recipients and persons reaching age 65 before January 1, 1994, would receive the current \$250 per month bonus payment.
- b. Persons reaching age 65 during calendar year 1994 would receive \$200 per month.
- c. Persons reaching age 65 during calendar year 1995 would receive \$150 per month.
- d. Persons reaching age 65 during calendar year 1996 would receive \$100 per month.

Under current law, all persons 65 or older are eligible to receive a \$250 per month bonus payment.

Sec. 2: Provides that persons must be 65 before January 1, 1997, to receive a bonus payment. Persons turning 65 after that time would not be eligible.

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Juneau, AK 99801
907-586-2506

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The State Legislative Committee of AARP is acutely aware of the Legislature's intention to enact legislation which will effect the Longevity Bonus program.

For the record, we continue support for SB 6, an annuity plan. However, we do see merit in the Governor's three year phase-out plan. We strongly oppose any alternate plan which would phase-out the program within one year.

Our Committee recognized the potential for future revenue shortages which must be faced by the state and the devastating effect upon Alaska's senior population which can result from untimely and severe reduction in senior citizen programs. We encourage you to authorize an interim study which would develop a state policy and implementation recommendations on senior programs for consideration by the Second Session of the Eighteenth Alaska Legislature



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CHAIR
Mary Lou Menner
305 5th St
Juneau, AK 99801
907-586-2556

ALASKA STATE LEGISLATIVE COMMITTEE

VICE CHAIRMAN
COTE Corporation
200 4th St
P.O. Box 10000
Juneau, AK 99802
907-585-8630

SECRETARY
John MacLennan
1501 Pacifica Drive
Anchorage, AK 99504
907-337-0742

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ANALYSIS

Proposed Committee Substitute for Senate Bill No. 58 (Fin)

"An Act relating to the longevity bonus program"

The current Alaska Longevity Bonus Program pays \$250 per month to Alaskans over age 65 so long as the person maintains eligibility.

Proposed CS for SB 58 (Fin) "grandfathers" all recipients enrolled in the program prior to January 1, 1994, at the \$250 level so long as they remain eligible for the program.

In addition, the bill phases out the Alaska Longevity Bonus Program by:

- Ending all new enrollment after December 31, 1996.
- Reducing the bonus for all those who enroll after December 31, 1993. The date of application, not date of birth, determines the amount of the bonus. Those enrolling in
 - ~ 1994 would receive \$200 per month
 - ~ 1995 would receive \$150 per month
 - ~ 1996 would receive \$100 per month

The proposed CS resolves the dilemma that would occur if enrollment continued indefinitely for those who reached 65 by the end of 1996. That would have allowed seniors over 65 to move into the state after 1996 and receive the Longevity Bonus while long-time Alaska residents who reached 65 after 1996 would not be eligible.

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FISCAL NOTE

No. 1

Bill Version: SB 58

(S) Publish Date: 1/22/93

STATE OF ALASKA
1993 LEGISLATIVE SESSION

Revision Date: _____

Title: An act relating to the Longevity Bonus Program

Sponsor: Rules Committee

Requestor: Governor

Department Affected: Administration

BRU: Pioneers' Benefits

Component: Longevity Bonus

Grants _____

COMPONENT SERIAL NO. 26

Expenditures/Revenues:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	(413.9)*	(2,174.2)*	(6,138.7)*	(13,025.0)*	(20,017.0)*	(27,282.5)*
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	(413.9)	(2,174.2)	(6,138.7)	(13,025.0)	(20,017.0)	(27,282.5)

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE FUND SOURCE:	0	0	0	0	0	0
----------------------	---	---	---	---	---	---

FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	(413.9)	(2,174.2)	(6,138.7)	(13,025.0)	(20,017.0)	(27,282.5)
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	(413.9)	(2,174.2)	(6,138.7)	(13,025.0)	(20,017.0)	(27,282.5)

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

Estimate of current year (FY93) impact: 0

ANALYSIS: (Attach a separate page if necessary.) * Cost savings reflect the difference between current Budget requests will continue to go up through FY96 due to growth in numbers of participants. By FY97 See attached tables for details of the calculations.

No longer applies

Prepared by: Dennis L. DeWitt, Director
Division: Pioneers' Benefits

Phone: 465-4400
Date: 01/12/93

Approved by Commissioner: Nancy Bear Usera
Agency: Administration

Date: 1/15/93

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Longevity Bonus Fiscal Note

Analysis of New Program Costs

FY		Cost Increase	Net Increase From Year to Year	Average Monthly ALB Warrants	ALB Grants	Projected Cost of Proposed Changes	Savings to the State
1989	Actual			17,824	53,472,250		
1990	Actual	6.92%	1,234	19,058	57,172,700		
1991	Actual	5.31%	1,012	20,070	60,209,600		
1992	Actual	4.76%	955	21,025	63,073,750		
1993	Projection	5.03%	1,058	22,083	66,249,000	66,249,000	0
1994	Projection	5.03%	1,112	23,195	69,584,250	69,170,302	413,948
1995	Projection	5.03%	1,167	24,362	73,084,500	70,910,273	2,174,227
1996	Projection	5.03%	1,225	25,587	76,760,500	70,621,770	6,138,730
1997	Projection	5.03%	1,287	26,874	80,621,500	67,596,525	13,024,975
1998	Projection	5.03%	1,352	28,226	84,677,000	64,659,990	20,017,010
1999	Projection	5.03%	1,419	29,645	88,936,000	61,653,512	27,282,488

Note - There is an additional fiscal note associated with this proposal for the administration component, for \$11,625 for computer modifications.

FISCAL NOTE

No. 2

STATE OF ALASKA
1993 LEGISLATIVE SESSION

Bill Version: SB 58

(S) Publish Date: 1/22/93

Revision Date: _____

Title: An act relating to the Longevity Bonus Program

Department Affected: Administration

BRU: Pioneers' Benefits

Component: Longevity Bonus

Sponsor: Rules Committee

Requestor: Governor

COMPONENT SERIAL NO. 27

Expenditures/Revenues:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	11.6	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	11.6	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE FUND SOURCE:	0	0	0	0	0	0
----------------------	---	---	---	---	---	---

FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	11.6	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	11.6	0	0	0	0	0

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

Estimate of current year (FY93) impact: 0

ANALYSIS: (Attach a separate page if necessary.)

The proposed Longevity Bonus program changes would require modifications to both mainframe and microcomputer software and revised interface programs at an estimated cost of \$11.6.

Prepared by: Dennis L. DeWitt 

Division: Pioneers' Benefits

Phone: 465-4400

Date: 1/15/93

Approved by Commissioner: Nancy Bear Usura 

Agency: Administration

Date: 1/15/93

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FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. CS SB 58 (JUD)

Revision Date: _____ Dept. Affected: Alaska Court System
 Title: An Act relating to exemption amounts BRU: Trial Courts
 Sponsor: Judiciary Component: _____
 Requestor: Senate Rules COMPONENT SERIAL NO. 738

EXPENDITURES/REVENUES (Thousands of Dollars)

OPERATING EXPENDITURES	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

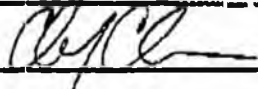
1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1006 GFAMHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0


POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY 94) cost: \$ None

ANALYSIS: (Attach a separate page if necessary)
 No fiscal impact.

Prepared by: C. S. Christensen III, Staff Counsel  Phone: 284-8228
 Agency: Alaska Court System Date: 02/02/94

Approved by: Arthur H. Snowden, II, Administrative Director  Date: 02/02/94
 Agency: Alaska Court System

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**FACSIMILE
TRANSMITTAL**

**ALASKA COURT SYSTEM
303 K STREET
ANCHORAGE AK 99501
(907) 264-8228
FAX (907) 268-4968**

TO: Sen. Arue Pearce **DATE:** 2/2/94
Attn: Bill Miles

**FROM: C. S. CHRISTENSEN III
STAFF COUNSEL**

5 **PAGES (INCLUDING THIS SHEET)**

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SENATE BILL NO. 58

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/22/93
 Referred: HES, JUD, FIN

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the longevity bonus program."

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

3 * Section 1. AS 47.45.010(a) is amended to read:

4 (a) A person who is 65 years of age or over, who reached that age before
 5 January 1, 1997, and who resides in the state for at least one year immediately
 6 preceding application for a longevity bonus under this chapter, may apply to the
 7 commissioner of administration for qualification to receive a monthly bonus

8 (1) of \$250, if the person reached the age of 65 before January 1,
 9 1994;

10 (2) of \$200, if the person reached the age of 65 on or after
 11 January 1, 1994, but before January 1, 1995;

12 (3) of \$150, if the person reached the age of 65 on or after
 13 January 1, 1995, but before January 1, 1996; or

14 (4) of \$100, if the person reached the age of 65 on or after

SENATE COMMITTEE REPORT

DATE: 2/22/93

FURTHER: FINANCE

DATE TURNED INTO OFFICE: 29 MARCH 1993

JUDICIARY Committee considered SENATE BILL NO. 58

"An Act relating to the longevity bonus program."

~~and report it~~
back as follows

and report it
back as follows

and recommends:

- replace with _____ CS _____ ()
- or adopt previous _____ CS _____ ()
- attaches amendment(s)

- same title
- new title
- technical title change (HB only)

adopts _____ Letter of Intent

further referral to the _____

do pass

do not pass

no recommendation

individual recommendations

\$ per. For's
~~*[Signature]*~~

NEW FISCAL NOTES

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTES

Department	Date	Zero	Fiscal
#4 Health & Social Services	2/2/93		(5.3)
#3 Admin. (New)	2/8/93		(500)
#2 Admin.	1/15/93		(11.6)
#1 Admin. (NA)	1/22/93		(5.3)

Appropriation No Fiscal Note

DO PASS:

OTHER RECOMMENDATIONS:

- ② Suzanne R. Little NO REC
- ② George Taylor NO REC
- ① Rick Helford Do Not Pass
- ① Admiral Taylor DO NOT Pass

Chair: Signature and Recommendation

SENATE BILL NO. 58

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/22/93
 Referred: HES, JUD, FIN

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 13 January 1, 1995, but before January 1, 1996; or

14 (4) of \$100, if the person reached the age of 65 on or after

1 January 1, 1996, but before January 1, 1997.

2 * Sec. 2. AS 47.45.010 is amended by adding a new subsection to read:

3 (e) To be eligible for a bonus under this chapter, a person must reach the age
4 of 65 before January 1, 1997.

NATE COMMITTEE REPORT

DATE: 2/22/93

FURTHER FINANCE

DATE TURNED INTO OFFICE: 29 MARCH 1993

JUDICIARY Committee considered SENATE BILL NO. 58

"An Act relating to the longevity bonus program."

and report it

and report it back as follows

and recommends:

- [] replace with CS
or [] adopt previous CS
[] attaches amendment(s)

- [] same title
[] new title
[] technical title change (HB only)

- [] adopts Letter of Intent
[] further referral to the

- [] do pass
[] do not pass
[] no recommendation
[X] individual recommendations

Handwritten notes: \$ per. For's, [Signature]

NEW FISCAL NOTES

PREVIOUS FISCAL NOTES

Table with columns: Department, Date, Zero, Fiscal

Table with columns: Department, Date, Zero, Fiscal. Includes rows for Health & Social Service, Admin. (New), Admin., Admin. (NA)

[] Appropriation No Fiscal Note

DO PASS:

OTHER RECOMMENDATIONS:

Handwritten recommendations: Suzanne K. Little NO REC, [Signature] no rec, Rick Halford Do Not Pass, [Signature] Do Not Pass

Chair: Signature and Recommendation

SENATE COMMITTEE REPORT
FIRST COMMITTEE OF REFERRAL

DATE: 1/22/93

FURTHER: JUDICIARY
FINANCE

Date of 5-Day Notice: 2/11/93
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 2/19/93

HES Committee considered SB 58

"An Act relating to the longevity bonus program."

+ rpts it back as follows:

and recommends:

[] replace with _____ CS _____

[] same title
[] new title
[] technical title change (HB only)

[] attaches amendment(s)

[] adopts _____ Letter of Intent

[] further referral to the _____

[] do pass

[] do not pass

[] no recommendation

[] individual recommendations

~~3/1/93~~
3/1/93

FISCAL NOTE INFORMATION

	Department	Date	Zero	Fiscal
#2	Admin	1/15	500	X
	(previous - not reprinted)			
#3	Admin-new	2/8		(500)
	(this replaced old #1)			
#4	HES - new	2/2		(5.3)

	Department	Date	Zero	Fiscal

[] Appropriation No Fiscal Note

Governor's Bill with Previous Fiscal Notes (enter information above)

DO PASS
Mike Miller

OTHER RECOMMENDATIONS:

SHARP *[Signature]* NR

LEMAN *[Signature]* NR

... *[Signature]* NR

Duncan *[Signature]* NR

Chair: Signature and Recommendation

SB

59

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/13/93

FURTHER:

DATE TURNED INTO OFFICE: _____

The Finance Committee considered SENATE BILL NO. 59

"An Act relating to school construction grants and major maintenance grants to school districts; providing for school district participation in the cost of school construction and major maintenance; creating a major maintenance grant fund; and providing for an effective date."

Died in SFC 1994.

and recommends:

- replace with _____ CS _____ (FINANCE)
or adopt previous _____ CS _____
 attaches amendment(s)

- same title
 new title
 technical title change (HB only)

adopts _____ Letter of Intent

further referral to the _____

do pass

do not pass

no recommendation

individual recommendations

NEW FISCAL NOTES

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTES

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

DO PASS.

1. _____
Co-Chair: Signature/Recommendation

OTHER RECOMMENDATIONS:

2. _____
Co-Chair: Signature/Recommendation

SENATE COMMITTEE REPORT
FIRST COMMITTEE OF REFERRAL

DATE: 1/22/93

FURTHER: FINANCE

Date of 5-Day Notice: 1/28/93
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 4-13-93

HES Committee considered SB 59

"An Act relating to school construction grants and major maintenance grants to school districts; providing for school district participation in the cost of school construction and major maintenance; creating a major maintenance grant fund; and providing for an effective date."

and recommends:

and recommends it be replaced with

replace with _____ CS SB 59 (HES)

- same title
- new title
- technical title change (HB only)

attaches amendment(s) 3 rpt at bk on file

adopts _____ Letter of Intent

further referral to the _____

do pass

do not pass

no recommendation

individual recommendations

For 2 of 154

FISCAL NOTE INFORMATION

Department	Date	Zero	Fiscal
DUI	11/21/92		130.5
DCI - PF	1/22/93	✓	
Language	1/22/93	✓	

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

Governor's Bill with Previous Fiscal Notes (enter information above)

DO PASS:

OTHER RECOMMENDATIONS:

- 2 Mike Miller No Rec
- 2 Karen A. Lemaw NR
- 2 G. Sals (No Rec)
- 2 Bud Dierker (No Rec)
- 2 Ken Sharp No Rec

(2)

Steve King Do Pass

Chair: Signature and Recommendation

ALASKA STATE LEGISLATURE
SENATE BILL NO. 59

HISTORY IN THE SENATE

1993
 1/22
 4/13

Read first time and referred to:
HES FIN

HES RPT() CS 1 DP 5 NR 1 DNP AM
 New Title Same Title 20 1 Previous FN
 FN OFN To Engrossed

_____ RPT(_____) CS _____ DP _____ NR _____ DNP _____ AM
 _____ New Title _____ Same Title _____ Previous FN
 _____ FN _____ OFN _____ To _____

_____ RPT(_____) CS _____ DP _____ NR _____ DNP _____ AM
 _____ New Title _____ Same Title _____ Previous FN
 _____ FN _____ OFN _____ To _____

_____ Rules Calendar(_____) CS _____ AM _____ Other _____
 _____ New Title _____ Same Title _____ Previous FN
 _____ FN _____ OFN _____

Read second time

_____ CS Adopted (_____) _____ New Title _____
 _____ Amended _____ Advanced _____

Read third time

_____ Letter of Intent adopted
 _____ Return to second for specific amendment

PASSED	EFD Same ___ or
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

Reconsideration
 Reconsideration not taken up

PASSED	EFD Same ___ or
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

Reported correctly engrossed
 Signed by President, to House

Secretary of the Senate

HISTORY IN THE HOUSE

19

Read first time and referred to:

_____ RPT CS(_____) _____ New Title
 _____ DP _____ DNP _____ NR _____ AM
 _____ FN _____ OFN _____ Previous FN

_____ RPT CS(_____) _____ New Title
 _____ DP _____ DNP _____ NR _____ AM
 _____ FN _____ OFN _____ Previous FN

_____ RPT CS(_____) _____ New Title
 _____ DP _____ DNP _____ NR _____ AM
 _____ FN _____ OFN _____ Previous FN

Read second time
 CS(_____) Adopted

Amended

Advanced

Read third time

Return to second for specific amendment

PASSED	EFD Same ___ or
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

_____ Intent adopted

Reconsideration
 Reconsideration not taken up

PASSED ON RECON.	EFD Same ___ or
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

_____ Intent adopted

Reported correctly engrossed, signed by the Speaker
 and returned to the Senate

Chief Clerk of the House

SENATE-HOUSE HISTORY Continued

19	<p>Received from the House Version: _____</p> <p>Concur in House amendment Y ___ N ___ E ___ A ___ _____ Efd same or Y ___ N ___ E ___ A ___</p> <p>Failed to concur in House amendment, ask House recede Y ___ N ___ E ___ A ___</p> <p>House failed to / receded from amendment Y ___ N ___ E ___ A ___</p> <p>CC appointed by Senate _____ Chair _____</p> <p>CC appointed by House _____ Chair _____</p> <p>(S) Granted Limited Powers of Free Conference</p> <p>(H) Granted Limited Powers of Free Conference</p>
-----------	--

19	<p>(S) Adopted CC Rpt _____ Y ___ N ___ E ___ A ___ _____ Efd same or Y ___ N ___ E ___ A ___</p> <p>(H) Adopted CC Rpt _____ Y ___ N ___ E ___ A ___ _____ Efd same or Y ___ N ___ E ___ A ___</p> <p>To enrolling Received from enrolling Sent to Governor</p> <p>_____ By Governor</p> <p>Chapter Number _____</p> <p>Filed with Lieutenant Governor</p>
-----------	---

FISCAL NOTE

No. 3

Bill Version: SB 59

(S) Publish Date: 1/22/93

**STATE OF ALASKA
1993 LEGISLATIVE SESSION**

BILL

Revision Date: _____ Dept. Affected: Revenue
 Title: An act relating to school construction and major maintenance BRU: Revenue Operations
 grants to school districts Component: Treasury Division
 Sponsor: _____
 Requestor: _____ COMPONENT SERIAL NO. 121

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL						
----------------	--	--	--	--	--	--

REVENUE FUND SOURCE:						
-----------------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME			
PART-TIME			
TEMPORARY			

Changes in CS SB 57 (H25) have no fiscal impact. This fiscal note is appropriate.
 4/13/93 bh
 date Comte Aide (initial)

Estimate of current year (FY93) impact: \$ _____

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Brian C. Andrews Phone: 465-4880
 Division: Treasury Date: 1-20-93
 Approved by Commissioner: [Signature] Date: 1/20/93
 Agency: Treasury

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FISCAL NOTE _____

"An Act providing that a school district will participate in the school construction grant program; creating a school major maintenance account; and providing for an effective date."

This bill will facilitate the construction of more school facilities than would be possible with an equal appropriation under the current procedure. It is likely this will result in a greater number of grant requests inasmuch as the possibility of having a project funded will be greatly increased. The increased number of grants and grant awards will place an additional clerical burden upon the facilities section. Along with the increased clerical burden will be the responsibility to evaluate a greater number of grant proposals and to ensure that proper matching funds have been identified for each proposal. This bill establishes a major maintenance account to fund projects that will prolong the life of a facility or provide necessary code upgrades. This will require extensive on-site reviews.

It is anticipated that facilities administrators from a cross section of school districts will be invited to participate in the development of standards for school maintenance programs. It is anticipated that such standards will be included in either regulations governing application for major maintenance grants, or the grant agreement itself. Funds for the development of standards are requested in the contractual line.

Two additional positions are necessary to ensure grant awards and management are consistent with this legislation. Personal services costs are assumed to increase 3% per year after the first year. Equipment cost are \$18.0 the first year and \$3.0 for replacement thereafter.

Funding for the CIP Overhead and Associated Costs component will be based upon a percentage charge from the school construction grant account, school major maintenance account, and inter-agency receipts originating from the Alaska debt retirement fund. For this fiscal note, funding is CIP Receipts derived proportionally from the school construction grant account and the school major maintenance account appropriations.

Personal Services:		\$86.3
Project Assistant (16B)	\$52.8	
Clerk Typist III (8B)	\$33.5	
Travel:		\$13.4
Project Assistant travel	\$13.4	
Air fare for 15 site visits (15 x 700 =10.5)		
Per Diem for 30 days (30 x 95 =2.9)		

Contractual:		\$11.6
Development of facility standards and regulations	\$ 6.0	
Phone lines 2 positions @ \$300/ year	\$.6	
Additional funds for hearing officer/court reporter	\$ 5.0	
Supplies:		\$ 1.2
Supplies for 2 positions @ \$600 each	\$ 1.2	
Equipment:		\$18.0
Office Furniture (desks, files, partitions, etc. 2 positions	\$ 6.0	
Computer Equip. (Computers/ printer for 2 positions)	\$12.0	
	FY 94 Total	\$130.5

1/11/93

Position Title Clerk Typist III		No. of Positions 1	Range / Step 8B	Barg. Unit GGU
Time Status PFT	Staff Months 12	Location Juneau		Election District 3, 4
TYPE OF EXPENDITURE		Amount	Justification	
Salary		22.6	It is anticipated that contracts with school districts, auditors, and municipalities will at least double as a result of this bill. This position is necessary to meet the additional administrative support requirements generated by this legislation.	
Benefits		10.9		
Premium Pay				
Other				
Total Personal Services		33.5		
Travel				
Contractual		5.8		
Commodities		.6		
Equipment		9.0		
Other				
Total Cost		48.9		
FUNDING SOURCE FOR TOTAL COST				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004			
IA Receipts	1007			
CIP Receipts	1061	48.9		
Other				

5 of 5

**Request For
New Position**

AGENCY Education
 BRU Executive Administration
 COMPONENT CIP Overhead and Associated Costs

FY 1994

Page _____ of _____
 Revised Date: _____

FISCAL NOTE

Revision Date:
Title: School Construction

Department Affected: DOT&PF
BRU:

Sponsor: Rules
Requestor: Governor

Component:
Component Serial Number:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING:	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE FUND SOURCE	0	0	0	0	0	0
---------------------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

1002 FEDERAL RECEIPTS	0	0	0	0	0	0
1003 GF MATCH	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/PROGRAM RECEIPTS	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL FUNDING:	0	0	0	0	0	0

POSITIONS

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

Estimate of current year (FY93) impact: \$ _____)

Changes in CS SB 59 (HES) have no fiscal impact. This fiscal note is appropriate.

ANALYSIS: (Attach a separate page if necessary)

4/13/93
date hh
Comte Aide (initial)

Prepared by: Kit Duke

Phone: 562-2728

Division: Assistant Commissioner

Date: January 20, 1993

Approved by Commissioner: Frank G. Turpin

Phone: 465-3901

Agency: Department of Transportation and Public Facilities

Date: January 20, 1993

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FISCAL NOTE

No. 1

Bill Version: SB 59

(S) Publish Date: 1/22/93

STATE OF ALASKA
1993 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Education
 Title: Relating to the School Construction BRU: Executive Administration
 Grant Program; Creating a School Major Maint. Acct. Component: CIP Overhead and Associated Costs
 Sponsor: Senate Rules
 Requestor: Governor COMPONENT SERIAL NO. 156

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES	86.3	88.9	91.6	94.3	97.1	100.1
TRAVEL	13.4	13.4	13.4	13.4	13.4	13.4
CONTRACTUAL	11.6	11.6	11.6	11.6	11.6	11.6
SUPPLIES	1.2	1.2	1.2	1.2	1.2	1.2
EQUIPMENT	18.0	3.0	3.0	3.0	3.0	3.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	130.5	118.1	120.8	123.5	126.3	129.3

CAPITAL						
---------	--	--	--	--	--	--

REVENUE FUND SOURCE:						
----------------------	--	--	--	--	--	--

FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other 1061 CIP Receipts	130.5	118.1	120.8	123.5	126.3	129.3
TOTAL	130.5	118.1	120.8	123.5	126.3	129.3

POSITIONS:

FULL-TIME	2.0	2.0	2.0	2.0	2.0	2.0
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ None

Changes in CS SB 59 (HES)
 reflect NO FISCAL CHANGE from the original
 fiscal note. This fiscal note is appropriate.
4/13/93 lh
 date Comte Aide (initial)

ANALYSIS: (Attach a separate page if necessary)

SEE ATTACHED

Prepared by: Gary M. Bader
 Division: Administrative Services
 Approved by Commissioner: [Signature]
 Agency: Department of Education

Phone: 465-8650
 Date: January 11, 1993
 Date: 1/20/93

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SECTIONAL ANALYSIS

CS for Senate Bill No. 59 (HES)

"An Act relating to school construction grants and major maintenance grants to school districts; providing for school district participation in the cost of school construction and major maintenance; and providing for an effective date."

Section 1 provides that the department may not award a school construction or major maintenance grant under AS 14.11 to a municipality that is a school district or a REAA that is not in compliance with the insurance requirements of AS 14.03.050(a).

Section 2 extends the duties of the Department of Education under AS 14.07.020(a)(11) to include review of major maintenance projects.

Section 3 changes the school construction grant fund to include major maintenance grants.

Section 4 establishes a school district participation share.

- School districts must provide a percentage share of the project costs to receive a major maintenance grant.
- A city or borough school district's participating share is calculated by dividing the value of taxable real and personal property described in AS 14.17.025(a)(1) by the district average daily membership (ADM), defined in AS 14.17.250 to establish the district's full value ADM.
- The higher the full value ADM the higher will be the district participating share ranging from 5 percent to 30 percent.
- The required participating share for a REAA will be 3.8 percent, phased-in during the next three years. (Please see Section 13.)
- The REAA's participating share may be satisfied by federal or local money, locally contributed labor, material, or equipment, or other sources providing that the grant under AS 14.11 may not be a source of the share.

- If a REAA can demonstrate in writing that it is unable to provide the participating share, or that the requirement will jeopardize receipt of federal assistance, the Commissioner may waive all or a portion of the participating share.

Section 5 amends the section on grant applications to reflect the addition of major maintenance grants and eliminates the reference to school construction.

Section 6 substitutes capital improvement project for the term construction in reference to grants under AS 14.11.013(a).

Section 7 amends AS 14.11.013(b) to substitute the term capital improvement project for construction and by eliminating the term school construction.

- Clarifies that the department shall evaluate all factors in establishing priorities without giving one factor priority over another.

Section 8 eliminates the term school construction in reference to approval of a grant application.

- Provides that the grants will be approved only to the extent that mone, is available in the appropriate fund.

Section 9 eliminates the term school construction under grant conditions for a municipality that is a school district or a REAA.

- Clarifies that applicants for a grant under AS 14.11.017 must meet department criteria if the grant is for school construction.
- Clarifies that grant conditions include major maintenance projects as appropriate in the area.
- In other subsections of the grant conditions, eliminates the terms school construction and constructions, and adds the terms project and appropriate, to conform to the new major maintenance grant section.

Section 10 adds a new section to allow the department by regulation to establish time periods for establishing costs of school construction.

Section 11 eliminates the term school construction from grant appropriation under AS 14.11.019 and substitutes the terms capital improvement project for construction.

Section 12 changes the definitional section.

- Defines "capital improvement project" to mean to school construction or major maintenance.
- Defines "grant" to mean a grant for school construction or major maintenance.
- Clarifies that "major maintenance" means a project described in AS 14.11.013(a)(1)(C) or (D).
- Defines "school construction" to mean a project described in AS 14.11.013(a)(1)(A), (B), (E), (F), or (G).

Section 13 states the participating share for a REAA is not required for grants made in 1993.

- The grants awarded in 1994 will require a participating share of two percent and grants awarded in 1995 will require a participating share of three percent.

Section 14 suspends certain grant provisions for 1993.

Section 15 provides an effective date.

WALTER J. HICKEL
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

59

January 22, 1993

The Honorable Rick Halford
President of the Senate
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear President Halford:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that changes the existing school construction grant program in AS 14.11. During 1992 the facilities committee of Alaska 2000 discussed the existing method of allocating school construction grants. This bill, if enacted into law, divides grants under the program into two categories, provides a separate fund for each of the categories, and requires school districts to provide a participating share in order to obtain a grant.

The main thrust of the bill is to separate grants under the existing program into two categories -- grants for school construction and grants for major maintenance of school facilities -- and to create a separate grant fund for the major maintenance projects. Major maintenance projects are those necessary to protect the structure of existing school facilities or to correct building code deficiencies that require major repair or rehabilitation in order for the facility to continue to be used for the educational program.

Existing AS 14.11.005 creates the school construction grant fund; this bill adds a major maintenance grant fund. Legislative appropriations for the two different types of school facility projects will go into the appropriate fund and will be subject to the existing grant procedures in AS 14.11. The bill makes amendments to those grant procedures to acknowledge the separate categories. The bill also makes conforming amendments to AS 14.03.150(c) and AS 14.07.020(a)(11). Separation of the two types of projects allows separate prioritization of projects, and should result in an improved planning and funding process.

The bill also adds a requirement that, in order to receive a school construction or major maintenance grant, a school district must provide a participating share of the project cost. The participating share for a city or borough school district is based on the full and true value of the taxable real and personal property in the

CORRECTION

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

WALTER J. HICKEL
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

59

January 22, 1993

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President of the Senate
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

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The Honorable Rick Halford
January 22, 1993
Page 2

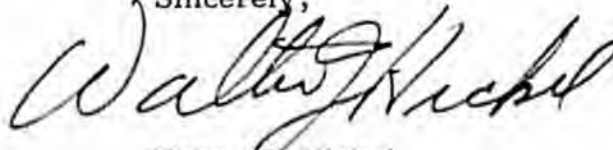
district as of a certain date, and on the district's average daily membership (ADM). A district with a relatively higher property value per ADM will have a relatively higher percentage participating share. City and borough school districts will be required to provide a participating share beginning with grants awarded in fiscal year 1994.

A regional educational attendance area (REAA) participating share is a set percentage of the project cost, although the commissioner of education is authorized to waive all or a portion of the required participating share under certain circumstances. Under the bill, REAAs will not be subject to the requirement for a participating share until fiscal year 1995.

In addition, the bill adds a new subsection to AS 14.11.017. Existing AS 14.11.017(b) authorizes use of grant money under the program to pay the cost of certain activities even if the costs were incurred before the grant application was approved, the grant was awarded, or money was appropriated for the grant. New AS 14.11.017(c) would clarify that the Department of Education can establish the time period in which those activities must have occurred in order to be paid under the grant.

These changes in the way the school construction grant program operates should improve the educational environment of our students and increase the responsibility of school districts in planning for, requesting, and using grant money for school facilities. I urge your early and favorable consideration of this important legislation.

Sincerely,



Walter J. Hickel
Governor

STATE OF ALASKA

DEPARTMENT OF EDUCATION

WALTER J. HICKEL, GOVERNOR

GOLDBELT PLACE
801 WEST 10TH STREET, SUITE 200
JUNEAU, ALASKA 99801-1894

Senate Bill 59

"An Act relating to school construction grants and major maintenance grants . . ."

The following information is provided to the Senate HESS Committee:

1. Summary of Senate Bill 59
2. Sectional Analysis of Senate Bill 59
3. Governor Hickel's transmittal letter
4. Fiscal Note from the Department of Education
5. Deployment Flow Chart of Capital Improvement Project Grant Process
6. Appendix A - Alaska School Districts sorted by the required participation share

SB 59

"An Act relating to school construction grants and major maintenance grants . . ."

Two Grant Categories

- The legislation separates school construction grants into two categories; grants for school construction and grants for major maintenance of school facilities.
- Legislative appropriations for the two different types of school facility projects will go into the appropriate fund and will be subject to the existing grant procedures in AS 14.11.

Grants for School Construction

- School construction projects are those necessary to correct multiple building deficiencies affecting the life, health, and safety of students and staff. Also included are those projects addressing overcrowded schools.

Grants for Major Maintenance

- Major maintenance projects are those necessary to protect the structure of existing school facilities or to correct building code deficiencies that require major repair or rehabilitation.

Participating Share

- In order to receive a school construction or major maintenance grant, a school district must provide a participating share of the project cost -- phased in over four years.
- The participating share for a city or borough school district is based on the full and true value of the taxable real and personal property in the district, and on the district's average daily membership (ADM). A district with a relatively higher property value per ADM will have a relatively higher percentage participating share.
- A regional educational attendance area (REAA) participating share is set at a maximum of 3.8% of the project request, phased-in over a four year period. The Commissioner may waive all or a portion of the share under certain circumstances.

SB

60

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred: May 5, 1993

FURTHER REFERRALS:

Date of Committee Action: 5/9/93 am

The FINANCE Committee considered:

CSSB 60(FIN)

CS FOR SENATE BILL NO. 60(FIN)

APPROP: SCHOOL CONSTRUCTION GRANT FUND

"An Act making appropriations for school construction projects and making an appropriation of \$1,066,280 from the general fund to the Department of Education for payment as grants for additional district support for the fiscal year ending June 30, 1994; and providing for an effective date."

RECOMMENDATIONS:

be replaced with HCS CS SB 60 (FIN) the same title
 a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(s): _____ (Dept)

APPROVES PREVIOUS: _____ (Dept/Date)

fiscal impact _____

fiscal note(s) _____

zero fiscal note _____

zero fiscal note(s) _____

SIGNING <u>DO PASS</u>	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Edgar P. McLean</i> ^{McLean}	✓	<i>Mike Navarre</i> ^{Navarre}	X		
<i>Ronald J. Larson</i> ^{Larson}	X				
<i>Terry Martin</i> ^{Martin}	X				
<i>Mark Hanky</i> ^{Hanky}	X				
<i>John Hoffman</i> ^{Hoffman}	✓				
<i>Frank Gammell</i> ^{Gammell}	X				
<i>Ben Grussendorf</i> ^{Grussendorf}	X				
<i>Tony Brown</i> ^{Brown}	✓				
<i>Richard [unclear]</i> ^[unclear]	X				
<i>[unclear]</i> ^[unclear]	X				

Ronald J. Larson *Ed McLean*
 CHAIRMAN'S SIGNATURE

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130 Seward Street, Suite 409-
Juneau, Alaska 99801-2105

MEMORANDUM

May 5, 1993

SUBJECT: HCS CSSB 60(FIN); Title Change

TO: Representative Eileen MacLean
ATTN: Tom Maher

FROM: George Utermohle *GU*
Legislative Counsel

Enclosed is a draft version of HCS CSSB 60(FIN), as you requested. This version of the bill strips the contents of CSSB 60(FIN) and inserts the contents of CSHB 83(FIN).

Please note that in addition to replacing the contents of CSSB 60(FIN) with the contents of CSHB 83(FIN), the bill also replaces the title of the Senate bill with the title of the House bill. Without this title change, the new bill may be in violation of the requirement of the Alaska Constitution that the subject of a bill be expressed in its title. Article II, sec. 13, Constitution of the State of Alaska. The new bill no longer contains an appropriation for additional district support so that portion of the Senate title is no longer accurate. Also, the fact that the new bill makes appropriations to the University of Alaska for facilities maintenance projects raises the issue of whether the phrase "school construction projects" in the title of the Senate bill includes University maintenance projects. For these reasons the title of the new bill has been changed to avoid any constitutional issues related to the title of the bill that could result in all or part of the bill being struck down by the courts.

Because the title of the bill has been changed in the second house of the legislature, a concurrent resolution should be passed by both houses of the legislature to suspend Rule 24(c) of the Uniform Rules of the Alaska State Legislature.^{1/} Rule 24(c)

^{1/} Rule 24(c) states:

(c) If a committee has more than one bill on the same subject or if it finds it necessary to revise a bill substantially, it may report out a substitute bill and recommend that the substitute be accepted for second reading in the place of the original bill. A committee of
(continued...)

Representative Eileen MacLean

May 5, 1993

Page 2

prohibits a committee of the second house from adopting a committee substitute that requires the change of the title of a bill. It is important to note that Rule 24(c) applies to any change to a bill that requires a change to the title of a bill and not just to bills where the title is changed in the second house. Since the elimination of the appropriation for additional district support from the bill is a change to the bill that the Alaska Constitution requires to be reflected in the title of the bill, Rule 24(c) would still apply. Thus a concurrent resolution suspending Rule 24(c) is required regardless of whether the title of the bill is changed or not.

However, should this version of the bill, with the new title, become law without the passage of a title change resolution before the end of the session, the bill is still valid and is not subject to legal challenge. On the other hand, if the bill is passed by the legislature without a title change, the bill is subject to challenge and possible invalidation to the extent that the contents of the bill is not expressed in the title.

If I may be of further assistance, please advise.

GU:gc
93-396.glc

Enclosure

U(...continued)

the second house may not report a committee substitute for a bill or an amendment to a bill that requires a change in the title of the bill, other than a clerical or technical change, as the title was enacted in the house of origin. Substitute bills are duplicated and distributed when they are reported out by the committee. Committee substitute bills carry a notation of the source or sponsor of the original bill in the manner prescribed by the drafting manual unless the sponsor objects to the name so appearing.

FISCAL NOTE

No. 2

Bill Version: SB 60

(S) Publish Date: 1/22/93

Revision Date:
Title: Approp: School Construction

Department Affected: DOT&PF
BRU:

Sponsor: Rules
Requestor: Governor

Component:
Component Serial Number:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING:	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE FUND SOURCE	0	0	0	0	0	0
---------------------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

1002 FEDERAL RECEIPTS	0	0	0	0	0	0
1003 GF MATCH	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/PROGRAM RECEIPTS	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL FUNDING:	0	0	0	0	0	0

POSITIONS

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

Estimate of current year (FY93) impact: \$ _____

ANALY	Changes in <u>CSSB60 (Fix)</u> ^{y)} have no fiscal impact. This fiscal note is appropriate.	Changes in <u>CSSB60 (HES)</u> have no fiscal impact. This fiscal note is appropriate.
	<u>4-21-93</u> date Comte Aide (initial) <u>RL</u>	<u>4/13/93</u> date Comte Aide (initial) <u>h</u>

Prepared by: Kit Duke

Phone: 562-2728

Division: Assistant Commissioner

Date: January 20, 1993

Approved by Commissioner: Frank G. Turpin

Phone: 465-3901

Agency: Department of Transportation and Public Facilities

Date: January 20, 1993

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FISCAL NOTE

No. 1

Bill Version: SB 60

(S) Publish Date: 1/22/93

STATE OF ALASKA
1993 LEGISLATIVE SESSION

Revision Date: January 22, 1993

Title: An Act making appropriation for
construction and major maintenance of schools

Dept. Affected: Department of Revenue

BRU: APFC

Component: APFC

Sponsor: Rules Committee by Request of Governor

Requester:

COMPONENT SERIAL NO. 109

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING						

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
---------	-----	-----	-----	-----	-----	-----

REVENUE FUND SOURCE: 1041 PF earnings	-0-	(13,000.0)	(13,000.0)	(15,000.0)	(15,000.0)	(18,000.0)
---------------------------------------	-----	------------	------------	------------	------------	------------

FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1008 GF/MHTA						
Other 1041 PF earnings	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL						

POSITIONS:

FULL-TIME			
PART-TIME			
TEMPORARY			

Estimate of current year (FY93) impact: \$

ANALYSIS: (Attach a separate page if necessary)

See attached two pages.

Changes in CSSB 60 (TES) have no fiscal impact. This fiscal note is appropriate.

4/13/93 h1
date Comte Aide (initial)

Changes in CSSB 60 (FIN) have no fiscal impact. This fiscal note is appropriate.

4-21-93 RL
date Comte Aide (initial)

Prepared by: William H. Scott, Executive Director
Division: Alaska Permanent Fund Corporation

Phone: 455-2047

Date: 1/20/93

Approved by Commissioner: [Signature]

Date: 1/22/93

Agency: Revenue

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Corrected



Alaska Permanent Fund Corporation

FINANCIAL PROJECTIONS
(in millions)

as of December 31, 1992

GROWTH OF FUND PRINCIPAL						
FY	FY Begin Balance	Appropriations	Dedicated State Revenues*	Inflation-Proofing	FY End Balance	Inflation-Proofing Shortfall
78	0		54		54	
79	54		84		139	
80	139		344		483	
81	483	900	385		1,769	
82	1,769	800	400		2,969	
83	2,969	400	421	231	4,021	
84	4,021	300	368	151	4,838	
85	4,838	300	368	235	5,741	
86	5,741		323	216	6,281	
87	6,281	1,264 **	170	148	7,884	
88	7,884		418	303	8,585	
89	8,585		228	360	9,173	
90	9,173		267	454	9,894	
91	9,894		435	559	10,888	
92	10,888		338	477	11,703	
93	11,703		256	364	12,319	
94	12,319		241	565	13,125	
95	13,125		249	602	13,976	
96	13,976		253	640	14,872	
97	14,872		248	680	15,800	
98	15,800		235	962	16,997	
99	16,997		209	1,032	18,239	
00	18,239		189	1,106	19,534	
01	19,534		172	1,182	20,887	
02	20,887		158	1,263	22,308	
03	22,308		143	1,225	23,678	123
04	23,678		129	1,184	24,989	245
05	24,989		115	1,246	26,350	260
06	26,350		102	1,311	27,763	276
07	27,763		79	1,379	29,220	292
08	29,220		25	1,447	30,692	308
09	30,692		25	1,516	32,233	327
10	32,233		22	1,590	33,845	345
Cumulative Totals Projected						
For FY 1993-2010						2,175

USE OF FUND INCOME					
Net Income	Distributions			Reserves	
	Dividends	Inflation-Proofing	General Fund	Add (Delete)	FY End Balance
2			1		
8			7		
32			12		
150	12		28	59	59
368	71		71	185	244
471	108	231	110	110	354
530	175	151		203	557
658	217	235		206	763
1,021	303	216		501	1,264 **
1,069	391	148		529	529
789	424	303		82	591
868	460	360	4	44	635
916	487	454	4	(30)	605
1,030	489	559	4	(24)	581
1,036	488	477	5	64	645
1,089	517	360	50	43	686
1,108	542	585		1	689
1,177	589	602		6	695
1,249	592	640		17	711
1,326	623	690		23	734
1,569	675	962		(68)	667
1,575	735	1,032		(92)	574
1,782	798	1,106		(122)	452
1,892	866	1,182		(156)	296
2,004	937	1,263		(196)	100
2,119	994	1,225		(100)	
2,237	1,054	1,184			
2,360	1,114	1,246			
2,488	1,177	1,311			
2,620	1,242	1,379			
2,755	1,308	1,447			
2,894	1,377	1,516			
3,039	1,449	1,590			
35,362	16,587	19,280	150		

REALIZED RATE OF RETURN ASSUMPTIONS:

	Nominal	Inflation	Real
FY 93-97	8.33%	3.01%	5.32%
FY 98-07	8.10%	4.50%	3.60%
FY 98-2010	8.00%	6.00%	3.00%

* Department of Revenue Fall 1992 Low-Case Revenue Forecast.

** Earnings reserve appropriated to Fund principal by the Legislature July 1, 1987.

*** Based on capital market assumptions adopted by the Board of Trustees in March

\$150 MILLION APPROPRIATED FROM EARNINGS RESERVES 7/1/93



Alaska Permanent Fund Corporation

FINANCIAL PROJECTIONS
(in millions)

as of December 31, 1992

GROWTH OF FUND PRINCIPAL						
FY	FY Begin Balance	Appropriations	Dedicated State Revenues*	Inflation-Proofing	FY End Balance	Inflation-Proofing Shortfall
78	0		54		54	
79	54		84		139	
80	139		344		483	
81	483	900	385		1,769	
82	1,769	800	400		2,969	
83	2,969	400	21	231	4,021	
84	4,021	300	368	151	4,838	
85	4,838	300	368	235	5,741	
86	5,741		323	218	6,281	
87	6,281	1,264 **	170	148	7,864	
88	7,864		418	303	8,585	
89	8,585		228	360	9,173	
90	9,173		267	454	9,894	
91	9,894		435	559	10,888	
92	10,888		338	477	11,703	
93	11,703		255	368	12,318	
94	12,319		241	565	13,125	
95	13,125		249	602	13,976	
96	13,976		255	640	14,872	
97	14,872		248	680	15,800	
98	15,800		235	952	16,997	
99	16,997		209	1,032	18,239	
00	18,239		189	1,106	19,534	
01	19,534		172	1,182	20,887	
02	20,887		158	1,283	22,308	
03	22,308		143	1,347	23,796	
04	23,796		129	1,327	25,255	108
05	25,255		115	1,259	26,629	263
06	26,629		102	1,325	28,056	279
07	28,056		79	1,393	29,528	285
08	29,528		25	1,482	31,014	312
09	31,014		25	1,532	32,571	330
10	32,571		22	1,607	34,200	349
Cumulative Total Projections						
For FY 1993-2010						1,936

USE OF FUND INCOME						
Net Income	Distributions			Reserves		FY
	Dividends	Inflation-Proofing	General Fund	Add (Delete)	FY End Balance	
2			1			78
8			7			79
32	12		12			80
150	28		28	59	59	81
368	71		71	185	244	82
471	108	231	110	110	354	83
530	175	151		203	557	84
658	217	235		206	763	85
1,021	303	218		501	1,264 **	86
1,069	391	148		529	529	87
789	424	303		82	591	88
868	460	360	4	44	835	89
918	487	454	4	(30)	605	90
1,030	489	559	4	(24)	581	91
1,038	488	477	5	84	645	92
1,069	517	360	3	90	835	93
1,121	543	565		12	847	94
1,190	572	602		16	864	95
1,264	596	640		27	890	96
1,341	628	680		32	923	97
1,587	683	962		(58)	865	98
1,683	743	1,032		(82)	783	99
1,802	807	1,106		(111)	672	00
1,912	875	1,182		(145)	526	01
2,028	947	1,263		(184)	342	02
2,141	1,005	1,347		(211)	131	03
2,261	1,085	1,327		(131)		04
2,388	1,128	1,259				05
2,514	1,189	1,325				06
2,648	1,255	1,393				07
2,784	1,322	1,462				08
2,924	1,392	1,532				09
3,071	1,464	1,607				10
3,073	1,464	1,607				

REALIZED RATE OF RETURN ASSUMPTIONS:

	Nominal	Inflation	Real
FY 1993-97	8.33%	3.01%	5.32%
FY 98-07	8.10%	4.50%	3.60%
FY 08-10	9.00%	6.00%	3.00%

* Department of Revenue Fall 1992 Low-Case Revenue Forecast.

** Earnings reserve appropriated to Fund principal by the Legislature July 1, 1987.

*** Based on capital market assumptions adopted by the Board of Trustees in March

STATUS QUO

WALTER J. HICKEL
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 22, 1993

The Honorable Rick Halford
President of the Senate
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear President Halford:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill making \$150,000,000 in capital appropriations for construction and major maintenance of Alaska's public schools.

Section 1 of the bill appropriates \$107,688,000 to the school construction grant fund to finance life, health, and safety construction projects in our public schools which are necessary to avert imminent dangers. These appropriations will fulfill the existing backlog of this category of needs, plus fund several other essential capital projects to help meet projected student enrollment increases in the near future.

Section 2 of the bill appropriates \$42,312,000 to a major maintenance grant fund to finance costs of certain repairs to many of our public schools. These appropriations are cost-effective because making repairs now can often avoid major rebuilding or construction costs later. Also, some of the projects may make the schools more energy efficient, which will likely have long-term energy savings for the state.

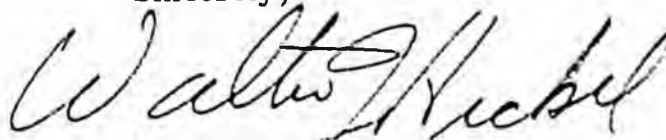
The appropriation amounts in both secs. 1 and 2 of the bill assume that the local community will financially participate in each project in order to fully fund it. Requiring a local community participating share should allow limited state dollars to go farther in financing capital needs in our public schools. Such a requirement also may increase local community interest in the size, design, and cost of the overall project and in prioritizing the project against other community needs for state funding.

The need for additional capital money has been supported by the state Board of Education. I urge support, as well, for these important projects.

The Honorable Rick Halford
January 22, 1993
Page 2

Finally, while some may question the use of the earnings reserve account in the permanent fund for these projects, I can see no higher use for this money than to improve our public schools in order to provide quality educational facilities for our children. Alaska's children deserve the finest to help them learn to their greatest capacities.

Sincerely,

A handwritten signature in cursive script, reading "Walter J. Hickel". The signature is written in dark ink and is positioned above the typed name and title.

Walter J. Hickel
Governor

SB

60

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/13/93

FURTHER:

DATE TURNED INTO OFFICE: 4-21-93

The Finance Committee considered **SENATE BILL NO. 60**

"An Act making appropriations for construction and major maintenance of schools; and providing for an effective date."

and recommends:

- replace with _____ CS SB 60 (FINANCE)
- or adopt previous _____ CS _____
- attaches amendment(s)

- same title
- new title
- technical title change (HB only)

adopts _____ Letter of Intent

further referral to the _____

do pass

do not pass

no recommendation

individual recommendations

NEW FISCAL NOTES

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTES

Department	Date	Zero	Fiscal
<u>DOTPF</u>	<u>1-20-93</u>	<u>0</u>	
<u>DDR</u>	<u>1-22-93</u>	<u>0</u>	

Appropriation No Fiscal Note

DO PASS.

George Arleo

Should pass

OTHER RECOMMENDATIONS:

None this No Rec
Don't change No Rec

Low voice - let's

FISCAL NOTE

No. 1

Bill Version: SB 60

(S) Publish Date: 1/22/93

STATE OF ALASKA
1993 LEGISLATIVE SESSION

Revision Date: January 22, 1993

Title: An Act making appropriation for construction and major maintenance of schools

Dept. Affected: Department of Revenue

BRU: APFC

Component: APFC

Sponsor: Rules Committee by Request of Governor

Requester:

COMPONENT SERIAL NO. 109

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRA'ITS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING						

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
---------	-----	-----	-----	-----	-----	-----

REVENUE FUND SOURCE: 1041 PF earnings	-0-	(13,000.0)	(13,000.0)	(15,000.0)	(15,000.0)	(18,000.0)
---------------------------------------	-----	------------	------------	------------	------------	------------

FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 OF Match						
1004 OF						
1005 OF/Program Receipts						
1008 GF/MHTA						
Other 1041 PF earnings	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL						

POSITIONS:

FULL-TIME			
PART-TIME			
TEMPORARY			

Changes in CSSB 60 (YES) have no fiscal impact. This fiscal note is appropriate.

4/13/93
/date

h1
Comte Aide (initial)

Estimate of current year (FY93) impact: \$

ANALYSIS: (Attach a separate page if necessary)

See attached two pages.

Prepared by: William H. Scott, Executive Director

Phone: 465-2047

Division: Alaska Permanent Fund Corporation

Date: 1/20/93

Approved by Commission: [Signature]

Date: 1/22/93

Agency: Revenue

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FISCAL NOTE

Revision Date:
Title: Approp: School Construction

Department Affected: DOT&PF
BRU:

Sponsor: Rules
Requestor: Governor

Component:
Component Serial Number:

EXPENDITURES/REVENUE

(Thousands of Dollars)

	94	FY95	FY96	FY97	FY98	FY99
OPERATING						
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING:	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE FUND SOURCE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

1002 FEDERAL RECEIPTS	0	0	0	0	0	0
1003 GF MATCH	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/PROGRAM RECEIPTS	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL FUNDING:	0	0	0	0	0	0

POSITIONS

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

Estimate of current year (FY93) impact: \$ _____

ANALYSIS: (Attach a separate page if necessary)

Changes in CS SB 60 (HES)
have no fiscal impact. This
fiscal note is appropriate.

4/13/93
date

bh
Comte Aide (initial.)

Prepared by: Kit Duke

Phone: 562-2728

Division: Assistant Commissioner

Date: January 20, 1993

Approved by Commissioner: Frank G. Turpin

Phone: 465-3901

Agency: Department of Transportation and Public Facilities

Date: January 20, 1993

SECTIONAL ANALYSIS

Senate Bill 60

"An Act making appropriations for construction and major maintenance of schools; and providing for an effective date."

Section 1 appropriates \$107,688,000 from the earnings reserve account to the school construction grant fund and allocates payments to school districts and REAAs subject to grant conditions.

- Provides a listing of the school districts and REAA's, the purpose, and the allocation amount.

Section 2 appropriates \$42,312,000 from the earnings reserve account to the major maintenance grant fund and allocates payments to school districts and REAAs subject to grant conditions.

- Provides a listing of the school districts and REAAs, the purpose, and the allocation amount.

Section 3 provides that appropriations under the Act are for capital projects and are subject to the provisions of AS 37.25.020 relating to unexpended balances of appropriations for capital projects.

Section 4 provides for an effective date for sections one and three of this Act.

Section 5 provides that section two takes effect on the effective date of an Act creating a major maintenance grant fund in AS 14.11.

SB 60

"An Act making appropriations for construction and major maintenance of schools"

Grants for School Construction

- Section 1 of this legislation appropriates \$107,688,000 to the school construction grant fund to finance life, health, and safety construction projects in our public schools which are necessary to avert imminent dangers, and projects for un-housed students.

Grants for Major Maintenance

- Section 2 of this legislation appropriates \$42,312,000 to a major maintenance grant fund to finance costs of certain repairs to many of our public schools.

PUBLIC SCHOOL CONSTRUCTION / MAJOR MAINTENANCE FUNDING PLAN, FY 1994 - 1997

Annual Project Classification Amount Funded in Thousands of Dollars
January 21, 1993

Project Classification	FY94 State Share	FY95 State Share	FY96 State Share	FY97 State Share	Total State Share Requested
Priority I: Life / Health / Safety	\$64,349.0	\$3,545.2	\$7,749.3	\$5,131.3	\$80,774.8
Priority II: Unhoused Students	\$36,935.4	\$114,654.5	\$64,694.7	\$92,581.5	\$308,866.1
Priority III: Protection of Structure	\$5,376.6	\$15,448.2	\$9,863.8	\$8,102.6	\$38,791.2
Priority IV: Code Upgrade	\$36,935.4	\$16,352.1	\$18,317.1	\$14,633.2	\$86,237.8
Priority *: Carry-over Projects	\$6,403.6	\$0.0	\$0.0	\$0.0	\$6,403.6
Fiscal Year Totals	\$150,000.0	\$150,000.0	\$100,624.9	\$120,448.6	\$521,073.5

**Capital Improvement Program Budget Request - January 21, 1993
for Fiscal Year 94 - Funding Level 60% - 100%
(With estimated funding for FY95 - FY97)**

DOE Rank	District Name	Priority Rank	Amount Requested	Local Match	Amount Funded (See Appendix A)	Aggregate Amount	Project Name
17	Kashunamiut Schools	17	\$15,746.0		\$15,746.0	\$62,822.7	Replacement School Facility
18	North Slope Borough Schools	18	\$265.0	\$106.0	\$159.0	\$62,981.7	Point Hope Entryways and Roof Renovation
19	Yukon/Koyukuk Schools	19	\$280.2		\$280.2	\$63,261.9	Nulato Voc Ed Upgrade
20	Tanana City Schools	20	\$96.0	\$14.4	\$81.6	\$63,343.5	Heat Exchanger and Storage Tank
21	Kuspuk Schools	21	\$380.0		\$380.0	\$63,723.5	Sleetmute Foundation & Roof Repair
22	Denali Borough Schools	22	\$99.5	\$5.0	\$94.5	\$63,818.0	Tri-Valley Fire Separation
23	Craig City Schools	23	\$545.7	\$81.9	\$463.8	\$64,281.8	Craig High School Roof Replacement
24	North Slope Borough Schools	24	\$112.0	\$44.8	\$67.2	\$64,349.0	Districtwide Renovations
	Total for Priority Type 1 =		\$72,586.5	\$8,237.5	\$64,349.0		
	PRIORITY * : CARRY OVER						
25	Copper River Schools		\$3,108.0		\$3,108.0	\$3,108.0	Glennallen Secondary School, Final Phase
26	Lower Yukon Schools		\$3,295.6		\$3,295.6	\$6,403.6	Mt. Village Elementary Replacement, Phase II
	Total for Priority Type * =		\$6,403.6		\$6,403.6		
	PRIORITY 2 : UNHOUSED STUDENTS						
27	Northwest Arctic Borough Schools	1	\$14,366.7	\$2,155.0	\$12,211.7	\$12,211.7	Selawik School Replacement
28	Bering Strait Schools	2	\$9,528.6		\$9,528.6	\$21,740.3	Koyuk School Addition/Renovation
29	Kenai Peninsula Borough Schools	3	\$426.3	\$127.9	\$298.4	\$22,038.7	Portable Classrooms Districtwide
30	Unalaska City Schools	4	\$5,466.0	\$2,186.4	\$3,279.6	\$25,318.3	Unalaska Elementary Addition
31	Southeast Island Schools	5	\$1,229.0		\$1,229.0	\$26,547.3	Edna Bay School Construction

**Capital Improvement Program Budget Request - January 21, 1993
for Fiscal Year 94 - Funding Level 60% - 100%
(With estimated funding for FY95 - FY97)**

DOE Rank	District Name	Priority Rank	Amount Requested	Local Match	Amount Funded	Aggregate Amount	Project Name
PRIORITY 1 : LIFE/HEALTH/SAFETY			All amounts shown in thousands of dollars				
					<i>(See Appendix A)</i>		
1	Ketchikan Gateway Borough Schools	1	\$9,501.6	\$2,850.5	\$6,651.1	\$6,651.1	Ketchikan High, Final Phase
2	Lake and Peninsula Schools	2	\$1,660.0	\$249.0	\$1,411.0	\$8,062.1	Chignik Bay School Addition
3	Yakutat City Schools	3	\$581.2	\$87.2	\$494.0	\$8,556.1	Elementary School Repair
4	North Slope Borough Schools	4	\$133.1	\$53.2	\$79.9	\$8,636.0	Point Lay Cully School Drinking Water
5	Alaska Gateway Schools	5	\$8,678.9		\$8,678.9	\$17,314.9	Tok School Replacement
6	Kake City Schools	6	\$1,830.0	\$91.5	\$1,738.5	\$19,053.4	Elementary & High School Life/Safety
7	Southwest Region Schools	7	\$762.8		\$762.8	\$19,816.2	New Stuyahok Roof and Wall Replacement
8	Pribilof Schools	8	\$1,222.7		\$1,222.7	\$21,038.9	St. Paul Roofing and Siding Replacement
9	Eering Strait Schools	9	\$12,586.4		\$12,586.4	\$33,625.3	Gambell Elementary Addition
10	Jureau Borough Schools	10	\$218.0	\$65.4	\$152.6	\$33,777.9	J/D High School Structural Repair
11	Delta/Greely Schools	11	\$1,513.6		\$1,513.6	\$35,291.5	Delta School Roof Replacement
12	Anchorage Schools	12	\$1,400.0	\$420.0	\$980.0	\$36,271.5	West High School Electrical Repair
13	Fairbanks North Star Schools	13	\$12,595.4	\$3,778.6	\$8,816.8	\$45,088.3	North Pole Elementary Addition
14	Annette Island Schools	14	\$720.8		\$720.8	\$45,809.1	Elementary/Middle School Repair
15	Aleutians East Borough Schools	15	\$1,300.0	\$390.0	\$910.0	\$46,719.1	King Cove Elementary Life Safety
16	Pribilof Schools	16	\$357.6		\$357.6	\$47,076.7	St. George Roof & Exterior Repair

**Capital Improvement Program Budget Request - January 21, 1993
for Fiscal Year 94 - Funding Level 60% - 100%
(With estimated funding for FY95 - FY97)**

DOE Rank	District Name	Priority Rank	Amount Requested	Local Match	Amount Funded (See Appendix A)	Aggregate Amount	Project Name
17	Kashunamiut Schools	17	\$15,746.0		\$15,746.0	\$62,822.7	Replacement School Facility
18	North Slope Borough Schools	18	\$265.0	\$106.0	\$159.0	\$62,981.7	Point Hope Entryways and Roof Renovation
19	Yukon/Koyukuk Schools	19	\$280.2		\$280.2	\$63,261.9	Nulato Voc Ed Upgrade
20	Tanana City Schools	20	\$96.0	\$14.4	\$81.6	\$63,343.5	Heat Exchanger and Storage Tank
21	Kuspuk Schools	21	\$380.0		\$380.0	\$63,723.5	Sleetmute Foundation & Roof Repair
22	Denali Borough Schools	22	\$99.5	\$5.0	\$94.5	\$63,818.0	Tri-Valley Fire Separation
23	Craig City Schools	23	\$545.7	\$81.9	\$463.8	\$64,281.8	Craig High School Roof Replacement
24	North Slope Borough Schools	24	\$112.0	\$44.8	\$67.2	\$64,349.0	Districtwide Renovations
	Total for Priority Type 1 =		\$72,586.5	\$8,237.5	\$64,349.0		
	PRIORITY * : CARRY OVER						
25	Copper River Schools		\$3,108.0		\$3,108.0	\$3,108.0	Glennallen Secondary School, Final Phase
26	Lower Yukon Schools		\$3,295.6		\$3,295.6	\$6,403.6	Mt. Village Elementary Replacement, Phase II
	Total for Priority Type * =		\$6,403.6		\$6,403.6		
	PRIORITY 2 : UNHOUSED STUDENTS						
27	Northwest Arctic Borough Schools	1	\$14,366.7	\$2,155.0	\$12,211.7	\$12,211.7	Selawik School Replacement
28	Bering Strait Schools	2	\$9,528.6		\$9,528.6	\$21,740.3	Koyuk School Addition/Renovation
29	Kenai Peninsula Borough Schools	3	\$426.3	\$127.9	\$298.4	\$22,038.7	Portable Classrooms Districtwide
30	Unalaska City Schools	4	\$5,466.0	\$2,186.4	\$3,279.6	\$25,318.3	Unalaska Elementary Addition
31	Southeast Island Schools	5	\$1,229.0		\$1,229.0	\$26,547.3	Edna Bay School Construction

**Capital Improvement Program Budget Request - January 21, 1993
for Fiscal Year 94 - Funding Level 60% - 100%
(With estimated funding for FY95 - FY97)**

DOE Rank	District Name	Priority Rank	Amount Requested	Local Match	Amount Funded (See Appendix A)	Aggregate Amount	Project Name
32	Lower Yukon Schools	6	\$622.7		\$622.7	\$27,170.0	Hooper Bay Classroom Addition
33	Southeast Island Schools	7	\$851.9		\$851.9	\$28,021.9	New Port Protection School
34	Southeast Island Schools	8	\$1,903.6		\$1,903.6	\$29,925.5	Kasaan/Hollis Schools Project
35	Craig City Schools	9	\$2,121.0	\$318.2	\$1,802.9	\$31,728.4	Craig Elementary Addition
36	Kuspuk Schools	10	\$1,946.4		\$1,946.4	\$33,674.8	Upper Kalskag O/J Gregory Elementary
37	Mat-Su Borough Schools END OF FY94 FUNDING	11	\$10,250.0	\$1,537.5	\$8,712.5	\$42,387.3	New Greater Wasilla Area School
38	Kuspuk Schools	12	\$5,803.4	\$58.0	\$5,745.4	\$48,132.6	Aniak Middle/Elementary School, Phase I
39	Anchorage Schools	13	\$12,300.0	\$4,305.0	\$7,995.0	\$56,127.6	Mountain View New Elementary
40	Craig City Schools	14	\$818.6	\$163.7	\$654.9	\$56,782.5	Craig High School, Phase I
41	Lower Kuskokwim Schools	15	\$18,917.0	\$189.2	\$18,727.8	\$75,510.3	New Bethel Middle School
42	Southeast Island Schools	16	\$1,750.0	\$17.5	\$1,732.5	\$77,242.8	New Craik Floating School
43	Anchorage Schools	17	\$12,300.0	\$4,305.0	\$7,995.0	\$85,237.8	Sand Lake Area New Elementary
44	Yupit Schools	18	\$5,500.0	\$55.0	\$5,445.0	\$90,682.8	Akiachak Elementary Replacement/Upgrade
45	Northwest Arctic Borough Schools	19	\$13,232.1	\$2,646.4	\$10,585.7	\$101,268.5	Buckland School Addition
46	Ketchikan Gateway Borough Schools	20	\$8,816.7	\$3,085.8	\$5,730.9	\$106,999.4	Shoenbar Junior High
47	Juneau Borough Schools	21	\$14,200.0	\$4,970.0	\$9,230.0	\$116,229.4	New Elementary School

**Capital Improvement Program Budget Request - January 21, 1993
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(With estimated funding for FY95 - FY97)**

DOE Rank	District Name	Priority Rank	Amount Requested	Local Match	Amount Funded <small>(See Appendix A)</small>	Aggregate Amount	Project Name
48	Fairbanks North Star Schools END OF FY95 FUNDING	22	\$61,631.9	\$21,571.2	\$40,060.7	\$156,290.1	New Fairbanks High School, Phase II
49	Lake & Peninsula Schools	23	\$1,000.0	\$250.0	\$750.0	\$157,040.1	Ivanof Bay School Replacement
50	Fairbanks North Star Schools	24	\$13,461.7	\$5,384.7	\$8,077.0	\$165,117.1	New North Fairbanks Elementary
51	Yukon Flats Schools	25	\$1,650.0	\$39.6	\$1,610.4	\$166,727.5	Circle Multipurpose/Classroom Addition
52	Kodiak Island Borough Schools	26	\$7,500.0	\$3,000.0	\$4,500.0	\$171,227.5	Kodiak New Elementary School, Phase I
53	Yukon/Koyukuk Schools	27	\$1,461.6	\$35.1	\$1,426.5	\$172,654.0	Allakaket School Addition
54	Southeast Island Schools	28	\$2,047.0	\$49.1	\$1,997.9	\$174,651.9	Naukati School Construction
55	Mat-Su Borough Schools	29	\$4,612.5	\$1,153.1	\$3,459.4	\$178,111.3	Glacier View School Addition
56	Aleutians East Borough Schools	30	\$725.0	\$290.0	\$435.0	\$178,546.3	False Pass School Addition
57	Southwest Region Schools	31	\$2,112.0	\$50.7	\$2,061.3	\$180,607.6	Togiak School Addition
58	Lake & Peninsula Schools	32	\$450.0	\$112.5	\$337.5	\$180,945.1	Kokhanok School Addition
59	Lower Kuskokwim Schools	33	\$6,020.0	\$144.5	\$5,875.5	\$186,820.6	Newtok Elementary School Addition
60	Kenai Peninsula Borough Schools	34	\$3,841.6	\$1,536.6	\$2,305.0	\$189,125.6	Kenai Elementary School Renovation
61	Chatham Schools	35	\$687.0	\$16.5	\$670.5	\$189,796.1	Angoon Elementary Classroom Addition
62	Anchorage Schools	36	\$13,000.0	\$5,200.0	\$7,800.0	\$197,596.1	Turnagain Area New Elementary
63	Southeast Island Schools	37	\$3,526.0	\$84.6	\$3,441.4	\$201,037.5	Coffman Cove Building Replacement

**Capital Improvement Program Budget Request - January 21, 1993
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DOE Rank	District Name	Priority Rank	Amount Requested	Local Match	Amount Funded (See Appendix A)	Aggregate Amount	Project Name
64	Bering Strait Schools	38	\$6,584.7	\$156.0	\$6,426.7	\$207,464.1	Teller Elementary Addition
65	Yupit Schools	39	\$575.0	\$13.8	\$561.2	\$208,025.3	Modular Classrooms
66	Bering Strait Schools	40	\$5,360.8	\$128.7	\$5,232.1	\$213,257.5	Golovin Elementary Addition to High School
67	Juneau Borough Schools	41	\$311.4	\$124.6	\$186.8	\$213,444.3	Auke Bay Classroom Addition
68	Lower Kuskokwim Schools END OF FY96 FUNDING	42	\$4,674.9	\$112.2	\$4,562.7	\$218,007.0	Atmautluak Elementary School Addition
69	Kenai Peninsula Borough Schools	43	\$10,300.5	\$4,635.2	\$5,665.3	\$223,672.3	New West Homer Elementary
70	Aleutians East Borough Schools	44	\$1,300.0	\$585.0	\$715.0	\$224,387.3	Akutan School Addition
71	Copper River Schools	45	\$1,881.4	\$71.5	\$1,809.9	\$226,197.2	Copper Center Elementary Addition
72	Anchorage Schools	46	\$4,650.0	\$2,092.5	\$2,557.5	\$228,754.7	Willow Crest Elementary Addition
73	Haines Borough Schools	47	\$3,840.0	\$1,728.0	\$2,112.0	\$230,866.7	Middle School Addition
74	Kodiak Island Borough Schools	48	\$2,000.0	\$900.0	\$1,100.0	\$231,966.7	Ouzinkie Upgrade/Remodel
75	Bering Strait Schools	49	\$8,886.6	\$337.7	\$8,548.9	\$240,515.6	Elim Elementary Addition
76	Mat-Su Borough Schools	50	\$26,137.5	\$7,841.3	\$18,296.3	\$258,811.9	Atlasta New Middle School
77	Denali Borough Schools	51	\$8,625.0	\$431.3	\$8,193.8	\$267,005.6	Tri-Valley School Addition
78	Kuspuk Schools	52	\$650.0	\$24.7	\$625.3	\$267,630.9	Crooked Creek Johnnie John School Addition
79	Anchorage Schools	53	\$4,450.0	\$2,002.5	\$2,447.5	\$270,078.4	Chinook Elementary Addition

**Capital Improvement Program Budget Request - January 21, 1993
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(With estimated funding for FY95 - FY97)**

DOE Rank	District Name	Priority Rank	Amount Requested	Local Match	Amount Funded (See Appendix A)	Aggregate Amount	Project Name
80	Klawock City Schools	54	\$1,000.0	\$50.0	\$950.0	\$271,028.4	New Klawock High School, Phase I
81	Kenai Peninsula Borough Schools	55	\$5,460.2	\$2,457.1	\$3,003.1	\$274,031.5	Tustumena Elementary Addition
82	Kuspuk Schools	56	\$750.0	\$28.5	\$721.5	\$274,753.0	Lower Kalskag Elementary School Addition
83	Kenai Peninsula Borough Schools	57	\$25,040.7	\$11,268.3	\$13,772.4	\$288,525.4	New Skyview Middle/Junior High
84	Anchorage Schools	58	\$36,750.0	\$16,537.5	\$20,212.5	\$308,737.9	South Anchorage New Junior High
	Total for Priority Type 2 =		\$425,305.0	\$116,567.1	\$308,737.9		
PRIORITY 3 : PROTECTION of STRUCTURE							
85	Lower Kuskokwim Schools	1	\$563.0		\$563.0	\$563.0	Bethel HS Major Maintenance/Roof Replacement
86	Aleutian Region Schools	2	\$104.0		\$104.0	\$667.0	Nikolski School Thermal Upgrade/Repairs
87	Juneau Borough Schools	3	\$1,099.0	\$329.7	\$769.3	\$1,436.3	Glacier Valley Roof Replacement
88	Lower Kuskokwim Schools	4	\$551.0		\$551.0	\$1,987.3	Napakiak School Relocation
89	Wrangell City Schools	5	\$60.0	\$18.0	\$42.0	\$2,029.3	Intermediate School Drainage
90	Denali Borough Schools	6	\$101.1	\$5.1	\$96.0	\$2,125.3	Anderson School Old Gym Upgrade
91	Haines Borough Schools	7	\$312.0	\$93.6	\$218.4	\$35,509.9	Elementary/Middle Exterior Wall Protection
92	Yakutat Schools	8	\$222.3	\$33.3	\$189.0	\$35,699.9	High School Roof Repair
93	Lake & Peninsula Schools	9	\$800.0	\$120.0	\$680.0	\$36,378.8	Districtwide Life/Safety Code Upgrades
94	Iditarod Area Schools	10	\$65.5		\$65.5	\$36,444.3	Lime Village Oil Storage